

VISIT ROWAN COUNTY

NORTH CAROLINA

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

Wednesday, February 21, 2024, Noon
MEETING AGENDA

- I. Call to Order
- II. Approval of Meeting Minutes
- III. Railwalk
- IV. Financial Report
 - A. Tourism Market Update
 - B. Financial Report
- V. Tourism Program of Work Report
 - A. Destination Services, Sales, and Marketing
 1. Digital Program
 2. Trolley Program
 3. Sales, Marketing and Communications
 - B. Tourism Development
 1. Wayfinding
 2. Agritourism
- VI. Additional Business
- VII. Adjourn



**ROWAN COUNTY TOURISM
BOARD OF DIRECTORS MEETING**

Wednesday, January 17, 2024, 12:00 pm

BOARD MEETING MINUTES

Board Members Attending: Craig Pierce, Krista Sullivan, Kimberly Morgan, Stephen Kidd, April Saylor, Andy Maben, Sada Troutman, Therese Henderson

Not Attending: Richard Reinholz, Vivian Hopkins, Karen Alexander

Guests: Eddie Carrick, CPA

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

RCTDA Call to Order

Sullivan called RCTDA to order at 12:02pm.

Approval of the Minutes

Motion: Craig Pierce made the motion for approval of the November 2023 minutes.

Second: Sada Troutman

Motion: Approved

Organizational & Financial Update

Meacham recognized Eddie Carrick, CPA and noted that Carrick will be giving the 2023 TDA and CVB Audit reports today.

Meacham gave a brief tourism market update stating continuing to see trend that we had discussed in prior meetings of the highs hit in 2022 and 2023 have come down and are falling into a pattern which is somewhere between 2021 and 2022 levels. The overall lodging market is doing slightly better than the hotel market due to the increase in short-term rental revenue reflects that the destination is doing well and seeing increased growth from short term rentals which are VRBO and Airbnb.

Meacham reported occupancy tax revenues as of 12-31-23 for fiscal year 2023-24 on an accrual basis equaled \$669,496 and are approximately 4.3% behind FY22-23 and are 5.7% better than revised budget expectations. October 2023 occupancy taxes were \$141,296 and approximately 10.3% ahead of October 2022 and 28% ahead of pre-pandemic 2019 levels and 13% ahead of October 2021. November 2023 occupancy taxes were \$109,684 and approximately 5.9% less than November 2022

and 12% ahead of pre-pandemic 2019 levels and 7.4% ahead of November 2021. The year-to-date revenues through the first half of the fiscal year are \$6,302 ahead of expenses. Meacham reviewed the balance sheet as of 12-31-23 reporting total Current Assets equaled \$483,857 and were \$4,179 less than the month ending 11-30-23, due to a decrease in accounts receivable. Accounts Receivables equaled \$210,812.87 which includes November and December outstanding occupancy tax revenues. Meacham reported cash on hand as of 12-31-23 equaled \$273,044 which was \$35,820 higher than the previous month.

Audit Reports Year Ending June 30, 2023

Meacham introduced Eddie Carrick, CPA and reminded the board members of the importance of the yearly audit presentation on the RCTDA (Public Authority) and the SRCVB and how the organizational audits differ. Meacham reported that the RCTDA is legally required and filed with the LGC and the state treasurer's office.

Carrick gave the 2022-23 RCTDA audit report noting that RCTDA should be seen as the funding source and primarily functions as the collector of the revenue, holding and distributing the funds, and the investment company. Carrick reported that the RCTDA Audit received an unqualified or clean opinion. Carrick reviewed several key components of the report for the board, noting that pages 3-9 are the management analysis and offer a summary in layman's terms. Carrick encouraged the members to review those pages on their own. Carrick pointed out on page 18; the various assets held by the TDA. Carrick noted that RCTDA is a governmental entity and is monitored by the State Treasurer's office and LGC each year.

Carrick reviewed the 2022-23 SRCVB audit report noting the CVB also received an unqualified or clean opinion. Carrick pointed out the statement of activities and briefly reviewed the breakdown of the functional expenses on page 6 noting most expenses are marketing related. Meacham updated the members on the \$150,000 EIDL Loan, how that money was used, and the status of the repayment of that government loan. Meacham reported that many legislative changes have occurred since the loan origination and the CVB continues to prepay the interest on the loan until the loan switches over to principal. A review of the CVB Audit's highlights from the report was provided by Carrick.

Carrick complimented the staff on organization and compliance to the LGC and Federal standards. Carrick reported that the RCTDA audit was accepted and reviewed by the State Treasurer's office and Local Government Commission. Carrick thanked the board for the opportunity to serve the organization and the staff for their hospitality.

Tourism Program of Work

Meacham briefly reviewed the hotel market data in the monthly marketing report and discussed the trend shift mentioned earlier. For the year 2023 total commercial revenue looks to be down 2% but short-term rental revenue looks to be up 11-12%. Commercial lodging properties currently make up 88% of revenue and 12% short term rental.

Michalec reported that the email newsletter open rate for 2023 was 33.84% with 4,923 subscribers. This fell short of the 2023 benchmarks by 2.16% open rate and 4.4 % for subscribers. Staff is working with Simpleview to see what the industry standard is for those and how staff can encourage e-newsletter signup. For 2023, the website had 520,000 page views and 235,000 users exceeding benchmarks by 39.7% for page views and 38.64% for users. Staff are currently working on updating the "About Us" section of the website to make it more user friendly and more informational.

RIPE is still performing great with 507 reservations and 632 room nights. 91.7% of the bookings were associated with packages and just under 10% were just visitors booking due to the ease. Staff exceeded benchmarks by 12.67% for reservations and 5.5% for room nights.

Michalec reports that in social media, top posts for December were about “things to do” while visitors were in town for Polar Express as it was already sold out. Holiday events and activities as well as the Holiday Guide Campaign. Michalec reports that in 2024 there will be a heavy emphasis on storytelling at the destination and a lighten up on the package language. The January marketing report for social media will change slightly as there will be a shift in what staff will be tracking. Total social media impact for 2023 was total following of 36,000 and engagement of 104,000. Benchmarks for social media were mixed as followers were exceeded by 2.92%, but engagement fell slightly short of the engagement benchmark. Staff hopes to meditate that with the emphasis on storytelling in 2024.

Michalec reported that Arrowood did a fantastic job with the blog in 2023 with 39,000 blog views for the year, which exceeded the benchmark by 57.46% and exceeded the benchmark for posts by 13.85% with 74 posts.

Michalec reported that the influencers continue doing very well. Jenna attended Kannapolis Christmas parade, Christmas at the Village of Gold Hill and gave special focus to shopping local in the month of December. Michalec reported that January is quiet but the influencer schedule for spring will offer Magnolia Megan at Wine @ Winter and House of Henson for the Easter Bunny Express at NC Transportation Museum. For influencers, Michalec reported 5 million total views and 428,000 engagements for 2023. This exceeded benchmarks by 24% for views and 22% for engagements. Michalec reported total digital impact for the year 2023 of 1.3 million engagements and 7.6 million in reach. Both of which exceeded the benchmark.

Pierce noted that the County Commission approved an expansion for Tiger World and passed the option for Tiger World to add an RV Park in the future.

Arrowood reported that trolley bookings for 2023 ended at 124 rentals, bookings through 2024 are at 63 and there are 7 bookings occurring in the next 90 days. Revenue for the year 2023 is \$54,427.20. Benchmarks for trolley bookings were 104 for the year and were exceeded by 19.2%. In January and February there are rentals for groups such as Rowan County Schools, Catawba College, Wine@Winter, and Wine & Dine on the rails to name a few. Bookings increasing for 2024 with bookings for Autumn Jubilee, NCTM and various weddings. Arrowood reports that repairs are being made to the wood trim on Trolley 1 and the gold lettering is set to be replaced this year in 2024 for both trolleys.

Furr reported that paid marketing placements for 2023 exceeded benchmarks by 6.6% and ended the year with 533 placements. In 2024, the marketing messaging will focus on storytelling to promote the brand, the destination, destination events and bookings and overnight stay in the county.

Furr that reported the sales strategy for 2024 continues to focus on pushing the stay and play packages to incentivize booking and increasing the room night stays. The wonderful, streamlined booking engine is working well with Polar Express ending at 388 packages and 506 room nights. Furr reported staff exceeded 2023 benchmark for packages but fell slightly short for room nights. The current 2024 packages Wine@Winter has 11 packages 14 room nights booked. The Visa Package has 2 packages and 3 room nights. Package offerings will be expanded this year using the online booking platform.

Furr reported that partner engagement for 2023 ended with 43 event visits 73 partner relations visits. PR communication will continue to be a priority for 2024. The largest PR engagement is the Tourism Hospitality Night at the Cannon Ballers stadium in May.

In group sales, Furr reports the room night benchmark was exceeded by 600 room nights. Furr encouraged the members to review the list of all the groups that were hosted in 2023. Furr is currently working with several of those groups for their 2024 event.

Furr reported that tourism supported 16 partner organization events versus the 2023 benchmark of 14. Tourism support room nights were a little short with 180 less than the benchmark for 2023. Several groups were not able to produce the number of room nights they had anticipated.

Furr reported that for the 2024 year ahead, staff will continue to push all of the available packages, continue to promote overnight stays through storytelling, a spring trolley push, and promoting the remaining winter events.

Tourism Development

Michalec reported that staff did receive feedback from NCDOT that can be incorporated into the individual town plans for wayfinding. Michalec is now working with each town to get encroachment agreements and submission letters. Once those are complete, staff will prepare for a final meeting with NCDOT for approval. The interlocal agreement has been finalized for funding between the TDA and the County and hope to be on pace for a late spring install.

Michalec reported that the survey for the property has been completed. TDA Attorney, Andy Abramson is working to get the landowners to sign the land transfer documents. The City of Salisbury has signed off on the property not requiring administrative changes for property management. Once all transfer documents are signed Michalec reported that she will bring this back to the board for consideration on taking ownership of that property and on approval will begin the bid process.

Finally, Michalec reported regarding agritourism, the first workshop with PGAV occurred last week which included TDA staff, the Patterson Family and the PGAV team. A great deal of data was reviewed and discussed from the site visit, and staff left the meeting hoping to have an implementation plan in hand in early spring to present to this board.

The meeting adjourned at 12:55 pm.

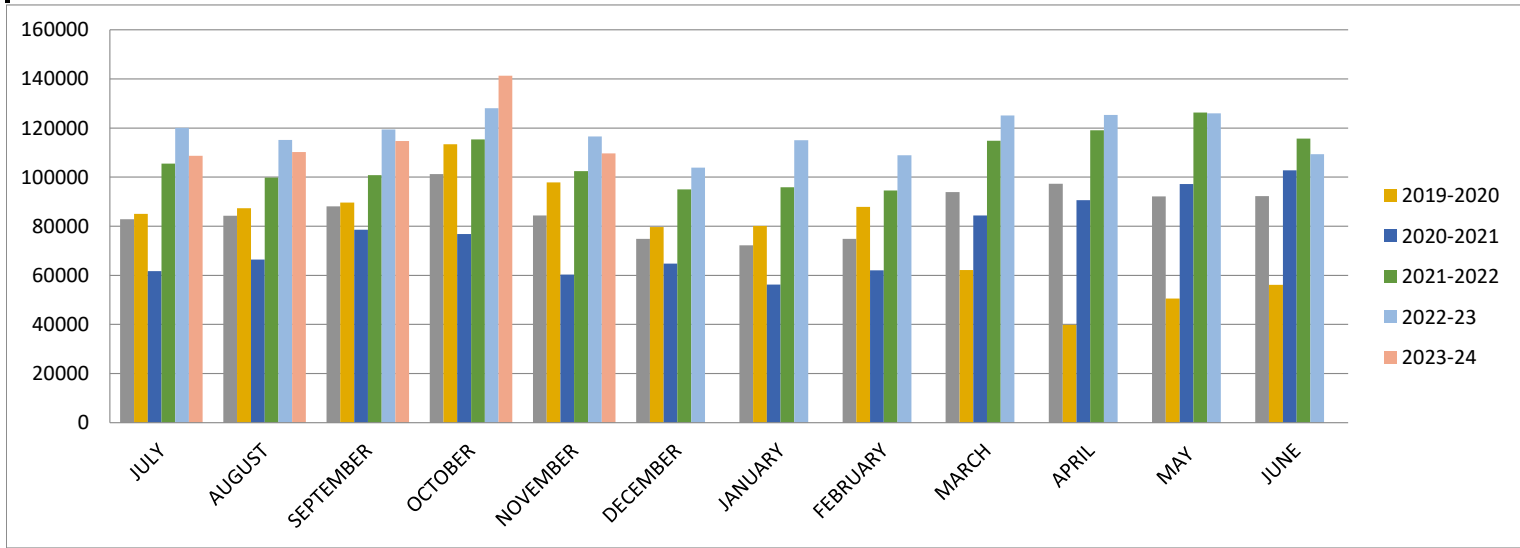
Respectfully submitted.

Lesley Pullium

SRCVB

Rowan County Occupancy Tax Receipts Collected (GROSS)

MONTH	FY19-20	FY20-21	%CHNG	FY21-22	%CHNG	FY22-23	%CHNG	FY23-24	%CHNG
July	85,062.04	61,737.08	-27.4%	105,514.79	70.9%	120,021.34	12.1%	108,732.65	-9.4%
August	87,388.13	66,399.96	-24.0%	99,851.17	50.4%	115,189.06	13.3%	110,177.63	-4.4%
September	89,694.58	78,562.08	-12.4%	100,792.04	28.3%	119,443.37	15.6%	114,690.69	-4.1%
Quarter Total	262,144.75	206,699.12	-21.2%	306,158.00	48.1%	354,653.77	13.7%	333,600.97	-6.3%
October	113,427.41	76,794.51	-32.3%	115,324.55	50.2%	128,088.16	10.0%	141,296.02	10.3%
November	97,848.24	60,357.00	-38.3%	102,438.16	69.7%	116,523.19	12.1%	109,684.96	-5.9%
December	79,686.64	64,749.41	-18.7%	95,874.73	48.1%	103,834.94	7.7%	95,959.89	-7.6%
Quarter Total	290,962.29	201,900.92	-30.6%	313,637.44	55.3%	348,446.29	10.0%	346,940.87	-0.4%
January	80,100.88	56,291.87	-29.7%	96,918.80	72.2%	115,064.17	15.8%		
February	87,894.99	62,049.03	-29.4%	94,530.61	52.3%	108,890.30	13.2%		
March	62,149.01	84,372.26	35.8%	114,826.05	36.1%	125,056.96	8.2%		
Quarter Total	230,144.88	202,713.16	-11.9%	306,275.46	51.1%	349,011.43	12.2%		
April	39,870.97	90,628.43	127.3%	119,032.67	31.3%	125,347.11	5.0%		
May	50,585.59	97,167.69	92.1%	126,307.46	30.0%	125,953.79	-0.3%		
June	56,142.85	102,792.30	83.1%	115,684.25	12.5%	109,364.77	-5.8%		
Quarter Total	146,599.41	290,588.42	98.2%	361,024.38	24.2%	360,665.67	-0.1%		
Adjmts Penalties									
Penalties									
Year Total	\$ 929,851.33	\$ 901,901.62	-3.0%	\$ 1,287,095.28	42.7%	\$ 1,412,777.16	8.9%		



Occupancy Tax Monthly Revenues 2019-2021-2022-2023-2024

	2019	2021	2022	2023	2024
January	\$80,100	\$56,292	\$96,919	\$115,064	\$82,500 projected
February	\$87,894	\$62,049	\$94,531	\$108,890	\$90,000 trending
March	\$93,891	\$84,372	\$114,826	\$125,057	
April	\$97,301	\$90,628	\$119,033	\$125,347	
May	\$92,105	\$97,168	\$126,307	\$125,954	
June	\$92,255	\$102,792	\$115,684	\$109,365	
July	\$85,062	\$105,515	\$120,021	\$108,732	
August	\$87,388	\$99,851	\$115,189	\$110,177	
September	\$89,695	\$100,792	\$119,443	\$114,690	
October	\$113,427	\$115,325	\$128,088	\$141,296	
November	\$97,848	\$102,438	\$116,523	\$109,684	
December	\$79,687	\$95,875	\$103,835	\$95,960	
Total	\$1,096,653	\$1,113,097	\$1,370,400	\$1,390,216	YTD ##### YTD