

# VISIT ROWAN COUNTY

SALISBURY, NORTH CAROLINA

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

Wednesday, October 20, 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. Destination Marketing
  - B. COVID Relief Grant Program
  - C. Gateway Building
  - D. Tourism Capital Program
- V. Additional Business
- VI. Adjourn

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## ROWAN COUNTY TOURISM BOARD OF DIRECTORS MEETING – In person and Virtual Wednesday, September 15, 2021: 12:00 pm

### BOARD MEETING MINUTES

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

**Not Attending:** Vivian Hopkins

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

#### 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 August 2021 minutes.

Second: John Ketner

Motion: Approved

#### Organizational & Financial Update

Meacham gave an organizational update wrapping up where the organization finished as of August 31, 2021. Meacham reported revenue on an accrual basis fiscal year to date from occupancy taxes equaled \$201,459 and is \$52,450 or 35% ahead of the 2021-22 budget projections for the fiscal year. Additional occupancy tax revenues above budget are being placed in an operating reserve fund as reported to the Board in August.

The July 2021 occupancy tax collections were up 70% higher than July 2020 and were 24% higher than July 2019. Meacham stated that substantial increases in consumer spending on travel and hospitality began in April and carried into May, June, July and through the first two weeks of August. Travel has slowed down in late August and early September brought on by a return to school for families, and an increase in the spread of COVID.

August 2021 should still come in well above budget, above 2020 and 2019. However, the record increases witnessed in May, June, July, and early August do not appear sustainable. Meacham said that concerns still rest around long-term sustainability of the consumer demand for travel with business travel still down from pre-pandemic levels and direct federal benefits to citizens waning in the last quarter of 2021. The ARP funds for 2021-22 were received and distributed as approved. Fiscal Year to Date revenue is ahead of expenses by

\$272,388. Driven by the Board setting aside \$100,000 of ARP reimbursements for reserves, increases in occupancy tax revenues and no disbursements as of August 31, 2021, for the lodging, arts, and cultural ARP grants.

Meacham reported total current assets with the TDA are \$546,125 an increase of \$266,094 from 6-30-2021. Accounts Receivables equaled \$195,000 consisting of July and August occupancy taxes. Cash on hand as of August 31<sup>st</sup> equaled \$351,125 an increase of \$183,915 from June 30, 2021. Cash position in the NC Capital Management Trust has increased each month to provide for additional reserve funds and equaled \$200,005 as of August 31, 2021. Total assets equaled \$3,132,542 at the close of the fiscal year. The Railwalk liability has cleared from the liabilities on the balance sheet as it has been satisfied.

Meacham reported that majority of the reserve funds will be shifted from NC Capital Management Trust account to the First Bank Money Market account as First Bank offers a higher interest return on the funds.

Meacham thanked Commissioner Pierce and the Commissioners for the funding for the Covid Grant Relief funds and briefly summarized the online grant application for the for lodging, arts, and cultural support grant program. Meacham thanked staff for assisting to get the information out quickly to community partners. The application deadline is October 22, 2021, and staff should be able to have funds to recipients in November.

### **Destination Marketing Report**

Michalec gave a few highlights for digital for August reporting that the email newsletter focused on events, Polar Express and Day Out with Thomas packages. The website held steady with the emphasis on Day Out with Thomas and the Cannon Ballers ticket giveaways with pageview of 257,153. YouTube is still getting a lot of views of the XX videos. For social media there was a great deal of excitement around Day Out with Thomas, Brew and Choo, and the opening of Bell Tower Green. Facebook and Instagram engagement continues to be healthy. The Farm App is seeing a lot of new users with 2,269 total views for Rowan/Cabarrus thus far. Total digital impact year to date shows engagement of 396,161 and reach of 2,546,438.

Furr reported that there are currently two stay and play packages available both in partnership with the NC Transportation Museum. The packages (Polar Express & Day Out with Thomas) are doing well considering the current Covid situation. Day Out with Thomas package sales are at 44 packages and 79 room nights, which is slightly down. Polar Express package sales are a little bit behind 2019 as well with 98 packages and 177 room nights. Tickets did go on sale later than they did in 2019. Furr said there are two upcoming packages including the Carolina Bohemian Jam and Three Rivers LandTrust's outdoor challenge event in late September. Furr reports that Trolleys continue to run for private events. There have been a couple of cancellations but year to date trolley bookings is at 59.

Furr stated that staff will continue to market the stay and play packages heavily as well as fall events. Fall is typically a very busy time and there have been a few new events to pop up. In addition, there are already inquiries about holiday events which is encouraging.

Furr reported that the tourism brand refresh which she discussed at the August meeting about continuing to update the photo and video assets is moving along. An RFP has been issued and a selection will be made soon. Staff is also working with ChandlerThinks again on the specifics of the brand refresh for tourism working on the website redesign and the packaging process. Hopefully, this will launch around May 2022 when the tourism week activities are scheduled.

In addition, a couple of tourism support funds applications have come in and the Cannon Baller's partnership marketing concluded this weekend. Furr reported the Cannon Ballers campaign was a great success. Staff is meeting with Cannon Baller staff on planning to expand that campaign next year.

Meacham reported that on the brand refresh staff is not actually changing the brand but rather just giving the tourism aspects a fresh look after five years. Meacham reported that Michalec has found a vendor that will allow staff to take the labor-intensive package process digital. Meacham said that the position that currently handles the majority of the package booking duties will no longer be required and will be revised. The position is currently filled with a contracted worker through the end of December 2021 when larger event packages conclude for this fiscal year. Meacham said that the position duties will be revised and most likely be shifted to handling more content, asset creation and digital marketing. The revision will occur in the next fiscal year and the position will be filled sometime next year.

### **Additional Business**

Meacham reported that as he mentioned last month, F&M Bank is remodeling the downstairs small conference room at the Gateway building in conjunction with the renaming of the building. The official dedication of building has been tentatively scheduled for the spring. The lobby will be refreshed with new paint and carpeting in the Visitor Center area. The TDA offices on the second floor will also receive fresh paint and carpet. All of those items will be completed within the capital budget.

Meacham reported that he also has tentative support in hand from a donar for solar installation on the roof at no cost. This would offer about a 25% reduction in energy costs for the building. Inspections have been completed on the roof and it can support the solar technology. Meacham said his thoughts on the project is that it would be a great cost savings for the building at no cost to the organization and is worth exploring.

The Board discussed the need for further exploration of a roof update given the load to hold the panels and the current age of the roof. Meacham will explore further.

Meacham reported the big fans have come in for the RailWalk Pavillion. Staff is still waiting on some wiring material, but the project is still in the works.

Meacham has reengaged Buzz Bizzell to work on the countywide signage system design and cost estimates. The Economic Development Administration has a large pool of grant funds available for communities now that will help navigate travel in the future. Wayfinding is one of the items they are funding with applications due in March. Meacham would like to get the wayfinding designer back in to complete the wayfinding design so that it is complete to submit with the application in March. This would put the project to be completed sometime in 2022-23.

Meacham reminded the group about the Tourism/Business Development program that capital committee looked at several years ago but never fully developed. This program would provide financial resources to businesses to incentivize new tourism related projects. Meacham said that pending revenue stays strong and steady he would like to expand this program to partner with existing tourism community partners to create more tourism related inventory and expand existing partner operational assets. Staff has a platform and model in place that could be revised and utilized.

The meeting adjourned at 1 pm.

Respectfully submitted.

Lesley Pullium

SRCVB

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## FINANCIAL SUMMARY REPORT AS OF 8-31-2021

Report Date: September 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 8-31-2021

- Revenue on an accrual basis fiscal year to date from occupancy taxes equaled \$201,459 and is \$52,450 or 35% ahead of the 2021-22 budget projections for the fiscal year
  - Additional occupancy tax revenues above budget are being placed in an operating reserve fund as reported to the Board in August
  - Year to date ARP funds for 2021-22 were received and distributed as approved.
  - The Railwalk Interlocal was paid to the County in August and is recorded on the statement of activities as budgeted for under Tourism Capital Projects.
  - July 2021 occupancy tax collections were up 70% higher than July 2020 and were 24% higher than July 2019.
    - Substantial increases in consumer spending on travel and hospitality began in April and carried into May, June, July and through the first two weeks of August.
    - Travel slowed down in late August and early September brought on by a return to school for families, and an increases in the spread of COVID. August 2021 will still come in well above budget, above 2020 and 2019.
    - The record increases witnessed in May, June, July and early August do not appear sustainable.
    - Concerns still rest around long-term sustainability of the consumer demand for travel with business travel still down from pre-pandemic levels and direct federal benefits to citizens waning in the last quarter of 2021.
- Fiscal Year to Date revenues are ahead of expenses by \$272,388. Driven by the Board setting aside \$100,000 of ARP reimbursements for reserves, increases in occupancy tax revenues and no disbursements as of 8-31-21 for the lodging, arts and cultural ARP grants.

### Balance Sheet: Summary as of 8-31-2021

- Total Current Assets equaled \$546,125 an increase of \$266,094 from 6-30-2021
- Accounts Receivables equaled \$195,000 consisting of July and August occ. Taxes.
- Cash on hand as of 8-31-21 equaled \$351,125 an increase of \$183,915 from June 30, 2021.
  - Cash position in the NC Capital Management Trust has increased each month to provide for additional reserve funds and equaled \$200,005 as of 8-31-21.
- Total assets equaled \$3,132,542 at the close of the fiscal year.
- Railwalk liability has cleared from the liabilities on the balance sheet

**Rowan County Tourism Development Authority**  
**Statement of Financial Position**  
**As of August 31, 2021**

Accrual Basis

	<u>Aug 31, 21</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1052 · F&M Bank-Operating 9224	13,560.15
1020 · Petty cash	16.83
1050 · First Bank checking #0436	23,282.76
1065 · NC Capital Mgmt Trust	200,005.44
1070 · First Bank MM account-4509	<u>114,259.84</u>
<b>Total Checking/Savings</b>	351,125.02
<b>Accounts Receivable</b>	
1201 · Accounts Receivable	<u>195,000.00</u>
<b>Total Accounts Receivable</b>	<u>195,000.00</u>
<b>Total Current Assets</b>	546,125.02
<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	<u>-425,370.81</u>
<b>Total Fixed Assets</b>	2,838,174.20
<b>Other Assets</b>	
1900 · Pension Asset	<u>14,337.00</u>
<b>Total Other Assets</b>	<u>14,337.00</u>
<b>TOTAL ASSETS</b>	<u><u>3,398,636.22</u></u>

**Rowan County Tourism Development Authority  
Statement of Financial Position  
As of August 31, 2021**

Accrual Basis

	<u>Aug 31, 21</u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
2039 · United Way	-380.00
2100 · Payroll Liabilities	1,752.80
<b>Total Other Current Liabilities</b>	<u>1,372.80</u>
<b>Total Current Liabilities</b>	1,372.80
<b>Long Term Liabilities</b>	
2700 · Pension Deferrals	16,932.00
2500 · Compensated Absences	12,590.38
<b>Total Long Term Liabilities</b>	<u>29,522.38</u>
<b>Total Liabilities</b>	30,895.18
<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	269,681.82
<b>Total Equity</b>	<u>3,367,741.04</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>3,398,636.22</u></u>

Rowan County Occupancy Tax Receipts (GROSS)

MONTH	FY17-18	FY18-19	%CHNG	FY19-20	%CHNG	FY20-21	%CHNG	FY21-22	%CHNG
July	72,999.06	82,827.79	13.5%	85,062.04	2.7%	61,737.08	-27.4%	105,514.79	70.9%
August	76,010.73	84,227.53	10.8%	87,388.13	3.8%	66,399.96	-24.0%	99,851.17	50.4%
September	74,220.99	88,060.74	18.6%	89,694.58	1.9%	78,562.08	-12.4%		
Quarter Total	223,230.78	255,116.06	14.3%	262,144.75	2.8%	206,699.12	-21.2%		
October	92,286.61	101,229.40	9.7%	113,427.41	12.0%	76,794.51	-32.3%		
November	79,174.98	84,418.19	6.6%	97,848.24	15.9%	60,357.00	-38.3%		
December	68,584.25	74,894.47	9.2%	79,686.64	6.4%	64,749.41	-18.7%		
Quarter Total	240,045.84	260,542.06	8.5%	290,962.29	11.7%	201,900.82	-30.6%		
January	64,114.21	72,190.74	12.6%	80,100.88	11.0%	56,291.87	-29.7%		
February	68,703.79	74,900.88	9.0%	87,894.99	17.3%	62,049.03	-29.4%		
March	84,759.62	93,890.99	10.8%	62,149.01	-33.8%	84,372.26	35.8%		
Quarter Total	217,577.62	240,982.61	10.8%	230,144.88	-4.5%	202,713.16	-11.9%		
April	92,168.35	97,300.73	5.6%	39,870.97	-59.0%	90,628.43	127.3%		
May	89,394.40	92,104.89	3.0%	50,585.59	-45.1%	97,167.69	82.1%		
June	85,776.47	92,254.88	7.6%	56,142.85	-39.1%	102,792.30	83.1%		
Quarter Total	267,339.22	281,660.50	5.4%	146,599.41	-48.0%	290,588.42	98.2%		
Adjmts Penalties									
Penalties									
Year Total	\$ 825,422.45	\$ 940,193.46	14.9%	\$ 1,038,301.23	9.5%	929,851.33	-10.4%	-	

