

Town of Blowing Rock

Tourism Development Authority

Minutes – May 28, 2008

The Town of Blowing Rock Tourism Development Authority met on Wednesday, May 28, 2007 at 3:00 p.m. in a special meeting at Town Hall. Present were Chairperson Bernie Keele, Vice-Chair Kent Tarbutton, Authority members Phil Pickett, Keith Tester, and Ex-officio members Scott Hildebran and Nicole Norman. Executive Director Tracy Brown was also present.

Member Lynn Drury was absent due to illness.

Call to Order

Chairperson Keele called the meeting to order and welcomed the Authority members. He stated the purpose of the meeting was to discuss the proposed FY 2008-09 TDA Budget (**Attachment #1**). He also advised that a public hearing on the proposed FY 2008-09 Budget would be held at the June 3, 2008 TDA meeting.

Current Budget - Review

Chairman Keele opened discussions on the current budget. Ex-officio Member Hildebran began by reviewing the current year budget revenue and projected year-end estimates. He advised that the revenue projections for the last two months of the fiscal year were conservative in nature and were 20% below the lowest amount received in the past four years. He stated that interest income had not been budgeted during the current fiscal year with expectation that the revenues would be allocated to cover parking debt service.

Ex-officio Member Norman then reviewed current expenditures for administrative and central services costs. She reminded the Authority that several line-items that exceeded budget were primarily due to a one-time bonus approved by the Board.

Executive Director Brown followed by reviewing current year direct tourism promotion expenditures, including visitor center operations, advertising/marketing and event support. He discussed new copier expenses and use of the copier for printing collateral. Also, Mr. Brown reviewed expenses related to telephone, custodial services, website, marketing and Wine Festival event funding support.

After a brief discussion, the Authority then examined the TDA Strategic Plan in relation to the proposed budget.

TDA Strategic Plan Update

Director Brown stated that the proposed budget would focus on strengthening and expanding the TDA relationship with other area, regional and state tourism organizations. He mentioned a concentrated marketing effort in the Raleigh area with both the Watauga County TDA and the Town of Boone CVB.

It was the consensus of the Authority that Member Tester revise and update the TDA Strategic Plan for the Board's consideration at a future meeting.

Proposed Budget - Review

Chairman Keele opened discussions on the proposed FY 2008-09 Budget. Ex-officio Member Hildebran began by reviewing the projected revenue. **(Attachment #2)**. He advised that revenue was projected for nominal growth, less than 5%. He stated that the uncertain tourism economy, especially escalating gasoline prices, makes revenue projections difficult.

Mr. Hildebran stated that the estimated TDA fund balance was approximately \$241,000, 50% of the 2/3 occupancy revenues, which could be used should revenues not meet projections. He also mentioned there was approximately \$21,000 in un-appropriated fund balance which is designated to cover most of the costs for the upcoming Retail Study.

Ex-officio Member Norman then outlined expenditures for the proposed FY 2007-08 TDA Budget, specifically the administrative and central services areas. She discussed a budgeted 5% salaries increase as well as a change in health insurance coverage for the two full-time

employees of the Authority to Blue Cross-Blue Shield – which provides an insurance savings over the current budget.

Chairperson Keele suggested that Mr. Brown investigate a programmable HVAC thermostat for the building to possibly improve energy use.

Vice-Chair Tarbutton suggested that Mr. Brown investigate any grant possibilities that might aid in TDA funding of tourism amenities. Ex-officio Member Hildebran responded that he had a planned meeting with the High Country Council of Governments and would solicit any help they might provide the Town/TDA. Mr. Brown stated he would follow-up as well.

Member Tester stated he was excited by the regional approach that Mr. Brown was proposing in marketing.

With no further questions, the Authority thanked Mr. Brown for his efforts as Executive Director. The Authority also thanked all staff for their work on the proposed FY 2008-09 Budget.

Chamber Discussion

Chairman Keele advised that, prior to the TDA meeting, he and Vice-Chair Tarbutton had met with Chamber of Commerce officials regarding a potential restructure of the Chamber of Commerce. He stated that a conflict remains between the TDA and Chamber due to actual and perceived duplication of efforts. He further stated that he distributed a letter of concerns and a copy of the authorizing legislation that spelled out the responsibilities of the TDA. Topics discussed at the meeting included – outside membership, residential membership, associate memberships, the possibility of a county-wide chamber, personnel issues, events planner funding, a downtown business organization, community involvement, and possible restructuring models.

Both Mr. Keele and Mr. Tarbutton expressed hope that changes would be made in the near future for the betterment of all. The Authority agreed that the upcoming downtown retail study could provide some direction on possible chamber responsibilities.

Adjournment

With no further business, motion of Member Pickett and second by Vice-Chair Tarbutton, the Authority adjourned the meeting at 4:30 p.m. Motion unanimously approved.

Bernard Keele, Chairperson

Scott E. Hildebran, Secretary

Attachment

#1 – FY 2007-08 Current Budget

#2 – FY 2008-09 Proposed Budget