

VISIT ROWAN COUNTY

SALISBURY, NORTH CAROLINA

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ROWAN COUNTY TOURISM DEVELOPMENT AUTHORITY BOARD OF DIRECTORS MEETING

Wednesday, January 10, 2018, Noon, Gateway Building

MEETING AGENDA

- | | | |
|-------|---|----------------------------------|
| I. | Rowan County TDA Call to Order | Krista Osterweil, Board Chair |
| II. | Approval of December 2017 TDA Meeting Minutes | Krista Osterweil, Board Chair |
| III. | Financial and Occupancy Tax Reports | James Meacham, TDA Staff |
| IV. | Annual Audit Report | Eddie Carrick, CPA |
| V. | Destination Marketing Report | James Meacham, TDA Staff |
| VI. | Tourism Capital Committee | Whitney Wallace, Committee Chair |
| VII. | Local Tourism Industry Update | James Meacham, TDA Staff |
| VIII. | Additional Business | |
| IX. | Adjourn | |

VISIT ROWAN COUNTY

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ROWAN COUNTY TDA BOARD OF DIRECTORS MEETING

Wednesday, December 13, 2017: 12 Noon, Gateway Building

CALLED MEETING MINUTES

Board Members Attending: Kelly Alexander, Steve Hall, Craig Pierce, Whitney Wallace, Krista Osterweil, Edward Norvell, Amie Baudoin

Not Attending: Karen Alexander, Shannon Stewart-Hill, Darrell Blackwelder, Tony Shaw

CVB Staff: James Meacham, Lesley Pullium, Allyson Teague

I. RCTDA Call to Order

Krista Osterweil called the RCTDA to order at 12:05pm.

Approval of the Minutes

Motion: Craig Pierce made the motion for approval of the RCTDA November 2017 minutes.

Second: Edward Norvell

Motion: Approved

Financial & Occupancy Tax Report

James Meacham stated at the end of November there were just under \$170,000 in cash assets. \$91,000 were tax receivables from October. Year-to-date revenues and expenses are in line with where they should be.

September was the first month in which the new tax law went into effect. The final report information was positive, with an increase in funding due to a broader base.

October 2017 was the highest revenue collections month ever in Rowan County occupancy tax history, with a total of \$92,286. This was a 16.6% increase from last year. Some reasons for this increase are new properties, like the Holiday Inn Express, the overall market growth, and the restructuring of the occupancy tax law.

There have been follow-up conference calls and meetings with two firms regarding feasibility studies for new hotel opportunities. One is at Exit 74 and the other is a South Rowan project.

Destination Marketing Report

Meacham shared the current destination marketing report. Tourism support investments total over \$11 million with around 3,000 room nights. The current incentive package, Polar Express, has generated 750 packages, with a total of 1,011 room nights to date. Kelly Alexander stated the growth of Polar Express has been tremendous and thanked everyone for their hard work. Over 52,000 tickets have been sold with two school day trips being added. "Wine About Winter" will be the next incentive package offered, with the event taking place on February 2nd.

Meacham informed the group the website continues to be successful with substantial growth of visitors each month. Most visitors are experiencing the website through mobile platforms, at 68%. Social media engagement is continuing to grow as well, including Facebook, Twitter and Instagram.

Holiday events have brought in several journalists from the surrounding region with the TDA supporting their stay. In addition, an undisclosed sports-tourism group will partner with the RCTDA in October - November of 2018 to bring in around 760 room nights. Bids are in from hoteliers and the group will select an option soon.

Trolleys have been steady with year-to-date ridership at 12,539 and over 300 room nights associated with those bookings. There have been around 60 advanced bookings scheduled for 2018. In addition, the Scrooge trolley tours are in full swing with up to 6 shows being sold out each night.

Also, 374 visitor inquiries were fulfilled last month. The year-to-date visitor inquiries equals 4,400.

Capital Committee

Whitney Wallace updated the group on the Capital Committee. Several new committee members have been added, including Wes Thompson, past TDA Board Member and a tax assessor for Rowan County, Irene Sacks, Economic Developer for the Town of Kannapolis, Dan Peters, Past town manager for Granite Quarry and past TDA Board Member, Krista Osterweil, Todd Littleton, owner of City Tavern, and Shannon Stewart-Hill. For 2017-2018, \$52,500 is committed for the trolley system and the Rowan County Wayfinding Signage project is continuing. In addition, the committee approved a grant request from the Salisbury Rotary Club. This grant will support the addition of a World War I and World War II veteran memorial wall.

Local Tourism Industry

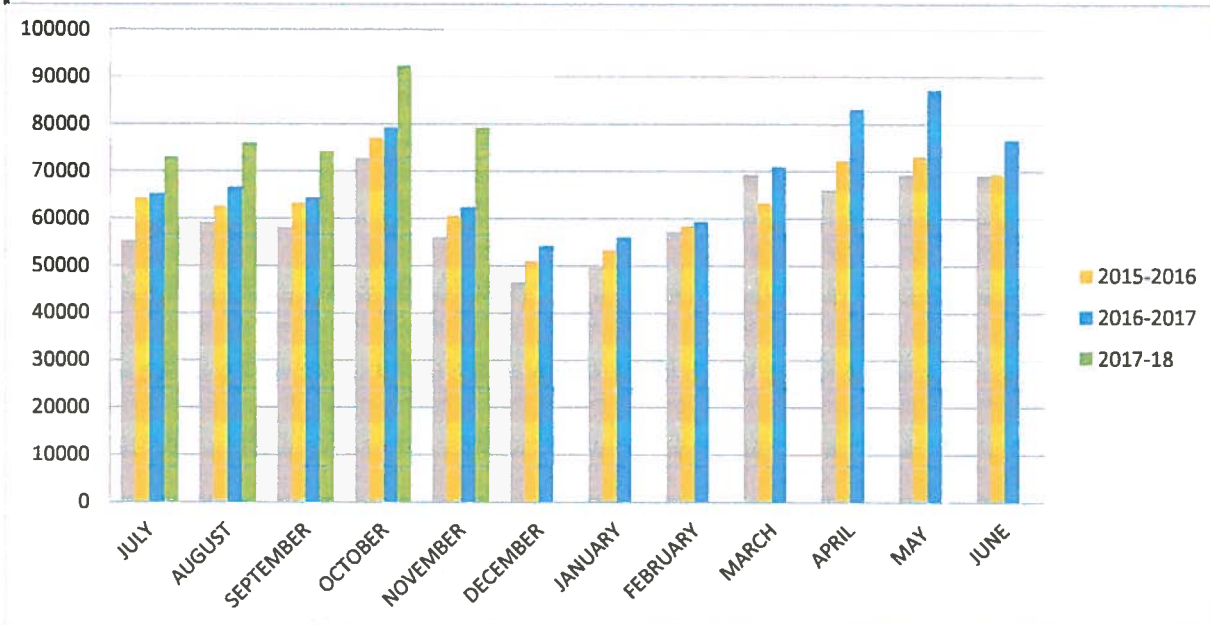
Meacham shared that a new property, Hilton Home 2, has broken ground and construction will be underway soon. It is slated to open in the first quarter of 2019. The location is off Exit 75 on Interstate 85, across from the entrance to Rowan Cabarrus Community College.

II. Adjourn

Krista Osterweil thanked the members for attending today and the meeting adjourned at 12:40 pm.

Rowan County Occupancy Tax Receipts (GROSS)

MONTH	FY14-15	FY15-16	%CHNG	FY16-17	%CHNG	FY17-18	%CHNG
July	\$ 55,340.87	\$ 64,271.42	16.1%	65,208.17	1.5%	72,999.06	11.9%
August	\$ 59,192.57	\$ 62,590.56	5.7%	66,663.57	6.5%	76,010.73	14.0%
September	\$ 58,015.30	\$ 63,255.27	9.0%	64,467.53	1.9%	74,220.99	15.1%
Quarter Total	\$ 172,548.74	\$ 190,117.25	10.2%	196,339.27	3.3%	223,230.78	13.7%
October	\$ 72,744.38	\$ 77,003.85	5.9%	79,169.16	2.8%	92,286.61	16.6%
November	\$ 56,057.25	\$ 60,532.12	8.0%	62,445.01	3.2%	79,174.98	26.8%
December	\$ 46,488.22	\$ 51,001.36	9.7%	54,165.23	6.2%		
Quarter Total	\$ 175,289.85	\$ 188,537.33	7.6%	195,779.40	3.8%		
January	\$ 49,716.82	\$ 53,223.53	7.1%	56,069.00	5.3%		
February	\$ 57,271.04	\$ 58,278.45	1.8%	59,387.76	1.9%		
March	\$ 69,357.96	\$ 63,177.91	-8.9%	70,895.99	12.2%		
Quarter Total	\$ 176,345.82	\$ 174,679.89	-0.9%	186,352.75	6.7%		
April	\$ 66,099.93	\$ 72,366.67	9.5%	83,161.39	14.9%		
May	\$ 69,296.42	\$ 73,046.32	5.4%	87,164.78	19.3%		
June	\$ 69,200.81	\$ 69,446.31	0.4%	76,624.86	10.3%		
Quarter Total	\$ 204,597.16	\$ 214,859.30	5.0%	\$ 246,951.03	14.9%		
Adjmts Penalties							
Penalties							
Year Total	\$ 728,781.57	\$ 768,193.77	5.4%	\$ 825,422.45	7.4%		



Rowan County Tourism Development Authority
Statement of Financial Position

Accrual Basis

As of December 31, 2017

	Dec 31, 17
ASSETS	
Current Assets	
Checking/Savings	
1052 · F&M Bank-Operating 9224	18,440.33
1020 · Petty cash	50.00
1050 · First Bank checking account	68,031.57
1065 · NC Capital Mgmt Trust	5.26
1070 · First Bank MM account-4509	4,405.57
Total Checking/Savings	90,932.73
Accounts Receivable	
1201 · Accounts Receivable	84,150.16
Total Accounts Receivable	84,150.16
Other Current Assets	
1600 · Due from SRCVB	7,198.74
Total Other Current Assets	7,198.74
Total Current Assets	182,281.63
Fixed Assets	
1501 · Land	250,604.00
1500 · Building	2,086,536.00
1505 · Computers	13,223.52
1510 · Furniture & fixtures	48,068.00
1515 · Office equipment	23,278.13
1516 · Trolley cars	319,880.00
1990 · Accumulated depreciation	-188,404.81
Total Fixed Assets	2,553,184.84
Other Assets	
1900 · Pension Asset	14,849.00
Total Other Assets	14,849.00
TOTAL ASSETS	2,750,315.47
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2036 · 401-K withholding	10.00
2037 · Other withholdings	119.98
Total Other Current Liabilities	129.98
Total Current Liabilities	129.98
Long Term Liabilities	
2700 · Pension Deferrals	29,086.00
2800 · Compensated Absences	8,384.00
	37,470.00

Rowan County Tourism Development Authority
Statement of Financial Position

Accrual Basis

As of December 31, 2017

	Dec 31, 17
Total Long Term Liabilities	<u>37,470.00</u>
Total Liabilities	37,599.98
Equity	
3050 · Investment in fixed assets	2,553,185.00
3100 · Fund balance	-24,321.09
3105 · Restricted Fund Balance	38,487.00
Net Income	<u>145,364.58</u>
Total Equity	<u>2,712,715.49</u>
TOTAL LIABILITIES & EQUITY	<u>2,750,315.47</u>

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

Accrual Basis

December 2017

	Dec 17	Jul - Dec 17
Ordinary Income/Expense		
Income		
4100 · Fund Balance Interest	0.37	0.37
4010 · Occupancy taxes	78,383.23	318,402.69
4000 · Trolley Operations		
4215 · Trolley - Ridership/Tours	90.00	1,190.00
4210 · Trolley - Rentals	1,020.00	5,370.00
4000 · Trolley Operations - Other	0.00	3,413.00
Total 4000 · Trolley Operations	1,110.00	9,973.00
4300 · Gateway Building Revenue	7,866.59	37,945.18
4025 · Partner Services	1,440.14	63,549.58
4045 · Other Revenue	0.00	1,478.96
Total Income	88,800.33	431,349.78
Gross Profit	88,800.33	431,349.78
Expense		
60001 · Marketing & Visitor Services		
6135 · CVB Tourism Staff and Branding	28,787.33	169,637.69
6140 · Destination Mktg Programs/Ser	24,253.64	31,203.83
6050 · Destination Development	0.00	12.00
6465 · Trolley	913.25	1,013.25
6150 · Development, Travel & Training	585.39	823.63
6120 · Visitor Center	198.00	348.00
6165 · Marketing Supplies & Equipment	109.40	899.85
6070 · Miscellaneous	0.00	76.69
Total 60001 · Marketing & Visitor Services	54,847.01	204,014.94
60002 · Operations & Administration		
6010 · RCTDA Operations Staff	5,347.77	32,174.61
6025 · Payroll taxes and unemployment	383.06	1,920.89
6030 · Retirement	364.90	2,371.86
6020 · Health Benefits	3,536.83	6,097.63
8105 · Professional Services	7,250.00	8,410.00
6600 · Gateway Building Expenses	2,599.75	30,945.27
6145 · Office Postage	50.00	50.00
Total 60002 · Operations & Administration	19,532.31	81,970.26
Total Expense	74,379.32	285,985.20
Net Ordinary Income	14,421.01	145,364.58
Net Income	14,421.01	145,364.58

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

Accrual Basis

July through December 2017

	Jul - Dec 17	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
4100 · Fund Balance Interest	0.37		
4010 · Occupancy taxes	318,402.69	760,000.00	-441,597.31
4000 · Trolley Operations	9,973.00	35,000.00	-25,027.00
4300 · Gateway Building Revenue	37,945.18	80,000.00	-42,054.82
4025 · Partner Services	63,549.58	75,000.00	-11,450.42
4045 · Other Revenue	1,478.96	0.00	1,478.96
Total Income	431,349.78	950,000.00	-518,650.22
Gross Profit	431,349.78	950,000.00	-518,650.22
Expense			
60001 · Marketing & Visitor Services			
6135 · CVB Tourism Staff and Branding	-169,637.69	330,000.00	-160,362.31
6140 · Destination Mktg Programs/Ser	31,203.83	264,000.00	-232,796.17
6050 · Destination Development	12.00	100,000.00	-99,988.00
6465 · Trolley	-1,013.25	20,000.00	-18,986.75
6150 · Development, Travel & Training	823.63	5,000.00	-4,176.37
6120 · Visitor Center	348.00	22,000.00	-21,652.00
6165 · Marketing Supplies & Equipment	899.85	5,000.00	-4,100.15
6070 · Miscellaneous	76.69	1,500.00	-1,423.31
Total 60001 · Marketing & Visitor Services	204,014.94	747,500.00	-543,485.06
60002 · Operations & Administration			
6010 · RCTDA Operations Staff	32,174.61	70,000.00	-37,825.39
6025 · Payroll taxes and unemployment	1,920.89	0.00	1,920.89
6030 · Retirement	2,371.86	0.00	2,371.86
6020 · Health Benefits	6,097.63	27,000.00	-20,902.37
6040 · Worker's comp insurance	0.00	2,500.00	-2,500.00
6105 · Professional Services	8,410.00	23,000.00	-14,590.00
6600 · Gateway Building Expenses	30,945.27	80,000.00	-49,054.73
6145 · Office Postage	50.00	0.00	50.00
Total 60002 · Operations & Administration	81,970.26	202,500.00	-120,529.74
Total Expense	285,985.20	950,000.00	-664,014.80
Net Ordinary Income	145,364.58	0.00	145,364.58
Net Income	145,364.58	0.00	145,364.58

