



NORTH CAROLINA

Be an original.®

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

**Wednesday, June 18, 2025, 11:30am
Towel City Tavern, Kannapolis, NC**

- | | | |
|--------------|--|--------------------------------|
| I. | Call to Order | Stephen Kidd |
| II. | City of Kannapolis Update | Kannapolis City Leaders |
| III. | Financial Report | |
| | A. Financial Report and Market Update | James Meacham |
| | B. FY 2025-26 Proposed Budget Final Review | James Meacham |
| | C. Public Hearing for June 18, 2025 | Stephen Kidd |
| | a. FY2025-26 Budget Resolution | |
| IV. | Tourism Program of Work Report | |
| | A. Destination Marketing | |
| | 1. Digital Marketing | Brooke Arrowood |
| | 2. Sales, Packages, Promotions and Trolleys | Tara Furr |
| | B. Tourism Development and Infrastructure | Sarah Michalec |
| VI. | Additional Business | |
| VIII. | Adjourn | |



Tourism Development Authority
North Carolina

*Be an original.*TM

ROWAN COUNTY TOURISM BOARD OF DIRECTORS' MEETING

Wednesday, May 21, 2025, 12:00 pm

BOARD MEETING MINUTES

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

Not Attending: None

TDA Staff: James Meacham, Tara Furr, Sarah Michalec

Guests: None

RCTDA Call to Order

Chair Stephen Kidd called the Rowan County Tourism Development Authority (RCTDA) Board of Directors meeting to order at 12:00 PM.

Approval of the Minutes

Chair Kidd noted that all members had received the April 2025 meeting minutes via email.

Motion: Craig Pierce moved to approve the April 2025 meeting minutes.

Second: Krista Sullivan

Motion: Approved unanimously.

Financial Report

Meacham provided the financial update, noting occupancy tax revenues remain strong, with year-to-date collections 13.3% ahead of budget. Projected fiscal year-end revenues range between \$1.59 million and \$1.6 million, with March taxes 16% above budget. April performance continued strong with increased contributions from short-term rentals. Early May figures indicated 75% occupancy (up 2.8% from 2024), average daily rate up 3.3% to \$121.78, and RevPAR up over 6% to \$91.34.

Meacham reported year-to-date revenues exceeded expenses by \$434,000 on paper, driven by capital project accounting methods. Net operating income, excluding capital, stands at \$41,724. Current assets total just

under \$600,000 with ongoing reimbursements from occupancy tax collections, wayfinding programs, and Chamber partnerships.

Motion: Craig Pierce moved to approve the financial report as presented.

Second: Sada Troutman

Motion: Approved unanimously.

FY 2025–26 Proposed Budget Presentation

Meacham presented the proposed FY 2025–26 RCTDA and SRCVB budgets, outlining continued focus on capital projects, digital marketing, overnight stays, and staff development. The proposed \$2.003 million balanced budget includes:

- \$1.144 million CVB appropriation
- \$400,000 for tourism development (includes \$150,000 repayment to the county for RailWalk)
- Increased gateway building lease revenues due to approved rate adjustments
- Anticipated growth in trolley revenue from rate changes
- Commitment to use of AI and digital platforms for marketing, booking systems, and visitor engagement

Staffing expenses are projected at 36.6% of the total budget, down from previous years. Sales and marketing allocations will increase by \$30,000 to \$480,000. Strategic priorities include digital tools for trolley rentals, streamlined visitor center services, and expanded wayfinding systems.

The Board agreed to hold a public hearing for final budget adoption.

Motion: Craig Pierce moved to schedule the FY 2025–26 Budget Public Hearing for June 18, 2025.

Second: Sada Troutman

Motion: Approved unanimously.

Tourism Program of Work

Destination Marketing Report

Michalec reported April website traffic totaled 104,000 page views and 49,000 users. Email engagement remains strong with a 34.28% open rate across 5,175 subscribers. Social media totals reached 46,599 followers with over 56,000 engagements. Influencer partnerships have generated 142,870 views and 57,700 engagements year-to-date. Total digital impact across all platforms stands at 184,975.

Furr reported a record turnout for the 2025 Tourism & Hospitality Celebration Night, with 1,000 registrants and nearly 600 attendees despite inclement weather. Year-to-date, 123 paid marketing placements and 117 trolley rentals have generated nearly \$25,000 in revenue. Several trolleys were deployed during recent events including the Cheerwine Festival and weddings. Lodging partner engagement and hospitality outreach continue with positive feedback.

Stay & Play Packages

Furr reported growth in stay and play offerings, including:

- **Cheerwine Festival:** 20 packages, 29 room nights (up from 14/20 in 2024)
- **Day Out with Thomas:** 22 packages, 32 room nights
- **Spring in Rowan County:** 7 packages, 12 room nights
- **Total to date:** 111 packages, 159 room nights

Future packages include Brew & Chew and Polar Express.

Tourism Development & Infrastructure

Michalec reported 70 directional signs installed—13 welcome signs and 57 directional—with three welcome signs pending. Final China Grove installations are scheduled for June 16–17, pending DOT easement. Eleven additional directional signs are in development, including eight for downtown Salisbury to guide visitors to RailWalk and the Farmers Market. Downtown Salisbury welcome signage is also progressing within budget.

Plans to update the Gateway Center lobby with new paint, wallpaper, and furniture are underway. New digital engagement features will be added to enhance visitor experience.

Closed Session

Motion: Craig Pierce moved to enter closed session to discuss human resource matters.

Second: Richard Reinholz

Motion: Approved

The meeting adjourned at 1:22 pm.

Respectfully submitted.

Lesley Pullium

SRCVB



FINANCIAL SUMMARY REPORT AS OF 5-31-2025

Report Date: June 16, 2025

***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 2024-25 Statement of Activities: Highlights as of 5-31-2025.

- Occupancy tax revenues as of 5-31-2025 for fiscal year 2024-25 on an accrual basis equaled \$1,428,186 and are 11.3% ahead of FY23-24 and the initial FY24-25 budget.
 - April 2025 taxes came in 1% ahead of FY23-24 collections; this was especially strong considering Easter in 2024 was in March while it was in April in 2025. April 2025 collections were a record for the month of April.
 - May taxes are projected to come in 2% to 5% ahead of May 2024.
 - Early June figures are projected to be in line, to slightly ahead of budget.
- Year-to-date revenues on an accrual basis through May were \$635,554 ahead of expenses. Total revenues equaled \$2,231,395 against expenses of \$1,595,841.
 - 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.
 - Less capital balance sheet transactions Tourism's net operating income is \$116,591

Balance Sheet: Summary as of 5-31-2025

- Total Current Assets equaled \$730,130 and were \$135,961 higher than April 2025. Current assets consisted of cash on hand, occupancy tax receivables, partner services receivables, wayfinding and capital project receivables.
- Accounts Receivables equaled \$358,020 which included April and May outstanding occupancy tax revenues and wayfinding reimbursements.
- Cash on hand as of 5-31-25 equaled \$372,109; this is \$119,429 more than April 2025.

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

Assets

Current Assets

Petty cash	\$ 16.83	
First Bank Checking - 0436	126,527.79	
F&M Operating - 9224	4,484.39	
NC Capital Mgmt Trust	200,837.24	
First Bank Money Mkt - 4509	40,243.74	
Accounts Receivable	<u>358,020.78</u>	
Total Current Assets		<u>730,130.77</u>

Fixed Assets

Building	2,176,919.00	
Land	250,604.00	
Construction in Progress	518,963.74	
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>3,083,201.94</u>

Other Assets

Pension Asset	<u>45,079.00</u>	
Total Other Assets		<u>45,079.00</u>
Total Assets		<u><u>3,858,411.71</u></u>

Liabilities & Net Assets

Current Liabilities

Retirement Withholding	2,323.74
Federal and Fica Withholding	2,806.36

See Accountant's Letter

ROWAN COUNTY TOURISM DEVELOPMENT AUTHORITY

Statement of Financial Position - Accrual Basis

As of May 31, 2025

State Withholding	416.00	
SUTA	<u>14.97</u>	
Total Current Liabilities		<u>5,561.07</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>82,538.07</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>635,554.38</u>	
Total Net Assets		<u>3,775,873.64</u>
Total Liabilities and Net Assets		<u>\$ 3,858,411.71</u>

See Accountant's Letter

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

	11 Months Ended May 31, 2025 Actual	Current Year June 30, 2025 Budget	Current Year Over/(Under) Budget
<u>Income</u>			
Trolley Income	59,420.76	80,000.00	(20,579.24)
Occupancy Taxes Income	1,428,186.43	1,550,000.00	(121,813.57)
Partner Services Income	101,551.83	103,800.00	(2,248.17)
Holiday Caravan Parade Income	63,689.69	63,700.00	(10.31)
Miscellaneous Income	6,771.85	6,500.00	271.85
Investment Income	9,643.65	12,000.00	(2,356.35)
Gateway Building Income	135,610.44	142,500.00	(6,889.56)
Tourism ARPA Funding	426,520.90	500,000.00	(73,479.10)
	<hr/>	<hr/>	<hr/>
Total Income	2,231,395.55	2,458,500.00	(227,104.45)
<u>Operating Expenses</u>			
Salaries - regular	113,938.89	134,000.00	(20,061.11)
Worker's Comp and Liab Ins.	5,862.00	8,500.00	(2,638.00)
Miscellaneous	5,881.53	7,500.00	(1,618.47)
Professional Services	42,951.75	51,000.00	(8,048.25)
CVB Appropriation	1,083,125.19	1,175,500.00	(92,374.81)
Supplies & Equipment	1,735.86	4,500.00	(2,764.14)
Trolley	13,995.66	17,500.00	(3,504.34)
Tourism Development	94,270.48	800,000.00	(705,729.52)
Holiday Caravan Parade	67,529.18	68,500.00	(970.82)
Partner Services	16,460.16	25,000.00	(8,539.84)
Gateway Building	150,090.47	166,500.00	(16,409.53)
	<hr/>	<hr/>	<hr/>
Total Operating Expenses	1,595,841.17	2,458,500.00	(862,658.83)
	<hr/>	<hr/>	<hr/>
Operating Income (Loss)	635,554.38	0.00	635,554.38

See Accountant's Letter

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

	1 Month Ended May 31, 2025 Actual	1 Month Ended May 31, 2025 Budget	Current Period Over/(Under) Budget
<u>Income</u>			
Trolley Income	5,423.22	6,666.67	(1,243.45)
Occupancy Taxes Income	151,031.36	129,166.67	21,864.69
Partner Services Income	2,238.69	8,650.00	(6,411.31)
Holiday Caravan Parade Income	0.00	5,308.34	(5,308.34)
Miscellaneous Income	424.00	541.67	(117.67)
Investment Income	710.94	1,000.00	(289.06)
Gateway Building Income	10,117.02	11,875.00	(1,757.98)
Tourism ARPA Funding	126,573.80	41,666.67	84,907.13
	<hr/>	<hr/>	<hr/>
Total Income	296,519.03	204,875.02	91,644.01
<u>Operating Expenses</u>			
Salaries - regular	14,884.07	11,166.66	3,717.41
Worker's Comp and Liab Ins.	0.00	708.33	(708.33)
Miscellaneous	1.89	625.00	(623.11)
Professional Services	1,103.95	4,250.00	(3,146.05)
CVB Appropriation	72,124.13	97,958.33	(25,834.20)
Supplies & Equipment	0.00	375.00	(375.00)
Trolley	0.00	1,458.33	(1,458.33)
Tourism Development	5.29	66,666.66	(66,661.37)
Holiday Caravan Parade	(265.00)	5,708.33	(5,973.33)
Partner Services	1,222.36	2,083.33	(860.97)
Gateway Building	6,298.66	13,875.00	(7,576.34)
	<hr/>	<hr/>	<hr/>
Total Operating Expenses	95,375.35	204,874.97	(109,499.62)
	<hr/>	<hr/>	<hr/>
Operating Income (Loss)	201,143.68	0.05	201,143.63

See Accountant's Letter