



SALISBURY, NORTH CAROLINA

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## **ROWAN COUNTY TOURISM BOARD OF DIRECTORS MEETING**

**Wednesday, March 11, 2020, Noon, Gateway Building**

### **MEETING AGENDA**

- |              |  |   |
|--------------|--|---|
| <b>I.</b>    | <b>Rowan County Tourism Call to Order</b>                  | <b>Krista Osterweil, Board Chair</b>    |
| <b>II.</b>   | <b>Approval of Board Meeting Minutes</b>                   | <b>Krista Osterweil, Board Chair</b>    |
| <b>III.</b>  | <b>Financial Report</b>                                    |   |
|              | <b>A. February 2020 Financial Report</b>                   | <b>James Meacham, Staff</b>             |
| <b>IV.</b>   | <b>Destination Marketing Report</b>                        | <b>Tara Furr, Staff</b>                 |
| <b>V.</b>    | <b>Tourism Development Report</b>                          | <b>Whitney Wallace, Committee Chair</b> |
| <b>VI.</b>   | <b>April Meeting- 2020-2021 Initiatives and Priorities</b> | <b>James Meacham, Staff</b>             |
| <b>VII.</b>  | <b>Additional Business</b>                                 |   |
| <b>VIII.</b> | <b>Adjourn</b>   |   |

# VISIT ROWAN COUNTY

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## FINANCIAL SUMMARY REPORT AS OF February 29, 2020

Report Date: March 9, 2020

**\*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 2-29-2020

- Revenue year to date from occupancy taxes on accrual basis equals \$707,778
  - Occupancy tax revenues are 7.7% ahead of the same period in FY2018-19 and 1.2% ahead of budget for FY 2019-20
  - January 2020 occupancy tax actuals were up 11% from January 2019
- Year to date Trolley revenues equal \$48,585 and are 45% ahead of budget
- Gateway Building revenues year to date equal \$65,090 and are in line with budget.
- Marketing and Visitor Services Year to Date are in line with budget at \$57,269 year to date. The primary expenses at \$573,269 with disbursements to the CVB per the TDA-CVB operating agreement as the primary portion of marketing and visitor services expense.
- Tourism Capital Expenditure year to date equal \$54,250, final construction payment to R&L Glover dispersed first week of March upon completion of final punch list.
- Year to date Expenses from Administration equal \$137,182 for TDA operations staff, health care and professional services.
  - Gateway Expenses year to date equal \$53,401

### Balance Sheet: Summary as of 2-29-2020

- Total Current Assets with the TDA equaled \$247,219 an increase of \$15,238
- Accounts Receivables equaled \$159,068 consisting of January and February occupancy taxes.
- Cash on hand as of 2-29-2020 equaled \$88,151 an increase of \$11,778.
  - A planned and projected decrease in cash on hand will occur in March 2020 due the final construction payment of \$71,635.58 for completion of the Railwalk Pavilion and Farmers Market.
- Fixed assets equaled \$2,826,664
- Construction in Progress made on the Railwalk Pavilion will convert to a fixed asset in March 2020 and will have a value of \$475,886.36 (cost of the project).
- Fixed Assets will increase, cash for the month of March will decrease.

# VISIT ROWAN COUNTY

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## ROWAN COUNTY TOURISM BOARD OF DIRECTORS MEETING

Wednesday, February 12, 2020: 12:00 pm, Gateway Building

### BOARD MEETING MINUTES

**Board Members Attending:** Craig Pierce, Stephen Kidd, Michelle Patterson, Amie Baudoin, Whitney Wallace, Karen Alexander, Krista Osterweil, Kelly Alexander

**Not Attending:** Don Bringle, Cyndi Greenwood, John Ketner,

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

**Guests:** Eddie Carrick & Tony Brewer, CPA's

#### RCTDA Call to Order

Krista Osterweil called the RCTDA to order at 12:00pm and welcomed everyone to the meeting.

#### Approval of the Minutes

**Motion:** Stephen Kidd made a motion for approval of the January 2020 meeting minutes.

**Second:** Craig Pierce

**Motion:** Approved

#### Financial Report

Stephen Kidd gave the mid-year finance report for the period ending January 31, 2020. Kidd reported revenues year to date of \$625,428. Occupancy tax revenues are 7.5% ahead of the same period in FY2018-19 and 1% ahead of budget for FY2019-20. December 2019 occupancy tax was up 6.4% from December 2018. The year-to-date Trolley revenue is \$47,835 and is ahead of budget. Gateway building revenues year-to-date were \$57,747, expenses were \$44,756. Tourism Capital expenditures year-to-date were \$54,250.

Kidd reported total current TDA assets of \$231,981, an increase of \$1,805. Accounts receivable equals \$155,607 and included Dec 2019 and January 2020 occupancy taxes. Cash-on-hand as of 12/31/2019 equaled \$76,373. Fixed assets equaled \$2,826,664 due to an increase in the Construction in Progress made on the RailWalk Pavilion.

Meacham reported a lodging inventory reduction of 68 rooms at the Hampton Inn for renovations. Meacham said that revenue may remain flat or show growth of only 1 – 2% but should return to normal 4<sup>th</sup> quarter of the fiscal year.

## **June 30, 2019 Audit Report**

Tourism's auditors gave the 2018-19 RCTDA Audit report stating that the organization received an unqualified or clean opinion. Auditors reviewed key components of the report for the board. They noted that RCTDA is a governmental entity and is monitored by the State Treasurer's office and LGC each year. A review of the Audit's highlights from the report were provided. At the conclusion of the TDA audit report the 2018-19 SRCVB audit report was provided to the Tourism Board; the CVB also received an unqualified or clean opinion. The Tourism Board received copies of both audit reports.

TDA audit was accepted by the State Treasurer's office and Local Government Commission.

## **Destination Marketing Report**

Tara Furr gave the destination marketing year-end 2019 report stating that the TDA invested in 15 tourism-related events/groups in 2019 that generated direct economic impact of close to \$9 million and produced approximately 3,571 overnight stays.

Furr said that the destination website, branded social media platforms, electronic newsletters, content management system, customer relation management platform and digital community calendar were integral pieces of the Tourism Authority's marketing campaigns.

Partnerships continued to be a critical component in destination marketing in 2019 building off of existing community partnerships and continued digital marketing partnerships. Furr reported that the Arts & Ag Program was continued in 2019 due to the success of 2018.

Furr reported trolley year-to-date ridership of 12,109, revenue of \$52,893, rentals of 57, room nights of 161 and advanced bookings of 54. The trolley saw a 41.9% increase in ridership, a 7.6% increase in revenue, 54% increase in rentals and 20% increase in advanced bookings. Overall, 2019 was a strong year. There were multiple successful partnerships with Lee Street Theatre which included the annual Scrooge Trolley Tour and the Time Warp Trolley Tour.

Visitor Services reported traditional inquiries fulfilled year to date of 338, 26 a month. Furr reported the destination kiosk program distributed 1,650 calendars at 11 locations throughout the county. Destination incentive packages for 2019 included Wine about Winter, Brew & Chew Festival, Day out with Thomas, OctoberTour, Polar Express and others. Total packages booked equaled 569 with 947 associated room nights. Group sales for 2019 included 2,430 estimated room nights with visitor related economic impact of \$986,781.

Media placements for year-end 2019 were 36 and media assists totaled 15. Most popular PR coverage during 2019 included the Rowan Little softball team's visit to the White House, the Brew & Chew Festival at the NC Transportation Museum and the Tis' the Season Spectacular holiday parade. The Salisbury Post online Community Calendar finished 2019 with 84,019 views and 8,622 unique events.

Sarah Michalec reported that visitsalisburync.com had 160,983 users in 2019 with 340,133 page views and 149,886 new (first time) users. The majority of users viewed the site via their mobile device at 59.97%, 32.67% on desktops, and 7.36% on tablets. The email newsletters continued to make an impact with viewers. There are 4,129 subscribers with an average open rate of 15.01%. In the second half of 2019 a new email platform was implemented which increased the open rate by 79% and the click through rate by 59%. Michalec stated that social media continues to be one of the most effective digital marketing tools. The marketing message goes out to hundreds of devices within minutes of posting and provides a two communication opportunity that is at the visitor's fingertips. Facebook, Instagram and Twitter all showed increases in both the number of fans and the number of impressions viewed in 2019. Facebook was up 36%, Instagram 27% and Twitter 134%.

Meacham reported that Tourism staff will be transitioning the DSI digital marketing back over to DSI staff over the next few months. With Michalec going out on maternity leave in May, DSI and Tourism staff felt this was an appropriate time to transition digital marketing back into the DSI staff duties. DSI leadership feels confident this transition will go well and Michalec has already created support materials for DSI staff as well as conducting multiple training sessions.

Meacham noted that the 2020 Wine about Winter event in early February produced 28 packages with 38 room nights. Whitney Wallace expressed her appreciation for Tourism's assistance with digital marketing over the last two years stating that downtown events and programs such as Wine about Winter had benefited from the excellent online marketing support provided by Tourism.

### **Tourism Capital Committee**

Wallace reported that the Tourism has entered a 1-year agreement (April-April) with the Salisbury Farmers Market and the RailWalk Pavilion. The Salisbury Farmer's Market will begin their 2020 season on April 18th with the market location being the RailWalk Pavilion each Saturday from 8 am – 12 Noon. Everyone is very excited about the new space. The Farmer's Market has announced the change on their social media and has received some good feedback.

The grand opening dedication celebration for the RailWalk Pavilion will take place on Tuesday, April 28<sup>th</sup> from 12-1pm. Meacham stated that the 3<sup>rd</sup> week in September will be Rowan County Hospitality Week with the annual celebration of appreciation for local hospitality personnel, FAM Tours, Awards, and a brand breakfast.

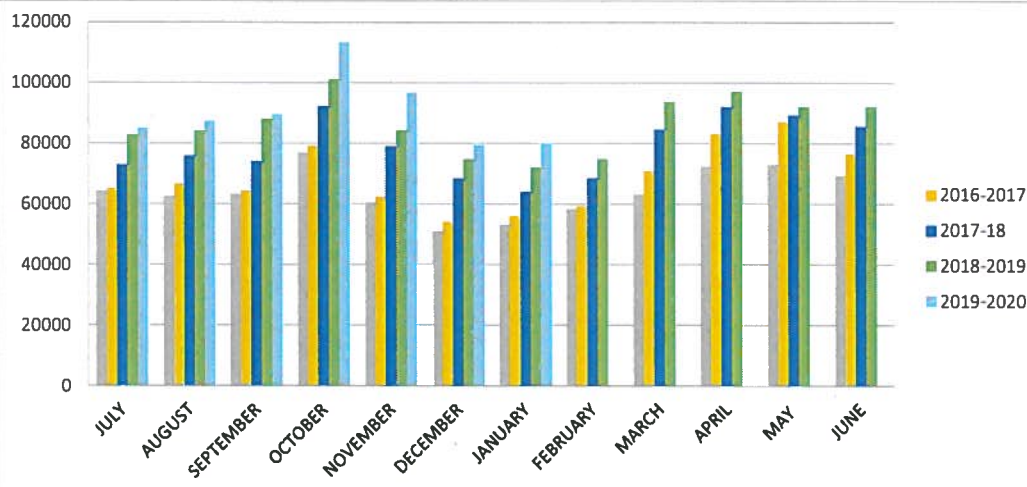
Wallace reported that the county-wide wayfinding is still moving forward in the design phase.

The meeting adjourned at 12:58 pm

Respectfully submitted by: Lesley Pullium, RCTDA

Rowan County Occupancy Tax Receipts (GROSS)

MONTH	FY16-17	FY17-18	%CHNG	FY18-19	%CHNG	FY19-20	%CHNG
July	65,208.17	72,999.06	11.9%	82,827.79	13.5%	85,062.04	2.7%
August	66,663.57	76,010.73	14.0%	84,227.53	10.8%	87,388.13	3.8%
September	64,467.53	74,220.99	15.1%	88,060.74	18.6%	89,694.58	1.9%
<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>
October	79,169.16	92,286.61	16.6%	101,229.40	9.7%	113,427.41	12.0%
November	62,445.01	79,174.98	26.8%	84,418.19	6.6%	97,848.24	15.9%
December	54,165.23	68,584.25	26.6%	74,894.47	9.2%	79,686.64	6%
<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>
January	56,069.00	64,114.21	14.3%	72,190.74	12.6%	80,100.88	11.0%
February	59,387.76	68,703.79	15.7%	74,900.88	9.0%		
March	70,895.99	84,759.62	19.6%	93,890.99	11%		
<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>		
April	83,161.39	92,168.35	10.8%	97,300.73	5.6%		
May	87,164.78	89,394.40	2.6%	92,104.89	3.0%		
June	76,624.86	85,776.47	11.9%	92,254.88	7.6%		
<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>Adjmts Penalties</b>							
<b>Penalties</b>							
<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>		



**Rowan County Tourism Development Authority**  
**Statement of Financial Position**  
**As of February 29, 2020**

Accrual Basis

	<u>Feb 29, 20</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1052 · F&M Bank-Operating 9224	1,351.27
1020 · Petty cash	16.83
1050 · First Bank checking #0436	47,953.63
1065 · NC Capital Mgmt Trust	5.44
1070 · First Bank MM account-4509	38,823.87
	<hr/>
<b>Total Checking/Savings</b>	88,151.04
<b>Accounts Receivable</b>	
1201 · Accounts Receivable	159,068.37
	<hr/>
<b>Total Accounts Receivable</b>	159,068.37
	<hr/>
<b>Total Current Assets</b>	247,219.41
<b>Fixed Assets</b>	
1502 · Construction in Progress	404,250.78
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	-334,536.81
	<hr/>
<b>Total Fixed Assets</b>	2,826,664.62
<b>Other Assets</b>	
1900 · Pension Asset	15,848.00
	<hr/>
<b>Total Other Assets</b>	15,848.00
	<hr/>
<b>TOTAL ASSETS</b>	<b><u><u>3,089,732.03</u></u></b>

**Rowan County Tourism Development Authority**  
**Statement of Financial Position**  
**As of February 29, 2020**

Accrual Basis

	<u>Feb 29, 20</u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
2039 · United Way	15.00
2040 · HSA	100.00
2033 · State withholding payable	226.00
2035 · Retirement withholding	496.75
2100 · Payroll Liabilities	<u>1,553.82</u>
<b>Total Other Current Liabilities</b>	<u>2,391.57</u>
<b>Total Current Liabilities</b>	2,391.57
<b>Long Term Liabilities</b>	
2105 · Interlocal Payable	350,000.00
2700 · Pension Deferrals	15,500.00
2500 · Compensated Absences	<u>8,995.00</u>
<b>Total Long Term Liabilities</b>	<u>374,495.00</u>
<b>Total Liabilities</b>	376,886.57
<b>Equity</b>	
3075 · Current yr reclass Asset/Liab	22,639.78
3050 · Investment in fixed assets	2,454,025.00
3100 · Fund balance	58,440.93
3105 · Restricted Fund Balance	110,305.00
Net Income	<u>67,434.75</u>
<b>Total Equity</b>	<u>2,712,845.46</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>3,089,732.03</u></u>



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

Accrual Basis

July 2019 through February 2020

	<u>Jul '19 - Feb ...</u>	<u>Budget</u>	<u>\$ Over Budget</u>
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
4070 · Misc and Ticket Sales	10,621.12	3,000.00	7,621.12
4060 · Holiday Caravan Parade	51,124.50	30,000.00	21,124.50
4010 · Occupancy taxes	707,778.61	1,120,000.00	-412,221.39
4000 · Trolley Operations			
4210 · Trolley - Rentals	550.00		
4000 · Trolley Operations - Other	48,585.35	50,000.00	-1,414.65
<b>Total 4000 · Trolley Operations</b>	49,135.35	50,000.00	-864.65
4300 · Gateway Building Revenue	65,090.95	90,000.00	-24,909.05
4025 · Partner Services	18,787.66	33,000.00	-14,212.34
<b>Total Income</b>	902,538.19	1,326,000.00	-423,461.81
<b>Gross Profit</b>	902,538.19	1,326,000.00	-423,461.81
<b>Expense</b>			
6501 · Tourism Captial Projects	54,250.78	220,000.00	-165,749.22
6510 · Holiday Caravan Parade Expense	43,227.59	30,000.00	13,227.59
6511 · Partner Service Expense	27,172.64	33,000.00	-5,827.36
60001 · Marketing & Visitor Services			
6135 · CVB Tourism Staff and Bran...	551,749.50	830,000.00	-278,250.50
6140 · Destination Mktg Programs/S...	16,920.00		
6465 · Trolley	1,880.88	12,000.00	-10,119.12
6165 · Marketing Supplies & Equipm...	1,463.68	2,300.00	-836.32
6070 · Miscellaneous	1,255.51	3,000.00	-1,744.49
<b>Total 60001 · Marketing &amp; Visitor Servi...</b>	573,269.57	847,300.00	-274,030.43
60002 · Operations & Administration			
6010 · RCTDA Operations Staff	50,101.86	71,750.00	-21,648.14
6025 · Payroll taxes and unemploym...	3,633.85	5,500.00	-1,866.15
6030 · Retirement	3,705.53	6,500.00	-2,794.47
6020 · Health Benefits	17,184.32	10,350.00	6,834.32
6040 · Worker's comp insurance	1,361.00	1,600.00	-239.00
6105 · Professional Services	7,595.04	10,000.00	-2,404.96
6600 · Gateway Building Expenses	53,401.26	90,000.00	-36,598.74

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

Accrual Basis

July 2019 through February 2020

	<u>Jul '19 - Feb ...</u>	<u>Budget</u>	<u>\$ Over Budget</u>
6145 · Office Postage	200.00		
Total 60002 · Operations & Administra...	137,182.86	195,700.00	-58,517.14
<b>Total Expense</b>	<u>835,103.44</u>	<u>1,326,000.00</u>	<u>-490,896.56</u>
<b>Net Ordinary Income</b>	<u>67,434.75</u>	<u>0.00</u>	<u>67,434.75</u>
<b>Net Income</b>	<u><u>67,434.75</u></u>	<u><u>0.00</u></u>	<u><u>67,434.75</u></u>

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

Accrual Basis

February 2020

	<u>Feb 20</u>	<u>Jul '19 - Feb 20</u>
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4070 · Misc and Ticket Sales	4,735.40	10,621.12
4060 · Holiday Caravan Parade	1,000.00	51,124.50
4010 · Occupancy taxes	82,350.37	707,778.61
4000 · Trolley Operations		
4210 · Trolley - Rentals	550.00	550.00
4000 · Trolley Operations - Other	750.00	48,585.35
<b>Total 4000 · Trolley Operations</b>	<b>1,300.00</b>	<b>49,135.35</b>
4300 · Gateway Building Revenue	7,343.70	65,090.95
4025 · Partner Services	1,163.99	18,787.66
4045 · Other Revenue	0.00	0.00
<b>Total Income</b>	<b>97,893.46</b>	<b>902,538.19</b>
<b>Gross Profit</b>	<b>97,893.46</b>	<b>902,538.19</b>
<b>Expense</b>		
6501 · Tourism Captial Projects	0.00	54,250.78
6510 · Holiday Caravan Parade Expense	0.00	43,227.59
6511 · Partner Service Expense	24,487.89	27,172.64
60001 · Marketing & Visitor Services		
6135 · CVB Tourism Staff and Branding	22,738.32	551,749.50
6140 · Destination Mktg Programs/Ser	16,920.00	16,920.00
6465 · Trolley	0.00	1,880.88
6120 · Visitor Center	0.00	0.00
6165 · Marketing Supplies & Equipment	0.00	1,463.68
6070 · Miscellaneous	39.00	1,255.51
<b>Total 60001 · Marketing &amp; Visitor Services</b>	<b>39,697.32</b>	<b>573,269.57</b>
60002 · Operations & Administration		
6010 · RCTDA Operations Staff	5,519.24	50,101.86
6185 · Supplies-Administration	0.00	0.00
6025 · Payroll taxes and unemployment	392.91	3,633.85
6030 · Retirement	0.00	3,705.53
6020 · Health Benefits	3,133.29	17,184.32
6040 · Worker's comp insurance	0.00	1,361.00
6105 · Professional Services	0.00	7,595.04

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

Accrual Basis

February 2020

	<u>Feb 20</u>	<u>Jul '19 - Feb 20</u>
<b>6600 · Gateway Building Expenses</b>		
6600.5 · Building Insurance	0.00	0.00
6600.4 · Cleaning	0.00	0.00
6600.1 · Utilities	0.00	0.00
6600 · Gateway Building Expenses - O...	8,944.73	53,401.26
<b>Total 6600 · Gateway Building Expenses</b>	8,944.73	53,401.26
<b>6145 · Office Postage</b>	200.00	200.00
<b>Total 60002 · Operations &amp; Administration</b>	18,190.17	137,182.86
<b>Total Expense</b>	82,375.38	835,103.44
<b>Net Ordinary Income</b>	15,518.08	67,434.75
<b>Net Income</b>	<u>15,518.08</u>	<u>67,434.75</u>