




NORTH CAROLINA MOUNTAIN TOWNS OF CASHIERS,
CHEROKEE, DILLSBORO AND SYLVA

To: TDA Board

From: Nick Breedlove, TDA Director 

Date: August 15, 2019

Subject: Updates for TDA Board

Tourism Impact Numbers

Visit North Carolina released new Tourism Impact figures Thursday, Aug. 15. Highlights include:

- \$205.81 million in Visitor Spending, an increase of 5.3% from 2017/18 (\$195 million)
- \$50.87 million in Payroll (for those employed in tourism), an increase of 4.9%
- 1,890 employed in tourism, an increase of 1.7%
- \$11,340,000 in state tax receipts, an increase of 4.4%
- \$9,500,000 in local tax receipts, an increase of 4.7%

Read the full press release on the TDA B2B news website [here \[link\]](#).

FY 18-19 Budget

With our August financial report which details July collections for June stays, we are down roughly \$13,000 from last year for the same time period. That is likely due to the closure of our major resort for renovations. With that said, we did finish the year ahead of budget projections, which is very positive news – meaning that the fund balance we had approved for last year's budget to supplement tax collections is not needed in full. We will not know how everything balances out until the audit is complete, but I am happy to hear that we finished ahead of projections. At this point any amount that we are ahead is good news so we have more reserves in fund balance for positive cash flow through a deficit period.

Presentation to County Commissioners

As part of our stakeholder listening sessions related to our Visitor Research and Strategic Plan, Berkeley Young and myself presented updates to County Leadership on Aug. 13. The information was well received, and we left behind bound summary copies and provided both

Economic Development and the Planning Department with a full copy of the DestinationNEXT report.

In related information shared, Economic Development Director Rich Price requested specific data as it relates to WCU's impact on tourism and average occupancy, ADR and RevPAR so he could present WCU's impact on tourism and the economic impact through an ED model to the new Chancellor at an upcoming meeting. I have not had an opportunity to meet the new Chancellor, Kelli R. Brown, yet, but I do plan to make the appropriate introduction once she gets settled into her role and after the school year is well underway.

Community sessions

Two sessions are planned to present our Visitor Research and Strategic Plan:

Sept. 3, 5:30 p.m. Jackson County Public Library Community Room, Sylva

Sept. 4, 5:30 p.m. Albert Carlton Public Library Community Room, Cashiers

I issued a [press release \[link\]](#) announcing the sessions and it will appear in area papers in the coming week.

Both the Tourism Impact press release and the Community Research and Strategic Plan presentations went out also via email to 580 community stakeholders, hoteliers, small business owners, restaurants, and elected officials in a special stakeholder e-mail newsletter on Thursday, Aug. 15. [Link](#)

HR Transition and Aug. 21 meeting

Much of my time over the last month has been spent preparing for the Human Resources transition and working with the Executive Committee almost daily and partners/vendors on the transition. I am happy to say that we have the full framework in place, and everything is in order for a seamless transfer effective Aug. 31. A thanks goes to Executive who have put in extra time to ensure everything has been taken care of between meetings.

At our August 21 Full Board meeting, Executive will recommend the approval of an HR Handbook as a provisional handbook for JCTDA staff. This handbook, when Executive recommends it for a vote, will have been vetted by each Executive Committee member at length, myself, our HR Firm (Craft HR), County Legal and also input from County HR and Finance.

I will post it online with the Agenda link either late Tuesday or early Wednesday morning for review if board members wish to review the roughly 50-page document in advance of the meeting.

In the interest of time, we would ask for the board's approval of the provisional handbook based on Executive's recommendation on Aug. 21, and following Aug. 21 meeting take ample time to study it and make recommendations for future revisions as this will be a living document that we continue to refine over the coming months. On Aug. 21, we will highlight

major components of the HR guide but not cover every aspect in full detail as it has been previously vetted. Copies will be available for each board member to take away and review at length.

Many of the other documents including the budget amendments and other items will likely be worked on up until the meeting and will be presented in person at the meeting and thus are not linked with the digital agenda.

Budget reversion

As part of fiscal conservancy given the news of High Hampton's reopening in Spring 2021, we are reverting roughly \$40,000 in funds back from the ad agency into fund balance. This is from the reduction of one co-op print program in the spring during which we have a similar campaign running the same month, and also reducing our contingency for media purchases to a minimal level along with other cuts identified by Rawle Murdy. This should provide greater cash flow as we experience a deficit in collections this upcoming fiscal year.

Grant Program

The JCTDA suspended its grant program until such a point that the grant program can be reworked by committee to align with our Strategic Plan and Research supporting non-peak and need periods.

It's of my opinion that with all the projects ahead of this board and committee work in the coming months, we will not make a meaningful impact on that grant process before the period which we wish to impact by the grant comes upon us.

My recommendation to the full board is to leave the remaining \$10,000 in grant funds within that line item and have it roll back into general fund after the current fiscal year completes; this would provide additional solvency during a decline of occupancy tax revenue. I would propose we rework the grant program in the spring and reactivate the grant program FY 20-21. I will ask for a consensus on this proposal during our Aug. 21 meeting. I do understand some grantees may be upset by this news but at the end of the day we need to drive demand and visitation during the slowest times of the year, not peak weekends, when we will only add to traffic, congestion and expend funds on driving visitors here who may have already been visiting.

Print Projects

- The reprint of the Jackson County Chamber's Dining guide is complete and in our visitors' hands. It looks great and a thank you to the Chamber for acknowledging the TDA in its guide.
- A printing of 20,000 black and white maps of Dillsboro for the Great Smoky Mountain Railroad train customers is nearing finish with a few final changes. Our hope is this project increases spending to merchants in Dillsboro.
- The new Jackson County Ale Trail map is nearing completion and we've been working with breweries and our marketing agency and committee on finalizing the design. I will bring a sample to our full board meeting Wednesday for the board to review. The initial print run is 3,000 with copies slated for each brewery and our Visitor Centers. If successful, we may try a larger printing and offer those maps to our hotel partners.

Upcoming Projects

In upcoming projects, once time allows for both staff and board, the Crisis Plan is a priority item and I would estimate that the plan is currently at a 75-percent level in being complete. I would like to see this completed before the end of calendar year as one never knows when a crisis will occur and the sooner we can implement the plan the better. I am hopeful to have Executive and the Crisis Plan Committee's feedback incorporated into a draft document for the full board at our next meeting to review and provide feedback by November's meeting given we do not have an October meeting.

Upcoming conferences:

-ESTO: I will be out of the office Friday, Aug. 16 through Tuesday, Aug. 20 at the U.S. Travel Associations Educational Seminar for Tourism Organizations. This conference is one of the top two in the country for educational panels for DMOs and I greatly look forward to the content.

-BRPA: The Blue Ridge Parkway Association meeting is on Sept. 9 and 10 in Floyd, V.A. and I will attend and represent our organization there.

Thank you for your continued dedication to our efforts.