

Heart of Appalachia
Executive / Finance Committee Agenda
Monday, October 26 2026
10:30AM-12:00PM
Clintwood, VA (Chamber of Commerce)

Discussion Items

1. Virtual / Remote Attendance and Voting Policy

Review revisions to the Authority's **Virtual/Remote Attendance and Voting Policy** as prepared by legal counsel.

- Review and discuss proposed revisions.
- Establish a process for **annual review and adoption** of the policy.
- Recommend the revised policy for consideration and approval by the full HOA Board.

2. DMO Locality Sponsorship Funds — HOA Marketing Budget

Establish clear parameters, eligibility requirements, and deadlines for the **annual locality sponsorship funds** designated in the HOA marketing budget.

These funds are **HOA budgeted marketing dollars and are NOT DMME civil-penalty funds**. They are intended to provide each of the eight localities, through their DMO, an opportunity to support eligible:

- Festivals
- Live music events
- Tourism events

Proposed policy considerations:

- Site the current amounts available to each county and town DMO.
- Define eligible uses and required documentation. Festival, music, tourism events.
- Establish a firm deadline of _____ for each locality to use its allocation.
- Funds not used by the established deadline would remain with HOA and be redirected toward **regional marketing benefiting the eight localities**.
- Establish a simple process for requesting and documenting sponsorship funds. NOTE this is already in place with our Google worksheet.

3. DMME Civil-Penalty Funds — Distribution, Use, and Deadlines

Develop a **standing policy and formula** for the distribution and use of future DMME civil-penalty funds received by the Heart of Appalachia Tourism Authority.

Because the Authority does not know **if, when, or how much** DMME/civil-penalty funding may be received in any given year, establishing a predetermined formula would provide consistency, transparency, and accountability.

Proposed formula for discussion:

Funds of \$20,000 or less:

- HOA would retain the funds.
- Funds would be used as HOA for marketing the eight localities.

Funds exceeding \$20,000:

- **50% retained by HOA** for regional marketing and promotional initiatives.
- **50% distributed equally among the eight localities** for approved tourism marketing purposes.

2 Examples:

If HOA receives **\$20,000** in DMME funds:

- HOA retains: **\$10000**
- Locality distribution: **\$10000**
- $\$5,125 \div 8 \text{ localities} = \textbf{\$1250 per locality}$

If HOA receives **\$50,000:**

- HOA retains: **\$25,000**
- Locality distribution: **\$25,000**
- $\$25,000 \div 8 = \textbf{\$3,125 per locality}$

Proposed DMME Use Parameters

Funds distributed to the localities would be restricted to **tourism marketing purposes**, consistent with the parameters previously discussed and approved by the Board.

Consider establishing:

- Eligible and ineligible expenses.
- Required documentation/reimbursement procedures.
- A firm deadline for each locality to use its allocation.

- A provision that **unused funds after the established deadline revert to HOA for regional marketing purposes benefiting the eight localities.**
- A process for addressing questionable or unusual requests through the Executive Committee.

The policy should also clarify that **DMME funds are separate from the annual HOA locality sponsorship allocation** and should not be combined or treated as the same funding source.

4. Policy Model / Reference

Review the **VCEDA document provided as a potential model** for developing the Authority's policy structure, particularly regarding the establishment of clear eligibility requirements, accountability, deadlines, and the treatment of unused funds.

Recommended Committee Action

The Executive/Finance Committee should develop and recommend **two separate written policies**:

1. **HOA Annual Locality Sponsorship Policy** — funded through the Authority's approved marketing budget.
2. **DMME Civil-Penalty Funds Distribution and Use Policy** — applicable whenever DMME/civil-penalty funds are received.

Any recommended policies, formulas, dollar amounts, deadlines, or amendments should then be presented to the **full Heart of Appalachia Tourism Authority Board for approval.**