

# VISIT ROWAN COUNTY

SALISBURY, NORTH CAROLINA

*Be an original.*

## ROWAN COUNTY TOURISM DEVELOPMENT AUTHORITY BOARD OF DIRECTORS MEETING

Wednesday, November 14, 2018, Noon, Gateway Building

### MEETING AGENDA

- |       |                                       |                                  |
|-------|---------------------------------------|----------------------------------|
| I.    | Rowan County TDA Call to Order        | Krista Osterweil, Board Chair    |
| II.   | Approval of TDA Board Meeting Minutes | Krista Osterweil, Board Chair    |
| III.  | Financial Reports                     | James Meacham, TDA Staff         |
| IV.   | Destination Marketing Report          | Tara Furr, TDA Staff             |
|       | 1. Rowan Hospitality Week- April 2019 |                                  |
| V.    | Tourism Capital Program               | Whitney Wallace, Committee Chair |
| VI.   | TDA-CVB Structure                     | James Meacham, TDA Staff         |
| VII.  | Additional Business                   |                                  |
| VIII. | Adjourn                               |                                  |

# VISIT ROWAN COUNTY

SALISBURY, NORTH CAROLINA

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## ROWAN COUNTY TDA BOARD OF DIRECTORS MEETING

Wednesday, October 10, 2018: 12:00 pm, Gateway Building

### BOARD MEETING MINUTES

**Board Members Attending:** Cyndi Greenwood, Craig Pierce, Stephen Kidd, Amie Baudoin, Kelly Alexander, Krista Osterweil, Darrell Blackwelder, Don Bringle

**Not Attending:** Brian Miller, Whitney Wallace, Tony Shaw

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

#### RCTDA Call to Order

Krista Osterweil called the RCTDA to order at 12:00pm.

#### Approval of the Minutes

**Motion:** Craig Pierce made a motion for approval of the August 2018 meeting minutes.

**Second:** Don Bringle

**Motion:** Approved

**Motion:** Don Bringle made a motion for approval of the September 2018 meeting minutes.

**Second:** Craig Pierce

**Motion:** Approved

#### Financial Report

The TDA Board of Directors reviewed the year-to-date financial statements and year-to-date occupancy tax revenues through the end of September. Meacham said there continues to be strong growth in occupancy tax revenues with lodging markets continuing to grow. August was up 10.8% over last year. Overall, collections are running about 2% ahead of the projected budget.

Meacham stated that the TDA is working with a transition in the bookkeeping staff and the budget reports have a few glitches that will be worked out as the new bookkeeper adapts to the process. Financial summaries will continue to be provided along with the financial reports and please to not hesitate to ask any questions should anyone have any. Any statements that need to be amended will be reported to the TDA Board.

## Destination Marketing Report

Tara Furr offered the destination marketing report noting that trolleys are doing well during the busy fall season. In September, the Fall Harvest Winery Trolley Tours were offered on four of the five Saturdays. The tour alternated weekly traveling to two Rowan County wineries each Saturday. The tours have been a big success and very popular. Staff hopes to be able to offer this tour more often throughout the year. The third Saturday was Brewbury Festival, which had to be cancelled due to the hurricane.

Visitor Services continue to grow and holiday event calendars will be going into our kiosks at the end of October. Currently, Polar Express packages are running with 291 packages and 372 room nights sold. Day Out with Thomas just wrapped up with the highest numbers so far at 176 packages and 267 room nights. Staff is excited about the packages and their continued growth each year. We hope to reach out next year and broaden our audience for these wonderful events by working with NC Tourism.

Group sales are going well with the Main Street Conference will be in Salisbury in March, the NC Bar Association will be in town in November and the NC Fine Arts Conference will take place again in February.

Furr is meeting with Kelly Alexander about the Rail Passenger Car Alliance group that might come to town in 2020. Salisbury/Spencer has hosted this group before and this is a great conference generating a large number of room nights. In addition, Furr reported that Rowan County will be hosting the Little League group again next year.

Tourism support requests approved include support for Fine Arts Conference, the Autumn Jubilee, and Lee Street Theatre concert season.

Furr pointed out that the statistics for the Salisbury Post Community Calendar are now being included in the marketing report.

Furr reported that staff just attended the NC State Tourism mid-year update in Wilkesboro and learned a great deal about how the state tourism efforts are doing as well as the partnership options available with the state. Staff will be attending the NC365 Conference in March. This annual conference brings together the state's tourism industry leaders. In addition, the conference provides opportunities to catch up on the latest trends and issues facing the travel industry, hear insights from industry experts and network with other travel and tourism professionals.

Meacham reported that the RNC Convention dates were announced, August 24 – 27, 2020 and will have a significant lodging impact in the region and in this area.

Sarah Michalec gave the social media and digital marketing report noting that new user views are increasing. There has been a 13 second increase for time on site which is probably due to events and packages. E-news subscribership is constantly growing. Facebook is up 2%, Twitter is up almost 3% and Instagram is up 2%. Michalec said the main focus for social media is fall events and sharing information that partners are posting so that people see the connection within the destination. Michalec has made several blog posts and those have been very popular. She will continue these blog posts throughout the fall and holiday season.

Furr gave a quick update on Arts & Ag stating that the Art & Ag information booth was at Autumn Jubilee. Furr attended as well. There was a good turnout for the event and the weather was beautiful. Gold Hill Founder's day was the end of September and some of the entertainment aspects from the rained out April event was utilized for the Founder's Day event. Charlotte's Web takes place this weekend with collaboration between Patterson Farm and Norvell Theatre.

Furr noted that staff has had a great deal of positive feedback and questions about whether the TDA will be doing the Art & Ag program again next year.

The closing event will be in Kannapolis on November 3<sup>rd</sup>.

### **Tourism Capital Committee Report**

Meacham reported that the final numbers on RailWalk have been sorted out. The project was broken up into two phases, per the TDA Board, 1) complete the soil remediation and 2) the structure (everything above the ground except the façade). The initial project cost budgeted for was \$381,000 plus the \$56,000 for soil improvements and then minus the Phase 2 cost of \$125,000, which leaves the total project cost for phase 1 at \$308,000. This will come in under the original cost estimation and will not affect the agreement with the county on the project.

Meacham reported that he and Whitney Wallace met with Kelly Alexander and the NCTMF Board Chair regarding securing appropriation funding for completion of the powerhouse at NCTM. The group met to discuss if there was some consideration for the TDA to leverage the model used in the past to provide some type of capital funding support to see if these projects can get moving. This is still very early discussion because the General Assembly does not go back into session until next year. Alexander supplied the business plan for what NCTM has in mind for the Tourism Capital Committee to take in to consideration. The total project for the powerhouse is around \$4-5 million dollars. If a local funds commitment could assist to garner state support, that might be how the TDA could assist, but all of this is speculation at this point. It is still very early in the process and there is still a lot more to be done prior to the TDA being involved.

### **Legal Updates**

Meacham briefly discussed Airbnb and how it works in regards to sales and occupancy tax collection. While working with the Polar packages this year staff discovered several VRBO (Vacation Rental Organization) properties operating within the county. Meacham said that staff will be identifying all of the properties and the TDA attorney will be reaching out via letter to each of the properties notifying them of the occupancy tax regulations. The VRBO website does indicate the tax but the taxes are going to the property owner who is then responsible for paying those taxes to the proper agencies.

Meacham reported that he and Osterweil met this morning on the shuttle service. Staff is currently reaching out to dealerships for lease proposals on a passenger van. Drivers have been recruited with the assistance of Commissioner Pierce. Meacham said staff is hoping to get the shuttle service up and running in the next 45 days. The shuttle service will have a consistent timeframe with specific stops at local hotels and dining sites.

### **Rowan Originals**

Meacham queried the board regarding the Rowan Originals Awards as well as whether the awards would continue and whether the awards should continue to be held in conjunction with the Rowan County Chamber of Commerce Gala. The board agreed by consensus that they would like to continue the awards but felt the celebration of awards would be more appropriate in a setting that would include more of the winner's peers.

Staff has discussed some ideas including a "Rowan Hospitality Week", a week of hospitality activities including educational opportunities, FAM Tours, History of Rowan County, Tourism 101, and concluding with a hospitality specific awards celebration.

The board agreed by consensus that they would like to see the Hospitality Week approach going forward that highlights hospitality and tourism service and recognition among their peers. Staff will proceed with plans for Rowan Hospitality Week celebration that will take place in early spring 2019.

### **Other Business**

Kelly Alexander shared with the group the 49 days of gratitude event that is a celebration of thanks. This event is centered on a boxcar that was given to North Carolina by the people of France. Alexander distributed a handout to the group outlining some of the related upcoming activities that are planned.

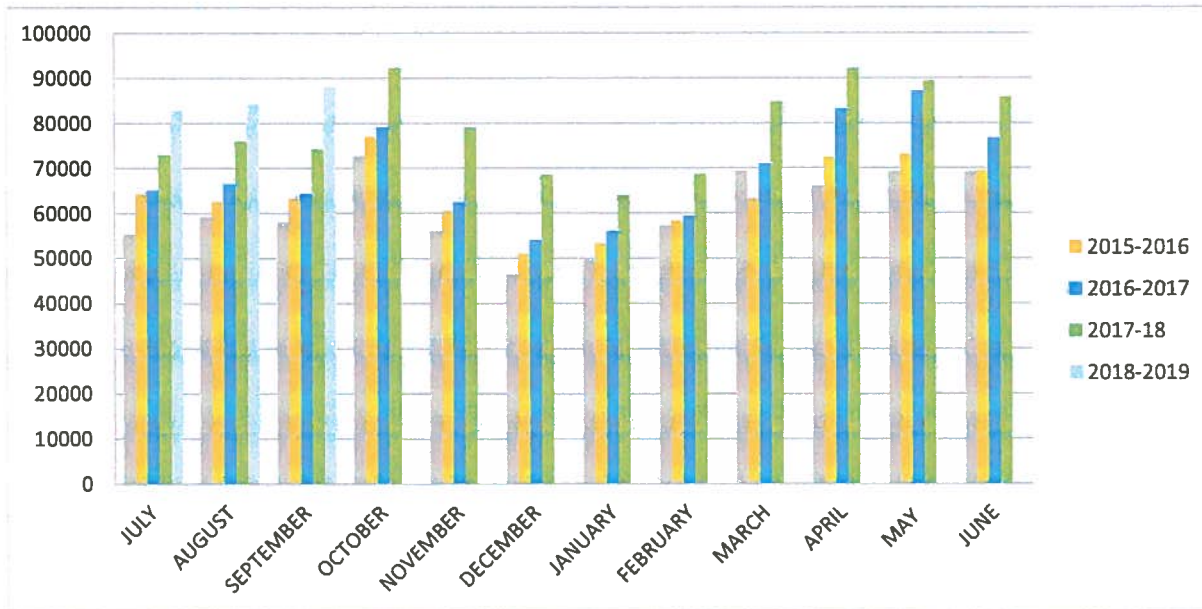
### **Adjourn**

Krista Osterweil thanked the members for attending today and the meeting adjourned at 12:47pm.

Respectfully submitted by: Lesley Pullium, RCTDA

**Rowan County Occupancy Tax Receipts (GROSS)**

MONTH	FY18-16	FY18-17	%CHNG	FY17-18	%CHNG	FY18-19	%CHNG
July	\$ 64,271.42	65,208.17	1.5%	72,999.06	11.9%	82,827.79	13.5%
August	\$ 62,590.56	66,663.57	6.5%	76,010.73	14.0%	84,227.53	10.8%
September	\$ 63,255.27	64,467.53	1.9%	74,220.99	15.1%	88,060.74	18.6%
<b>Quarter Total</b>	<b>\$ 190,117.25</b>	<b>196,339.27</b>	<b>3.3%</b>	<b>223,230.78</b>	<b>14%</b>	<b>255,116.06</b>	<b>14.3%</b>
October	\$ 77,003.85	79,169.16	2.8%	92,286.61	16.6%		
November	\$ 60,532.12	62,445.01	3.2%	79,174.98	26.8%		
December	\$ 51,001.36	54,165.23	6.2%	68,584.25	26.6%		
<b>Quarter Total</b>	<b>\$ 188,537.33</b>	<b>195,779.40</b>	<b>3.8%</b>	<b>240,045.84</b>	<b>22.6%</b>		
January	\$ 53,223.53	56,069.00	5.3%	64,114.21	14.3%		
February	\$ 58,278.45	59,387.76	1.9%	68,703.79	15.7%		
March	\$ 63,177.91	70,895.99	12.2%	84,759.62	19.6%		
<b>Quarter Total</b>	<b>\$ 174,679.89</b>	<b>186,352.75</b>	<b>6.7%</b>	<b>217,577.62</b>	<b>16.8%</b>		
April	\$ 72,366.67	83,161.39	14.9%	92,168.35	10.8%		
May	\$ 73,046.32	87,164.78	19.3%	89,394.40	3%		
June	\$ 69,446.31	76,624.86	10.3%	85,776.47	12%		
<b>Quarter Total</b>	<b>\$ 214,859.30</b>	<b>\$ 246,951.03</b>	<b>14.9%</b>	<b>267,339.22</b>	<b>8.3%</b>		
<b>Adjmts Penalties</b>							
<b>Penalties</b>						924.47	
<b>Year Total</b>	<b>\$ 768,193.77</b>	<b>\$ 825,422.45</b>	<b>7.4%</b>	<b>\$ 948,193.46</b>	<b>14.9%</b>		



**Rowan County Tourism Development Authority  
Statement of Financial Position**

Accrual Basis

As of October 31, 2018

	Oct 31, 18
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1052 · F&M Bank-Operating 9224	28,877.31
1020 · Petty cash	50.00
1050 · First Bank checking account	15,603.74
1065 · NC Capital Mgmt Trust	5.26
1070 · First Bank MM account-4509	5,048.87
<b>Total Checking/Savings</b>	49,585.18
<b>Accounts Receivable</b>	
1201 · Accounts Receivable	88,166.23
<b>Total Accounts Receivable</b>	88,166.23
<b>Total Current Assets</b>	137,751.41
<b>Fixed Assets</b>	
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
<b>Total Fixed Assets</b>	2,553,184.84
<b>Other Assets</b>	
1900 · Pension Asset	14,849.00
<b>Total Other Assets</b>	14,849.00
<b>TOTAL ASSETS</b>	<b>2,705,785.25</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
2033 · State withholding payable	210.00
2036 · 401-K withholding	300.00
2037 · Other withholdings	119.98
2100 · Payroll Liabilities	1,362.46
<b>Total Other Current Liabilities</b>	1,992.44
<b>Total Current Liabilities</b>	1,992.44
<b>Long Term Liabilities</b>	
2700 · Pension Deferrals	29,086.00
2500 · Compensated Absences	8,384.00
<b>Total Long Term Liabilities</b>	37,470.00

**Rowan County Tourism Development Authority**  
**Statement of Financial Position**

Accrual Basis

As of October 31, 2018

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	<b>Oct 31, 18</b>
<b>Total Liabilities</b>	39,462.44
<b>Equity</b>	
3050 · Investment in fixed assets	2,553,185.00
3100 · Fund balance	47,354.03
3105 · Restricted Fund Balance	38,487.00
Net Income	27,296.78
<b>Total Equity</b>	2,666,322.81
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>2,705,785.25</u></b>



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

Accrual Basis

October 2018

	Oct 18	Jul - Oct 18
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4010 · Occupancy taxes	88,166.23	253,550.99
4000 · Trolley Operations	11,728.00	20,369.00
4300 · Gateway Building Revenue	4,980.00	26,973.36
4025 · Partner Services	2,930.90	15,810.03
4045 · Other Revenue	23,345.21	32,257.15
<b>Total Income</b>	<b>131,150.34</b>	<b>348,960.53</b>
<b>Gross Profit</b>	<b>131,150.34</b>	<b>348,960.53</b>
<b>Expense</b>		
60001 · Marketing & Visitor Services		
6135 · CVB Tourism Staff and Branding	34,447.80	147,924.87
6140 · Destination Mktg Programs/Ser	27,474.85	81,963.00
6050 · Destination Development	0.00	2,400.00
6465 · Trolley	2,283.18	5,383.30
6150 · Development, Travel & Training	798.84	1,126.09
6120 · Visitor Center	0.00	2,249.00
6165 · Marketing Supplies & Equipment	320.68	3,028.02
6070 · Miscellaneous	1,783.03	2,122.77
<b>Total 60001 · Marketing &amp; Visitor Services</b>	<b>67,108.38</b>	<b>246,197.05</b>
60002 · Operations & Administration		
6010 · RCTDA Operations Staff	5,384.62	24,230.79
6025 · Payroll taxes and unemployment	383.23	1,728.64
6030 · Retirement	422.15	1,899.68
6020 · Health Benefits	2,263.72	10,986.17
6105 · Professional Services	9,295.94	11,156.72
6600 · Gateway Building Expenses	12,097.53	25,164.70
6145 · Office Postage	100.00	300.00
<b>Total 60002 · Operations &amp; Administration</b>	<b>29,947.19</b>	<b>75,466.70</b>
<b>Total Expense</b>	<b>97,055.57</b>	<b>321,663.75</b>
<b>Net Ordinary Income</b>	<b>34,094.77</b>	<b>27,296.78</b>
<b>Net Income</b>	<b>34,094.77</b>	<b>27,296.78</b>

**Rowan County Tourism Development Authority**  
**Statement of Activities Actual vs. Budget**  
**July through October 2018**

Accrual Basis

	Jul - Oct 18	Budget	\$ Over Budget
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
4010 · Occupancy taxes	253,550.99	1,040,000.00	-786,449.01
4000 · Trolley Operations	20,369.00	38,000.00	-17,631.00
4300 · Gateway Building Revenue	26,973.36	80,000.00	-53,026.64
4025 · Partner Services	15,810.03	50,000.00	-34,189.97
4045 · Other Revenue	32,257.15	0.00	32,257.15
<b>Total Income</b>	<b>348,960.53</b>	<b>1,208,000.00</b>	<b>-859,039.47</b>
<b>Gross Profit</b>	<b>348,960.53</b>	<b>1,208,000.00</b>	<b>-859,039.47</b>
<b>Expense</b>			
60001 · Marketing & Visitor Services			
6135 · CVB Tourism Staff and Branding	147,924.87	455,050.00	-307,125.13
6140 · Destination Mktg Programs/Ser	81,963.00	330,000.00	-248,037.00
6050 · Destination Development	2,400.00	150,000.00	-147,600.00
6465 · Trolley	5,383.30	24,000.00	-18,616.70
6150 · Development, Travel & Training	1,126.09	5,000.00	-3,873.91
6120 · Visitor Center	2,249.00	27,000.00	-24,751.00
6165 · Marketing Supplies & Equipment	3,028.02	5,000.00	-1,971.98
6070 · Miscellaneous	2,122.77	2,000.00	122.77
<b>Total 60001 · Marketing &amp; Visitor Services</b>	<b>246,197.05</b>	<b>998,050.00</b>	<b>-751,852.95</b>
60002 · Operations & Administration			
6010 · RCTDA Operations Staff	24,230.79	65,000.00	-40,769.21
6025 · Payroll taxes and unemployment	1,728.64	5,000.00	-3,271.36
6030 · Retirement	1,899.68	5,000.00	-3,100.32
6020 · Health Benefits	10,986.17	24,000.00	-13,013.83
6040 · Worker's comp Insurance	0.00	2,450.00	-2,450.00
6105 · Professional Services	11,156.72	28,500.00	-17,343.28
6600 · Gateway Building Expenses	25,164.70	80,000.00	-54,835.30
6145 · Office Postage	300.00	0.00	300.00
<b>Total 60002 · Operations &amp; Administration</b>	<b>75,466.70</b>	<b>209,950.00</b>	<b>-134,483.30</b>
<b>Total Expense</b>	<b>321,663.75</b>	<b>1,208,000.00</b>	<b>-886,336.25</b>
<b>Net Ordinary Income</b>	<b>27,296.78</b>	<b>0.00</b>	<b>27,296.78</b>
<b>Net Income</b>	<b>27,296.78</b>	<b>0.00</b>	<b>27,296.78</b>