

# VISIT ROWAN COUNTY

NORTH CAROLINA

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## ROWAN COUNTY TOURISM BOARD OF DIRECTORS MEETING TOURISM DEVELOPMENT AUTHORITY CONVENTION & VISITORS BUREAU

Wednesday, January 15, 2025, Noon

- |      |   |                                |
|------|---|--------------------------------|
| I.   | Call to Order                                     | Stephen Kidd                   |
| II.  | Approval of Meeting Minutes                       | Stephen Kidd                   |
| III. | Resolution in honor of Mayor, Karen Alexander     |                                |
| III. | Financial Report                                  | James Meacham                  |
|      | A. Rowan County TDA and CVB FY23-24 Audit Reports | Eddie Carrick                  |
|      | B. Financial Report and Market Update             |                                |
| IV.  | Tourism Program of Work Report                    |                                |
|      | A. Destination Services, Sales, and Marketing     |                                |
|      | 1. Digital Operations                             | Sarah Michalec                 |
|      | 2. Trolley Program                                | Tara Furr                      |
|      | 3. Sales, Marketing and Communications            | Tara Furr                      |
|      | B. Tourism Development and Infrastructure         | Sarah Michalec & James Meacham |
|      | 1. Railwalk                                       |                                |
|      | 2. Wayfinding                                     |                                |
|      | 3. Marriott Towneplace Suites Project Update      |                                |
|      | 4. Gateway  | Stephen Kidd and James Meacham |
| VI.  | Additional Business                               |                                |
| VII. | Adjourn   |                                |

## **ROWAN COUNTY TOURISM BOARD OF DIRECTORS' MEETING**

Wednesday, November 20, 2024, 12:00 pm

### **BOARD MEETING MINUTES**

**Board Members Attending:** Craig Pierce, Stephen Kidd, Sada Troutman, Andy Maben, Kimberly Morgan, Richard Reinholz (ZOOM), Therese Henderson,

**Not Attending:** Karen Alexander, April Saylor, Krista Sullivan, Annette Privette-Keller

**TDA Staff:** James Meacham, Brooke Arrowood, Tara Furr, Sarah Michalec

#### **RCTDA Call to Order**

Stephen Kidd called the meeting to order at 12:00pm.

#### **Approval of the Minutes**

Motion: Craig Pierce made the motion for approval of the October 2024 minutes.

Second: Sada Troutman

Motion: Approved

#### **Financial Report & Tourism Market Update**

Meacham reported occupancy tax revenues as of 10-31-2024 for fiscal year 2024-25 on an accrual basis came in just over \$540,000 and was 15% ahead of budget expectations. September 2024 occupancy taxes were 14% ahead of September 2023 and were the highest ever collected for the month of September and were 11.8% ahead of the previous high in 2022. October taxes are projected on paper to be between 20% to 25% higher, which is very aggressive. Meacham said he was going to project them at 10% to 15% higher than October 2023. Year-to-date revenues on an accrual basis through October were \$72,579 ahead of expenses. With total revenues equaling \$686,000 against total expenses of \$614,000. Meacham said that finances are extremely strong with the organization at the current time.

Meacham reviewed the balance sheet and reported current assets equaled \$633,000 and were \$24,000 higher than the month ending 9-30-24. Accounts Receivables equaled \$287,000 which includes October 2024 and September 2024 outstanding occupancy tax revenues and cash on hand as of 10-31-24 equaled a little over \$340,000. Meacham noted that in the coming financial reports starting in November to March there might be some swings in revenue and expenses as the capital projects are being completed over the next several months. By the end of the fiscal year the funding will even out.

Motion: Craig Pierce made the motion for approval of the financial as presented.

Second: Kim Morgan

Motion: Approved

#### **Tourism Program of Work**

Michalec reported that as of October 31, our open rate was at 33.81% with just over 5,000 subscribers. The November enewsletter went out at the end of October with final fall events and activities for the upcoming holidays in Rowan County. Also included were blogs featuring our fall events as well as Veterans' Day events.

Year-to-date pageviews for the website are at 412,544, with just under 63,000 pageviews in October. YTD users are at 180,591, with just under 28,000 for the month of October. Organic sessions in October were over 20,000 compared to 14,000 in September, which was up over August's 12,000 sessions. This increase is typical for the fourth quarter.

Michalec reported RIPE (the online package booking platform) continues to be an asset in booking packages quickly. Year to date through the RIPE platform, there are 473 package bookings compared to 428 this time in 2023 and 690 room nights, compared to 573 in 2023. Revenue is just under \$100,000 compared to \$78,530 in 2023. RIPE is outperforming 2023, and staff are on track to meet the benchmark.

Michalec referred the group to the gray box next to each of the social media channels this month, which shows the number of followers on each channel YTD compared to 2023. It is not reflected in this report, but in November Tourism passed 5,000 followers on Instagram. Michalec stated staff has been working towards this for a while, and Brooke has done a wonderful job producing engaging content to get to that goal. Some hot topics in October were the Balloon Glow and Laser Show at the Fairgrounds, Fall Back in Time in Gold Hill, and Halloween Fun Fest. Michalec pointed out that the benchmark for followers in 2024 has been surpassed and staff is on pace to pass the engagements benchmark by the end of December.

Michalec reported that the blog saw 6,100 views during the most recent month and sits at 42,270 views with 79 posts YTD. The top blog in October was Halloween Family Fun in Rowan County. October blog topics include Family Friendly Halloween events, haunted trails, fall foliage guide, and a guide for wedding guests visiting the area this fall. As of October 31, the views benchmark has been surpassed, and the blog's benchmark will be surpassed by next month.

Michalec reviewed the activity for the various influencers for the month of October reporting a great deal of influencer traffic, totaling over 15,000 engagements. As mentioned at the last meeting, in early October, Jensen Savannah covered Brewfest again this year and had a wonderful time and Meredith Little did a luxury picnic in Historic Gold Hill. Jenna and House of Hensen posted about Polar Express Stay & Play packages. Magnolia Megan was unable to complete her visit to Waterworks due to Hurricane Helene, and we are still working to reschedule this.

Upcoming Influencer Marketing includes House of Hensen and Toddlers Take Charlotte (new) are doing posts about Christmas in Kannapolis to include the package. Jenna is going to Holly Jolly Days at Patterson Farm.

The total Influencer impact is at over 1.4 million views and just over 73,379 engagements. Michalec reported staff will not be likely to meet benchmarks for influencers this year. Staff made a shift earlier in the year to decrease frequency to emphasize quality over quantity. Since these benchmarks were calculated based on what was done last year, this shift changed what the numbers looked like. Michalec reported that she is still very happy with the quality and the ROI from the influencer program, but it is important to stay flexible and reevaluate each step of the way. YTD our total digital impact is at 650,000 engagements and reach more than 3.4 million.

Furr reports that the Trolleys were extremely busy through the fall and are booked solidly for November and December with year-to-date bookings at 134. There are 31 Trolley bookings over the next 90 days including Parades, the Polar Express, Catawba College and Scrooge's Christmas Trolley Tour.

Furr reported 32 total paid marketing placements in September bringing the year-to-date total to 386. Furr reported 122 packages and 181 room nights for Day Out with Thomas, slightly higher than 2023. Furr reported that NCTM sold just over 17,000 tickets which is 10% less than what NCTM sold for 2023. Balloon Glow & Laser Show package ended with 5 packages and 6 room nights. Sales for Polar Express equal 268 packages and 364 room nights, and 72,000 total tickets sold. \

The overnight Visa Gift Card package has been increased to a \$100 visa card incentive to further promote stay & play over the holidays. There is a new package featuring Kannapolis holiday events. Furr reports year to date 549 packages and 762 room nights associated with all Tourism packages.

Furr reported Arrowood made 20 event visits year to date and Furr has completed 33 partner visits. Arrowood attended Autumn Jubilee, Gold Hill Farm Festival, Bash and Bell Tower Brewfest. PR engagements year to date have been 21 including press releases, media inquiries and media related communication. There was a travel writer from Chicago that visited in October.

Furr reported that the Cherry Treesort micro wrestling event on November 3<sup>rd</sup> went very well with 14 room nights. Year to date Tourism has assisted 9 groups with 1,092 room nights.

Looking ahead, Furr states that staff are continuing to push all the stay and play packages including the Polar Express, Christmas in Kannapolis package and the Visa package, Staff will start to focus on looking ahead at holiday marketing for the various holiday events including Scrooge.

### **Tourism Development**

Meacham reported that the bid opening for the RailWalk was held with five qualified bids being received. One local company came in late and had to be dismissed. The lowest bidder was Vertex Construction at \$774,000.

Motion: Sada Troutman made a motion to accept the lowest qualified bid from Vertex Construction with base bid of \$774,000 and the alternate bid for sidewalks.

Second: Craig Pierce

Motion: Approved

Michalec reported that a great deal has happened this last month in wayfinding. Both contracts are moving along well. The gateway monument signs for each community are in production. The actual sign structures are complete, and now they are working on color matching and setting the vinyl. These signs are on track to be in the ground and complete in the month of December. Michalec stated that she is hopeful to see no delays and that this is a nice Christmas gift for Rowan County communities.

Michalec stated that she spent the day yesterday with Rite Lite checking each of the 60 stakes in the directional system. Adjustments were made to some of the sign positions based on utility lines, which is to be expected. Those locations will have to be recalled in and reinspected. In the meantime, the final reviews of shop drawings are being completed, and staff are waiting for approval on encroachment agreements from NCDOT. Once all locations are confirmed, production will begin. Production will take roughly 12 weeks. At this point, if the current timeline is maintained, all signs will be in the ground in late March.

Meacham reported that the staff is close to completing the agritourism capital project with PGAV and Patterson Farm.

Meacham gave an update on the development of the Marriott Townplace Suites project which is bogged down a bit with the city relating to tree placement and parking. Meacham said he is working with the developers and the City to work through these issues.

Meacham gave an update on the Gateway building giving a brief history of how the Gateway came to the TDA. The tenants typically meet quarterly to review the building finances, maintenance, and any other issues. Recently there has been some escalation with some tenants on various issues and Meacham wanted the

board to be aware. In December there will be a meeting with the tenants to discuss and clarify the responsibilities and management of the building. Meacham said that Michalec and Trantham do a good job of managing the facility and accommodating the building tenants.

The meeting adjourned at 1 pm.  
Respectfully submitted.  
Lesley Pullium  
SRCVB



## FINANCIAL SUMMARY REPORT AS OF 12-31-2024

Report Date: January 14, 2025

**\*The Tourism Authority utilizes modified accrual-based accounting in accordance with GASB. Year-to-date expenses typically run about 6 weeks ahead of year-to-date revenues. \***

### Fiscal Year 2024-25 Statement of Activities: Highlights as of 12-31-24.

- Occupancy tax revenues as of 12-31-2024 for fiscal year 2024-25 on an accrual basis equaled \$792,229 and are 16% ahead of budget expectations.
  - October 2024 occupancy taxes were 21.8% ahead of October 2023
  - November 2024 occupancy taxes were 18.6% ahead of November 2023
    - Both October and November taxes were all-time highs for their respective months and October was the highest monthly collection ever.
  - December 2024 taxes are projected to be in line with budget to slightly higher than 2023.
- Year-to-date revenues on an accrual basis through December were \$19,317 less than expenses. With total revenues equaling \$1,071,494 against total expenses of \$1,090,812. The operating loss is being driven by variances in a repayment schedule from Rowan County for the wayfinding signage program's capital expenses.

### Balance Sheet: Summary as of 10-31-2024

- Total Current Assets equaled \$514,075, comprised of cash on hand and occupancy tax receivables
- Accounts Receivables equaled \$232,161 which includes November 2024 and December 2024 outstanding occupancy tax revenues.
- Cash on hand as of 12-31-24 equaled \$308,913.

ROWAN COUNTY TOURISM DEVELOPMENT AUTHORITY  
Statement of Financial Position - Accrual Basis  
As of December 31, 2024

Assets

Current Assets

Petty cash	\$	16.83	
First Bank Checking - 0436		31,641.39	
F&M Operating - 9224		4,996.78	
NC Capital Mgmt Trust		221,329.98	
First Bank Money Mkt - 4509		50,928.86	
Accounts Receivable		232,161.35	
Total Current Assets		541,075.19	541,075.19

Fixed Assets

Building		2,176,919.00	
Land		250,604.00	
Construction in Progress		50,794.19	
Railwalk Pavilion		506,594.36	
Computers		21,736.52	
Furniture & fixtures		68,310.00	
Office equipment		23,278.13	
Trolley cars		319,880.00	
Accumulated depreciation		(803,083.81)	
Total Fixed Assets		2,615,032.39	2,615,032.39

Other Assets

Pension Asset		45,079.00	
Total Other Assets		45,079.00	45,079.00
Total Assets		3,201,186.58	3,201,186.58

Liabilities & Net Assets

Current Liabilities

Retirement Withholding		1,458.18	
Federal and Fica Withholding		1,502.10	

See Accountant's Letter

ROWAN COUNTY TOURISM DEVELOPMENT AUTHORITY

Statement of Financial Position - Accrual Basis

As of December 31, 2024

State Withholding	<u>248.00</u>	
Total Current Liabilities		<u>3,208.28</u>
<u>Long-term Liabilities</u>		
Pension Deferrals	<u>76,977.00</u>	
Total Long-term Liabilities		<u>76,977.00</u>
Total Liabilities		<u>80,185.28</u>
<u>Net Assets</u>		
Investment in fixed assets	2,615,032.00	
Restricted Fund Balance	274,236.00	
Retained Earnings	251,051.26	
Change in Net Assets	<u>(19,317.96)</u>	
Total Net Assets		<u>3,121,001.30</u>
Total Liabilities and Net Assets		<u>\$ 3,201,186.58</u>

See Accountant's Letter



ROWAN COUNTY TOURISM DEVELOPMENT AUTHORITY  
Statement of Activities Actual vs. Budget - Accrual Basis

	1 Month Ended December 31, 2024 Actual	1 Month Ended December 31, 2024 Budget	Current Period Over/(Under) Budget
<u>Income</u>			
Trolley Income	1,621.70	6,666.67	(5,044.97)
Occupancy Taxes Income	112,161.35	116,666.67	(4,505.32)
Partner Services Income	5,042.43	5,541.67	(499.24)
Holiday Caravan Parade Income	1,200.00	4,708.34	(3,508.34)
Miscellaneous Income	327.00	83.34	243.66
Interest Income	749.06	1,000.00	(250.94)
Gateway Building Income	20,463.00	11,875.00	8,588.00
Tourism ARPA Funding	(0.01)	41,666.67	(41,666.68)
	<hr/>	<hr/>	<hr/>
Total Income	141,564.53	188,208.36	(46,643.83)
<u>Operating Expenses</u>			
Salaries - regular	8,701.83	10,333.33	(1,631.50)
Worker's Comp and Liab Ins.	486.00	708.33	(222.33)
Miscellaneous	88.91	375.00	(286.09)
Professional Services	6,173.95	3,000.00	3,173.95
CVB Appropriation	72,370.06	91,291.66	(18,921.60)
Supplies & Equipment	0.00	375.00	(375.00)
Trolley	3,116.12	958.33	2,157.79
Tourism Development	79,130.16	62,500.00	16,630.16
Holiday Caravan Parade	16,293.21	4,708.33	11,584.88
Partner Services	1,224.43	2,083.33	(858.90)
Gateway Building	19,555.98	11,875.00	7,680.98
	<hr/>	<hr/>	<hr/>
Total Operating Expenses	207,140.65	188,208.31	18,932.34
	<hr/>	<hr/>	<hr/>
Operating Income (Loss)	(65,576.12)	0.05	(65,576.17)

See Accountant's Letter

**ROWAN COUNTY TOURISM DEVELOPMENT AUTHORITY**  
**Statement of Activities Actual vs. Budget - Accrual Basis**

	6 Months December 31, 2024 Actual	Current Year June 30, 2025 Budget	Current Year Over/(Under) Budget
<b><u>Income</u></b>			
Trolley Income	28,064.81	80,000.00	(51,935.19)
Occupancy Taxes Income	792,229.72	1,400,000.00	(607,770.28)
Partner Services Income	17,386.94	66,500.00	(49,113.06)
Holiday Caravan Parade Income	63,689.69	56,500.00	7,189.69
Miscellaneous Income	1,571.00	1,000.00	571.00
Interest Income	6,051.82	12,000.00	(5,948.18)
Gateway Building Income	81,247.42	142,500.00	(61,252.58)
Tourism ARPA Funding	81,253.42	500,000.00	(418,746.58)
	<u>1,071,494.82</u>	<u>2,258,500.00</u>	<u>(1,187,005.18)</u>
<b><u>Operating Expenses</u></b>			
Salaries - regular	61,585.98	124,000.00	(62,414.02)
Worker's Comp and Liab Ins.	4,880.00	8,500.00	(3,620.00)
Miscellaneous	2,599.71	4,500.00	(1,900.29)
Professional Services	27,959.85	36,000.00	(8,040.15)
CVB Appropriation	603,915.93	1,095,500.00	(491,584.07)
Supplies & Equipment	552.46	4,500.00	(3,947.54)
Trolley	8,080.24	11,500.00	(3,419.76)
Tourism Development	236,649.64	750,000.00	(513,350.36)
Holiday Caravan Parade	67,016.79	56,500.00	10,516.79
Partner Services	9,182.68	25,000.00	(15,817.32)
Gateway Building	68,389.50	142,500.00	(74,110.50)
	<u>1,090,812.78</u>	<u>2,258,500.00</u>	<u>(1,167,687.22)</u>
Operating Income (Loss)	<u>(19,317.96)</u>	<u>0.00</u>	<u>(19,317.96)</u>

See Accountant's Letter

Rowan County Occupancy Tax Receipts Collected (GROSS)									
MONTH	FY20-21	FY21-22	%CHNG	FY22-23	%CHNG	FY23-24	%CHNG	FY24-25	%CHNG
July	61,737.08	105,514.79	70.9%	120,021.34	12.1%	108,732.65	-9.4%	133,587.33	22.9%
August	66,399.96	99,851.17	50.4%	115,189.06	13.3%	110,177.63	-4.4%	126,464.65	14.8%
September	78,562.08	100,792.04	28.3%	119,443.37	15.6%	114,690.69	-4.1%	133,536.09	14.1%
<b>Quarter Total</b>	<b>206,699.12</b>	<b>306,158.00</b>	<b>48.1%</b>	<b>354,653.77</b>	<b>13.7%</b>	<b>333,600.97</b>	<b>-6.3%</b>	<b>393,588.07</b>	<b>15.2%</b>
October	76,794.51	115,324.55	50.2%	128,088.16	10.0%	141,296.02	10.3%	172,137.56	21.8%
November	60,357.00	102,438.16	69.7%	116,523.19	12.1%	109,684.96	-5.9%	130,039.92	18.6%
December	64,749.41	95,874.73	48.1%	103,834.94	7.7%	95,959.89	-8.2%		
<b>Quarter Total</b>	<b>201,900.92</b>	<b>313,637.44</b>	<b>55.3%</b>	<b>348,446.29</b>	<b>10.0%</b>	<b>346,940.87</b>	<b>-0.4%</b>		
January	56,291.87	96,918.80	72.2%	115,064.17	15.8%	88,997.47	-22.7%		
February	62,049.03	94,530.61	52.3%	108,890.30	13.2%	106,875.73	-1.9%		
March	84,372.26	114,826.05	36.1%	125,056.96	8.2%	123,858.60	-1.0%		
<b>Quarter Total</b>	<b>202,713.16</b>	<b>306,275.46</b>	<b>51.1%</b>	<b>349,011.43</b>	<b>12.2%</b>	<b>319,731.80</b>	<b>-9.2%</b>		
April	90,628.43	119,032.67	31.3%	125,347.11	5.0%	137,682.85	9.8%		
May	97,167.69	126,307.46	30.0%	125,953.79	-0.3%	144,974.27	15.1%		
June	102,792.30	115,684.25	12.5%	109,364.77	-5.8%	132,031.99	17.2%		
<b>Quarter Total</b>	<b>290,588.42</b>	<b>361,024.38</b>	<b>24.2%</b>	<b>360,665.67</b>	<b>-0.1%</b>	<b>414,689.11</b>	<b>13.0%</b>		
<b>Adjmts Penalties</b>									
<b>Penalties</b>									
<b>Year Total</b>	<b>\$ 901,901.62</b>	<b>\$ 1,287,095.28</b>	<b>42.7%</b>	<b>\$ 1,412,777.16</b>	<b>8.9%</b>	<b>\$ 1,414,962.75</b>	<b>0.2%</b>		

