



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

Wednesday, October 19, 2022, Noon

MEETING AGENDA

- | | | |
|-------------|--|--------------------------------|
| I. | Call to Order | Krista Osterweil, Chair |
| | A. Welcome New Board Member | |
| II. | Approval of Meeting Minutes | Krista Osterweil, Chair |
| III. | Financial Report | |
| | A. Tourism Financial Report and Market Update | James Meacham |
| III. | Program of Work Report | |
| | A. Destination Marketing Report | Sarah Michalec |
| | B. Tourism Development | James Meacham |
| V. | Additional Business | |
| VI. | Adjourn | |



**ROWAN COUNTY TOURISM
BOARD OF DIRECTORS MEETING**

Wednesday, September 21, 2022 12:00 pm

BOARD MEETING MINUTES

Board Members Attending: Vivian Hopkins, Sada Troutman, Craig Pierce, Krista Osterweil, John Ketner (Via Zoom), Karen Alexander, Michelle Patterson, Cyndi Greenwood, Therese Henderson, Kimberly Morgan

Not Attending:

TDA Staff: James Meacham, Sarah Michalec, Brooke Arrowood, 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 2022 minutes.

Second: Michelle Patterson

Motion: Approved

Organizational & Financial Update

Meacham reported that for the month of July occupancy revenue collections were 12.8% ahead of the previous year. Last fiscal year tax collections are what the current fiscal year's budget is based upon. August collections are going to be up nearly 12% as well. Market ADR is a solid 20% above last year and market occupancies are in the low 70 percent range. The market is still showing good strong growth and consistent occupancy through September.

Meacham reported occupancy tax revenues for fiscal year 2022-23 are not available yet as these are the first two months of the fiscal year. Tax revenues are coming in solid and August revenues will be in around the 2nd week of October and everything looks positive and ahead of budget to date.

Destination Marketing Report

Furr reported continued growth on the website and all digital platforms. In August, there were 46,000 page views on the website compared to 31,000 page views in July. Root Rez, the online booking platform is continuing to perform very well with the package programs. Furr reported Facebook engagement in July of 9,000 and up to 13,000 in August. The blog is going well with 880 views in July and 1,150 views in Augusts.

Blog content is very timely and engaging. Furr praised Arrowood and Michalec for their work on the blog. The year-to-date engagement on the blog is 3000 plus.

Furr reported that trolleys continue to be busy with private events and wedding rentals. Year to date bookings for trolleys stand at 66.

Furr reported that both Day Out With Thoma and Polar Express bookings are tracking ahead of prepandemic levels. DOWT packages as of today are at 139 with 215 room nights. In 2021, at the same time there were 51 packages booked with 81 room nights. The Polar Express bookings stand at 92 packages with 115 room nights, running about the same as last year. The new package, Homes & Hops that combines the OctoberTour & Bell Tower Brew Fest for an overnight package is on sale now. Furr reported on tourism supported investments this month, there are two new events supported since the last meeting including Bell Tower Brew Fest, and the Salisbury Symphony conference.

Furr informed the Board that the Smoke-Out in September was a very successful event with 432 room nights and the average occupancy for that timeframe was at 84%. Meacham noted that for the Smoke Out weekend there was a 12% market jump in occupancy and rates were also up. Osterweil said there was a lot of good feedback at the hotel during the event and the hoteliers were very pleased Tourism worked to bring it back to Rowan County.

Furr reminded the Board that staff has secured the Aspire National Dance Company who is bringing the southeast regional dance competition to Catawba College in May 2023 with 400 participants, 1300 attendees and estimated room nights of 900. In addition, staff is continuing to work with the RPCA group coming in January 2023. Furr estimates 250-300 room nights for RPCA.

Furr stated that staff will be working on the fall and holiday marketing and continuing to support DOWT, Polar Express and the new OctoberTour packages. The summer photoshoot just wrapped up with many wonderful photos of sites around the county. The fall photo shoot will occur in early October and a one day shoot later in October which will focus on fall foliage. Arrowood will continue her around the county partner visits that will correspond with fall and holiday marketing. Arrowood is attending all the major festivals and assisting with other fall marketing activities.

Meacham reviewed the annual lodging statistics including investment, room nights and partners involved. In addition, he touched briefly on the major project completed last year including the packaging platform, new website, and new brand refresh.

Capital Plan

Chris Cavanaugh presented the proposed Completion & Connection Plan Update for the board's consideration. Cavanaugh outlined the Completion & Connection original principles and guiding principles as well as the changes that have occurred since the launch of the original plan in 2013. Cavanaugh discussed the short-term direction for FY 23-24 as well as the long-term direction through 2027. Cavanaugh emphasized enhancing and expanding the three primary strategic imperatives of facilitating visitor engagement, expanding and enhancing the destination experience and growing destination awareness organically. Additional staffing was emphasized due to the various tourism development projects that would need to be administered, monitored, and executed in creation of the product development. Full presentation included. See Appendix A.

The meeting adjourned at 1:04 pm.

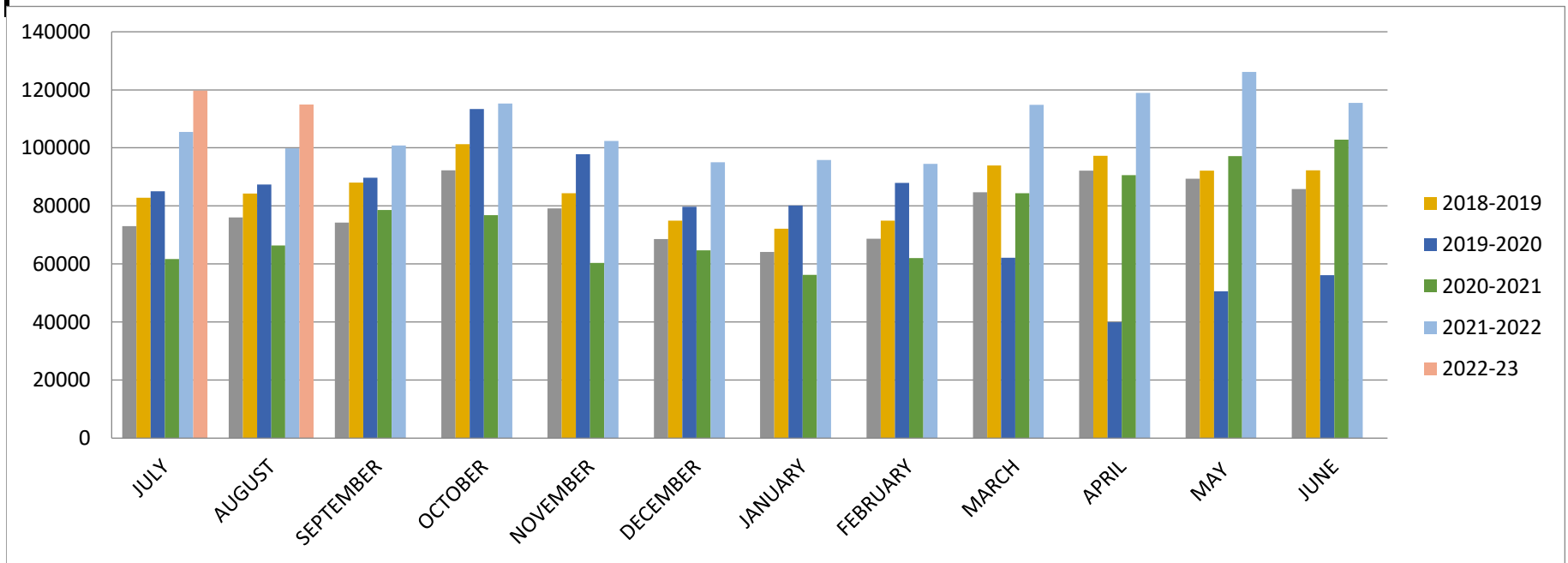
Respectfully submitted.

Lesley Pullium

SRCVB

Rowan County Occupancy Tax Receipts Collected (GROSS)

MONTH	FY18-19	FY19-20	%CHNG	FY20-21	%CHNG	FY21-22	%CHNG	FY22-23	%CHNG
July	82,827.79	85,062.04	2.7%	61,737.08	-27.4%	105,514.79	70.9%	119,693.09	13.4%
August	84,227.53	87,388.13	3.8%	66,399.96	-24.0%	99,851.17	50.4%	114,943.40	15.1%
September	88,060.74	89,694.58	1.9%	78,562.08	-12.4%	100,792.04	28.3%		
Quarter Total	255,116.06	262,144.75	2.8%	206,699.12	-21.2%	306,158.00	48.1%		
October	101,229.40	113,427.41	12.0%	76,794.51	-32.3%	115,324.55	50.2%		
November	84,418.19	97,848.24	15.9%	60,357.00	-38.3%	102,438.16	69.7%		
December	74,894.47	79,686.64	6.4%	64,749.41	-18.7%	95,874.73	48.1%		
Quarter Total	260,542.06	290,962.29	11.7%	201,900.92	-30.6%	313,637.44	55.3%		
January	72,190.74	80,100.88	11.0%	56,291.87	-29.7%	96,918.80	72.2%		
February	74,900.88	87,894.99	17.3%	62,049.03	-29.4%	94,530.61	52.3%		
March	93,890.99	62,149.01	-33.8%	84,372.26	35.8%	114,826.05	36.1%		
Quarter Total	240,982.61	230,144.88	-4.5%	202,713.16	-11.9%	306,275.46	51.1%		
April	97,300.73	39,870.97	-59.0%	90,628.43	127.3%	118,973.87	31.3%		
May	92,104.89	50,585.59	-45.1%	97,167.69	92.1%	126,185.96	29.9%		
June	92,254.88	56,142.85	-39.1%	102,792.30	83.1%	115,488.15	12.4%		
Quarter Total	281,660.50	146,599.41	-48.0%	290,588.42	98.2%	360,647.98	24.1%		
Adjmts Penalties									
Penalties									
Year Total	\$ 1,038,301.23	\$ 929,851.33	-10.4%	\$ 901,901.62	-3.0%	\$ 1,286,718.88	42.7%	\$ -	





FINANCIAL SUMMARY REPORT AS OF 09-30-2022

Report Date: October 18, 2022

***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 2022-2023 Statement of Activities: Highlights as of 09-30-2022

- Occupancy tax revenues as of 9-30-22 for fiscal year 2022-23 on an accrual basis equaled \$373,897 and are 15.8% ahead of the same period in fiscal year 2021-22.
 - August 2022 occupancy taxes were \$114,943 and 15.1% ahead of August 2021
 - Final September 2022 occupancy taxes are in line for \$120,000: 20% ahead of September 2021
 - August 2022 and September 2022 continued as record months surpassing the records set in 2021, October 2022 is on pace to be another record month.
- Year to date revenue on an accrual basis has exceeded expenses by \$65,964

Balance Sheet: Summary as of 09-30-2022

- Total Current Assets equaled \$490,377 and are up \$80,672 from the month ending August 31st.
- Accounts Receivables equaled \$255,508 an increase of \$27,123 from the month ending August 31st and consists of August and September occupancy taxes.
- Cash on hand as of 09-30-22 equaled \$234,869 \$181,320 an increase of \$53,549 from the month ending August 31st.

Rowan County Tourism Development Authority
Statement of Financial Position

Accrual Basis

As of September 30, 2022

	Sep 30, 22
ASSETS	
Current Assets	
Checking/Savings	
1080 · Fidelity Investment	25,000.00
1052 · F&M Bank-Operating 9224	63,839.12
1020 · Petty cash	16.83
1050 · First Bank checking #0436	15,816.65
1065 · NC Capital Mgmt Trust	25,005.44
1070 · First Bank MM account-4509	105,191.47
	234,869.51
Accounts Receivable	
1201 · Accounts Receivable	255,508.00
	255,508.00
Total Current Assets	490,377.51
Fixed Assets	
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	-515,808.81
	2,747,736.20
Other Assets	
1900 · Pension Asset	12,674.00
	12,674.00
TOTAL ASSETS	3,250,787.71
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
234 · 457b Withholdings	288.46
2039 · United Way	-800.00
2033 · State withholding payable	240.00
2035 · Retirement withholding	346.16
2100 · Payroll Liabilities	2,425.45
	2,500.07
Total Other Current Liabilities	2,500.07
Total Current Liabilities	2,500.07
Long Term Liabilities	
2700 · Pension Deferrals	20,011.00
	20,011.00

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

Accrual Basis

July 2022 through June 2023

	<u>Jul '22 - 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
4025 · Partner Services	3,258.13	40,000.00	-36,741.87
4070 · Misc and Ticket Sales	5,223.46	1,000.00	4,223.46
4000 · Trolley Operations	19,473.50	55,000.00	-35,526.50
4300 · Gateway Building Revenue	28,870.27	110,000.00	-81,129.73
4060 · Holiday Caravan Parade	31,163.96	50,000.00	-18,836.04
4010 · Occupancy taxes	373,897.51	1,280,000.00	-906,102.49
Total Income	<u>461,886.83</u>	<u>2,036,000.00</u>	<u>-1,574,113.17</u>
Gross Profit	461,886.83	2,036,000.00	-1,574,113.17
Expense			
6501 · Tourism Capital Projects	40.78	700,000.00	-699,959.22
6511 · Partner Service Expense	1,578.62	25,000.00	-23,421.38
6510 · Holiday Caravan Parade Expen...	3,585.00	50,000.00	-46,415.00
60002 · Operations & Administration			
6020 · Health Benefits	-270.48	0.00	-270.48
6040 · Worker's comp insurance	540.00	2,500.00	-1,960.00
6025 · Payroll taxes and unemploy...	2,326.96	5,500.00	-3,173.04
6030 · Retirement	2,812.78	6,600.00	-3,787.22
6105 · Professional Services	2,850.00	15,000.00	-12,150.00
6010 · RCTDA Operations Staff	32,423.37	69,000.00	-36,576.63
6600 · Gateway Building Expenses	46,513.78	100,000.00	-53,486.22
Total 60002 · Operations & Administr...	<u>87,196.41</u>	<u>198,600.00</u>	<u>-111,403.59</u>
60001 · Marketing & Visitor Services			
6165 · Marketing Supplies & Equip...	0.00	5,000.00	-5,000.00
6180 · Dues and subscriptions	90.00		
6070 · Miscellaneous	1,177.00	2,400.00	-1,223.00
6465 · Trolley	1,876.97	10,000.00	-8,123.03
6135 · Salisbury-Rowan CVB	300,377.50	1,045,000.00	-744,622.50
Total 60001 · Marketing & Visitor Ser...	<u>303,521.47</u>	<u>1,062,400.00</u>	<u>-758,878.53</u>
Total Expense	<u>395,922.28</u>	<u>2,036,000.00</u>	<u>-1,640,077.72</u>
Net Ordinary Income	<u>65,964.55</u>	<u>0.00</u>	<u>65,964.55</u>
Net Income	<u><u>65,964.55</u></u>	<u><u>0.00</u></u>	<u><u>65,964.55</u></u>

Rowan County Tourism Development Authority
Statement of Activities Actual vs Budget
July through September 2022

Accrual Basis

	<u>Jul - Sep 22</u>	<u>Budget</u>	<u>\$ Over Budg...</u>
Ordinary Income/Expense			
Income			
4350 · Tourism ARP Funding	0.00	124,999.99	-124,999.99
4070 · Misc and Ticket Sales	5,223.46	250.01	4,973.45
4060 · Holiday Caravan Parade	29,363.96	12,499.99	16,863.97
4010 · Occupancy taxes	363,893.14	319,999.99	43,893.15
4000 · Trolley Operations	18,823.50	13,750.01	5,073.49
4300 · Gateway Building Revenue	24,615.85	27,499.99	-2,884.14
4025 · Partner Services	2,878.49	10,000.01	-7,121.52
Total Income	<u>444,798.40</u>	<u>508,999.99</u>	<u>-64,201.59</u>
Gross Profit	444,798.40	508,999.99	-64,201.59
Expense			
6501 · Tourism Capital Projects	40.78	175,000.01	-174,959.23
6510 · Holiday Caravan Parade Expen...	3,585.00	12,499.99	-8,914.99
6511 · Partner Service Expense	1,578.62	6,250.02	-4,671.40
60001 · Marketing & Visitor Services			
6135 · Salisbury-Rowan CVB	272,511.08	261,250.01	11,261.07
6465 · Trolley	1,876.97	2,500.02	-623.05
6180 · Dues and subscriptions	90.00		
6165 · Marketing Supplies & Equip...	0.00	1,249.98	-1,249.98
6070 · Miscellaneous	1,177.00	600.00	577.00
Total 60001 · Marketing & Visitor Ser...	<u>275,655.05</u>	<u>265,600.01</u>	<u>10,055.04</u>
60002 · Operations & Administration			
6010 · RCTDA Operations Staff	22,038.75	17,250.00	4,788.75
6025 · Payroll taxes and unemploy...	1,535.12	1,375.02	160.10
6030 · Retirement	2,812.78	1,650.00	1,162.78
6020 · Health Benefits	-236.67	0.00	-236.67
6040 · Worker's comp insurance	540.00	625.02	-85.02
6105 · Professional Services	2,850.00	3,750.00	-900.00
6600 · Gateway Building Expenses	46,513.78	25,000.01	21,513.77
Total 60002 · Operations & Administr...	<u>76,053.76</u>	<u>49,650.05</u>	<u>26,403.71</u>
Total Expense	<u>356,913.21</u>	<u>509,000.08</u>	<u>-152,086.87</u>
Net Ordinary Income	<u>87,885.19</u>	<u>-0.09</u>	<u>87,885.28</u>

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