

VISIT ROWAN COUNTY

SALISBURY, NORTH CAROLINA

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ROWAN COUNTY TOURISM BOARD OF DIRECTORS MEETING – Virtual

Wednesday, January 20, 2021: 12:00 pm

BOARD MEETING MINUTES

Board Members Attending: Craig Pierce, Krista Osterweil, Michelle Patterson, John Ketner, Stephen Kidd, Karen Alexander, Vivian Hopkins, Sada Stewart

TDA Staff: James Meacham, Tara Furr, Sarah Michalec

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 November 2020 minutes.

Second: Krista Osterweil

Motion: Approved

Organizational & Financial Update

Meacham gave an organizational update noting that given the state of economy the organization is in a solid financial position. Meacham reported that audit report will be emailed out to everyone and in February the auditors will present the report to the board. Meacham stated that revenue fiscal year to date equals \$393,815, which is \$6,184 (1.5%) below budget. There was a nice return to an upswing in September through October with slowing again in November and December. The occupancy tax collections through November 30th are down 27.3% from the same period last year. November 2020 occupancy tax collections were down 38.3% from November 2019. Year to date Trolley revenues equals \$4,533 and will continue to be one of the final segments to return to normal. Gateway Building revenues year to date equal \$69,146 and in line with projections. Fiscal year to date revenues is ahead of expenses by \$5,075.

Meacham reported that cash on hand as of December 31, 2020 equaled \$82,466 and was down due December being a three-payroll month, a delay in receipt of the occupancy tax collections and disbursement of parade funds. Total current assets with the TDA equaled \$207,796 and fixed assets equaled \$ 2,898,300.

Motion: Michelle Patterson made a motion to approve the financials as presented.

Second: John Ketner

Motion: Approved

Consideration of a Paycheck Protection Program (PPP)

Meacham reported that the federal government has reopened PPP. The TDA has been very involved in assisting with PPP locally. There was a national lobby to add a specific group back into the PPP which was the 501C6's. This included CVB's, Chamber of Commerce's and other 501C6 organizations. The CVB is now eligible under the quick forgiveness category. Staff has reached out to F&M Bank and is able to go through the F&M portal to apply if authorized and approved by the board. Based on 2019 payroll related numbers, the total loan would be approximately \$62,000 and could be used for payroll until expensed. Once expensed staff would apply for forgiveness.

Motion: Craig Pierce made the motion for the CVB to seek out a PPP loan.

Second: John Ketner

Motion: Motion was approved.

Destination Marketing Report

Meacham thanked the team for their efforts in dealing with all the challenges that they have been undertaken with Marketing during COVID over these last few months and complimented them on a good job.

Tara Furr presented the marketing report noting that the RCCVB digital presence is still very strong and staff is continuing to make sure information is fresh and up to date. As James mentioned, staff has received frequent comments on the digital platforms and working diligently to stay fresh and on top of digital marketing. The partnerships with the state tourism office for marketing grants have very helpful. Furr reported the funds were utilized for the "Let's Give it Another Go" campaign and the new digital content videos have been very well received. The fourteen 30 second videos touch on all tourism segments and set the theme for when folks are comfortable to travel again Rowan County is ready to welcome them back to the area. Meacham shared one of the videos with the group and Furr described the concept details.

Sarah Michalec reported that the videos have been the bulk of the online content and have been featured on multiple social media platforms. Michalec said the www.visitsalisburync.com website showed improvement over the prior year despite Covid-19. The NC Farm app has shown a dip, but indications are that this is related to the winter season and numbers are expected to increase once spring arrives with Farmer's Market openings. Michalec reported that the videos have been very popular especially on Facebook with huge engagement. On Instagram the holiday events were popular with people looking to see what holiday events were still available. On the blog the holiday gift series was very popular. Michalec reported that there were 23,000 views on the YouTube channel of the "Let's Give it Another Go" campaign videos as well.

Furr reported that staff has reached out to community partners for their proposed 2021 event schedules. The City has indicated that the Cheerwine Festival has been moved to September 2021. Trolley inquiries are slowly picking up and staff is looking forward to spring. Furr indicated the marketing strategy is to continue a strong focus in the digital world and focus on safe activities for visitors in the future. Challenges with social media comments have included comments relating to why any travel is being promoted despite the fact the message of the videos focus on planning for the future and the potential visitor's comfort with travel in general.

Meacham reviewed the Smith Travel lodging data for the area over the last quarter indicating a little more of a drop than expected in December. January 2021 indications are looking somewhat like December 2020. Polar Express not occurring had a huge impact on the local data for November – December. The rise in November Covid numbers again had an impact as well. Meacham indicated that the one bright spot in Rowan County lodging has been the growth in VRBO and Airbnb's in the county. In the 11-month period of January 2019 to November 2019 Airbnb generated \$445,000 in revenue. In the January 2020 to November 2020 period during the pandemic Airbnb had a 45% increase in revenue to \$645,000 and was only down two months in March and April 2020. Airbnb went from a 2.7% market share to 5.4% market share. Meacham said he attributed this to

consumers wanting or needing to travel, thinking single property travel was safer and creating more Airbnb demand.

Program of Work Report

Meacham reported that the Gateway building is still closed in terms of meeting due to the executive order of no in door gatherings of 10 or more. There may be some shuffling of tenants due to expansion of the Three Rivers Landtrust and changes in EDC staff. Staff is exploring an office suite swap between the CVB and the Landtrust. The CVB lease would go down a bit and decrease office space. The EDC is looking at acquiring part of the Symphony's office suite with the Symphony repurposing some of their space into the Chamber of Commerce office suite. Staff is working with all tenants to facilitate what works best for everyone moving forward.

Meacham noted that staff is still assisting with resource information relating to the pandemic with the webpage being updated as needed but staff is working more one on one with community partners at this time. Many of the needs of organizations are more specialized and requires more tailored individual assistance. In addition, staff has distributed a little over \$215,000 in arts and cultural grants including CARES Act funds to local arts and cultural organizations. Commissioner Pierce discussed a possible second round of grants from the county for local restaurants that are struggling during the pandemic. Pierce is hopeful these funds will be distributed in late February 2021.

Mayor Alexander reported that the City received CDBG funding in total \$235,000 which will be distributed as categorized through the Planning Department. This information is currently on the city website and the city will be receiving applications for some of this funding. Mayor Alexander expressed her gratitude for the funding that has been made available.

Meacham expressed his appreciation to the board for all that they do and have done to assist staff during the last year.

The meeting adjourned at 1 pm.

Respectfully submitted.
Lesley Pullium
SRCVB

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FINANCIAL SUMMARY REPORT AS OF February 28, 2021

Report Date: March 15, 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 2-28-2021

- Revenue fiscal year to date from occupancy taxes collected and received by the TDA equals \$508,148 which is 0.7% ahead of budget.
 - Occupancy tax revenue collections through 1-31-21 are down 26.5% from the same period in FY2019-20.
 - January 2021 occupancy tax collections were down 30% from January 2020
 - The 30% decrease in January was inline with projections
 - Starting in early November as COVID-19 cases and impacts began to increase travel began slowing again and coupled with no Polar Express in November and December 2020 led to larger percentage decreases.
 - Initial figures from February show improvement over January.
- Year to date Trolley revenues equal \$5,433 and will continue to be one of the last revenue segments to return.
 - Wedding rentals for May into September have slowly started returning with a slight uptick in February
- Gateway Building revenues year to date equal \$85,050 and are in line with projections.
- Fiscal Year to Date revenues are ahead of expenses by \$10,019

Balance Sheet: Summary as of 2-28-2021

- Total Current Assets with the TDA equaled \$212,463 a decrease of approximately \$3,287 from January 2021.
- Accounts Receivables equaled \$123,018 consisting of January and February occ. taxes.
- Cash on hand as of 12-31-20 equaled \$89,444.93
- Total assets equaled \$3,064,974
- The CVB was approved for a PPP in March and will receive the funds by the end of March.