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

Wednesday, November 15, 2023, Noon
MEETING AGENDA

- I. Call to Order Krista Sullivan, Chair
 - A. Welcome New Board Members
- II. Approval of Meeting Minutes Krista Sullivan, Chair
- III. Financial Report James Meacham
 - A. Tourism Market Update
 - B. Financial Report
- IV. Tourism Program of Work Report
 - A. Destination Services, Sales, and Marketing
 - 1. Digital Program Sarah Michalec
 - 2. Trolley Program Brooke Arrowood
 - 3. Sales, Marketing and Communications Tara Furr
 - B. Tourism Development Sarah Michalec
 - 1. Wayfinding
 - i. NCDOT Review
 - 2. Railwalk
 - i. Survey Work
 - 3. Agritourism
- V. Additional Business
- VI. Adjourn



**ROWAN COUNTY TOURISM
BOARD OF DIRECTORS MEETING**

Wednesday, September 20, 2023, 12:00 pm

BOARD MEETING MINUTES

Board Members Attending: Craig Pierce, Krista Sullivan, Richard Reinholz (ZOOM), Vivian Hopkins, Kimberly Morgan, Stephen Kidd

Not Attending: Karen Alexander, Sada Troutman, Therese Henderson, Andy Maben

TDA Staff: James Meacham, Tara Furr, Sarah Michalec, Brooke Arrowood

RCTDA Call to Order

Sullivan called RCTDA to order at 12:02pm.

Approval of the Minutes

Motion: Craig Pierce made the motion for approval of the August 2023 minutes.

Second: Vivian Hopkins

Motion: Approved

Organizational & Financial Update

Meacham gave a tourism market update. Meacham reviewed the Occupancy Tax Monthly revenue projection and the Occupancy Tax Revenue charts briefly. Revenue is still well ahead of pre pandemic levels. Meacham said that August 2023 occupancy is projected to come in at \$105,000 and approximately 8.5% less than August 2022. September through the first sixteen days is down 8.6% which would put it above 2019 and 2021 and below September 2022. Changes in the travel patterns are bearing out and are right in line with the information Meacham presented to the board at the last meeting. Still seeing growth in VRBO and Airbnb in terms of collections.

Meacham reported that as of 8-31-23 occupancy tax revenues for fiscal year 2023-24 on an accrual basis equaled \$208,409 and are approximately 10% behind FY22-23. Revenue is in line with revised budget expectations. July 2023 occupancy taxes were \$108,732 and 9.4% behind July 2022. Year to date revenue on an accrual basis through the first two months is \$13,280 less than expenses primarily due to early fiscal year budgeted expenses for the Little League World Series and a three-payroll month in August.

Meacham reported total Current Assets equaled \$461,606 through the first two months of the fiscal year.

Accounts Receivables equaled \$208,658 which includes July and August outstanding occupancy tax revenues. Cash on hand as of 8-31-23 equaled \$252,947. Meacham reported the audit will take place in October and the audit report will be presented in January.

Tourism Program of Work

Meacham reported on hotel/lodging data, noting that June, July, and August were down compared to 2022 but up from pre-pandemic 2019 and the 2021 recovery. The overall lodging market is doing slightly better than the hotel market due to the increase in short-term rental revenue.

Michalec reported that the email newsletter open rate year to date is 36% with 3,900 subscribers. The website shifted to fall this month with fall photos. In mid-November the site will switch to holiday. Year to date 280,000 page views and 143,000 users. Root Rez is still performing great with 333 reservations and 424 room night and just under \$60,000 in revenue. There are six active offers with Root Rez currently.

Michalec reports that in social media, there were 7.6 thousand engagements in August and the top posts were the Woodleaf Tomato Festival, Concert at Bell Tower Green, and the last Cannon Ballers giveaway. Total social media impact year to date is just under 35,000 and 64,000. There were 2400 blog views in August, with the top blog being the guide to the Woodleaf Tomato Festival.

Michalec reported that the influencers have been doing very well and getting ready for the fall events and festivals. Jenna continues to create great content generating over 2.3 million views on TikTok and 427,000 on Instagram. Michalec reports that the staff has been organizing and planning with all the influencers for September and October. Magnolia Megan will be attending OctTour. Charlotte Moma will be going to Patterson Farm. Jenson Savannah will be going to Brewfest. Total influencer year to date impact is just over 4 million with engagements of 363,000. with total digital impact of 735,000 engagements and 5.6 million in reach.

Arrowood reported that year to date trolley bookings for 2023 are at 120, bookings through 2024 are at 134 and there are 45 bookings occurring in the next 90 days. Revenue for the year to date is a little over \$35,000. Bookings are slowing down for the fall; some rentals are shifting. 2024 bookings are continuing to increase. Street Theatre has canceled their trolley rental for their Time Warp Tour. There is a verbal commitment for Scrooge Tours and the staff hopes to get signed contracts soon. The trolley rental system has shifted over to an online booking system is easily accessible and offers a much easier payment option.

Furr reported that paid marketing placements year to date were 368 paid placements most were focused through social media and Cannon Baller partnerships.

Furr that reported there are currently six Stay and play packages available to our visitors. DOWT & Polar packages are about even with the 2022 totals. DOWT package totals are currently 118 packages and 165 room nights Polar at 271 packages and 363 room nights. Packages available include, The Bell Tower Brewfest, OctTour, Fall Fun on the Farm, E Gift card reward package.

Furr reported that staff has received good news from NCDOT regarding the Amtrak stop issue discussed at the last meeting. NCDOT has agreed to accommodate special stops for events such as DOWT.

In group sales, Furr reports that the Smoke Out event was very successful and produced 348 room nights associated with the event. Furr reported that the Bike Walk NC was this past weekend, and she currently has 40 room nights associated with that event. Furr reported that she has recently reached out to local tourism partners letting them know that staff will assist with conferences and multiday large events.

Furr reported that staff is continuing to do site and partner visits as well as advanced communications about digital marketing efforts in hopes they will partner with the TDA and share the content to reach a larger audience.

Furr reported she attended the NC Media mission in Raleigh, a networking event in which she pitched stories about the destination to media members who were in attendance. Furr said that she felt the event was successful and she will be following up with those folks she met. Furr said the NC Tourism staff praised Rowan Tourism's digital program as they have noticed it online.

Furr reported the Cannon Ballers partnership ended in August with a total reach of 18, 916. The total engagement was 3,270 and total tickets given away of 268.

Furr noted that Fall is such a busy season and staff will be promoting all partner fall events, stay & play packages, and creating content about Halloween and scary trails. Brooke is working on a spring wedding trolley promotion as well.

Tourism Development

Michalec reported that there is progress on the countywide wayfinding. County planning has given their go ahead. The plan will go to the Board of Commissioners at the first October meeting and then submitted to NCDOT.

Michalec reported that RailWalk plan was presented to the HPC last Thursday and it was approved. Surveying has begun once that is complete and property owners have signed agreements staff will bring it before this board for approval and it will then be sent for bids.

Michalec reports that staff is pleased with the firm selection from the RFP process. The firm selected was PGAB with more than 50 years in Tourism Development Strategy. The firm has agritourism experience as well. The proposal was very personalized, and staff felt like this was an easy choice. This firm has worked with major sites like Biltmore, The Alamo, Kennedy Space center. Michalec said the kick off meeting with PGAB is coming up on Friday morning.

Additional Business

Vivian Hopkins reported that the Village of Gold Hill has been awarded a grant for new wooden sidewalks. T-Mobile has awarded a \$44,000 grant for infrastructure updates and changes for the Village of Gold Hill.

The meeting adjourned at 12:39 pm.

Respectfully submitted.

Lesley Pullium

SRCVB



FINANCIAL SUMMARY REPORT AS OF 10-31-2023

Report Date: November 15, 2023

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

Fiscal Year 2023-24 Statement of Activities: Highlights as of 10-31-23.

- Occupancy tax revenues as of 10-31-23 for fiscal year 2023-24 on an accrual basis equaled \$460,187 and are approximately 4.1% behind FY22-23 and are 5.9% better than revised budget expectations.
 - September 2023 occupancy taxes were \$114,690 and approximately 4.1% less than September 2022 and 28% ahead of pre-pandemic 2019 levels and 13% ahead of September 2021.
- Year to date revenues on an accrual basis through four months of the fiscal year are \$57,293 ahead of expenses this fiscal year.

Balance Sheet: Summary as of 10-31-23

- Total Current Assets equaled \$541,606 and were \$15,762 higher than the month ending 9-30-23.
- Accounts Receivables equaled \$243,715 which includes September and October outstanding occupancy tax revenues.
- Cash on hand as of 10-31-23 equaled \$297,890 which was \$10,606 higher than the month ending 89-30-23
 - The TDA has started deploying a sweep strategy with it's cash on hand utilizing the NC Capital Management Trust to earn additional interest on cash deposits. The Trust currently pays an annual interest rate of 5.25%, compounded daily.

Rowan County Tourism Development Authority
Balance Sheet
As of October 31, 2023

	Oct 31, 23
ASSETS	
Current Assets	
Checking/Savings	
1052 · F&M Bank-Operating 9224	71,307.46
1020 · Petty cash	16.83
1050 · First Bank checking #0436	15,489.42
1065 · NC Capital Mgmt Trust	191,070.20
1070 · First Bank MM account-4509	20,007.01
Total Checking/Savings	297,890.92
Accounts Receivable	
1201 · Accounts Receivable	243,715.30
Total Accounts Receivable	243,715.30
Total Current Assets	541,606.22
Fixed Assets	
1503 · RAILWALK PAVILION	506,594.36
1502 · Construction in Progress	4,888.03
1501 · Land	250,604.00
1500 · Building	2,176,919.00
1505 · Computers	13,223.52
1510 · Furniture & fixtures	64,529.00
1515 · Office equipment	23,278.13
1516 · Trolley cars	319,880.00
1990 · Accumulated depreciation	-608,921.81
Total Fixed Assets	2,750,994.23
Other Assets	
1900 · Pension Asset	14,380.00
Total Other Assets	14,380.00
TOTAL ASSETS	3,306,980.45
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2039 · United Way	-800.00
2033 · State withholding payable	153.00
2035 · Retirement withholding	863.41
2100 · Payroll Liabilities	2,098.89
Total Other Current Liabilities	2,315.30
Total Current Liabilities	2,315.30
Long Term Liabilities	
2700 · Pension Deferrals	21,349.00
Total Long Term Liabilities	21,349.00
Total Liabilities	23,664.30
Equity	
3050 · Investment in fixed assets	2,750,994.00
3105 · Restricted Fund Balance	195,399.00
3900 · Retained Earnings	271,855.80
Net Income	65,067.35
Total Equity	3,283,316.15
TOTAL LIABILITIES & EQUITY	3,306,980.45

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

Accrual Basis

July 2023 through June 2024

	<u>Jul '23 - Jun...</u>	<u>Budget</u>	<u>\$ Over Budg...</u>
Ordinary Income/Expense			
Income			
4350 · Tourism ARP Funding	0.00	500,000.00	-500,000.00
4070 · Misc and Ticket Sales	4,731.70	1,000.00	3,731.70
4060 · Holiday Caravan Parade	33,439.89	50,000.00	-16,560.11
4100 · Fund Balance Interest	3,366.93	6,000.00	-2,633.07
4010 · Occupancy taxes	460,187.48	1,400,000.00	-939,812.52
4000 · Trolley Operations	26,909.01	60,000.00	-33,090.99
4300 · Gateway Building Revenue	43,997.14	134,000.00	-90,002.86
4025 · Partner Services	18,585.25	60,000.00	-41,414.75
Total Income	<u>591,217.40</u>	<u>2,211,000.00</u>	<u>-1,619,782.60</u>
Gross Profit	591,217.40	2,211,000.00	-1,619,782.60
Expense			
6501 · Tourism Capital Projects	25,522.66	0.00	25,522.66
6510 · Holiday Caravan Parade Expen...	21,267.83	50,000.00	-28,732.17
6511 · Partner Service Expense	4,526.82	25,000.00	-20,473.18
6500 · Destination Development	12.11	750,000.00	-749,987.89
60001 · Marketing & Visitor Services			
6135 · Salisbury-Rowan CVB	386,742.33	1,100,000.00	-713,257.67
6465 · Trolley	1,074.79	10,500.00	-9,425.21
6180 · Dues and subscriptions	60.00	0.00	60.00
6070 · Miscellaneous	1,752.29	2,500.00	-747.71
Total 60001 · Marketing & Visitor Ser...	<u>389,629.41</u>	<u>1,113,000.00</u>	<u>-723,370.59</u>
60002 · Operations & Administration			
6010 · RCTDA Operations Staff	35,586.53	117,000.00	-81,413.47
6185 · Supplies-Administration	332.51	4,000.00	-3,667.49
6025 · Payroll taxes and unemploy...	3,758.73	0.00	3,758.73
6030 · Retirement	5,293.55	0.00	5,293.55
6040 · Worker's comp insurance	7,284.00	3,000.00	4,284.00

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

Accrual Basis

July 2023 through June 2024

	<u>Jul '23 - Jun...</u>	<u>Budget</u>	<u>\$ Over Budg...</u>
6105 · Professional Services	9,358.00	15,000.00	-5,642.00
6600 · Gateway Building Expenses	31,351.89	134,000.00	-102,648.11
Total 60002 · Operations & Administr...	92,965.21	273,000.00	-180,034.79
Total Expense	533,924.04	2,211,000.00	-1,677,075.96
Net Ordinary Income	57,293.36	0.00	57,293.36
Net Income	<u>57,293.36</u>	<u>0.00</u>	<u>57,293.36</u>

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

Accrual Basis

October 2023

	<u>Oct 23</u>	<u>Budget</u>	<u>\$ Over Budg...</u>
Ordinary Income/Expense			
Income			
4350 · Tourism ARP Funding	0.00	41,666.67	-41,666.67
4070 · Misc and Ticket Sales	0.00	83.33	-83.33
4060 · Holiday Caravan Parade	14,042.92	4,166.67	9,876.25
4100 · Fund Balance Interest	919.66	500.00	419.66
4010 · Occupancy taxes	133,466.31	116,666.67	16,799.64
4000 · Trolley Operations	9,878.21	5,000.00	4,878.21
4300 · Gateway Building Revenue	11,948.00	11,166.67	781.33
4025 · Partner Services	3,648.61	5,000.00	-1,351.39
Total Income	<u>173,903.71</u>	<u>184,250.01</u>	<u>-10,346.30</u>
Gross Profit	173,903.71	184,250.01	-10,346.30
Expense			
6501 · Tourism Capital Projects	6,914.59	0.00	6,914.59
6510 · Holiday Caravan Parade Expen...	11,537.74	4,166.67	7,371.07
6511 · Partner Service Expense	2,322.00	2,083.33	238.67
6500 · Destination Development	12.11	62,500.00	-62,487.89
60001 · Marketing & Visitor Services			
6135 · Salisbury-Rowan CVB	116,261.03	91,666.67	24,594.36
6465 · Trolley	0.00	875.00	-875.00
6070 · Miscellaneous	562.00	208.33	353.67
Total 60001 · Marketing & Visitor Ser...	<u>116,823.03</u>	<u>92,750.00</u>	<u>24,073.03</u>
60002 · Operations & Administration			
6010 · RCTDA Operations Staff	7,221.54	9,750.00	-2,528.46
6185 · Supplies-Administration	332.51	333.33	-0.82
6025 · Payroll taxes and unemploy...	1,581.77	0.00	1,581.77
6030 · Retirement	1,743.75	0.00	1,743.75
6040 · Worker's comp insurance	0.00	250.00	-250.00
6105 · Professional Services	2,845.00	1,250.00	1,595.00
6600 · Gateway Building Expenses	5,651.45	11,166.67	-5,515.22
Total 60002 · Operations & Administr...	<u>19,376.02</u>	<u>22,750.00</u>	<u>-3,373.98</u>
Total Expense	<u>156,985.49</u>	<u>184,250.00</u>	<u>-27,264.51</u>
Net Ordinary Income	<u>16,918.22</u>	<u>0.01</u>	<u>16,918.21</u>

Rowan County Tourism Development Authority
Statement of Activities Actual vs Budget

Accrual Basis

October 2023

	<u>Oct 23</u>	<u>Budget</u>	<u>\$ Over Budg...</u>
Net Income	<u>16,918.22</u>	<u>0.01</u>	<u>16,918.21</u>

Occupancy Tax Monthly Revenues 2019-2021-2022-2023

	2019	2021	2022	2023	
January	\$80,100	\$56,292	\$96,919	\$115,064	
February	\$87,894	\$62,049	\$94,531	\$108,890	
March	\$93,891	\$84,372	\$114,826	\$125,057	
April	\$97,301	\$90,628	\$119,033	\$125,347	
May	\$92,105	\$97,168	\$126,307	\$125,954	
June	\$92,255	\$102,792	\$115,684	\$109,365	
July	\$85,062	\$105,515	\$120,021	\$108,732	
August	\$87,388	\$99,851	\$115,189	\$110,177	
September	\$89,695	\$100,792	\$119,443	\$114,690	
October	\$113,427	\$115,325	\$128,088	\$129,000	projected
November	\$97,848	\$102,438	\$116,523	\$108,000	trending
December	\$79,687	\$95,875	\$103,835		
Total	\$1,096,653	\$1,113,097	\$1,370,400	\$1,280,276	YTD

Rowan County Occupancy Tax Receipts Collected (GROSS)

MONTH	FY19-20	FY20-21	%CHNG	FY21-22	%CHNG	FY22-23	%CHNG	FY23-24	%CHNG
July	85,062.04	61,737.08	-27.4%	105,514.79	70.9%	120,021.34	12.1%	108,732.65	-9.4%
August	87,388.13	66,399.96	-24.0%	99,851.17	50.4%	115,189.06	13.3%	110,177.63	-4.4%
September	89,694.58	78,562.08	-12.4%	100,792.04	28.3%	119,443.37	15.6%	114,690.69	-4.1%
Quarter Total	262,144.75	206,699.12	-21.2%	306,158.00	48.1%	354,653.77	13.7%	333,600.97	-6.3%
October	113,427.41	76,794.51	-32.3%	115,324.55	50.2%	128,088.16	10.0%		
November	97,848.24	60,357.00	-38.3%	102,438.16	69.7%	116,523.19	12.1%		
December	79,686.64	64,749.41	-18.7%	95,874.73	48.1%	103,834.94	7.7%		
Quarter Total	290,962.29	201,900.92	-30.6%	313,637.44	55.3%	348,446.29	10.0%		
January	80,100.88	56,291.87	-29.7%	96,918.80	72.2%	115,064.17	15.8%		
February	87,894.99	62,049.03	-29.4%	94,530.61	52.3%	108,890.30	13.2%		
March	62,149.01	84,372.26	35.8%	114,826.05	36.1%	125,056.96	8.2%		
Quarter Total	230,144.88	202,713.16	-11.9%	306,275.46	51.1%	349,011.43	12.2%		
April	39,870.97	90,628.43	127.3%	119,032.67	31.3%	125,347.11	5.0%		
May	50,585.59	97,167.69	92.1%	126,307.46	30.0%	125,953.79	-0.3%		
June	56,142.85	102,792.30	83.1%	115,684.25	12.5%	109,364.77	-5.8%		
Quarter Total	146,599.41	290,588.42	98.2%	361,024.38	24.2%	360,665.67	-0.1%		
Adjmts Penalties									
Penalties									
Year Total	\$ 929,851.33	\$ 901,901.62	-3.0%	\$ 1,287,095.28	42.7%	\$ 1,412,777.16	8.9%		

