

VISIT ROWAN COUNTY

NORTH CAROLINA

Be an original.®

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

Wednesday, April 20, 2022, Noon

MEETING AGENDA

- I. **Call to Order**
- II. **Approval of Meeting Minutes**
- III. **Financial Report**
 - A. **Tourism Financial Report**
 - B. **Tourism Market Update**
 - C. **FY22-23 Budget Timeline**
- IV. **Program of Work Report**
 - A. **Destination Marketing Report**
 - B. **Destination Development**
 1. **Tourism Capital Plan: Detailed Outline**
- V. **Additional Business**
- VI. **Adjourn**



**ROWAN COUNTY TOURISM
BOARD OF DIRECTORS
MEETING – In Person and Virtual
Wednesday, March 16, 2022: 12:00 pm**

BOARD MEETING & PLANNING SESSION MINUTES

Board Members Attending: Don Bringle, Vivian Hopkins, Sada Troutman, Craig Pierce, Michelle Patterson, Krista Osterweil, Karen Alexander, Cyndi Greenwood

Not Attending: Stephen Kidd, John Ketner

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

RCTDA Call to Order

Osterweil called the Rowan Tourism Board meeting to order at 12:00pm. Meacham introduced Brooke Arrowood, new Tourism team member who graduated from Appalachian State University and has background in attractions and hotels. Brooke is originally from Salisbury and will be serving as the new destination content coordinator. Members introduced themselves around the table for Brooke.

Organizational & Financial Update

Meacham gave an organizational update wrapping up where the organization finished as of February 28, 2022. Meacham reported revenue on an accrual basis fiscal year to date from occupancy taxes equals a little over \$800,000 and is 35% ahead of initial 2021-22 budget projections. Meacham noted that through January 2022 collections were 72% higher than January 2021. This was the first major double digit increase prior to a pandemic month. January 2020 was the highest occupancy revenue total on record. January 2022 occupancy revenue was 20% higher than January 2020. February 2022 occupancy tax is projected to be on par with January 2022 around \$94,500, which is 10% higher than February 2020. Meacham reported that all the Covid relief ARP grant monies have been disbursed as allocated by the board.

Meacham reported total current assets of \$514,000 Accounts receivables were \$192,000 consisting of January and January occ. taxes. Cash on hand was \$320,000 an increase of \$61,000 since the last report. YTD staff continues to make internal budget adjustments to match the revenues as they come to materialize. The original 2021-22 occupancy tax revenue budget was built on \$945,000, as of February it is at \$805,000. The budget will end in excess of the projected \$945,000. The budget and finance committee has discussed recommending using the excess to retire the branding loan. Total assets equaled \$3,367,313 as of 2/28/22. Meacham reported that staff continues to see strong growth in the local lodging market.

Destination Marketing Report

Meacham reported that overall hotel rates and occupancy rates are staying very healthy. Occupancy rates were above 70% and in a growth market. Meacham noted that the local Airbnb and VRBO property performance continues to hold at a 12-15% of the lodging market. In January 2022, \$12,600 of the \$96,000 in occ tax revenue was from those local properties. Meacham said that if these growth rates continue interest in local hotel development should pick up once again.

Michelac reported that the e-Newsletter focused on upcoming events last month with a 31% open rate. There were 20,000 visitors to the website. Visitors by location showed 65% from NC, 5% GA, 4.5 from VA, and 2.5% from Florida and SC. Interesting, someone from each of the 50 states viewed the site last month. Last month's social media focused on things to do, special events, and eating local. The Blog featured events in area and had 1100 views. Total year to date reach was 1.5 million and engagement is just over 67,000.

Furr reported that there were 14 Trolley bookings YTD through February and staff continues to see increases in demand. Group bookings look to be strong again in the second half of this year. Meacham said that staff has made the decision to not bring back Saturday Trolley tours at this time, but will continue to evaluate.

Furr reported that tourism support remains the same as January as winter months are often less active. Furr did note that applications are starting to come in for spring events. Furr said she is happy to see the group business returning to the area. Rail Passenger Car Conference is back on the books for 2023, the Smoke-out will be at the Fairgrounds and Little League will take place in July again. Catawba College has also reached out about a group event occurring in July that staff is excited about.

Furr reported the new website launch will take place in late April. The new package booking system will also go into place in April with Day Out with Thomas packages. Staff is really excited about this new booking system as it will make the customer service aspect better for our visitors and offer the opportunity for more package deals to be offered.

Furr reported the second photo shoot will take place in the last week of April 2022. Spring marketing includes the new tourism branding refresh which will feature new designs, new copy which incorporates more of an adverb approach. Furr noted that with the adverb approach staff will be using the messaging of "explore original" and "adventure original" in May through July 2022. Staff is also working with Our State magazine as well as radio on XSM media for the spring marketing. XSM media is streaming media and ads will run on Sirius and Pandora streaming music platforms in Charlotte, Greensboro, and High Point areas.

Meacham reported that May is national tourism month, and an internal PR campaign will take place encouraging people to action within the community. Meacham said a series of in town billboards will be put in place on Hwy 150, Hwy 29, and Hwy 52 to encourage citizens to visit local, shop local and eat local. Furr noted that the TV marketing also aligns with encouraging local tourism with ads featured on weather on the ones.

Furr reported that paid social media and Google PPC will continue with all marketing with special focus on short distance travel, Polar Express, Strawberries, and local events. Furr showed the group some of the new local designs that will be featured in the spring marketing. Meacham noted that the website and email addresses have been revised to reflect the redo with visitrowancountync.com. The old addresses and emails redirects to the new addresses.

The Cannon Ballers partnership has been renewed and will bring back the "Where is Boomer?" videos that were so popular. Furr reported that expanding upon the "Where is Boomer?" concept, a Cannon Baller player

will be used in the new videos. The ribbon board ads will continue in right center field, the concourse sign, and the upper club seats program, as well as the four premium seats that were utilized as giveaways on social media last year. There will also be a hospitality appreciation event for all the local tourism partners on May 5th during national hospitality week. Partners will be invited out to the game and seats provided in the picnic area of the stadium free of charge in appreciation for all the local tourism partners. An email will go out to all tourism partners allowing anyone to RSVP to the event.

Michalec reported that a new platform (Datafy) that captures visitor behavior data from mobile advertiser id's that pull from 200 million devices in the United States. The program uses clusters of points of interests to create geofences that can then be targeted to see what the visitor does when visiting the destination. Tracks 34% of credit cards with the states so it gathers spending data. The data collected can include dining, shopping, attractions, gas purchases, etc... The data can then be viewed and analyzed to see where the visitor comes from and what they do when visiting and will allow staff to target those interests and behaviors.

Destination Development Report

Meacham reports that Cavanaugh will be back in April to present the draft capital spending outline for the Board's consideration.

Meacham reported that Arrowood will be spending a great deal of time out in the destination getting to know places and people and trying to maximize engagement and social media content in the next couple of months. There will be a big emphasis on destination engagement heading into the summer in alignment with the launch of the new website and marketing related programs.

Meacham reported that the Gateway building key card and video monitoring system pricing has come in around \$40,000 - \$45,000 range. Meacham will meet with the primary four Gateway building tenants to discuss splitting the cost for these systems equally.

The meeting adjourned at 1:04 pm.

Respectfully submitted.

Lesley Pullium

SRCVB



FINANCIAL SUMMARY REPORT AS OF 3-21-2022

Report Date: April 19, 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 2021-2022 Statement of Activities: Highlights as of 03-31-2022

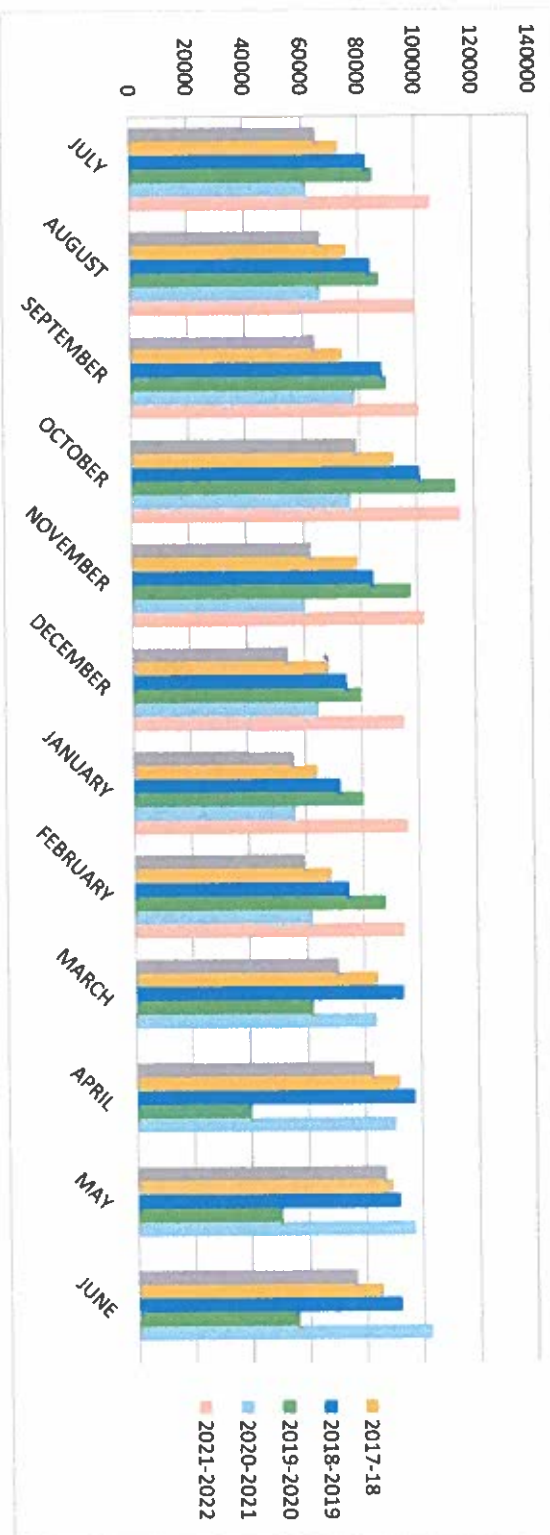
- Occupancy tax revenue as of 03-31-2022 on an accrual basis for fiscal year 2021-22 equaled \$912,058 and is 35% ahead of the 2021-22 initial budget projections.
 - February 2022 occupancy tax collections were 52.3% higher than February 2021, were 7.6% higher than February 2020 and 37.5% ahead of initial budget projections.
 - February 2022 occupancy taxes were the highest monthly collection on record for the month of February, eclipsing the previous February record set in 2020.
 - March occupancy taxes are projected to come in at \$110,000
- Fiscal Year to Date revenue is ahead of expenses by \$153,920 as of 04-01-2022.

Balance Sheet: Summary as of 03-31-2022

- Total Current Assets equaled \$504,061 a decrease of \$10,741 since the last report.
- Accounts Receivables equaled \$203,585 consisting of February and March occ. taxes.
- Cash on hand as of 03-31-2022 equaled \$300,476, a decrease of \$21,876 driven by increased marketing expenditures in March 2022.
- Unrestricted cash on hand has increased by \$133,372 since the start of the fiscal year.
- Total assets equaled \$3,356,572 as of 03-31-2022.

Rowan County Occupancy Tax Receipts Collected (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%	100,792.04	28.3%
Quarter Total	223,230.78	255,116.06	14.3%	262,144.75	2.8%	206,699.12	-21.2%	306,158.00	48.1%
October	92,286.61	101,229.40	9.7%	113,427.41	12.0%	76,794.51	-32.3%	115,324.55	50.2%
November	79,174.98	84,418.19	6.6%	97,848.24	15.9%	60,357.00	-38.3%	102,438.16	69.7%
December	68,584.25	74,894.47	9.2%	79,686.64	6.4%	64,749.41	-18.7%	95,874.73	48.1%
Quarter Total	240,045.84	260,542.06	8.5%	290,962.29	11.7%	201,900.92	-30.6%	313,637.44	55.3%
January	64,114.21	72,190.74	12.6%	80,100.88	11.0%	56,291.87	-29.7%	96,918.80	72.2%
February	68,703.79	74,900.88	9.0%	87,894.99	17.3%	62,049.03	-29.4%	94,530.61	52.3%
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	92.1%		
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	\$ 948,193.46	\$ 1,038,301.23	9.5%	\$ 929,851.33	-10.4%	\$ 901,901.62	-3.0%	\$ 811,244.85	-10.1%



Rowan County Tourism Development Authority
Statement of Financial Position
As of March 31, 2022

Accrual Basis

	<u>Mar 31, 22</u>
ASSETS	
Current Assets	
Checking/Savings	
1052 · F&M Bank-Operating 9224	35,560.18
1020 · Petty cash	16.83
1050 · First Bank checking #0436	22,478.09
1065 · NC Capital Mgmt Trust	25,005.44
1070 · First Bank MM account-4509	217,415.51
	<hr/>
Total Checking/Savings	300,476.05
Accounts Receivable	
1201 · Accounts Receivable	203,585.30
	<hr/>
Total Accounts Receivable	203,585.30
	<hr/>
Total Current Assets	504,061.35
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	-425,370.81
	<hr/>
Total Fixed Assets	2,838,174.20
Other Assets	
1900 · Pension Asset	14,337.00
	<hr/>
Total Other Assets	14,337.00
	<hr/>
TOTAL ASSETS	<u>3,356,572.55</u>

Rowan County Tourism Development Authority
Statement of Financial Position
As of March 31, 2022

Accrual Basis

	<u>Mar 31, 22</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
234 · 457b Withholdings	238.46
2039 · United Way	-800.00
2033 · State withholding payable	190.00
2035 · Retirement withholding	286.16
2100 · Payroll Liabilities	<u>1,712.67</u>
Total Other Current Liabilities	<u>1,627.29</u>
Total Current Liabilities	1,627.29
Long Term Liabilities	
2700 · Pension Deferrals	16,932.00
2500 · Compensated Absences	<u>12,590.38</u>
Total Long Term Liabilities	<u>29,522.38</u>
Total Liabilities	31,149.67
Equity	
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	-63.91
Net Income	<u>227,321.65</u>
Total Equity	<u>3,325,422.88</u>
TOTAL LIABILITIES & EQUITY	<u><u>3,356,572.55</u></u>

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

Accrual Basis

March 2022

	Mar 22	Jul '21 - Mar 22
Ordinary Income/Expense		
Income		
4350 · Tourism ARP Funding	0.00	627,466.33
4070 · Misc and Ticket Sales	18.84	161.95
4060 · Holiday Caravan Parade	0.00	63,903.78
4010 · Occupancy taxes	107,085.30	912,058.67
4000 · Trolley Operations	2,900.00	19,726.20
4300 · Gateway Building Revenue	7,586.00	70,842.84
4025 · Partner Services	2,918.14	47,412.41
Total Income	<u>120,508.28</u>	<u>1,741,572.18</u>
Gross Profit	120,508.28	1,741,572.18
Expense		
6001 · ARP Grants	0.00	152,483.32
6501 · Tourism Capital Projects	20,248.52	429,483.53
6510 · Holiday Caravan Parade Expense	0.00	54,728.78
60001 · Marketing & Visitor Services		
6135 · Salisbury-Rowan CVB	95,369.79	715,791.78
6140 · Destination Mktg Programs/Ser	0.00	3,500.00
6465 · Trolley	0.00	2,351.73
6165 · Marketing Supplies & Equipment	0.00	115.92
6070 · Miscellaneous	159.00	2,456.00
Total 60001 · Marketing & Visitor Services	<u>95,528.79</u>	<u>724,215.43</u>
60002 · Operations & Administration		
6010 · RCTDA Operations Staff	4,769.24	29,567.65
6025 · Payroll taxes and unemployment	337.78	2,179.17
6030 · Retirement	784.06	4,294.59
6020 · Health Benefits	-67.62	3,244.28
6040 · Worker's comp insurance	0.00	459.00
6105 · Professional Services	1,200.00	11,612.62
6600 · Gateway Building Expenses	8,422.35	101,982.16
Total 60002 · Operations & Administration	<u>15,445.81</u>	<u>153,339.47</u>
Total Expense	<u>131,223.12</u>	<u>1,514,250.53</u>
Net Ordinary Income	<u>-10,714.84</u>	<u>227,321.65</u>
Net Income	<u><u>-10,714.84</u></u>	<u><u>227,321.65</u></u>

Rowan County Tourism Development Authority Profit & Loss Budget Performance

July 2021 through June 2022

*activity thru 7/1/2022 **

	Jul 21 - Jun 22	Budget <i>Annual</i>		Jul 21 - Jun 22
Ordinary Income/Expense				
Income				
4350 · Tourism ARP Funding	627,466.33	627,475.00		627,466.33
4070 · Misc and Ticket Sales	161.95	1,000.14		161.95
4060 · Holiday Caravan Parade	63,903.78	64,000.00		63,903.78
4010 · Occupancy taxes	912,058.67	995,525.00		912,058.67
4000 · Trolley Operations	19,726.20	33,000.00		19,726.20
4300 · Gateway Building Revenue	74,390.84	109,999.86		74,390.84
4025 · Partner Services	48,385.96	57,000.00		48,385.96
Total Income	1,746,093.73	1,888,000.00		1,746,093.73
Gross Profit	1,746,093.73	1,888,000.00		1,746,093.73
Expense				
6002 · Operating Reserves	0.00	100,000.00		0.00
6001 · ARP Grants	152,483.32	152,500.00		152,483.32
6501 · Tourism Capital Projects	434,371.03	449,460.00		434,371.03
6510 · Holiday Caravan Parade Expense	55,002.18	54,740.00		55,002.18
6511 · Partner Service Expense	-265.47	2,000.00		-265.47
6000 · Covid-19 Contingency	0.00	0.00		0.00
6135 · Salisbury-Rowan CVB	761,468.19	925,000.00		761,468.19
6140 · Destination Mktg Programs/Ser	3,500.00	3,500.00		3,500.00
6050 · Destination Development	0.00	0.00		0.00
6465 · Trolley	2,351.73	6,500.00		2,351.73
6165 · Marketing Supplies & Equipment	115.92	1,000.00		115.92
6070 · Miscellaneous	2,456.00	4,000.00		2,456.00
60001 · Marketing & Visitor Services - Other	0.00	0.00		0.00
Total 60001 · Marketing & Visitor Services	769,891.84	940,000.00		769,891.84
60002 · Operations & Administration	31,952.27	50,000.00		31,952.27
6010 · RCTDA Operations Staff	2,348.05	3,000.00		2,348.05
6025 · Payroll taxes and unemployment	4,294.59	6,000.00		4,294.59
6030 · Retirement	3,210.47	4,300.00		3,210.47
6020 · Health Benefits	459.00	1,000.00		459.00
6040 · Worker's comp insurance	13,862.62	15,000.00		13,862.62
6105 · Professional Services	124,563.75	110,000.00		124,563.75
6600 · Gateway Building Expenses	180,690.75	189,300.00		180,690.75
Total 60002 · Operations & Administration	1,592,173.65	1,888,000.00		1,592,173.65
Total Expense	1,592,173.65	1,888,000.00		1,592,173.65
Net Ordinary Income	153,920.08	0.00		153,920.08
Net Income	153,920.08	0.00		153,920.08

10