

# VISIT ROWAN COUNTY

SALISBURY, NORTH CAROLINA

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

Wednesday, December 15, 2021, Noon

### MEETING AGENDA

- I. Call to Order
- II. Approval of Meeting Minutes
- III. Financial Report
  - A. Financial Summary Report
  - B. Hotel Market/Occupancy Report
- IV. Program of Work Report
  - A. COVID Relief Grant Program
  - B. KPI Development
  - C. Destination Marketing
  - D. Destination Development Plan: Master Plan Update
  - E. Tourism Capital Program
- V. Additional Business
- VI. Adjourn

# VISIT ROWAN COUNTY

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## ROWAN COUNTY TOURISM BOARD OF DIRECTORS MEETING – Virtual

Wednesday, November 17, 2021: 12:00 pm

### BOARD MEETING MINUTES

**Board Members Attending:** Don Bringle, John Ketner, Stephen Kidd, Sada Troutman, Craig Pierce, Cyndi Greenwood, Karen Alexander

**Not Attending:** Vivian Hopkins, Krista Osterweil

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

#### **RCTDA Call to Order**

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

#### **Approval of the Minutes**

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

Second: Karen Alexander

Motion: Approved

#### **Organizational & Financial Update**

Meacham gave an organizational update wrapping up where the organization finished up October 31, 2021. Meacham reported revenue on an accrual basis fiscal year to date from occupancy taxes equals \$407,022 and are \$50,677 or 15% ahead of the 2021-22 budget projections. Additional occupancy tax revenues above budget are being placed in an operating reserve fund as adopted by the Board. September 2021 occupancy tax collections were 28% higher than September 2020, were 12% higher than September 2019 and 14% ahead of budget projections. October 2021 occupancy taxes are projected to come in around \$115,000 and 15% ahead of budget. Meacham report that fiscal Year to Date revenue is ahead of expenses by \$349,218. This is driven by the Board setting aside \$100,000 of ARP funds for reserves, increases in occupancy tax revenues and no disbursements as of 10-31-21 for the lodging, Arts, and cultural ARP grants. Additionally, revenues for the parade largely occur in October while expenses occur in November. TDA simply serves as a pass through for the Holiday Parade. Of the \$349,218, \$100,000 is dedicated to the ARP grants, approximately \$30,000 will go towards parade and the remaining \$219,218 is fund balance.

Meacham reported Total Current Assets of \$628,269 an increase of \$35,730 from 9-30-2021. Accounts Receivables equaled \$204,784 consisting of September and October occupancy taxes. Cash on hand as of 10-31-21 equaled \$423,485 an increase of \$27,171 from 9-30-21 with Total assets of \$3,480,780 as of 10-31-21. Meacham briefly reviewed the full financials year to date noting that expenses are in line with where they should be in terms of the program. Meacham stated that the Budget & Finance Committee will meet sometime in January to review the financial data and decide what actions might need to take for the best possible financial position of the organization. Any recommended actions will be brought back to the board consideration.

Meacham reviewed some of the basic travel data that staff has received in recent weeks relating to travel overall. Many travel segments are improving, however he noted that business travel is not projected to recover until 2024. Meacham reviewed the hotel occupancy report in the Destination Marketing report noting that key indicators include, percentage of rooms booked, room rates, revenue per average room and profit. Meacham stated that year to date the region is starting to see the full recovery of the market. By the end of 2021, Meacham said he thought the recovery will be close to 2019 figures.

Meacham gave a brief recap of the ARP Covid Relief funding and how those funds were allocated and utilized specifically detailing the Covid Relief Grant program which allocated \$100,000 for a grant program for local lodging, arts, and cultural organizations. The application deadline was October 22, 2021, and twelve applications were received. Most lodging properties who were eligible applied and received some grant funding. Meacham reported that instead of awarding minimal grant allocations to smaller organizations Meacham proposed that all grant applicants receive a minimum of \$1500 in relief funds. The overall amount awarded would then be slightly higher than originally projected for a total pool of \$152,913. Meacham asked the board for consideration of appropriating \$20,447 in excess occupancy tax revenues above budget for this fiscal year toward this grant program to cover the additional grant awards.

In addition, Meacham reported that once final figures were in for the period totals were \$32,000 higher than the estimate provided for consideration of the original request for lost tax revenue and expenses. Meacham said that he has reached out to Commissioner Pierce and the County Commission with the final total and asked for consideration of receipt of those funds from the ARP funding.

Staff is submitting a request for consideration to this board to allocate the original Covid reimbursement of \$32,466 that the TDA is eligible for to the grant program in addition to \$20,447 of occupancy tax revenues that are above budget for this fiscal year and set the program at \$152,913.33.

**Motion:** Craig Piece made the motion to allocate the original Covid reimbursement of \$32,466 to the grant program in addition to \$20,447 of occupancy tax revenues above budget for this fiscal year and set the Covid Relief Grant program at \$152,913.33.

**Second:** Steven Kidd

**Motion:** Approved

### **Destination Marketing Report**

Michalec reported for digital in October 2021 the email newsletter focused on fall events, Patterson Farms, Agriculture, and the Carolina Bohemian Jam. The website saw 40,000 visits in October and is a great number. Michalec reported that staff is excited to show the board the new website. The new site map for the website has been approved. The site map reorganizes the content and pages and will be more visitor friendly. The new design system and the homepage prototype have been approved. This update to the site is coming 5 years after the original site was developed alongside the new county branding. Staff is excited about the new changes and looking forward to the launch of the new site in late April 2022. The new package booking software (RootRez) is also going into place in the spring as well and will allow visitors to book their packages

completely online. The software will be in place prior to the large 2022 packages going on sale and will be tested on some of the smaller packages that are offered in spring and summer. Michalec gave a quick presentation of the static prototype for the board's review.

Michalec reported that all social media channels are performing great. The fall attractions and events are producing some good engagement. The Polar Express blog remains the most popular blog with 2100 views. Each month the marketing team is engaging with around 40,000 people per month and reaching a little more than 270,000 people online.

Furr said that Polar Express started last weekend and is doing well. Furr reports 150 packages and 266 room nights associated with this package. Numbers have fluctuated slightly with the change in Covid policy at the NC Transportation Museum (NCTM), but the event is still performing well.

Furr reported that staff is entering into a partnership with a new photographer recommended by Chandler Thinks and today is the first holiday photoshoot. There will be several shoots over the next three days at Patterson Farm, Cherry Treesort, the Bell Tower Green Park, Lighting of the Fall Fires at Gold Hill Village, and the Festival of Lights in Kannapolis. The photographer is going out to the NC Transportation for some location photos as well that can be utilized. Staff is extremely excited for this new photography. The photographer will be coming in several times this year to catch events and images for the TDA photo portfolio.

Furr reviewed the updated tourism supported investments chart noting that several lodging and hospitality requests have been supported this month. Currently totals stand at 97 room nights with visitor related-impact at just shy of \$49,000.

### **Additional Business**

Meacham reported that RailWalk fan install has been delayed until next summer due to supply issues related to the pandemic. There is some light landscaping being completed at the RailWalk in preparation for spring. The Gateway building has received some updates with a lobby refresh of new paint and carpeting in the Visitor Center area as well as the TDA offices on the second floor. The remodeling of the downstairs small conference room in the Gateway building is complete. Meacham is in conversation with Holt Concepts which does Visitor Center lobbies about a design concept and implementation of new technology for the VIC and lobby area.

Meacham reported that prior to Covid, NCDPT had approved phase II of the wayfinding program. Meacham has reengaged Buzz Bizzell to work on the countywide signage system design and cost estimates. The City system which is ready to go staff will be filing through the EDA to try to secure funds for that project. The goal for finalization of this package would be the end of this fiscal year so that the actual projects could move forward in 2022-23.

Meacham reminded the group about the Bell Tower Green funding request from earlier in 2021. The group would like to come to board to discuss some "ongoing funding requests". Meacham has asked for additional details and for the group to meet with the TDA Board Chair, John Ketner, and himself to discuss this new request. Information will then be brought to the board for consideration if appropriate.

The meeting adjourned at 1 pm.  
Respectfully submitted,  
Lesley Pullium  
SRCVB

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

Accrual Basis

November 2021

	Nov 21	Jul - Nov 21
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4350 · Tourism ARP Funding	0.00	595,000.00
4070 · Misc and Ticket Sales	25.17	94.06
4060 · Holiday Caravan Parade	21,657.80	52,665.00
4010 · Occupancy taxes	114,171.30	521,194.00
4000 · Trolley Operations	1,826.80	14,451.80
4300 · Gateway Building Revenue	5,804.86	40,650.93
4025 · Partner Services	0.00	6,000.00
<b>Total Income</b>	<b>143,485.93</b>	<b>1,230,055.79</b>
<b>Gross Profit</b>	<b>143,485.93</b>	<b>1,230,055.79</b>
<b>Expense</b>		
6501 · Tourism Capital Projects	0.00	367,887.50
6510 · Holiday Caravan Parade Expense	34,623.95	36,185.92
60001 · Marketing & Visitor Services		
6135 · Salisbury-Rowan CVB	76,409.88	390,380.53
6140 · Destination Mktg Programs/Ser	0.00	3,500.00
6465 · Trolley	1,020.14	1,033.74
6165 · Marketing Supplies & Equipment	0.00	115.92
6070 · Miscellaneous	299.00	1,375.00
<b>Total 60001 · Marketing &amp; Visitor Services</b>	<b>77,729.02</b>	<b>396,405.19</b>
60002 · Operations & Administration		
6010 · RCTDA Operations Staff	4,769.24	7,153.86
6025 · Payroll taxes and unemployment	371.17	548.68
6030 · Retirement	272.80	704.03
6020 · Health Benefits	-67.62	-101.43
6040 · Worker's comp insurance	0.00	459.00
6105 · Professional Services	6,600.00	8,721.40
6600 · Gateway Building Expenses	15,810.19	57,321.22
<b>Total 60002 · Operations &amp; Administration</b>	<b>27,755.78</b>	<b>74,806.76</b>
<b>Total Expense</b>	<b>140,108.75</b>	<b>875,285.37</b>
<b>Net Ordinary Income</b>	<b>3,377.18</b>	<b>354,770.42</b>
<b>Net Income</b>	<b>3,377.18</b>	<b>354,770.42</b>

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

Accrual Basis

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	Nov 30, 21
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
234 · 457b Withholdings	357.69
2039 · United Way	-800.00
2033 · State withholding payable	208.00
2035 · Retirement withholding	286.16
2100 · Payroll Liabilities	2,629.34
<b>Total Other Current Liabilities</b>	2,681.19
<b>Total Current Liabilities</b>	2,681.19
<b>Long Term Liabilities</b>	
2700 · Pension Deferrals	16,932.00
2500 · Compensated Absences	12,590.38
<b>Total Long Term Liabilities</b>	29,522.38
<b>Total Liabilities</b>	32,203.57
<b>Equity</b>	
3075 · Current yr reclass Asset/Liab	350,000.00
3050 · Investment in fixed assets	2,488,174.00
3100 · Fund balance	180,436.14
3105 · Restricted Fund Balance	79,555.00
3900 · Retained Earnings	-105.92
Net Income	354,770.42
<b>Total Equity</b>	3,452,829.64
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>3,485,033.21</u></b>

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

Accrual Basis

	Nov 30, 21
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1052 · F&M Bank-Operating 9224	46,921.68
1020 · Petty cash	16.83
1050 · First Bank checking #0436	28,377.33
1065 · NC Capital Mgmt Trust	25,005.44
1070 · First Bank MM account-4509	313,029.43
<b>Total Checking/Savings</b>	413,350.71
<b>Accounts Receivable</b>	
1201 · Accounts Receivable	219,171.30
<b>Total Accounts Receivable</b>	219,171.30
<b>Total Current Assets</b>	632,522.01
<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	-425,370.81
<b>Total Fixed Assets</b>	2,838,174.20
<b>Other Assets</b>	
1900 · Pension Asset	14,337.00
<b>Total Other Assets</b>	14,337.00
<b>TOTAL ASSETS</b>	<b><u>3,485,033.21</u></b>

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## MEMORANDUM

**TO:** Rowan Tourism Board of Directors  
**FROM:** James Meacham, Tourism Director  
**DATE:** November 15, 2021  
**RE:** COVID-19 Lodging and Cultural Grant Funding

Rowan County Tourism received 12 total and 11 eligible applications for COVID-19 Lodging and Cultural Grants associated with the grant program approved by the Tourism Board and funded through American Rescue Plans funds awarded by the Board of Commissioners. The Board of Commissioners graciously awarded \$100,000 towards the program.

After verifying all the applications, total losses from April to December 2020 compared to April 2019 to December 2019 from the eligible businesses and organizations that applied was in excess of \$5.7 million. The significance of the losses by the businesses and organizations that were remitted to the Tourism office for the grants were substantial and greater than initial anticipations. Increasing the amount of award funds will provide additional support to these businesses and organizations that were significantly impacted by the pandemic.

Staff requests that the Tourism Board allocate an additional \$52,913.33 towards the grant program and approve the staff recommended grant awards. The increased funds includes \$32,466.33 from additional lost tourism revenues and reimbursements from COVID-19 through ARP funds provided from Rowan County and \$20,447 in additional occupancy tax revenues from FY21-22. Occupancy tax revenues as of 9-30-21 for FY21-22 are \$69,448 ahead of budget.

Thank you for your support of Rowan County and consideration of this request..

James Meacham  
Tourism Director





Tourism Development Authority  
Salisbury, North Carolina

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### Rowan County Tourism American Rescue Plan:

#### Rowan County Lodging and Arts and Cultural COVID Business Grants

The Rowan County Tourism Authority will utilize \$100,000 in COVID American Rescue Plan (ARP) funds through a grant program consistent with the State of North Carolina's ARP based NC Hospitality Economic Loss Program (NC Help). Local lodging and arts, cultural and history organizations that can demonstrate a loss in revenue of 20% during the period of April 2020 to December 2020 would be eligible for support grants. Grants would be available for lodging businesses arts, cultural and historical organizations to support operations, relaunching programs, events, and business activities that were forced to close due to COVID and or Executive Orders, rehiring workers, job training, hiring, and replacing lost wages.

The application-based program would provide a grant equal to a specified percentage of the applicant's decline in revenues. The specified percentage would be equal to \$100,000 divided by the total reduction in revenue among the pool of eligible applicants. Rowan County Tourism will calculate the specified percentage after receiving and determining all eligible applicants. For example, if the total decline in collective revenues among the eligible applicants is \$2,000,000, the specified percentage would be 5%. This method ensures that all the \$100,000 will be allocated to those directly impacted by the negative factors associated with the COVID pandemic as intended in the American Rescue Plan.

#### Statement of Need

Small businesses in the leisure and hospitality industries were among the hardest hit by the COVID-19 pandemic. Many of these businesses shut down entirely during the early months of the pandemic and faced limits on capacity and constrained consumer demand into early 2021.

- Consumers cut taxable spending at North Carolina restaurants, bars, and hotels/motels by an estimated \$5.05 billion between March 2020 and January 2021 compared to the same period one year prior.
- Jobs at leisure and hospitality businesses fell by almost half between February and April 2020. Even in March 2021, there were more than 80,000 fewer leisure and hospitality jobs than in February 2020, accounting for more than half of net statewide job losses across all industries.
- Between 20% and 45% of North Carolina small businesses in accommodation, leisure, and entertainment were closed or operating at severely reduced capacity as of March 2021.

The creative economy is important to the economic and social recovery of North Carolina and Rowan County.

- The creative economy generates over \$2.1 billion in economic activity, employs over 72,000 fulltime equivalent jobs, and generates \$201.5 million in local and state government revenue.

**Rowan Lodging, Arts and Culture COVID-19 Grants**

<b>Eligible Applicants</b>	<b>2019 Revenue</b>	<b>2020 Revenue</b>	<b>Difference</b>	<b>Percentage Lost</b>	<b>Initial Grant Pool</b>	<b>Staff Recommends</b>
Applicant A	\$2,570,765.00	\$752,371.00	\$1,818,394.00	70.73%	\$31,799.52	\$47,699.28
Applicant B	\$2,117,885.00	\$1,100,177.00	\$1,017,708.00	48.05%	\$17,797.37	\$26,696.05
Applicant C	\$41,776.00	\$22,154.00	\$19,622.00	46.97%	\$343.14	\$1,500.00
Applicant D	\$2,898,123.60	\$1,334,926.86	\$1,563,196.74	53.94%	\$27,336.71	\$41,005.06
Applicant E	\$262,841.97	\$161,719.89	\$101,122.08	38.47%	\$1,768.39	\$2,652.59
Applicant F	\$12,849.00	\$7,320.00	\$5,529.00	43.03%	\$96.69	\$1,500.00
Applicant G	\$540,533.85	\$242,300.59	\$298,233.26	55.17%	\$5,215.41	\$7,823.12
Applicant H	\$218,076.04	\$52,642.21	\$165,433.83	75.86%	\$2,893.06	\$4,339.58
Applicant I	\$41,053.00	\$5,717.00	\$35,336.00	86.07%	\$617.95	\$1,500.00
Applicant J	\$1,627,057.00	\$1,300,709.00	\$326,348.00	20.06%	\$5,707.07	\$8,560.61
Applicant K	\$855,224.10	\$487,840.87	\$367,383.23	42.96%	\$6,424.69	\$9,637.03
<b>Total Losses</b>			<b>5,718,306.14</b>			
<b>Total Grant Awards</b>					<b>\$100,000.03</b>	<b>\$152,913.33</b>
<b>Non-Eligible Applicant</b>						
Applicant L	284,001.67	268,804.36	15,197.31	5.35%		
<b>Applicants</b>						
Across The Pond					Initial ARP Funds	(\$100,000)
Comfort Suites						
Courtyard Marriott					COVID Reimbursements	(\$32,466.33)
Hampton Inn						
Historic Salisbury					**FY21-22 Occ. Revenues Above Budg	(\$20,447)
Holiday Inn Express						
Piedmont Players					<b>Balance</b>	<b>\$0.00</b>
Quality Inn						
Rowan Museum						
Salisbury Symphony						
Triple Threat Dance						
Turn of the Century						

\*\*FY21-22 Occ Tax Rev as of 9-30-21 \$69,488 ahead of budget