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

Wednesday, May 15, 2024, Noon

- | | | |
|------|---|-----------------|
| I. | Call to Order | Krista Sullivan |
| II. | Approval of Meeting Minutes | Krista Sullivan |
| III. | Financial Report | James Meacham |
| | A. Financial Report & Tourism Market Update | |
| | B. 2024-25 Tourism Budget Presentation | |
| IV. | Tourism Program of Work Report | |
| | A. Destination Services, Sales, and Marketing | |
| | 1. Digital Program | Brooke Arrowood |
| | 2. Trolley Program | Brooke Arrowood |
| | 3. Sales, Marketing and Communications | Tara Furr |
| | B. Tourism Development | James Meacham |
| | 1. Wayfinding | |
| | i. Award Welcome Sign Contract to lowest qualified bidder | |
| | 2. Railwalk | |
| | i. Rowan County & Rowan Tourism Interlocal | James Meacham |
| | 3. Agritourism | |
| V. | Additional Business | |
| VI. | Adjourn | |



**ROWAN COUNTY TOURISM
BOARD OF DIRECTORS MEETING**

Wednesday, April 17, 2024, 12:00 pm

BOARD MEETING MINUTES

Board Members Attending: Craig Pierce, Kimberly Morgan, Stephen Kidd, Sada Troutman, Therese Henderson, Vivian Hopkins, Karen Alexander, Richard Reinholz (Zoom), Andy Maben

Not Attending: Krista Sullivan, April Saylor

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

RCTDA Call to Order

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

Approval of the Minutes

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

Second: Kimberly Morgan

Motion: Approved

Financial Report & Tourism Market Update

Meacham apologized that the detailed financials were not available today from the TDA accountant. Meacham reported that staff has seen a see-saw change in the lodging market over the last couple of weeks and it is looking far better than the first of the year. An upward trend started in late February and accelerated toward the end of March. April month to date (through the 13th), market occupancy is 76.5% which is 4.8% ahead of April 2023 which was a record month. Meacham stated that the average room rate was up 5.8% to \$116 per room and puts total revenue up 11% for first 13 days. The week of April 6th -13th was a robust week with occupancy at 80%, 2.2% above last year and room rate was up as well. Meacham reported that he will have up to date financials for approval at the next board meeting.

Tourism Program of Work

Michalec reported that the email newsletter open rate for March was 35% with 4,960 subscribers. The website has undergone a shift away from winter visa giveaway to the package season and spring and summer events and activities. Year to date there are 81,000 page views and 35,000 users.

Michalec reported the online package booking platform continues to work well with 41 reservations and 55 room nights year to date with 57% of those being package bookings. Michalec reports that all the new special offers have been put into place with RIPE through early fall in preparation for Michalec to be out and for things to flow smoothly as the year progresses.

Michalec reported that across social media total following of almost 37,000 across all platforms and total engagement of 25,000. Top engaged posts include Rowan County's antiquing blog, the Historical experiences blog and Cannon Ballers Ticket Giveaway. Blog top visited page 24 posts and 7600 views. Top blog in March Easter events blog with over 1000 views.

Michalec reported that influencers continue to be utilized with good reach and engagement. In March, House of Henson took over the Easter Bunny Express, Meredith Little visited Dan Nicholas Park, and Jenna covered the St. Patrick's Day Festivities in Kannapolis. Influencers year to date impact is 36,000 engagement and 574,000 views. Michalec reports that there are definitely a lot of eyes on the influencers. Total digital engagements year to date are 152,000 with over 1 million in reach.

Arrowood reported year to date trolley bookings of 113, and there are 29 bookings occurring in the next 90 days. Revenue year to date is \$15,650. Arrowood reported that she attended a bridal expo that was hosted by the Barn at Cedar Hill. There were a few folks interested in booking the trolleys over the next two years and she will be following up with those. Arrowood briefly reviewed the list of rentals occurring in the next two months. Most summer weekends are available for activity but after August most of the weekends for fall are already booked up. Arrowood reported she has officially received a contract and deposit for the Scrooge Trolley with Lee Street Dec 16-23, 2024.

Meacham reported that Arrowood has already exceeded projected yearly revenue for the year in the first three quarters of the year.

Furr reported paid marketing placements of 28 for the month of March. The marketing message continues to focus on storytelling to promote the brand, the destination, destination events and booking overnight stays within the county.

Furr reported that Day Out with Thomas (DOWT) Tickets are now available and so is the Stay & Play Package. DOWT takes place the last weekend in Sept and 1st in weekend in October. Furr reported that 6 packages and 13 room nights have been booked so far for DOWT. Meacham noted that the Wine@Winter package sales were the best we have experienced so far with the event. Furr reminded the group that packages this year include OctTour, Brewfest and Polar Express along with an array of new packages including, Earth Day Jam, Spring Fun on the Farm, Hippie Fest, Brew & Chew, Jiggy with Piggy, Cheerwine Festivals, Autumn Jubilee, Cannon Ballers Home games, NCTM Roundhouse 100th Anniversary, Stream over Spencer, Hot Air Balloon Festival, Wine & Dine on the Rails. Furr reported the new requirement with the lodging widget is going very well with partners and that is helping to make sure that staff is pushing overnight stays and packages.

Furr reported that partner engagement for March consisted of visits to nine lodging partners, meetings with the local hotel partners, and Patterson Farms and Lazy 5 Ranch event visits.

Furr reported that there were three PR engagements this month and some exciting PR opportunities coming up. Furr reported that WCCB is going to cover the Bicentennial Celebration in late May/early June. Charlotte

Magazine will be covering Day Trips to Salisbury in May; Our State Magazine is coming out to Founder's Day in Gold Hill in September. That will be an unpaid placement with Our State. NC Weekend's will feature on PBS this week a segment on Cherry Treesort.

The Kannapolis Cannon Ballers season is just around the corner and Furr is working on both the tourism partnership for the season and the annual hospitality event. Furr noted the event will occur on May 9th this year. Furr encouraged all members to register and noted that were 403 already registered for the event, which is more than the total attendance for the event last year. The group is very diverse, and the staff is very excited about that.

In group sales, Furr continues to work with several groups that will be returning in 2024 as well as new groups including the Rowan Salisbury School System that is hosting a local seminar later in the year.

Furr reported that has received seven tourism support requests in March with 58 room nights associated with these groups.

Furr reported that for the 2024 year ahead, staff will continue to push all the available packages, continue to promote overnight stays through storytelling, a spring trolley push, Cannon Ballers spring and summer partnership and promoting spring/summer events. A PowerPoint slide show of some of the upcoming events was presented for the board.

Meacham asked the board for consideration in increasing the Mastercard credit card limits to allow for more monthly capacity for various operating and social media marketing fees.

Motion: Craig Pierce made the motion to for approval of the Mastercard credit card limit increase from \$25,000 to \$40,000.

Second: Kim Morgan

Motion: Approved

Tourism Development

Michalec reported that wayfinding is happening, she reported that two RFPs have been issued for the project and both are due in the month of May. If qualified submissions are received those will come to the board for consideration at the May and/or June meetings. Meacham reported the first bid is a construction bid for the welcome signs and the second is a procurement bid for purchasing the signs. One is an information construction, and one is a formal sealed bid for the procurement of the signage. There are different requirements for the two and those will be followed.

Meacham reported that all of the property except for one for the Railwalk Development Project. Staff met with the architect to establish updated pricing and next steps. Total estimation to complete the project is \$700,000 – \$800,000 total. Meacham reported that statutorily, the TDA cannot spend more than 1/3 of occupancy funds on capital projects. Meacham said that staff will submit for consideration to the county and to this board for an interlocal agreement for funding to work in partnership to complete the project.

Motion: Craig Pierce made the motion for approval to enter an interlocal agreement with Rowan County for up to \$700,000 to complete the RailWalk project pending approval by Rowan County.

Second: Therese Henderson

Motion: Approved

Meacham reported that the agritourism plan is close to being completed with Patterson Farm. Two new attractions have been identified and are coming in the fall well under the amount of funds extended.

Additional Business**FY2024 -2025 Tourism Board Officers**

Meacham reports that the new fiscal year begins July 1st. New officer positions need to be elected in July including the new TDA Board Chair position. A proposed slate of officers was presented for consideration. Kidd asked for any other nominations, hearing none he closed the floor.

Krista Sullivan – Past Chair
Stephen Kidd – Board Chair
Sada Troutman – Vice Chair
Richard Reinholz – Treasurer
Therese Henderson – Secretary

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

Second: Vivian Hopkins

Motion: Approved.

The meeting adjourned at 1 pm.

Respectfully submitted.

Lesley Pullium

SRCVB



FINANCIAL SUMMARY REPORT AS OF 04-30-2024

Report Date: May 15, 2024

***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 2023-24 Statement of Activities: Highlights as of 04-30-24.

- Occupancy tax revenues as of 04-30-24 for fiscal year 2023-24 on an accrual basis equaled \$1,112,151 and are in line with revised budget expectations.
 - March 2024 occupancy taxes were approximately 1.0% behind March 2023
- Year to date revenues on an accrual basis through April were \$57,442 ahead of expenses. With total revenues equaling \$1,409,139 versus expenses of \$1,351,697

Balance Sheet: Summary as of 04-30-24

- Total Current Assets equaled \$554,593 and were \$44,693 higher than the month ending 3-30-24 due to an increase in cash on hand and an increase in occupancy tax account receivables.
- Accounts Receivables equaled \$272,250 which includes March and April outstanding occupancy tax revenues.
- Cash on hand as of 04-30-24 equaled \$282,342; \$24,999 higher than the previous month.

Rowan County Tourism Development Authority
Statement of Financial Position
As of April 30, 2024

Accrual Basis

	<u>Apr 30, 24</u>
ASSETS	
Current Assets	
Checking/Savings	
1052 · F&M Bank-Operating 9224	29,335.91
1020 · Petty cash	16.83
1050 · First Bank checking #0436	20,278.13
1065 · NC Capital Mgmt Trust	219,744.49
1070 · First Bank MM account-4509	12,967.16
	<u>282,342.52</u>
Total Checking/Savings	282,342.52
Accounts Receivable	
1201 · Accounts Receivable	272,250.49
	<u>272,250.49</u>
Total Accounts Receivable	272,250.49
Total Current Assets	554,593.01
Fixed Assets	
1503 · RAILWALK PAVILION	506,594.36
1502 · Construction in Progress	23,766.03
1501 · Land	250,604.00
1500 · Building	2,176,919.00
1505 · Computers	21,736.52
1510 · Furniture & fixtures	68,310.00
1515 · Office equipment	23,278.13
1516 · Trolley cars	319,880.00
1990 · Accumulated depreciation	-706,002.81
	<u>2,685,085.23</u>
Total Fixed Assets	2,685,085.23
Other Assets	
1900 · Pension Asset	42,347.00
	<u>42,347.00</u>
Total Other Assets	42,347.00
TOTAL ASSETS	<u><u>3,282,025.24</u></u>

Rowan County Tourism Development Authority
Statement of Financial Position
As of April 30, 2024

Accrual Basis

	<u>Apr 30, 24</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
234 · 457b Withholdings	-180.00
2039 · United Way	-800.00
2035 · Retirement withholding	1,299.90
2100 · Payroll Liabilities	<u>2,098.87</u>
Total Other Current Liabilities	<u>2,418.77</u>
Total Current Liabilities	2,418.77
Long Term Liabilities	
2700 · Pension Deferrals	<u>55,846.00</u>
Total Long Term Liabilities	<u>55,846.00</u>
Total Liabilities	58,264.77
Equity	
3050 · Investment in fixed assets	2,685,085.00
3105 · Restricted Fund Balance	239,730.00
3900 · Retained Earnings	234,895.55
Net Income	<u>64,049.92</u>
Total Equity	<u>3,223,760.47</u>
TOTAL LIABILITIES & EQUITY	<u><u>3,282,025.24</u></u>

**Rowan County Tourism Development Authority
Statement of Activities Actual vs Budget**

Accrual Basis

April 2024

	<u>Apr 24</u>	<u>Budget</u>	<u>\$ Over Budg...</u>
Ordinary Income/Expense			
Income			
4350 · Tourism ARP Funding	0.00	41,666.66	-41,666.66
4070 · Misc and Ticket Sales	0.00	83.34	-83.34
4060 · Holiday Caravan Parade	0.00	4,708.33	-4,708.33
4100 · Fund Balance Interest	955.12	500.00	455.12
4010 · Occupancy taxes	125,500.00	116,666.66	8,833.34
4000 · Trolley Operations	8,671.78	5,000.00	3,671.78
4300 · Gateway Building Revenue	14,178.32	11,166.66	3,011.66
4025 · Partner Services	13,130.91	5,000.00	8,130.91
Total Income	<u>162,436.13</u>	<u>184,791.65</u>	<u>-22,355.52</u>
Gross Profit	162,436.13	184,791.65	-22,355.52
Expense			
6510 · Holiday Caravan Parade Expen...	35.00	7,083.33	-7,048.33
6511 · Partner Service Expense	1,259.91	1,666.67	-406.76
6500 · Destination Development	17,718.16	62,500.00	-44,781.84
60001 · Marketing & Visitor Services			
6135 · Salisbury-Rowan CVB	79,387.84	87,500.00	-8,112.16
6465 · Trolley	1,605.42	875.00	730.42
6070 · Miscellaneous	204.00	333.33	-129.33
Total 60001 · Marketing & Visitor Ser...	<u>81,197.26</u>	<u>88,708.33</u>	<u>-7,511.07</u>
60002 · Operations & Administration			
6010 · RCTDA Operations Staff	9,683.91	10,000.00	-316.09
6185 · Supplies-Administration	200.00	333.34	-133.34
6040 · Worker's comp insurance	0.00	666.67	-666.67
6105 · Professional Services	3,064.20	2,666.67	397.53
6600 · Gateway Building Expenses	4,796.76	11,166.66	-6,369.90
Total 60002 · Operations & Administr...	<u>17,744.87</u>	<u>24,833.34</u>	<u>-7,088.47</u>
Total Expense	<u>117,955.20</u>	<u>184,791.67</u>	<u>-66,836.47</u>
Net Ordinary Income	<u>44,480.93</u>	<u>-0.02</u>	<u>44,480.95</u>
Net Income	<u><u>44,480.93</u></u>	<u><u>-0.02</u></u>	<u><u>44,480.95</u></u>

**Rowan County Tourism Development Authority
Statement of Activities Actual vs Budget**

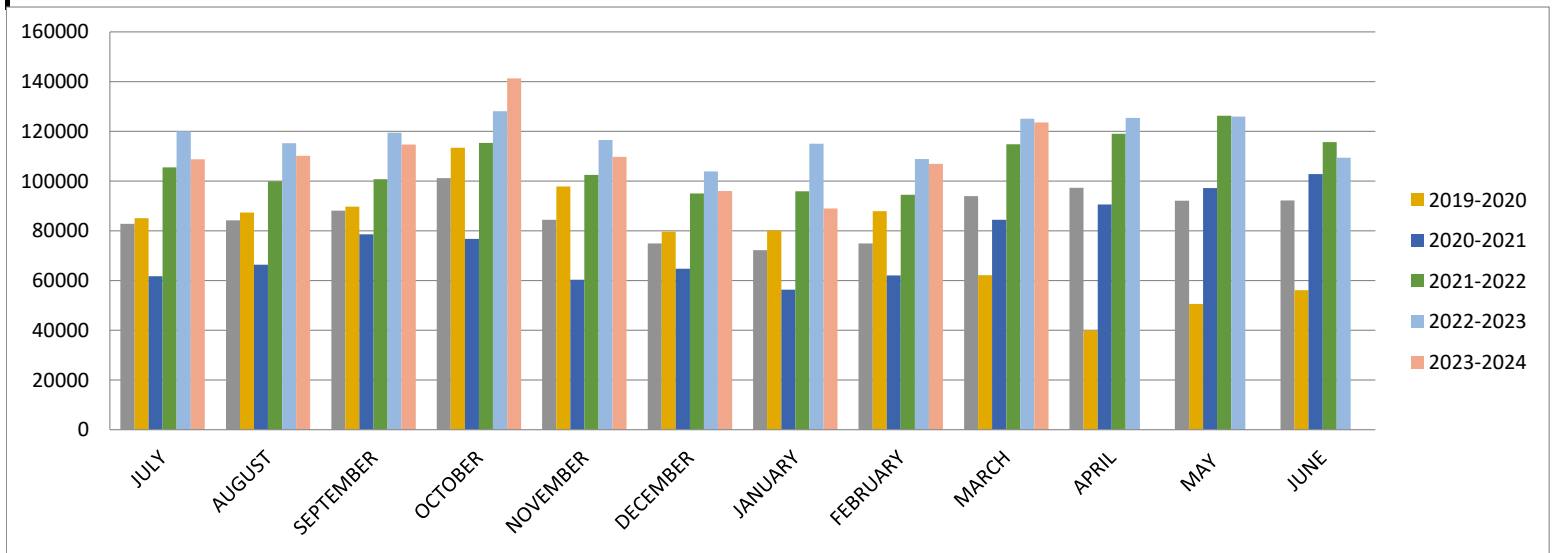
Accrual Basis

July 2023 through June 2024

	Jul '23 - Jun...	Budget	\$ Over Budg...
Ordinary Income/Expense			
Income			
4350 · Tourism ARP Funding	0.00	500,000.00	-500,000.00
4070 · Misc and Ticket Sales	6,280.34	1,000.00	5,280.34
4060 · Holiday Caravan Parade	56,246.39	56,500.00	-253.61
4100 · Fund Balance Interest	9,546.18	6,000.00	3,546.18
4010 · Occupancy taxes	1,112,151.11	1,400,000.00	-287,848.89
4000 · Trolley Operations	69,306.44	60,000.00	9,306.44
4300 · Gateway Building Revenue	104,252.29	134,000.00	-29,747.71
4025 · Partner Services	51,356.88	60,000.00	-8,643.12
Total Income	<u>1,409,139.63</u>	<u>2,217,500.00</u>	<u>-808,360.37</u>
Gross Profit	1,409,139.63	2,217,500.00	-808,360.37
Expense			
6501 · Tourism Capital Projects	7,234.89	0.00	7,234.89
6510 · Holiday Caravan Parade Expen...	89,411.63	85,000.00	4,411.63
6511 · Partner Service Expense	17,340.63	20,000.00	-2,659.37
6500 · Destination Development	110,293.54	750,000.00	-639,706.46
60001 · Marketing & Visitor Services			
6135 · Salisbury-Rowan CVB	870,301.59	1,050,000.00	-179,698.41
6465 · Trolley	12,005.58	10,500.00	1,505.58
6070 · Miscellaneous	4,315.29	4,000.00	315.29
Total 60001 · Marketing & Visitor Ser...	<u>886,622.46</u>	<u>1,064,500.00</u>	<u>-177,877.54</u>
60002 · Operations & Administration			
6010 · RCTDA Operations Staff	105,786.01	120,000.00	-14,213.99
6185 · Supplies-Administration	1,676.82	4,000.00	-2,323.18
6040 · Worker's comp insurance	7,459.00	8,000.00	-541.00
6105 · Professional Services	30,476.27	32,000.00	-1,523.73
6600 · Gateway Building Expenses	92,868.79	134,000.00	-41,131.21
Total 60002 · Operations & Administr...	<u>238,266.89</u>	<u>298,000.00</u>	<u>-59,733.11</u>
6560 · Payroll Expenses	2,527.28	0.00	2,527.28
Total Expense	<u>1,351,697.32</u>	<u>2,217,500.00</u>	<u>-865,802.68</u>
Net Ordinary Income	<u>57,442.31</u>	<u>0.00</u>	<u>57,442.31</u>
Net Income	<u><u>57,442.31</u></u>	<u><u>0.00</u></u>	<u><u>57,442.31</u></u>

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	-8.2%
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%	88,997.47	-22.7%
February	87,894.99	62,049.03	-29.4%	94,530.61	52.3%	108,890.30	13.2%	106,875.73	-1.9%
March	62,149.01	84,372.26	35.8%	114,826.05	36.1%	125,056.96	8.2%	123,858.60	-1.0%
Quarter Total	230,144.88	202,713.16	-11.9%	306,275.46	51.1%	349,011.43	12.2%	319,731.80	-9.2%
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	\$88,997	
February	\$87,894	\$62,049	\$94,531	\$108,890	\$106,875	
March	\$93,891	\$84,372	\$114,826	\$125,057	\$123,858	actual
April	\$97,301	\$90,628	\$119,033	\$125,347	\$126,000	projected
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	\$445,730 YTD