

VISIT ROWAN COUNTY

NORTH CAROLINA

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

Wednesday, February 18, 2026, Noon
Paul E. Fisher Gateway Building

- | | | |
|------|--------------------------------|---------------------|
| I. | Call to Order & Welcome | Stephen Kidd |
| | A. Welcome New Board Member | |
| II. | Board Meeting Minutes | Stephen Kidd |
| III. | Financial Report | James Meacham |
| IV. | Tourism Program of Work Report | Rowan Tourism Staff |
| V. | Trolley System | |
| VI. | Additional Business | |
| VII. | Adjourn | |

ROWAN COUNTY

Tourism Development Authority
North Carolina

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ROWAN COUNTY TOURISM BOARD OF DIRECTORS' MEETING Wednesday, January 20, 12:00 Noon BOARD MEETING MINUTES

Board Members Attending: Craig Pierce, Stephen Kidd, April Saylor, Therese Henderson, Richard Reinholz, Krista Sullivan, Kimberly Morgan

Not Attending: Andy Mabry, Annette Privette-Keller, Sada Troutman

Guest: Eddie Carrick, CPA

Tourism Staff: James Meacham, Sarah Michalec, Tara Furr, Brooke Arrowood

RCTDA Call to Order

Rowan County Tourism Development Authority meeting was called to order.

Approval of the Minutes

The Board reviewed the minutes from the previous meeting with no corrections or changes noted.

Motion: Craig Pierce made a motion for approval of the November 2025 Minutes.

Second: Therese Henderson

Motion: Approved.

Board and Staff Updates

James Meacham announced that Board Member Sada Troutman was on maternity leave following the birth of her child earlier in the week and is expected to return in May 2026. He also informed the Board that Susan Kluttz, former mayor and current Mayor Pro Tem, had been appointed to fill the Board vacancy left by David Post. Ms. Kluttz was unable to attend due to a prior commitment but is expected to be a strong addition to the Board given her extensive background in tourism and cultural resources.

Financial Report

James Meacham presented a financial snapshot for the first six months of the fiscal year. Meacham reported total revenues through the first six months were approximately \$973,000, with expenses of approximately \$966,000, resulting in a net positive position of \$7,683 and placing the TDA in line with budget expectations.

Current assets totaled approximately \$534,000, consisting primarily of cash and occupancy tax receivables. No unusual liabilities or changes to fixed assets were noted. Meacham reported anticipated short-term revenue softness in upcoming months related to long-term hotel stays associated with Livingstone College students. He explained that under state law, hotel stays exceeding 90 consecutive days convert to residential status and are no longer subject to sales or occupancy tax. This change impacted November collections by approximately \$12,000 but was somewhat offset by stronger performance in other months. He noted that overall market performance remains strong and that the situation may require future budget adjustments if extended student housing continues.

Board members and hotel representatives discussed the operational and market impacts of student housing, noting that while tax collections are affected, increased occupancy supports overall hotel revenue and pricing power. Staff reported no significant issues during the current semester and improved on-site management arrangements.

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

Second: Therese Henderson

Motion: Approved.

Lodging Market Data Update

Sarah Michalec presented lodging market data, reporting December occupancy of 56.5%, slightly below the prior year, while ADR, RevPAR, and overall revenue exceeded last year's figures. For calendar year 2025, all key performance metrics outperformed 2024, which had previously been a strong year. January occupancy through the first ten days was reported at 60.6%, reflecting a significant increase over the prior year due to a combination of group travel and event-related demand. Michalec cautioned that impending winter weather could cause short-term volatility in occupancy and revenue but noted that historical patterns suggest overall performance typically stabilizes once conditions normalize.

TDA & CVB Audit Reports - June 30, 2025

Auditor Eddie Carrick presented the annual audit for the TDA and the Convention & Visitors Bureau (CVB). He reported that both entities received unqualified (clean) audit opinions for the fiscal year ending June 30, 2025. Carrick explained key balance sheet changes, including increased cash balances and capital assets related primarily to wayfinding projects.

Carrick reviewed the structure of the TDA and CVB, noting the flow of funds between entities and the continued presence of the SBA Economic Injury Disaster Loan, which remains favorable due to its low fixed interest rate. Carrick emphasized the importance of Board members understanding financial statements and encouraged questions as needed. The Board expressed appreciation for the audit presentation.

Tourism Program of Work and Marketing Report

Brooke Arrowood presented the year-end tourism program and marketing report. Arrowood noted that the Visit Rowan County website had 262,576 Users which was an increase of about 17% from last year: 11% over benchmark. There were 543,847 Pageviews, an increase of about 6% from last year; 44% over benchmark with 0:57 average time spent on site which is consistent with last year's data. The eNewsletter had an average open rate for the year of 33.64% which exceeded benchmark by almost 6%. Subscribers are at 5,453, which also exceeded benchmark by a little over 3% & showed an increase of 384 since 2024.

Arrowood reported that RIPE, the online booking platform, performed well with reservations of 463 creating 599 room nights at an ADR of \$151, revenue: \$90,257 and package bookings of 443. The platform continues to provide a seamless experience for website users. Although these numbers fell short of annual goals, the package-to-reservation ratio still proves that the booking engine has been a successful tool that supports lodging partners, promotes local events, & coincides with the overall marketing initiatives.

Arrowood reviewed the online blog performance noting, 76,470 blog views which was 47% growth from last year and 25% above benchmark for 2025. There were 115 blogs posted (including new and reused blogs) which were 28% more blog posts than last year and 21% above the benchmark for 2025. New blogs included "In & Around" blog series which were created to highlight each town of Rowan County giving visitors an easy guide to each town where all information is in one place. In addition, new blogs for the topics of Pet-Friendly itineraries, a guide to local farmers markets, and increase of the major event guide blogs which she has been working on the past few years.

The Visit Rowan County, NC App Launch occurred with entry to Apple and Google Play Stores. The app allows visitors to conveniently take self-guided tours on their phone, activating each stop by geolocation or manual navigation. The app also acts as a great digital hub for all of the Rowan Tourism tours to live on and currently houses the Salisbury Heritage Walking Tour with 143 individual stops. Posters were created and sent out to Salisbury businesses to promote the app.

Arrowood reported that the MediaOne Partnership is functioning well with partnership on SEO initiatives and ad placements via Meta and Google to assist with the Stay & Play Package promotions & marketing for local things to do and events. Ad Engagement was 27,315 and Ad Impressions were 1,508,599.

Finally, total social media following exceeded the benchmark by over 19%. Total social media engagement exceeded benchmark by about 76%. The total digital impact engagement

exceeded the benchmark by more than 5%. Total digital impact engagement exceeded the benchmark by over 70%. As a reminder, Arrowood reported the total digital impact engagement and reach includes everything from eNewsletter activity to MediaOne ad placements, blog data, website performance, social media & influencer campaign performance. Top stories in the past year were on Autumn Jubilee, The Polar Express and the end-of-year wrap up. Autumn Jubilee being the most successful content on Facebook with over half a million views and 6.5 thousand engagements.

Tara Furr reported that in 2025, the TDA supported 22 tourism sponsorship requests, generating nearly 900 room nights and an estimated \$7 million in economic impact. Group sales efforts produced approximately 800 room nights with an estimated economic impact exceeding \$675,000. Furr reported strong results from influencer partnerships, with 33 paid placements generating approximately one million views and over 40,000 engagements. Digital performance metrics showed continued growth across blogs, website traffic, social media engagement, email newsletters, and the TDA's mobile app, which was launched in 2025 to support digital tours and visitor navigation.

Furr reported the Kannapolis Cannon Ballers partnership continued to perform well, including promotional activities, ticket giveaways, and community engagement initiatives. The annual hospitality celebration drew significant participation despite inclement weather. The 2026 hospitality event is scheduled for May 7, 2026.

And despite challenges in 2025, including the loss of one trolley due to fire damage, Furr reported that trolley operations remained strong, with 106 rentals generating over \$80,000 in revenue. The damaged trolley was declared a total loss due to unavailable replacement parts. Staff are awaiting final insurance settlement figures and are obtaining quotes for a replacement trolley, noting a current manufacturing backlog of approximately 14 months. Discussions are underway with private partners regarding potential financial contributions toward replacement costs.

Capital Projects and Infrastructure Updates

Michalec reported that the website redesign is underway and should be completed by the summer. Staff are still working through design concepts before we move on to the site map research. The finishing touches are being applied to the new Data Engine platform. This platform allows staff to funnel all of the various data sources into one place making it easier to pull and analyze data. Michalec said she hopes the new build should be wrapped in the next month or so.

Michalec provided updates on capital projects, stating that Railwalk construction is nearing completion, with remaining punch-list items scheduled for completion in February. Gateway lobby renovations have been completed, with additional commemorative elements under development. Downtown way-finding signage installations are underway, with remaining signage expected to be installed in February.

Michalec noted that as Furr had indicated earlier Trolley #1 has been totaled. The garage could not source the necessary parts for repairs. The insurance adjustor completed their inspection last week, and Michalec is awaiting that final report. She has been in communication with Hometown Trolley, and they are working on a quote on what it will look like to replace the trolley.

America 250 Commemorative Initiative

Meacham briefed the Board on plans related to the upcoming 250th anniversary. The Authority will partner with Rowan County on a commemorative display recognizing the county's history, to be installed at a county site and unveiled during Flag Week in June. The TDA will also serve as a clearinghouse for promoting community-led America 250 events across the county but will not directly manage any large-scale celebrations.

Adjournment

There being no further business, the meeting was adjourned.
Respectfully submitted,

Lesley Pullium
Rowan County Tourism Development Authority



FINANCIAL SUMMARY REPORT AS OF 1-31-2026

Report Date: February 18, 2026

***The Tourism Authority utilizes modified accrual-based accounting in accordance with GASB. Year-to-date expenses typically run about 6 to 7 weeks ahead of year-to-date revenues. ***

Fiscal Year 2025-26 Statement of Activities: Highlights as of 1-31-2026.

- Occupancy tax revenues as of 1-31-26 for fiscal year 2025-26 on an accrual basis equaled \$876,340 and are 0.22% behind the FY25-26 budget.
 - If exempt occupancy tax revenues from Livingstone student housing were included from November and December total tax revenues fiscal YTD would be 2.32% ahead of budget.
 - December 2025 taxes came in 2.9% less than December 2024 due to \$6,960 in exemptions.
 - The second quarter of the fiscal year finished down from the previous fiscal year driven primarily by occupancy tax exemptions
 - January 2026 occupancy taxes are projected to come in 2% ahead of January 2025.
 - Early February 2026 projections were trending ahead of February 2025
- Year-to-date revenues on an accrual basis through January were \$2,583 ahead of expenses. Total revenues on an accrual basis equaled \$1,114,613 against expenses of \$1,112,030.

Balance Sheet: Summary as of 1-31-2026

- Total Current Assets equaled \$516,606 Current assets consisted of cash on hand and tax receivables.
- Accounts Receivables equaled \$201,864 which included December and January outstanding occupancy tax revenues.
- Fixed Assets totaled just under \$3.8 million.
- Cash on hand as of 1-31-26 equaled \$314,742

ROWAN COUNTY TOURISM DEVELOPMENT AUTHORITY
Statement of Financial Position - Accrual Basis
As of January 31, 2026

Assets

Current Assets

Petty cash	\$	16.83	
First Bank Checking - 0436		50,937.13	
F&M Operating - 9224		3,973.78	
NC Capital Mgmt Trust		232,195.75	
First Bank Money Mkt - 4509		27,618.51	
Accounts Receivable		201,864.85	
Total Current Assets			516,606.85

Fixed Assets

Building		2,176,919.00	
Land		250,604.00	
Construction in Progress		39,988.36	
Railwalk Pavilion		1,093,158.36	
Railwalk		750,000.00	
Computers		21,736.52	
Furniture & fixtures		68,310.00	
Office equipment		23,278.13	
Trolley cars		319,880.00	
Accumulated depreciation		(944,077.81)	
Total Fixed Assets			3,799,796.56

Other Assets

Pension Asset		48,396.00	
Total Other Assets			48,396.00
Total Assets			4,364,799.41

Liabilities & Net Assets

Current Liabilities

Retirement Withholding		1,660.08	
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See Accountant's Letter

ROWAN COUNTY TOURISM DEVELOPMENT AUTHORITY
Statement of Financial Position - Accrual Basis
As of January 31, 2026

Federal and Fica Withholding	1,934.20	
State Withholding	276.00	
SUTA	16.28	
FUTA	41.41	
FSA Withholding	150.00	
Total Current Liabilities		<u>4,077.97</u>
<u>Long-term Liabilities</u>		
Interlocal Agreement - Rowan Co. (Railwalk)	662,500.00	
Pension Deferrals	85,085.00	
Total Long-term Liabilities		<u>747,585.00</u>
Total Liabilities		<u>751,662.97</u>
<u>Net Assets</u>		
Investment in fixed assets	2,615,032.00	
Restricted Fund Balance	274,236.00	
Retained Earnings	721,285.00	
Change in Net Assets	2,583.44	
Total Net Assets		<u>3,613,136.44</u>
Total Liabilities and Net Assets		<u>\$ 4,364,799.41</u>

See Accountant's Letter

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

	7 Months Ended January 31, 2026 Actual	Current Year June 30, 2026 Budget	Current Year Over/(Under) Budget
<u>Income</u>			
Trolley Income	32,790.45	95,000.00	(62,209.55)
Occupancy Taxes Income	876,340.23	1,590,000.00	(713,659.77)
Partner Services Income	15,313.85	70,000.00	(54,686.15)
Holiday Caravan Parade Income	52,293.15	65,000.00	(12,706.85)
Miscellaneous Income	22,471.59	2,500.00	19,971.59
Investment Income	6,910.11	12,000.00	(5,089.89)
Gateway Building Income	108,494.51	168,500.00	(60,005.49)
	1,114,613.89	2,003,000.00	(888,386.11)
<u>Operating Expenses</u>			
Salaries - regular	76,931.58	132,000.00	(55,068.42)
Worker's Comp and Liab Ins.	2,920.93	9,000.00	(6,079.07)
Miscellaneous	1,660.74	4,500.00	(2,839.26)
Professional Services	23,494.90	37,000.00	(13,505.10)
CVB Appropriation	766,814.96	1,144,000.00	(377,185.04)
Supplies & Equipment	473.64	4,500.00	(4,026.36)
Trolley	15,548.09	12,000.00	3,548.09
Tourism Development	71,097.69	400,000.00	(328,902.31)
Holiday Caravan Parade	52,708.76	65,000.00	(12,291.24)
Partner Services	6,332.85	26,500.00	(20,167.15)
Gateway Building	94,046.31	168,500.00	(74,453.69)
	1,112,030.45	2,003,000.00	(890,969.55)
Operating Income (Loss)	2,583.44	0.00	2,583.44

See Accountant's Letter

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

	1 Month Ended January 31, 2026 Actual	1 Month Ended January 31, 2026 Budget	Current Period Over/(Under) Budget
<u>Income</u>			
Trolley Income	387.80	7,916.67	(7,528.87)
Occupancy Taxes Income	109,364.85	132,500.00	(23,135.15)
Partner Services Income	3,328.29	5,833.34	(2,505.05)
Holiday Caravan Parade Income	0.00	5,416.67	(5,416.67)
Miscellaneous Income	0.00	208.34	(208.34)
Investment Income	737.39	1,000.00	(262.61)
Gateway Building Income	26,803.00	14,041.67	12,761.33
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Total Income	140,621.33	166,916.69	(26,295.36)
<u>Operating Expenses</u>			
Salaries - regular	10,173.09	11,000.00	(826.91)
Worker's Comp and Liab Ins.	1,124.75	750.00	374.75
Miscellaneous	0.00	375.00	(375.00)
Professional Services	855.00	3,083.33	(2,228.33)
CVB Appropriation	102,108.65	95,333.33	6,775.32
Supplies & Equipment	168.67	375.00	(206.33)
Trolley	979.75	1,000.00	(20.25)
Tourism Development	12,850.30	33,333.33	(20,483.03)
Holiday Caravan Parade	6,881.05	5,416.66	1,464.39
Partner Services	600.00	2,208.33	(1,608.33)
Gateway Building	9,980.51	14,041.66	(4,061.15)
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Total Operating Expenses	145,721.77	166,916.64	(21,194.87)
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Operating Income (Loss)	(5,100.44)	0.05	(5,100.49)

See Accountant's Letter

