

**Buncombe County Tourism Development Authority,
A Joint Meeting of the Public Authority and Nonprofit Corporation**

Explore Asheville Convention & Visitors Bureau – 27 College Place, Asheville

Board Meeting Minutes

Wednesday, May 2, 2018

- Present (Voting):** Jim Muth, Chair; Gary Froeba, Vice Chair; Andrew Celwyn, Himanshu Karvir, John McKibbon, Paula Wilber
- Absent (Voting):** Leah Ashburn, Chip Craig, John Luckett
- Present (Ex-Officio):** Asheville City Councilmember Julie Mayfield
Buncombe County Commissioner Joe Belcher
- Absent (Ex-Officio):** None
- BC Finance:** Jennifer Durrett
- Advertising Agency:** No one was present from the Peter Mayer Agency
- CVB Staff:** Stephanie Brown, Marla Tambellini, Glenn Cox, Pat Kappes, Dianna Pierce, Jonna Reiff, Sarah Kilgore, Dodie Stephens, Justine Tullos
- CVB Staff Absent:** None
- Guests:** Robert Foster, Biltmore Farms Hotels & TPDF Committee Chair
Kit Cramer, Asheville Area Chamber of Commerce
Demp Bradford, Asheville Buncombe Regional Sports Commission
Jane Anderson, Asheville Independent Restaurant Association
Lew Bleiweis, Asheville Regional Airport
Jason Sandford, Ashvegas
Rick Cecil, UNC Asheville Student
Matilda Bliss, ASURJ-Asheville Stands Up for Racial Justice
Jackson Tierney, Exeter

Executive Summary of Meeting Minutes

- Chairman Muth called the joint meeting of the BCTDA, Public Authority and Nonprofit Corporation, to order at 9:06 a.m.
- Minutes from the March 22, 2018 BCTDA annual planning retreat were approved with a 6-0 vote.
- Minutes from the March 23, 2018 BCTDA regular meeting were approved with a 6-0 vote.

- The March 2018 financial reports were reviewed and approved with a 6-0 vote.
- Ms. Brown provided a BCTDA Finance Committee report.
- The Clifton Larson Allen contract to perform the BCTDA's FY 2017-18 audit was approved with a 6-0 vote.
- Ms. Brown presented a memorandum from the BCTDA's attorney outlining suggested clarifying changes to the TPDF application materials.
- Ms. Brown reviewed how the earned revenue budget has been spent so far this year and presented suggestions for FY 2018-19. With a 6-0 vote, the BCTDA approved including two new initiatives in next year's earned revenue budget.
- Robert Foster recommended the appointment of Chris Levine to fill an open lodging seat on the TPDF committee. The appointment was approved with a 6-0 vote.
- Ms. Pierce provided an overview of activities related to the Meetings Development Fund and requested permission to shift \$8,000 from a canceled meeting planner Fam budget line into the Meetings Development Fund. The board was in consensus with this recommendation.
- Ms. Tambellini shared a PowerPoint presentation highlighting the spring advertising and supplemental campaign and asked for permission to shift funds from the general tourism contingency and ad production budget lines to cover the additional media and sponsorship expenditures as presented. The board approved this request with a 6-0 vote.
- CVBers Dodie Stephens and Sarah Kilgore shared a behind-the-scenes video that was posted on YouTube, which highlighted the making of Zach King's contracted influencer videos using the Asheville area as the backdrop.
- Updates from Asheville City Councilwoman Julie Mayfield and Buncombe County Commissioner Joe Belcher were heard.
- The joint meeting of the BCTDA, Public Authority and Nonprofit Corporation, adjourned at 10:59 a.m.

Call of the Joint BCTDA Meeting to Order

Chairman Muth called the joint meeting of the Buncombe County Tourism Development Authority (BCTDA), a Public Authority and BCTDA, a Nonprofit Corporation, to order at 9:06 a.m. and welcomed everyone. He congratulated John Lockett (in absentia) for his promotion to COO of the Kessler Group. Ms. Brown added Mr. Lockett intends to stay in Asheville and will continue to serve on the BCTDA board.

Approval of Meeting Minutes

Ms. Wilber made a motion to approve the March 22, 2018 annual planning retreat minutes as presented. Mr. Karvir seconded the motion. There was no discussion and with all in favor, the motion carried 6-0.

Ms. Wilber made a motion to approve the March 23, 2018 regular meeting minutes as presented. Mr. Karvir seconded the motion. There was no discussion and with all in favor, the motion carried 6-0.

The minutes are on file with the Explore Asheville Convention & Visitors Bureau (CVB).

Financial Reports

March 2018 Financial Reports

Ms. Durrett reviewed the March 2018 financial reports.

Occupancy tax revenue received in March for February sales totaled \$847,323. March expenditures totaled \$695,404. YTD revenue exceeded expenditures (including appropriated fund balance) by \$4,270,775 and includes nine months of expenditures and eight months of revenue. March expenditures for Administration: \$29,777; Professional Services/Contract: \$235,998; Staff & Facilities: (\$36); Net Media: \$144,113; Motorcoach Sales: \$1,489; Meetings and Conventions: \$40,432; Convention Services: \$1,136; Marketing/Public Affairs: \$1,645; Marketing/Public Relations: \$12,234; International: \$108; Public Affairs: \$1,246; Event Grants Program: (\$2,500).

There is currently \$2,919,058 in undedicated funds in the Tourism Product Development Fund (TPDF).

Ms. Durrett said that of 350 active establishments, 212 paid online in March, noting the letter that was sent out a few months ago netted 50-60 new online payors.

Ms. Durrett said next month's financial statements will be done in the new Workday system, and she expects they will have a similar format. Ms. Brown commended Ms. Durrett and the team at Buncombe County on the transition to Workday, noting that it has been a challenging time for them and the CVB staff. It was added that currently there are significant limitations on getting budgetary reports, however, that should be resolved within the next 2-3 months.

Mr. Karvir made a motion to approve the March 2018 financial reports as presented. Mr. Celwyn seconded the motion. There was no discussion and with all in favor, the motion carried 6-0.

The financial reports are on file with the Explore Asheville Convention & Visitors Bureau.

BCTDA Finance Committee Report

Ms. Brown reported that the BCTDA finance committee, consisting of Chip Craig, John Lockett and John Ellis, met with her on March 31 to review the recently completed compensation analysis and she reported highlights from that meeting.

Ms. Wilber said that with the competitive labor market and a 2-3 percent salary increase being standard, she suggested a 4-5 percent increase may be more in line to keep quality staff. Ms. Brown responded that was the finance committee's direction at this time and they will be working with a new HR consultant next year to further refine the CVB's compensation package.

FY 2017-18 Audit Contract

Ms. Durrett said Buncombe County recently went through an RFP process and has contracted with a new firm, Clifton Larson Allen, to perform its annual audit. She said this firm will also perform the BCTDA's FY 2017-18 audit and said approval of the contract, provided in the board books and in advance of the meeting, is being requested today.

Mr. McKibbon made a motion to approve the audit contract with Clifton Larson Allen as presented. Mr. Karvir seconded the motion. A vote was taken and with all in favor, the motion carried 6-0.

The contract will be executed and kept on file with the Explore Asheville Convention & Visitors Bureau and the Buncombe County Finance Department.

President's Report

Tourism Product Development Fund Application Cycle Recommendations

Ms. Brown said Van Winkle attorney Carleton Metcalf performed a thorough review of the TPDF application materials and suggested some minor clarifying changes, which were included in the memo that was provided in the board's meeting materials. She said Ms. Kappes has made the recommended edits to the TPDF Program Guide, and that the changes primarily centered around the applicant stipulating that their application is compliant with all laws. She then answered questions posed by board members.

The memorandum is on file with the Explore Asheville Convention & Visitors Bureau.

Earned Income Options

Ms. Brown asked the board to turn to the memorandum provided that gave background information on the earned revenue budget. She gave an overview of how the earned revenue (*non-occupancy tax dollars received from ExploreAsheville.com advertising and room bookings*) has been used to support community events year-to-date in FY 2017-18. A list of these events was provided. Ms. Brown then reviewed the programs staff are proposing to include in next year's earned revenue budget, which include: Festival and Cultural Event Grants, Major Event Sponsorship, Event Development Support, Seminar and Symposiums Sponsorships, and Special Projects. She said the Special Projects line includes two new initiatives: \$25,000 to invest in a PR campaign with local media outlets to share the positive impacts of tourism, and \$25,000 to apply towards holiday decorations for the City of Asheville. Ms. Brown then answered all related questions and said she would like to get approval to move forward with the new Special Projects.

Mr. Froeba moved to approve staff allocating \$50,000 in the FY 2018-19 budget for a new Special Projects line in the Earned Revenue Budget to cover expenditures for downtown holiday decorations and a local PR campaign. Mr. McKibbon seconded the motion. There was no discussion and with all in favor, the motion carried 6-0.

CVB Staff Recap

The CVB Staff Recap was not reviewed at this meeting.

Visitor Index and Quick List

Ms. Brown briefly reviewed numbers from the Visitor Index and Quick List and answered all related questions.

Monthly Staff Recaps, Visitor Indexes, Quick Lists, BCTDA financial statements, meeting agendas, and meeting minutes are posted on ExploreAshevilleCVB.com.

TPDF Committee Member Recommendation

Robert Foster, chairman of the TPDF committee, said there is an open seat on the committee due to Mr. Karvir completing his final term. Following interviews conducted by Ken Stamps and himself, Mr. Foster recommends the BCTDA appoint Chris Levine, with The Omni Grove Park Inn, to fill this open seat designated for an accommodations representative. Mr. Foster said Mr. Levine will bring great destination sales and marketing experience to the TPDF committee's application process.

Mr. Celwyn moved to appoint Chris Levine from The Omni Grove Park Inn to fill the open lodging seat on the Tourism Product Development Fund Committee. Mr. Karvir seconded the motion. There was no discussion and with all in favor, the motion carried 6-0.

Sales Department Update

Ms. Pierce reported on the success of the Meetings Development Fund, which was implemented in 2012. She said that over time, tweaks to the criteria and implementing tiered awards have led to the Fund being used more often to book sought-after groups. Moving forward, she said, staff will use the Fund more aggressively to recruit Sunday through Thursday business and groups with multi-year contracts. She shared a slide that highlighted the incentive program details.

Ms. Pierce said that with the cancellation of the September 48-Hour Experience fam due to weather conditions associated with Hurricane Irma, she is requesting approval to move \$8,000 from the fam budget to the Meetings Development Fund budget. Ms. Wilber congratulated Ms. Pierce and her team on the success of the incentive program and suggested increasing the budget to \$50,000 next year, and to do comparisons of similar initiatives in other destinations.

Ms. Pierce asked for approval to transfer \$8,000 from the 48-Hour fam line item to the Meetings Development Fund, and board members nodded in consensus. Since this is a line item transfer within the sales budget, a formal amendment is not necessary.

The PowerPoint slide is on file with the Explore Asheville Convention & Visitors Bureau.

Advertising Update

Ms. Tambellini shared a PowerPoint presentation highlighting the Spring Advertising and Supplemental campaign. She reviewed the campaign objectives, budget, flight period, target audiences, and media approach by market. Ms. Tambellini also shared videos and commercials, partnerships, examples of print and digital ads, research initiatives, and radio and social outreach.

Ms. Tambellini then reviewed the details of the recommended supplemental campaign that was developed in cooperation with Miles Media. She explained that since the decision was made to not produce new brand creative this fiscal year due to the strong performance of existing ads when tested by focus groups recently, funds can be transferred out of the production and general tourism contingency lines to cover the associated costs. She presented a slide that outlined the transfers needed for the supplemental campaign and sponsorships with the World Equestrian Games and Steep Canyon Rangers.

Amount	Reason for Transfer	From Line Item	To Line Item
\$200,000	Portion of supplemental broadcast funding for Spring Campaign	General Tourism Contingency 499900-10	TV Media 440400-10
\$100,000	Portion of supplemental broadcast funding for Spring Campaign	Ad Production 441000-11	TV Media 440400-10
\$75,000	World Equestrian Games Sponsorship	Ad Production 441000-11	Special Promotions 442300-14
\$25,000	Steep Canyon Rangers Sponsorship Renewal	Ad Production 441000-11	Special Promotions 442300-14
\$325,000	Supplemental Summer Campaign	Ad Production 441000-11	TV Media 440400-10
\$25,000	Supplemental Summer Campaign	Ad Production 441000-11	Internet Marketing 440500-21

Ms. Brown commended Ms. Tambellini for identifying the resources and this new partnership with Miles Media to boost promotional efforts heading into the summer. Ms. Tambellini extended kudos to her team for helping implement the spring campaign. She then answered all related questions.

Mr. Karvir moved to approve the budget transfers as presented. Mr. Celwyn seconded the motion. There was no discussion and with all in favor, the motion carried 6-0.

A brief discussion took place regarding promotional efforts related to Allegiant's new Asheville/Denver flight, which launches in two weeks. Mr. Bleiweis provided additional insight and said Allegiant is pleased with bookings so far to date for the Denver flights.

Zach King Video

Ms. Tambellini invited Ms. Stephens to share an update on the new influencer partnership she recently negotiated with YouTube magician/star Zach King.

Ms. Stephens said after Zach King's team received the creative brief that she and Ms. Kilgore developed, they were inspired and expanded upon the original agreement to include additional Asheville area locations in their blog, social media posts and videos. Ms. Stephens then shared the [newly released behind-the-scenes video that was just posted on YouTube](#), noting the official videos will soon follow.

A round of applause was received for the video. The PowerPoint presentation is on file with the Explore Asheville Convention & Visitors Bureau.

Energy Innovation Task Force Report

In the interest of time, it was decided that Councilwoman Mayfield and Mr. Karvir will present the Energy Innovation Task Force report at the June 27 BCTDA meeting.

Asheville City Council Update

Councilwoman Mayfield reported on city-related business, including the budget cycle and receiving funding from the MPO to build the Town Branch Greenway.

Chairman Muth thanked Councilwoman Mayfield for the update.

Buncombe County Commission Update

Commissioner Belcher reported on county-related business, including the budget cycle, increased transparency, work sessions, funding requests, zoning amendments, and investments in a large project in Enka and in the Parks and Recreation department. He concluded his report by saying May 3 is the National Day of Prayer and the commissioners read a proclamation highlighting that date at a recent meeting.

Chairman Muth thanked Commissioner Belcher for his report.

Miscellaneous Business

Ms. Cramer said she is looking forward to having Mr. Cox join community leaders on the Asheville Chamber's upcoming inter-city visit to Savannah.

Mr. Bradford said volunteers are needed for Haute Route, the international cycling event occurring in Asheville in three weeks. He also thanked the BCTDA for its continued support of the Asheville Buncombe Regional Sports Commission.

Ms. Brown said there are 190 people registered for tomorrow's National Tourism Week Summit at the Renaissance, noting Paul Ouimet is the keynote speaker and will present the DestinationNEXT results to the industry.

Mr. McKibbin said Peter Pollay is hosting the James Beard Foundation's Celebrity Chef Tour dinner at Posana on May 3, and local chef Katie Button is participating.

Comments from the General Public

There were no comments from the general public made at this meeting.

Adjournment

The meeting adjourned at 10:59 a.m. The BCTDA will next meet on Wednesday, May 30, 2018, at 9:00 a.m., in the Boardroom of the Explore Asheville Convention & Visitors Bureau.

Respectfully submitted,



Jonna Reiff, Executive Operations Manager