

VISIT ROWAN COUNTY

SALISBURY, NORTH CAROLINA

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

Wednesday, August 18, 2021, Noon

MEETING AGENDA

- I. Call to Order
- II. Approval of June 2021 Meeting Minutes
- III. Financial Report
 - A. Financial Summary 2020-21 Year End Review
 - B. Financial Summary-Occupancy Tax Revenues-Market Conditions
 - C. 2021-2022 Rowan Tourism ARP Funding
 - D. 2021-2022 Budget Amendment
 - E. 2021-2022 Rowan Tourism ARP Funding Designation
- IV. Program of Work Report
 - A. Destination Marketing
 - B. Tourism Capital Projects FY2021-22
- V. Additional Business
- VI. Adjourn

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ROWAN COUNTY TOURISM BOARD OF DIRECTORS MEETING

Paul E. Fisher Gateway Building

Wednesday, June 16, 2021: 12:00 pm

BOARD MEETING MINUTES

Board Members Attending: Don Bringle, John Ketner, Stephen Kidd, Sada Stewart, Craig Pierce, Vivian Hopkins, Cyndi Greenwood, Krista Osterweil, Michelle Patterson

Not Attending: Karen Alexander

TDA Staff: James Meacham, Sarah Michalec, Tara Furr

Guests: Dyke Messinger and Jason Walser, Bell Tower Green Park Committee

RCTDA Call to Order

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

Presentation on the Bell Tower Green Park

Jason Walser gave a brief history of the park idea and how the initial plans came together for the development of the park and how the Julian Robertson Family Foundation became involved. Walser noted that additional significant donors became involved, and the project began about five years ago. Walser reported that the park's soft opening will occur in August and the Grand Opening will take place September 10, 2021. Walser thanked Commissioner Pierce for the County's generous appropriation to the park. The project is a public/private partnership that will be an asset to the community. Walser gave details on the event spaces available within the park. Walser is asking the board for consideration in assisting with funding for upkeep and management of the park. The City of Salisbury is assisting with the basic management and maintenance, but long-term Walser said the park will need support to keep the park running smoothly.

Meacham inquired about the ownership transition and any service agreements that might be in place. Walser said that he could share more detailed information with Meacham and the TDA Board that address some of the questions being asked by the TDA Board. Osterweil said the TDA Capital Committee will begin meeting again in Fiscal Year 2021-22 and will take any funding request into consideration.

Approval of the Minutes

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

Second: Stephen Kidd

Motion: Approve

Organizational & Financial Update

Meacham gave an organizational update reporting occupancy tax through April 30, 2021, are down 29% from same period in fiscal year 2019-20. April 2021 occupancy tax collections were up 127% from April 2020 but were down 6.9% from April 2019. (April 2020 was the worst month economically during the Pandemic) The April 2021 figures were in line with initial data and early projections. Initial figures from May 2021 show improvement over April 2021. Revenue fiscal year to date from occupancy taxes equals \$759,613 and is ahead of budget projections by 3.6%. Fiscal year to date revenues are ahead of expenses by \$111,820. Meacham reported that occupancy tax loss to date since the onset of Covid-19 is \$377,155. Total losses are on pace to equal \$410,000 - \$420,000 by June 30, 2021. Meacham projects revenues will exceed expenses by around \$75,000 by the end of the fiscal year.

Meacham reported total current assets with the TDA are \$314,600 which is an increase of \$23,264 from April 2021. Accounts receivable equal \$169,268. Cash on hand as of May 31, 2021, was \$145,332. Total assets equaled \$3,167,111.

Consideration of the 2021-22 RCTDA & SRCVB Budget

Motion: Craig Pierce made the motion to open the public hearing for consideration of the 2021-22 Budgets.

Second: Stephen Kidd

Motion: Approved

Nobody from the public addressed the Tourism Board.

Motion: Craig Pierce made the motion to close the public hearing for consideration of the 2021-22 Budgets.

Second: John Ketner

Motion: Approved

Motion: Craig Pierce made the motion to approve the 2021-22 Budgets as presented.

Second: John Ketner

Motion: Approved

Meacham reported that pending receipt of the rescue funding discussed at the May 2021 meeting, the TDA Board will need to approve a budget amendment including those funds once received from Rowan County.

Destination Marketing Report

Meacham referred the members to the information on the last page of the Destination Marketing report. Local Airbnb figures are rebounding very well but overall lodging is still down. The Airbnb options are still much more attractive to leisure travelers as the pandemic continues. Meacham indicated that despite having a great May 2021, the tourism industry is not 100%. Meacham noted that as of May 2021, the room rate charged, and the overall property profitability is down from 2019. Going into the summer even with the rebound figures of May, lodging revenue is still not where it was in 2019.

Furr reported in the recognition of time she is going to be brief today and encouraged everyone to review their copy of the full marketing report later. Furr reported the stay and play packages have started back again. There has been a great deal of interest in the packages (Polar Express & Thomas) and staff feels that packages will be successful again this year, but still substantially down from 2019 due to the COVID.

The Let's Give it Another Go campaign continues and is going well. There are seven new videos that have been filmed and are being promoted via the digital platforms. Furr reported that partnership with the Cannon

Ballers is in place and going well. There are several aspects to that partnership including "Where is Boomer" videos, home game ticket giveaways and special signage at the stadium. The videos are being shown to fans during the games and highlight the many fun places to visit around Rowan County (Patterson Farm, Dan Nicholas Park, NCTM). The ticket giveaways have been popular with folks sharing their experience on social media. The stadium banner signage will be used to promote the stay and play packages and the ghost signage can also be changed out to promote various tourism partners around the county.

Furr reported that calls for Trolley rentals are picking up. The social media engagement and web traffic continues to increase as events and activities once again start up around the area. The various media campaigns including "Local Eats" and "Where is Boomer" assist to draw people in and increase the numbers. Staff is busy promoting the upcoming stay and play packages and all of the summer events across the county.

The meeting adjourned at 1 pm.

Respectfully submitted.

Lesley Pullium

SRCVB



FINANCIAL SUMMARY REPORT AS OF 6-30-2021

Report Date: August 13, 2021

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

Fiscal Year End Statement of Activities: Highlights as of 6-30-2021

- Revenue on an accrual basis fiscal year to date from occupancy taxes equaled \$882,284 and is 10.2% ahead of the 2020-21 budget projection of \$800,000.
 - Total revenue loss to date since the onset of COVID-19 equaled (\$423,000) through April 2021
 - May 2021 occupancy tax collections were up 92% and June 2021 tax collections were up 83% from the previous year and were ahead of 2019.
 - Substantial increases in consumer spending on travel and hospitality began in April and carried into May and June coincided with an increase in tax refunds and additional stimulus payments plus new child tax credits. Growth has expanded into July and through the first week of August outpacing the record year of 2019 for these particular months. Concerns still rest around long-term sustainability of the consumer demand for travel with business travel still down from pre-pandemic levels.
- Fiscal Year to Date revenues finished ahead of expenses by \$74,975

Fiscal Year End Balance Sheet: Summary as of 6-30-2021

- Total Current Assets with the TDA equaled \$280,031
- Accounts Receivables equaled \$112,820 consisting of June occ taxes and some May taxes.
- Cash on hand as of 5-31-21 equaled \$167,210 an increase of \$21,878 from May and an increase of \$44,513 from June 30, 2020.
 - Cash position in the NC Capital Management Trust has increased each month to provide for additional reserve funds and equaled \$75,000 at the end of the fiscal year.
- Total assets equaled \$3,132,542 at the close of the fiscal year.

Rowan County Tourism Development Authority
Statement of Financial Position
As of June 30, 2021

Accrual Basis

	<u>Jun 30, 21</u>
ASSETS	
Current Assets	
Checking/Savings	
1052 · F&M Bank-Operating 9224	13,060.15
1020 · Petty cash	16.83
1050 · First Bank checking #0436	29,124.05
1065 · NC Capital Mgmt Trust	75,005.44
1070 · First Bank MM account-4509	<u>50,003.79</u>
Total Checking/Savings	167,210.26
Accounts Receivable	
1201 · Accounts Receivable	<u>112,820.90</u>
Total Accounts Receivable	<u>112,820.90</u>
Total Current Assets	280,031.16
Fixed Assets	
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>
Total Fixed Assets	2,838,174.20
Other Assets	
1900 · Pension Asset	<u>14,337.00</u>
Total Other Assets	<u>14,337.00</u>
TOTAL ASSETS	<u><u>3,132,542.36</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	<u>1,829.67</u>
Total Accounts Payable	1,829.67

Rowan County Tourism Development Authority
Statement of Financial Position
As of June 30, 2021

Accrual Basis

	<u>Jun 30, 21</u>
Other Current Liabilities	
2039 · United Way	-380.00
2033 · State withholding payable	190.00
2035 · Retirement withholding	252.69
2100 · Payroll Liabilities	<u>2,962.48</u>
Total Other Current Liabilities	<u>3,025.17</u>
Total Current Liabilities	4,854.84
Long Term Liabilities	
2105 · Interlocal Payable	350,000.00
2700 · Pension Deferrals	16,932.00
2500 · Compensated Absences	<u>12,590.38</u>
Total Long Term Liabilities	<u>379,522.38</u>
Total Liabilities	384,377.22
Equity	
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>74,975.36</u>
Total Equity	<u>2,748,165.14</u>
TOTAL LIABILITIES & EQUITY	<u><u>3,132,542.36</u></u>

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

Accrual Basis

July 2020 through June 2021

	<u>Jul '20 - Jun 21</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Ordinary Income/Expense			
Income			
4070 · Misc and Ticket Sales	1,559.16	600.00	959.16
4060 · Holiday Caravan Parade	39,801.47	40,000.00	-198.53
4010 · Occupancy taxes	882,284.65	800,000.00	82,284.65
4000 · Trolley Operations	24,205.39	6,000.00	18,205.39
4300 · Gateway Building Revenue	111,008.12	110,000.00	1,008.12
4025 · Partner Services	56,439.12	57,000.00	-560.88
Total Income	<u>1,115,297.91</u>	<u>1,013,600.00</u>	<u>101,697.91</u>
Gross Profit	1,115,297.91	1,013,600.00	101,697.91
Expense			
6501 · Tourism Capital Projects	6,545.96	67,000.00	-60,454.04
6510 · Holiday Caravan Parade Expense	60,211.77	60,500.00	-288.23
6511 · Partner Service Expense	367.48	1,000.00	-632.52
60001 · Marketing & Visitor Services			
6135 · Salisbury-Rowan CVB	816,049.94	725,000.00	91,049.94
6140 · Destination Mktg Programs/Ser	410.00	0.00	410.00
6050 · Destination Development	0.00	3,000.00	-3,000.00
6465 · Trolley	6,277.08	10,000.00	-3,722.92
6165 · Marketing Supplies & Equipment	1,204.33	1,500.00	-295.67
6070 · Miscellaneous	1,709.93	1,700.00	9.93
Total 60001 · Marketing & Visitor Services	<u>825,651.28</u>	<u>741,200.00</u>	<u>84,451.28</u>
60002 · Operations & Administration			
6010 · RCTDA Operations Staff	35,680.82	36,000.00	-319.18
6025 · Payroll taxes and unemployment	2,706.95	3,900.00	-1,193.05
6030 · Retirement	3,611.22	4,000.00	-388.78
6040 · Worker's comp insurance	1,764.00	5,000.00	-3,236.00
6105 · Professional Services	11,870.00	12,000.00	-130.00
6600 · Gateway Building Expenses	91,913.07	83,000.00	8,913.07
Total 60002 · Operations & Administration	<u>147,546.06</u>	<u>143,900.00</u>	<u>3,646.06</u>
Total Expense	<u>1,040,322.55</u>	<u>1,013,600.00</u>	<u>26,722.55</u>
Net Ordinary Income	<u>74,975.36</u>	<u>0.00</u>	<u>74,975.36</u>
Net Income	<u><u>74,975.36</u></u>	<u><u>0.00</u></u>	<u><u>74,975.36</u></u>