

VISIT ROWAN COUNTY

NORTH CAROLINA

Be an original.[®]

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

Wednesday, June 19, 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 Review and Public Hearing | |
| | C. 2024-25 Budget Consideration | |
| 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 | James Meacham |
| | B. Tourism Development | James Meacham |
| | 1. Wayfinding | |
| | i. Award Procurement Wayfinding Sign Contract to lowest qualified bidder | |
| | 2. Railwalk | |
| V. | Additional Business: No July Meeting | |
| VI. | Adjourn | |



**ROWAN COUNTY TOURISM
BOARD OF DIRECTORS MEETING**

Wednesday, May 15, 2024, 12:00 pm

BOARD MEETING MINUTES

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

Not Attending: Vivian Hopkins,

TDA Staff: James Meacham, Tara Furr, Brooke Arrowood

RCTDA Call to Order

Krista Sullivan called RCTDA to order at 12:00pm.

Approval of the Minutes

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

Second: Stephen Kidd

Motion: Approved

Financial Report & Tourism Market Update

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

Meacham reported total current assets of \$554,593 which were \$44,493 higher than the month ending 3.30.24 due to an increase in cash on hand and an increase in occupancy tax account receivables. The accounts receivable equaled \$272,250 which includes March and April's outstanding occupancy tax revenues. Cash on hand as of April 30, 2024, was \$282,342; \$24,999 higher than the previous month. Meacham reported that from a fiscal perspective, it has a very healthy financial position.

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

Second: Richard Reinholz

Motion: Approved

Meacham reported that he needed to add an item to the agenda under the financial section which was to add Consideration of the 2023-24 Audit Contract with Eddie Carrick, CPA.

Motion: Craig Pierce made the motion for approval of the 2023-24 Audit Contract with Eddie Carrick, CPA, cost not to exceed \$5000.

Second: Steven Kidd

Motion: Approved.

2024-25 Tourism Budget Presentation

Meacham gave a presentation on the purposed 2024-25 Tourism Budget and distributed the proposed budget to the board for review over the next thirty days. Meacham touched on the key fact that this proposed budget is flat compared to the current fiscal year. The largest expense increases staff has seen this year have been all the various insurances (worker comp., health insurance etc., service fees, and administrative expenses related to contracts).

The proposed 2024-25 Tourism Budget is on the website for the public, a public notice has been placed and the budget is available for anyone to view in person as well. Meacham reviewed each budget section with Furr covering marketing and program of work expenses. Furr stated the goals and objectives for the coming year of 2024-25 and covered how each marketing strategy will be implemented including those for the Trolleys. Furr reported on the overarching marketing trends that are being observed in the market and how marketing staff will continue to work to utilize those trends. For example, Influencers and micro-influencers are continuing to work well and will be utilized in 2024-25. The stay and play packages program will be another important tool that will continue in 2024-25. "Rowan Original" experiences will be promoted which allows Rowan County to connect best with the target market.

Meacham reviewed the proposed budget stating projected occupancy income of \$1.4 million. Meacham covered each budget category in the TDA and the CVB as well as the capital budget with explanation of proposed increases or decreases from the prior budget. (see attached Proposed 2024-25 Rowan Tourism Budget for detail).

The public hearing is scheduled for June 15, 2024 at the RCTDA Board Meeting and a public notice was published in the Salisbury Post this month.

Tourism Program of Work

Brooke Arrowood reported that the email newsletter open rate for April was 33.86% with 4,969 subscribers. The website stats year to date there are 115,481 page views and 51,226 users. Emphasis was placed on the Cheerwine Festival and promotion of Cheerwine packages and all events in April.

Arrowood reported the online package booking platform continues to work well with 74 reservations and 106 room nights year to date with the numbers doubling from the previous meeting. 77% of the reservations made through the platform are with package bookings.

She also reported that across social media total following of almost 37,814 across all platforms and total engagement of 34,190. Facebook followers have passed 30,000 which is exciting. Top engaged posts include Rowan County's April in the Arts and the Guide to the Cheerwine Festival blog, Highlight of the Sidewalk Deli

and Cannon Ballers Ticket Giveaway. Blog top visited page 32 posts and 10,680 views. Top blog in April was the Guide to the Cheerwine Festival blog with over 500 views in just the month of April.

Arrowood noted that Jenna did cover the Cheerwine Festival to focus on advertising and promoting the package. Influencers year to date impact is 42,174 engagement and 762,990 views. Total digital engagements year to date are 204,206 with over 1,419,387 million in reach at the end of April. Arrowood reported year to date trolley bookings of 115, and there are 22 bookings occurring in the next 90 days. Revenue year to date is \$22,456. Over the next 90 days the Trolleys will be engaged in numerous festivals, weddings, and private rentals.

Furr reported paid marketing placements of 37 for the month of April bringing the year-to-date total to 119. 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 the first ever Cheerwine Festival overnight stay package just concluded with 14 packages and 20 room nights. Other ongoing packages include Day Out with Thomas (DOWT), Spring Fun on the Farm, Cannon Ballers and the Visa package. Upcoming packages include the Dragon Boat Festival, Hot Air Balloon Festival, and Polar Express. Furr reports year to date totals of 67 packages and 98 room nights.

Furr reported that partner engagement for April consisted of visits to included two event visits to Cedar Hill and Cannon Ballers Stadium and three partner visits. Many partners attended the Hospitality Event at the Cannon Ballers with over 600 participants. The event was very well attended, and it was a beautiful night.

In group sales, Furr continues to work with several groups that will be returning in 2024 such as the Dragon Boat event and the Southeast Softball Tournament. Furr reported year to date, 7 groups with 99 room night associated with those groups.

Furr reported that has received ten tourism support requests in April with 122 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 strawberries at Patterson Farms, Cheerwine Festival, Pops at the Post, Juneteenth overnight stays through storytelling, and promoting summer events.

Tourism Development

Meacham reported that wayfinding RFPs were broken into two separate bids. The welcome signs qualified as an informal construction project. The directional signs as a formal procurement. The procurement bids are due later this month. The construction project of 18 welcome signs was done through a public bid process with two options. The bid is to be awarded by the lowest bidder, requests for bids were advertised as well as sent to 8 qualified bidders. Three qualified bids were received. Recommendation from the staff is to award the bid for option A to Ritelite Signs from Concord NC, which is a historically under-utilized business and was the lowest responsive bidder.

Motion: Craig Pierce made the motion to award Ritelite Signs as the lowest qualified bidder the contract for Option A.

Second: Richard Reinholz

Motion: Approved.

Meacham thanked Craig Pierce for his voice of support with Rowan County leadership. Meacham reported that the county attorney, the TDA attorney and himself have been working on the interlocal agreement between Rowan County and Rowan County Tourism on the Railwalk Development Project. Meacham will be at the

County Commission Board meeting on Thursday to submit for consideration to the county commission approval of the interlocal agreement for funding to work in partnership to complete the project.

Motion: Stephen Kidd made the motion for approval of the interlocal agreement as presented with Rowan County for the RailWalk Development Project pending Board of Commissioner approval.

Second: Sada Troutman

Motion: Approved

Meacham reported that the agritourism plan with PVAG is moving along very well. Patterson Farm has started two new attractions out at the farm from the plan.

Additional Business

Meacham reminded the board that the next meeting, June 15th is the public hearing, approval of the budget and hopefully bring another bid for consideration for the wayfinding project. There will be no July RCTDA Board meeting.

The meeting adjourned at 1 pm.

Respectfully submitted.

Lesley Pullium

SRCVB



FINANCIAL SUMMARY REPORT AS OF 05-31-2024

Report Date: June 17, 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 05-31-24.

- Occupancy tax revenues as of 05-31-24 for fiscal year 2023-24 on an accrual basis equaled \$1,262,957 and are slightly ahead of revised budget expectations.
 - April 2024 occupancy taxes were 9.8% ahead of behind April 2023
 - April 2024 occupancy taxes were the highest ever collected for the month of April
 - April 2024 occupancy taxes were the second highest collection ever
- Year to date revenues on an accrual basis through April were \$81,629 ahead of expenses. With total revenues equaling \$1,585,173 against total expenses of \$1,503,543

Balance Sheet: Summary as of 05-31-24

- Total Current Assets equaled \$571,594 and were \$17,001 higher than the month ending 4-30-24 due to an increase in occupancy tax account receivables.
- Accounts Receivables equaled \$300,706 which predominantly includes April and May outstanding occupancy tax revenues.
- Cash on hand as of 05-31-24 equaled \$270,887 and was down \$11,455 from 4-30-24.

Rowan County Tourism Development Authority
Statement of Financial Position
As of May 31, 2024

Accrual Basis

	May 31, 24
ASSETS	
Current Assets	
Checking/Savings	
1052 · F&M Bank-Operating 9224	28,361.91
1020 · Petty cash	16.83
1050 · First Bank checking #0436	8,821.34
1065 · NC Capital Mgmt Trust	220,719.63
1070 · First Bank MM account-4509	12,968.19
Total Checking/Savings	270,887.90
Accounts Receivable	
1201 · Accounts Receivable	300,706.77
Total Accounts Receivable	300,706.77
Total Current Assets	571,594.67
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
Total Fixed Assets	2,685,085.23
Other Assets	
1900 · Pension Asset	42,347.00
Total Other Assets	42,347.00
TOTAL ASSETS	3,299,026.90

Rowan County Tourism Development Authority
Statement of Financial Position
As of May 31, 2024

Accrual Basis

	<u>May 31, 24</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2039 · United Way	-800.00
2033 · State withholding payable	190.00
2035 · Retirement withholding	454.94
2100 · Payroll Liabilities	<u>1,996.07</u>
Total Other Current Liabilities	<u>1,841.01</u>
Total Current Liabilities	1,841.01
Long Term Liabilities	
2700 · Pension Deferrals	<u>55,846.00</u>
Total Long Term Liabilities	<u>55,846.00</u>
Total Liabilities	57,687.01
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>81,629.34</u>
Total Equity	<u>3,241,339.89</u>
TOTAL LIABILITIES & EQUITY	<u><u>3,299,026.90</u></u>

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

Accrual Basis

May 2024

	May 24	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
4350 · Tourism ARP Funding	0.00	41,666.67	-41,666.67
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	976.17	500.00	476.17
4010 · Occupancy taxes	150,806.02	116,666.66	34,139.36
4000 · Trolley Operations	13,491.18	5,000.00	8,491.18
4300 · Gateway Building Revenue	8,604.00	11,166.66	-2,562.66
4025 · Partner Services	2,156.33	5,000.00	-2,843.67
Total Income	<u>176,033.70</u>	<u>184,791.66</u>	<u>-8,757.96</u>
Gross Profit	176,033.70	184,791.66	-8,757.96
Expense			
6510 · Holiday Caravan Parade Expense	35.00	7,083.33	-7,048.33
6511 · Partner Service Expense	3,338.08	1,666.67	1,671.41
6500 · Destination Development	39,982.00	62,500.00	-22,518.00
60001 · Marketing & Visitor Services			
6135 · Salisbury-Rowan CVB	83,995.04	87,500.00	-3,504.96
6465 · Trolley	0.00	875.00	-875.00
6150 · Development, Travel & Training	343.85	0.00	343.85
6070 · Miscellaneous	237.11	333.33	-96.22
6210 · Insurance - property/liability	4,564.00		
Total 60001 · Marketing & Visitor Servi...	<u>89,140.00</u>	<u>88,708.33</u>	<u>431.67</u>
60002 · Operations & Administration			
6010 · RCTDA Operations Staff	8,592.96	10,000.00	-1,407.04
6185 · Supplies-Administration	2,300.00	333.34	1,966.66
6040 · Worker's comp insurance	0.00	666.67	-666.67
6105 · Professional Services	4,112.78	2,666.67	1,446.11
6600 · Gateway Building Expenses	10,953.46	11,166.66	-213.20
Total 60002 · Operations & Administrat...	<u>25,959.20</u>	<u>24,833.34</u>	<u>1,125.86</u>
Total Expense	<u>158,454.28</u>	<u>184,791.67</u>	<u>-26,337.39</u>
Net Ordinary Income	<u>17,579.42</u>	<u>-0.01</u>	<u>17,579.43</u>
Net Income	<u><u>17,579.42</u></u>	<u><u>-0.01</u></u>	<u><u>17,579.43</u></u>

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

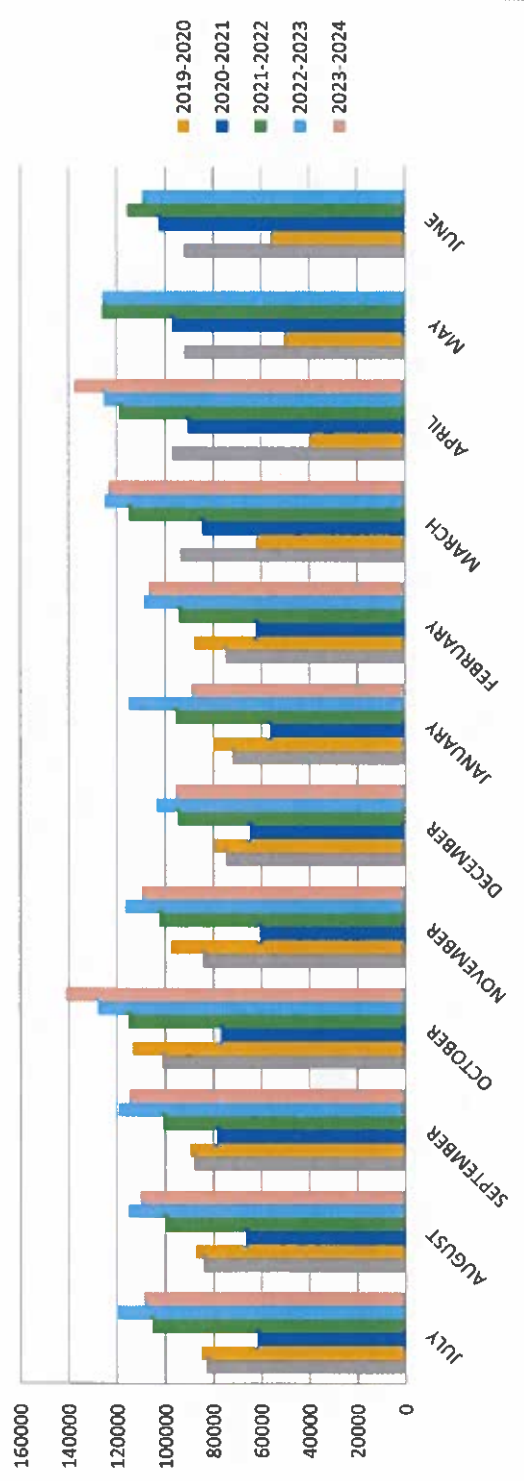
Accrual Basis

July 2023 through May 2024

	Jul '23 - May 24	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
4350 · Tourism ARP Funding	0.00	458,333.33	-458,333.33
4070 · Misc and Ticket Sales	6,280.34	916.67	5,363.67
4060 · Holiday Caravan Parade	56,246.39	51,791.67	4,454.72
4100 · Fund Balance Interest	10,522.35	5,500.00	5,022.35
4010 · Occupancy taxes	1,262,957.13	1,283,333.34	-20,376.21
4000 · Trolley Operations	82,797.62	55,000.00	27,797.62
4300 · Gateway Building Revenue	112,856.29	122,833.34	-9,977.05
4025 · Partner Services	53,513.21	55,000.00	-1,486.79
Total Income	1,585,173.33	2,032,708.35	-447,535.02
Gross Profit	1,585,173.33	2,032,708.35	-447,535.02
Expense			
6501 · Tourism Capital Projects	7,234.89	0.00	7,234.89
6510 · Holiday Caravan Parade Expense	89,446.63	77,916.67	11,529.96
6511 · Partner Service Expense	20,678.71	18,333.33	2,345.38
6500 · Destination Development	150,275.54	687,500.00	-537,224.46
60001 · Marketing & Visitor Services			
6135 · Salisbury-Rowan CVB	954,296.63	962,500.00	-8,203.37
6465 · Trolley	12,005.58	9,625.00	2,380.58
6150 · Development, Travel & Training	343.85	0.00	343.85
6070 · Miscellaneous	4,552.40	3,666.67	885.73
6210 · Insurance - property/liability	4,564.00		
Total 60001 · Marketing & Visitor Servi...	975,762.46	975,791.67	-29.21
60002 · Operations & Administration			
6010 · RCTDA Operations Staff	110,298.64	110,000.00	298.64
6185 · Supplies-Administration	3,976.82	3,666.66	310.16
6040 · Worker's comp insurance	7,459.00	7,333.33	125.67
6105 · Professional Services	34,589.05	29,333.33	5,255.72
6600 · Gateway Building Expenses	103,822.25	122,833.33	-19,011.08
Total 60002 · Operations & Administrat...	260,145.76	273,166.65	-13,020.89
Total Expense	1,503,543.99	2,032,708.32	-529,164.33
Net Ordinary Income	81,629.34	0.03	81,629.31
Net Income	81,629.34	0.03	81,629.31

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%	137,682.85	9.8%
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
April	\$97,301	\$90,628	\$119,033	\$125,347	\$137,682 actual
May	\$92,105	\$97,168	\$126,307	\$125,954	\$140,000 projected
June	\$92,255	\$102,792	\$115,684	\$109,365	\$120,000 trending
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	\$717,412 YTD