

VISIT ROWAN COUNTY

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**ROWAN COUNTY TOURISM BOARD OF DIRECTORS MEETING
TOURISM DEVELOPMENT AUTHORITY
CONVENTION & VISITORS BUREAU
Fiscal Year 2025-2026 Planning Session**

Wednesday, April 16, 2025, Noon

- | | | |
|--------------|--|---|
| I. | Call to Order | Stephen Kidd |
| II. | Approval of Meeting Minutes | Stephen Kidd |
| III. | Financial Report | James Meacham |
| | A. Financial Report and Market Update | |
| IV. | Tourism Program of Work Report | |
| | A. Destination Services, Sales, and Marketing | Sarah Michalec and Tara Furr |
| | B. Tourism Development and Infrastructure | Sarah Michalec & James Meacham |
| VI. | Fiscal Year 2025-2026 Planning Session | Chris Cavanaugh, Magellan Strategies |
| VII. | Additional Business | |
| VIII. | Adjourn | |

VISIT ROWAN COUNTY

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ROWAN COUNTY TOURISM BOARD OF DIRECTORS' MEETING

Wednesday, March 19, 2025, 12:00 pm

BOARD MEETING MINUTES

Board Members Attending: Craig Pierce, Stephen Kidd, Sada Troutman, Andy Maben, Kimberly Morgan (ZOOM), Therese Henderson, April Saylor, Krista Sullivan, Richard Reinholz, Annette Privette-Keller

Not Attending: None

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

RCTDA Call to Order

Stephen Kidd called RCTDA to order at 12:00pm.

Approval of the Minutes

Motion: Craig Pierce made a motion for approval of the February 2025 minutes as presented.

Second: Sada Troutman

Motion: Approved

Financial Report & Tourism Market Update

James Meacham reported occupancy tax revenues as of 2-28-2025 for fiscal year 2024-25 on an accrual basis equaled \$991,387 and are 13% ahead of budget expectations. January 2025 taxes were 15.8% higher than January 2024. February 2025 taxes are projected to be flat to 3% higher than February 2024. The first two weeks of March are trending 12% to 15% higher than March 2024.

Meacham noted that year-to-date revenues on an accrual basis through February were \$211,925 ahead of expenses with total revenues equaling \$1,427,244 against expenses of \$1,215,319. Most of the operating income on the budget vs actual statement is primarily driven by the wayfinding program; with the program's expenditures occurring as balance sheet transactions. Less way-finding program revenues Tourism's operating income is \$10,693.

Meacham reviewed the balance sheet and reported current assets equaling \$537,390 which were \$11,145 less than January 2025. Current assets consisted of cash on hand, occupancy tax receivables and wayfinding receivables. Accounts Receivables equaled \$263,985 which included January and February outstanding occupancy tax revenues and wayfinding revenues. Cash on hand as of 2-28-25 equaled \$273,405.

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

Second: Therese Henderson

Motion: Approved

Tourism Program of Work

Sarah Michalec reported that the website had 28,826 page views with 14,680 users in February. Michalec reported that the email newsletter continues to receive positive feedback from viewers and saw a 34.21% open rate with 5,073 subscribers in February. Special attention was given to St. Patrick's Day events and tourism events in March. Brooke Arrowood has been doing a great job providing subscribers with information regarding activities with direct links from the enewsletter to the Tourism blog and calendar listings.

On the online booking platform as of March 18th, there were 48 room nights booked with 35 as packaged bookings and which is was up from 2024. Last year at the same time there were 20 package bookings and 39 room nights.

Michalec reported in February that digital content focused on the African American Heritage in the Tourism blog, new welcome signs for the municipalities, and a last call for Wine about Winter packages. The February blog received 5,535 views and there were 12 separate digital posts, with the top post being 15 Must Dine Restaurant's in Rowan County.

Michalec reported that in February, the social media influencer channel "Toddlers Take Charlotte" covered the Little Mermaid Jr. at the Piedmont Players Theater.

Michalec reported total year-to-date digital impact had 97,510 engagements and a reach of 516,664.

Tara Furr reported that as expected the number of Trolley rentals increased from January into the month of February. During February the trolleys were used for Wine about Winter, two events at NCTM and a wedding. The trolley program is continuing to see a good deal of bookings. Year to date there have been 107 reservations and over the next 90 days there are 26 rentals scheduled. Furr reported that the trolley went out to the Barn at Cedar Hill for a wedding expo recently and received several bookings from that event. There are already rentals on the books for 2026, so there continues to be a great deal of demand for the trolleys.

Furr reported the during the month of February there were 29 paid marketing placements. Staff secured and took advantage of a digital advertisement through a partnership with Visit NC that is running in Our State's Countdown, Enews Series: "NC Bucket List". Staff will be attending the Visit NC conference in April. Visit NC will be presenting their yearly marketing co-op program. Staff will review those opportunities to see if any are a good fit for Rowan County.

Furr reported that the stay and play packages continued to be a great success and enticement for overnight visitation. Calendar year to date 53 packages and 74 room nights associated with those packages have been secured. Packages currently running are the VISA Gift Card package, Spring in Rowan County and the Cheerwine Festival package.

Furr reported partner engagement for February of 3 event visits, 3 partner relationship visits, and 3 PR engagements calendar year to date. Staff recently met with hotel partners to discuss the lodging market and strategies. These meetings have been a great way to keep an open line of communication on the market, what is happening and how we can work together on various strategic programs. The 2025 Hospitality Night is less than 2 months away on Thursday, May 8th at the Kannapolis Cannon Ballers. Furr asked everyone to please mark their calendars and plan to attend with their families and coworkers. Furr reported that this year there will be a few influencers and local media joining the fun. Furr noted that it was very nice to see that these folks have registered and see those relationships continue to grow. She encouraged all the board members to sign up to attend and bring their families. There are over 300 people who have already signed up to attend and last year the event hosted over 600 and staff would love to surpass that number this year.

Furr said that winter weather over the last two months affected a couple of the groups. Some groups had to reschedule so there are some date changes in the marketing report. Furr noted that staff were hopeful earlier this year in hosting a YMCA conference in Rowan County this fall and Furr was pleased to report that the conference is coming to Rowan County. She has been working with Richard and the local hotels on what their needs are and how to best meet those. Year to date there are an estimated 262 room nights associated with group business to Rowan County.

Furr reported that the partnership with NCTM is continuing, and tourism will sponsor room nights that their event staff may need. There have been several sponsorship requests come in over the last month including NC Interscholastic Cycling League for hospitality, Earth Day, the Sculpture Show, the Cheerwine Festival, the Dragon Boat Festival and a production for Piedmont Players. Year to date 8 requests from partners have been fulfilled and 107 room nights have been associated with those requests.

Looking ahead, Furr said members will continue to see staff pushing for overnight stays through messaging, promoting spring packages and events, attending Visit NC in Hickory, Hospitality Night and the Cannon Ballers partnership.

Tourism Development

Sarah Michalec reported that 14 welcome signs have been installed including (2) Rockwell, (2) Faith, (3) Spencer, (1) Landis, (2) Woodleaf, (3) Gold Hill and (1) in Cleveland. Michalec said staff are working to relocate one to Landis and the final two signs are awaiting the town to sign off on the location. The Town of China Grove's are built and ready to go once the town approves locations. Sada Troutman is working to finalize locations for Downtown Salisbury signage and get those before Council. The directional signs are in production and are on schedule for a late spring install.

James Meacham gave an update on the Gateway building and reported that the fire alarm system is being repaired and Michalec was able to work to find a fix at around \$6000 as opposed to an estimated \$75,000 replacement. Meacham said this is not a long-term fix but should provide coverage for 3-5 years. The lobby refresh is still scheduled for late summer into the fall. The tenants all agreed to a higher lease rate of going up \$2 per foot in July.

Meacham reported that the Marriott Townplace Suites developers and City staff have reached some solutions regarding plan approvals and are moving forward. Meacham gave a summary of the issues and the project's progress.

Rowan County Tourism and Salisbury-Rowan County CVB Bylaws:

Kidd asked if everyone had received the proposed By-Law amendments. Kidd reviewed the proposed By-Law amendments with outlined revisions of the TDA and CVB Bylaws.

Motion: Craig Pierce made the motion for approval of the TDA and CVB Bylaw revisions as presented.

Second: Sada Troutman

Motion: Approved

The meeting adjourned at 1 pm.

Respectfully submitted.

Lesley Pullium

SRCVB



FINANCIAL SUMMARY REPORT AS OF 3-31-2025

Report Date: April 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 3-31-25.

- Occupancy tax revenues as of 3-31-2025 for fiscal year 2024-25 on an accrual basis equaled \$1,130,435 and are 12% ahead of budget.
 - February 2025 taxes came in 0.7% less than February 2024.
 - March 2025 occupancy taxes are projected to come 10% to 14% higher than March 2024
 - Early April 2025 figures are ahead of April 2024 figures.
- Year-to-date revenues on an accrual basis through March 2025 were \$373,271 ahead of expenses. Total revenues equaled \$1,722,350 against expenses of \$1,349,078.
 - Most operating income on the budget vs actual statement is driven by the wayfinding program and capital projects; with capital expenditures occurring as balance sheet transactions.
 - Not including capital program revenues, Rowan Tourism's operating income is \$39,681.

Balance Sheet: Summary as of 3-31-2025

- Total Current Assets equaled \$578,906 and were \$41,516 higher than February 2025. Current assets consisted of cash on hand, occupancy tax receivables, wayfinding and capital project receivables.
- Account Receivables equaled \$318,407 which included February and March occupancy tax revenues, wayfinding revenues and a capital project reimbursement from the Chamber of Commerce.
- Cash on hand as of 3-31-25 equaled \$260,499.

ROWAN COUNTY TOURISM DEVELOPMENT AUTHORITY
Statement of Financial Position - Accrual Basis
As of March 31, 2025

Assets

Current Assets

Petty cash	\$ 16.83	
First Bank Checking - 0436	33,972.88	
F&M Operating - 9224	4,254.39	
NC Capital Mgmt Trust	201,015.20	
First Bank Money Mkt - 4509	21,239.72	
Accounts Receivable	<u>318,407.28</u>	
Total Current Assets		<u>578,906.30</u>

Fixed Assets

Building	2,176,919.00	
Land	250,604.00	
Construction in Progress	405,866.29	
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	<u>(803,083.81)</u>	
Total Fixed Assets		<u>2,970,104.49</u>

Other Assets

Pension Asset	<u>45,079.00</u>	
Total Other Assets		<u>45,079.00</u>
Total Assets		<u><u>3,594,089.79</u></u>

Liabilities & Net Assets

Current Liabilities

Retirement Withholding	1,549.16
Federal and Fica Withholding	1,651.10

See Accountant's Letter

ROWAN COUNTY TOURISM DEVELOPMENT AUTHORITY

Statement of Financial Position - Accrual Basis

As of March 31, 2025

State Withholding	252.00	
SUTA	27.42	
FUTA	<u>41.99</u>	
Total Current Liabilities		<u>3,521.67</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>80,498.67</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>373,271.86</u>	
Total Net Assets		<u>3,513,591.12</u>
Total Liabilities and Net Assets		<u>\$ 3,594,089.79</u>

See Accountant's Letter

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

	1 Month Ended March 31, 2025 Actual	1 Month Ended March 31, 2025 Budget	Current Period Over/(Under) Budget
<u>Income</u>			
Trolley Income	7,887.94	6,666.67	1,221.27
Occupancy Taxes Income	139,048.12	116,666.67	22,381.45
Partner Services Income	74,887.91	5,541.67	69,346.24
Holiday Caravan Parade Income	0.00	4,708.34	(4,708.34)
Miscellaneous Income	625.61	83.34	542.27
Investment Income	562.94	1,000.00	(437.06)
Gateway Building Income	12,104.00	11,875.00	229.00
Tourism ARPA Funding	59,989.42	41,666.67	18,322.75
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Total Income	295,105.94	188,208.36	106,897.58
<u>Operating Expenses</u>			
Salaries - regular	9,723.33	10,333.33	(610.00)
Worker's Comp and Liab Ins.	0.00	708.33	(708.33)
Miscellaneous	0.00	375.00	(375.00)
Professional Services	6,478.05	3,000.00	3,478.05
CVB Appropriation	100,285.66	91,291.66	8,994.00
Supplies & Equipment	152.10	375.00	(222.90)
Trolley	797.46	958.33	(160.87)
Tourism Development	266.66	62,500.00	(62,233.34)
Holiday Caravan Parade	35.00	4,708.33	(4,673.33)
Partner Services	1,423.79	2,083.33	(659.54)
Gateway Building	14,597.12	11,875.00	2,722.12
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Total Operating Expenses	133,759.17	188,208.31	(54,449.14)
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Operating Income (Loss)	161,346.77	0.05	161,346.72

See Accountant's Letter

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

	9 Months Ended March 31, 2025 Actual	Current Year June 30, 2025 Budget	Current Year Over/(Under) Budget
<u>Income</u>			
Trolley Income	48,982.43	80,000.00	(31,017.57)
Occupancy Taxes Income	1,130,435.51	1,400,000.00	(269,564.49)
Partner Services Income	95,072.43	66,500.00	28,572.43
Holiday Caravan Parade Income	63,689.69	56,500.00	7,189.69
Miscellaneous Income	6,347.85	1,000.00	5,347.85
Investment Income	8,233.21	12,000.00	(3,766.79)
Gateway Building Income	108,367.42	142,500.00	(34,132.58)
Tourism ARPA Funding	261,221.68	500,000.00	(238,778.32)
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Total Income	1,722,350.22	2,258,500.00	(536,149.78)
<u>Operating Expenses</u>			
Salaries - regular	89,065.93	124,000.00	(34,934.07)
Worker's Comp and Liab Ins.	5,376.00	8,500.00	(3,124.00)
Miscellaneous	5,599.71	4,500.00	1,099.71
Professional Services	41,722.80	36,000.00	5,722.80
CVB Appropriation	898,447.77	1,095,500.00	(197,052.23)
Supplies & Equipment	745.09	4,500.00	(3,754.91)
Trolley	11,993.60	11,500.00	493.60
Tourism Development	93,703.71	750,000.00	(656,296.29)
Holiday Caravan Parade	67,759.18	56,500.00	11,259.18
Partner Services	14,014.01	25,000.00	(10,985.99)
Gateway Building	120,650.56	142,500.00	(21,849.44)
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Total Operating Expenses	1,349,078.36	2,258,500.00	(909,421.64)
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Operating Income (Loss)	373,271.86	0.00	373,271.86

See Accountant's Letter

Rowan County Occupancy Tax Receipts Collected (GROSS)					
MONTH	FY20-21	FY21-22	%CHNG	FY22-23	%CHNG
July	61,737.08	105,514.79	70.9%	120,021.34	12.1%
August	66,399.96	99,851.17	50.4%	115,189.06	13.3%
September	78,562.08	100,792.04	28.3%	119,443.37	15.6%
Quarter Total	206,699.12	306,158.00	48.1%	354,653.77	13.7%
October	76,794.51	115,324.55	50.2%	128,088.16	10.0%
November	60,357.00	102,438.16	69.7%	116,523.19	12.1%
December	64,749.41	95,874.73	48.1%	103,834.94	7.7%
Quarter Total	201,900.92	313,637.44	55.3%	348,446.29	10.0%
January	56,291.87	96,918.80	72.2%	115,064.17	15.8%
February	62,049.03	94,530.61	52.3%	108,890.30	13.2%
March	84,372.26	114,826.05	36.1%	125,056.96	8.2%
Quarter Total	202,713.16	306,275.46	51.1%	349,011.43	12.2%
April	90,628.43	119,032.67	31.3%	125,347.11	5.0%
May	97,167.69	126,307.46	30.0%	125,953.79	-0.3%
June	102,792.30	115,684.25	12.5%	109,364.77	-5.8%
Quarter Total	290,588.42	361,024.38	24.2%	360,665.67	-0.1%
Adjmts Penalties					
Penalties					
Year Total	\$ 901,901.62	\$ 1,287,095.28	42.7%	\$ 1,412,777.16	8.9%
				\$ 1,414,962.75	0.2%

