

# VISIT ROWAN COUNTY

SALISBURY, NORTH CAROLINA

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

Wednesday, April 21, 2021, Noon, In person and Via GoToMeeting

### MEETING AGENDA

- I. Call to Order
- II. Approval of March 2021 Meeting Minutes
- III. Financial Report
  - A. Financial Summary
  - B. 2020-21 Audit
- IV. Program of Work Report
  - A. Destination Marketing Report
  - B. Gateway Building
  - C. Destination Development
- V. 2021-2022 Goals and Planning
- VI. Additional Business
- VII. Adjourn

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## ROWAN COUNTY TOURISM BOARD OF DIRECTORS MEETING – Virtual

Wednesday, March 17, 2021: 12:00 pm

### BOARD MEETING MINUTES

**Board Members Attending:** Krista Osterweil, Michelle Patterson, Don Bringle, John Ketner, Sada Stewart, Craig Pierce, Karen Alexander, Cyndi Greenwood

**Not Attending:** Vivian Hopkins, Stephen Kidd

**TDA Staff:** James Meacham, Tara Furr, Sarah Michalec, Mary Scott

#### RCTDA Call to Order

Osterweil called the RCTDA to order at 12:00pm.

#### Approval of the Minutes

Motion: Craig Pierce made the motion for approval of the February 2021 minutes.

Second: Don Bringle

Motion: Approved

#### Organizational & Financial Update

Meacham gave an organizational update reporting that as of today the budget is running about 0.7% ahead of projections. Occupancy taxes through July are down 26.5% from the same period last year. Collections in January are down about 30% from January 2020. Initial figures from February do show improvement over January. Revenue fiscal year to date from occupancy taxes equals \$508,148. Year to date Trolley revenues continues to be one of the last revenue segments to return to normal at \$5,433. Gateway Building revenues year to date equal \$85,050 and are in line with projections. Fiscal year to date revenue is ahead of expenses by \$10,019.

Meacham reported total current assets with the TDA are \$212,463 which is a decrease of \$3,287 from January 2021. Accounts receivable (January & February Occ taxes) equal \$123,018. Cash on hand as of December 31, 2020 was \$89,444.93 and fixed assets equaled \$3,064,974. The CVB was approved for a PPP in March and will receive the funds by the end of March.

## Destination Marketing Report

Tara Furr reported that staff has been discussing packages and how those will be implemented moving forward. Community partners have been very receptive to the implementation of new packages this year. Day Out with Thomas and Polar Express packages will once again be implemented in 2021. Furr reported in other good news from groups that the Little League Softball Tournament is once again in discussion. Furr stated that no specifics have been outlined but there has been discussion on the event. Marketing staff has a meeting coming up soon with the Kannapolis Cannon Ballers on possible partnerships. Furr noted that staff is excited to see movement on all these segments starting to take place in 2021.

Sarah Michalec gave the digital marketing report stating that the email newsletter continues to share upcoming activities, things to do, and blog posts. The open rate is up 20.43% with just over 4,200 subscribers. The website year to date has 33,000 views and around 19,000 users. The Covid-19 resource site continues to share important community information and has 16,000 views with just under 12,000 users. Social media continues to push the “Let’s Give it Another Go” messaging and encouraging safe visits to Rowan County. Park information and outdoor activities have been the hot topic on all social media channels this month. The YouTube channel continues to grab attention for the “Let’s Give it Another Go” messaging.

Furr reported that on the Visit NC Farm app the total asset usage is right around 8,000 and about 1,500 for the Rowan-Cabarrus area specially. Furr said increased activity is expected to the app during the spring season with increase visitation to local farms and farmer’s markets.

Furr said that staff is excited to see some spring activities occurring and is focusing marketing efforts on supporting those events and activities. Trolley activity is still slow but there are currently eight trolley bookings for later in 2021. Staff is happy for those bookings and look forward to additional wedding bookings over the summer and fall as restrictions hopefully lessen and people continue to schedule special events.

Furr reported that spring marketing will launch in March focusing on outdoor fun, parks, Easter activities, local restaurants, wineries and breweries. There will be a digital social media local eats contests that will run weekly March through May. Visitors and locals who visit a local restaurant can post their experience on social media to enter to win a gift card. Staff is working on a local brewery and winery trail to promote those businesses during 2021. Another series of videos is in the works that will focus on wineries and breweries as well as Patterson Farm and Lazy 5 Ranch. Those will be featured across all social media channels. “Let’s Give it Another Go” messaging will continue to be a part of all marketing promoting safe travel and letting the visitor know that Rowan County sites and attractions are ready for them when they are ready to travel.

Furr reported that the Destination Marketing Committee will begin meeting again in April with quarterly meetings over the remainder of this year.

## Program of Work Report

Meacham reported that the Gateway building tenant move will occur by the end of March. The expansion of the Three Rivers Landtrust and changes in EDC staff have created the need for additional space. There will be an office suite swap between the CVB and the Three Rivers Landtrust. The Visitor Center space will remain open downstairs, but staff will move upstairs. The CVB lease would go down a bit and decrease office space allowing for about \$6000 less per year that the CVB will pay in lease, but there will no be net change in revenue or expenses of the building. The CVB and the Rowan Arts Council will be doing some archival clean up and digitizing some records which will bring the overall storage space required down substantially.

Meacham reported the Farmer’s Market starts back in April. Meacham said there are two hearings he will be attending to obtain the RailWalk Pavilion signage and ghost sign restoration. The new signage should be up

and approved by the opening of the Farmer's Market and the ghost sign restoration should occur around mid-April as well. A generous donor gave the funds to the restoration of the ghost sign.

Meacham reported that the performing arts have been impacted substantially this year. Staff had been working on assisting local arts partners with the application process for the shuttered venue grant funds that are available. In addition, with the most recent Covid relief package there is an effort to utilize some of those funds to distribute to local arts councils. The Rowan Arts Council (RAC) was able to receive \$160,000 in the last package and was able to distribute those out locally. RAC is hoping to be able to do that again if funds are allocated from this second relief package.

Meacham said that a questionnaire will be sent out prior to next months meeting asking each board member their input on various topics moving forward. The questionnaire will ask opinions on what primary focuses should be, thoughts on time and fund investment, etc. The input will be gathered, discussed and a program of work for the year will be formulated.

### **Additional Business**

Meacham updated the group on the Empire Hotel project and the two groups looking at the project. There is a local group and group that has been completing projects in Kannapolis. The group that seems to be favored in the group that would like to turn the property into a hotel of some type. Meacham said that while he is not opposed to the idea, but he is concerned that the project being proposed may not make fiscal sense or match the local market data. The project proposed is a high-end boutique hotel with high rates that requires high occupancy with a customer segment that currently does not exist on a large enough scale to support a property. Meacham said that is not to say the project cannot work. He reviewed the information sheet that staff offers any prospect that expresses interest in the development of a lodging property in Rowan County. Of course, Covid has changed the data so this is a baseline narrative he is reviewing.

Meacham said that just as with any project, he will continue to assist this project in any way that he can as he is never opposed to a new hotel. Meacham indicated that he is concerned about the viability of the project based on the data he has relating to the lodging industry in North Carolina and Rowan County.

The meeting adjourned at 1 pm.

Respectfully submitted.  
Lesley Pullium  
SRCVB

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## FINANCIAL SUMMARY REPORT AS OF March 31, 2021

Report Date: April 19, 2021

**\*The Tourism Authority utilizes accrual based accounting. Year to date expenses typically run about 6 weeks ahead of year to date revenues.\***

### Year to Date Statement of Activities: Highlights as of 3-31-2021

- Revenue fiscal year to date from occupancy taxes collected equals \$576,077 and is in line with the 2002-21 budget.
  - Total occupancy tax revenue loss to date since onset of COVID-19: (\$360,963)
    - Total tax losses from COVID as of 6-30-21 are on pace to equal between \$450,000 to \$475,000
  - Occupancy tax revenue collections through 2-28-21 are down 27% from the same period in FY2019-20.
  - February 2021 occupancy tax collections were down 29% from February 2020
    - The 29% decrease in February was inline with projections
    - Initial figures from March show improvement over February.
- Gateway Building revenues year to date equal \$90,555 and are in line with projections.
  - Gateway meeting rentals are slowly returning and a few rooms are being rented
- Fiscal Year to Date revenues are ahead of expenses by \$35,360

### Balance Sheet: Summary as of 3-31-2021

- Total Current Assets with the TDA equaled \$240,699 \$212,463 an increase of approximately \$28,236 from February 2021.
- Accounts Receivables equaled \$126,428 consisting of February and March occ. taxes.
- Cash on hand as of 3-31-21 equaled \$114,270 an increase of \$24,826 from February
- Total assets equaled \$3,093,210

**Rowan County Tourism Development Authority**  
**Statement of Financial Position**  
**As of March 31, 2021**

Accrual Basis

	<u>Mar 31, 21</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1052 · F&M Bank-Operating 9224	13,060.15
1020 · Petty cash	16.83
1050 · First Bank checking #0436	20,278.59
1065 · NC Capital Mgmt Trust	20,005.44
1070 · First Bank MM account-4509	<u>60,909.59</u>
<b>Total Checking/Savings</b>	114,270.60
<b>Accounts Receivable</b>	
1201 · Accounts Receivable	<u>126,428.54</u>
<b>Total Accounts Receivable</b>	<u>126,428.54</u>
<b>Total Current Assets</b>	240,699.14
<b>Fixed Assets</b>	
1503 · RAILWALK PAVILION	506,594.36
1501 · Land	250,604.00
1500 · Building	2,098,436.00
1505 · Computers	13,223.52
1510 · Furniture & fixtures	51,529.00
1515 · Office equipment	23,278.13
1516 · Trolley cars	319,880.00
1990 · Accumulated depreciation	<u>-425,370.81</u>
<b>Total Fixed Assets</b>	2,838,174.20
<b>Other Assets</b>	
1900 · Pension Asset	<u>14,337.00</u>
<b>Total Other Assets</b>	<u>14,337.00</u>
<b>TOTAL ASSETS</b>	<u><u>3,093,210.34</u></u>

Rowan County Tourism Development Authority

Statement of Financial Position

As of March 31, 2021

Accrual Basis

	<u>Mar 31, 21</u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
2039 · United Way	-380.00
2033 · State withholding payable	120.00
2035 · Retirement withholding	184.63
2100 · Payroll Liabilities	<u>2,474.77</u>
<b>Total Other Current Liabilities</b>	<u>2,399.40</u>
<b>Total Current Liabilities</b>	2,399.40
<b>Long Term Liabilities</b>	
2105 · Interlocal Payable	350,000.00
2700 · Pension Deferrals	16,932.00
2500 · Compensated Absences	<u>12,590.38</u>
<b>Total Long Term Liabilities</b>	<u>379,522.38</u>
<b>Total Liabilities</b>	381,921.78
<b>Equity</b>	
3050 · Investment in fixed assets	2,488,174.00
3100 · Fund balance	105,460.78
3105 · Restricted Fund Balance	79,555.00
Net Income	<u>38,098.78</u>
<b>Total Equity</b>	<u>2,711,288.56</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>3,093,210.34</u></u>

**Rowan County Tourism Development Authority  
Statement of Activities**

Accrual Basis

March 2021

	<u>Mar 21</u>	<u>Jul '20 - Mar 21</u>
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4070 · Misc and Ticket Sales	1,003.98	1,545.12
4060 · Holiday Caravan Parade	0.00	39,801.47
4010 · Occupancy taxes	67,928.54	576,077.53
4000 · Trolley Operations		
4210 · Trolley - Rentals	0.00	0.00
4000 · Trolley Operations - Other	300.00	5,433.20
<b>Total 4000 · Trolley Operations</b>	<b>300.00</b>	<b>5,433.20</b>
4300 · Gateway Building Revenue	7,010.95	90,555.08
4025 · Partner Services	193.44	56,316.54
<b>Total Income</b>	<b>76,436.91</b>	<b>769,728.94</b>
<b>Gross Profit</b>	<b>76,436.91</b>	<b>769,728.94</b>
<b>Expense</b>		
6501 · Tourism Capital Projects	0.00	4,739.40
6510 · Holiday Caravan Parade Expense	1,144.90	60,211.77
6511 · Partner Service Expense	0.00	367.48
60001 · Marketing & Visitor Services		
6135 · Salisbury-Rowan CVB	32,854.93	562,275.00
6140 · Destination Mktg Programs/Ser	0.00	0.00
6465 · Trolley	4,026.95	5,141.50
6165 · Marketing Supplies & Equipment	329.07	768.96
6070 · Miscellaneous	39.00	925.22
60001 · Marketing & Visitor Services - Ot...	0.00	0.00
<b>Total 60001 · Marketing &amp; Visitor Services</b>	<b>37,249.95</b>	<b>569,110.68</b>
60002 · Operations & Administration		
6010 · RCTDA Operations Staff	3,076.92	25,315.61
6025 · Payroll taxes and unemployment	226.34	1,961.60
6030 · Retirement	315.08	2,665.98
6020 · Health Benefits	0.00	0.00



**Rowan County Tourism Development Authority  
Statement of Activities**

Accrual Basis

March 2021

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	<u>Mar 21</u>	<u>Jul '20 - Mar 21</u>
6040 · Worker's comp insurance	0.00	886.00
6105 · Professional Services	0.00	10,370.00
6600 · Gateway Building Expenses	6,192.86	56,001.64
<b>Total 60002 · Operations &amp; Administration</b>	<u>9,811.20</u>	<u>97,200.83</u>
<b>Total Expense</b>	<u>48,206.05</u>	<u>731,630.16</u>
<b>Net Ordinary Income</b>	<u>28,230.86</u>	<u>38,098.78</u>
<b>Net Income</b>	<u><u>28,230.86</u></u>	<u><u>38,098.78</u></u>

Rowan County Tourism Development Authority  
**Profit & Loss Budget Performance**  
 July 2020 through June 2021

\* This report reflects activity as of 4/8/2021

	Jul 20 - Jun 21	Annual Budget	\$ Over Budget
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
4070 · Misc and Ticket Sales	1,545.12	600.00	945.12
4060 · Holiday Caravan Parade	39,801.47	40,000.00	-198.53
4010 · Occupancy Taxes	576,077.53	800,000.00	-223,922.47
4000 · Trolley Operations			
4215 · Trolley - Ridership/Tours	0.00	0.00	0.00
4210 · Trolley - Rentals	0.00	0.00	0.00
4000 · Trolley Operations - Other	5,433.20	6,000.00	-566.80
<b>Total 4000 · Trolley Operations</b>	<b>5,433.20</b>	<b>6,000.00</b>	<b>-566.80</b>
4300 · Gateway Building Revenue	90,555.08	110,000.00	-19,444.92
4025 · Partner Services	56,316.54	57,000.00	-683.46
4045 · Other Revenue	0.00	0.00	0.00
<b>Total Income</b>	<b>789,728.94</b>	<b>1,013,600.00</b>	<b>-243,871.06</b>
<b>Gross Profit</b>	<b>789,728.94</b>	<b>1,013,600.00</b>	<b>-243,871.06</b>
<b>Expense</b>			
6501 · Tourism Capital Projects	4,739.40	70,000.00	-65,260.60
6510 · Holiday Caravan Parade Expense	60,211.77	60,000.00	211.77
6511 · Partner Service Expense	367.48	10,000.00	-9,632.52
60001 · Marketing & Visitor Services			
6000 · Covid-19 Contingency	0.00	0.00	0.00
6135 · Salisbury-Rowan CVB	562,275.00	700,000.00	-137,725.00
6140 · Destination Mktg Programs/Ser	0.00	0.00	0.00
6465 · Trolley	5,141.50	10,000.00	-4,858.50
6165 · Marketing Supplies & Equipment	929.46	4,000.00	-3,070.54
6070 · Miscellaneous	925.22	3,700.00	-2,774.78
60001 · Marketing & Visitor Services - Other	0.00	0.00	0.00
<b>Total 60001 · Marketing &amp; Visitor Services</b>	<b>569,271.18</b>	<b>717,700.00</b>	<b>-148,428.82</b>
60002 · Operations & Administration			
6010 · RCTDA Operations Staff	26,854.07	38,000.00	-11,145.93
6025 · Payroll taxes and unemployment	2,072.22	4,900.00	-2,827.78
6030 · Retirement	2,665.98	4,000.00	-1,334.02
6020 · Health Benefits	0.00	0.00	0.00
6040 · Worker's comp Insurance	886.00	12,000.00	-11,114.00
6105 · Professional Services	10,370.00	17,000.00	-6,630.00
6600 · Gateway Building Expenses	56,930.33	80,000.00	-23,069.67
6145 · Office Postage	0.00	0.00	0.00
<b>Total 60002 · Operations &amp; Administration</b>	<b>99,778.60</b>	<b>155,900.00</b>	<b>-56,121.40</b>
6560 · Payroll Expenses	0.00	0.00	0.00
<b>Total Expense</b>	<b>734,368.43</b>	<b>1,013,600.00</b>	<b>-279,231.57</b>
<b>Net Ordinary Income</b>	<b>35,360.51</b>	<b>0.00</b>	<b>35,360.51</b>
<b>Net Income</b>	<b>35,360.51</b>	<b>0.00</b>	<b>35,360.51</b>

Rowan County Occupancy Tax Receipts (GROSS)

MONTH	FY16-17	FY17-18	%CHNG	FY18-19	%CHNG	FY19-20	%CHNG	FY20-21	%CHNG
July	65,208.17	72,999.06	11.9%	82,827.79	13.5%	85,062.04	2.7%	61,737.08	-27.4%
August	66,663.57	76,010.73	14.0%	84,227.53	10.8%	87,388.13	3.8%	66,399.96	-24.0%
September	64,467.53	74,220.99	15.1%	88,060.74	18.6%	89,694.58	1.9%	78,562.08	-12.4%
<b>Quarter Total</b>	<b>196,339.27</b>	<b>223,230.78</b>	<b>13.7%</b>	<b>255,116.06</b>	<b>14.3%</b>	<b>262,144.75</b>	<b>2.8%</b>	<b>206,699.12</b>	<b>-21.2%</b>
October	79,169.16	92,286.61	16.6%	101,229.40	9.7%	113,427.41	12.0%	76,794.51	-32.3%
November	62,445.01	79,174.98	26.8%	84,418.19	6.6%	97,848.24	15.9%	60,357.00	-38.3%
December	54,165.23	68,584.25	26.6%	74,894.47	9.2%	79,686.64	6%	64,749.41	-19%
<b>Quarter Total</b>	<b>195,779.40</b>	<b>240,045.84</b>	<b>22.6%</b>	<b>260,542.06</b>	<b>8.5%</b>	<b>290,962.29</b>	<b>11.7%</b>	<b>201,900.92</b>	<b>-30.6%</b>
January	56,069.00	64,114.21	14.3%	72,190.74	12.6%	80,100.88	11.0%	56,291.87	-30%
February	59,387.76	68,703.79	15.7%	74,900.88	9.0%	87,894.99	17%	62,049.03	-29%
March	70,895.99	84,759.62	19.6%	93,890.99	11%	62,149.01	-34%		
<b>Quarter Total</b>	<b>186,352.75</b>	<b>217,577.62</b>	<b>16.8%</b>	<b>240,982.61</b>	<b>10.8%</b>	<b>230,144.88</b>	<b>-4.5%</b>		
April	83,161.39	92,168.35	10.8%	97,300.73	5.6%	39,870.97	-59%		
May	87,164.78	89,394.40	2.6%	92,104.89	3.0%	50,585.59	-45%		
June	76,624.86	85,776.47	11.9%	92,254.88	7.6%	56,142.85	-39%		
<b>Quarter Total</b>	<b>\$ 246,951.03</b>	<b>267,339.22</b>	<b>8.3%</b>	<b>281,660.50</b>	<b>5.4%</b>	<b>146,599.41</b>	<b>-48%</b>		
Adjmts Penalties									
Penalties									
<b>Year Total</b>	<b>\$ 825,422.45</b>	<b>\$ 948,193.46</b>	<b>14.9%</b>	<b>\$ 1,038,301.23</b>	<b>9.5%</b>	<b>929,851.33</b>	<b>-10.4%</b>	<b>526,940.94</b>	

Decrease in tax revenues since COVID:  
\$360,963.96

