

SALISBURY
ROWAN COUNTY
Authentic North Carolina

SALISBURY-ROWAN COUNTY CONVENTION & VISITORS BUREAU
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Name: Salisbury-Rowan County Convention &
Visitor Bureau Board

Date of Meeting: January 13, 2016

Board Chair: Bill Burgin

Date of Next Meeting: February 10, 2016

Board Members Attending: Suzanne Jones, Mark Lewis, Barbara Perry, Vivian Hopkins, Boris Bunich, Krista Osterweil, Steve Hall, Bill Burgin, Thad Howell, Dan Peters, Michelle Patterson, Kelly Alexander, Tony Shaw, Whitney Wallace, Justin Dionne

Tourism Staff: James Meacham, Lesley Pullium, Tara Ludwig, Melissa Murguz, Stephanie Centeno, Allyson Teague

Attending Guests, Liaisons, and Officials: Karen Alexander (Mayor), Eddie Carrick (Accountant), Tony Brewer (Accountant), Teresa Harris, Paula Bohland

Not Attending: Darrell Blackwelder, Craig Pierce, Brian Miller

Bill Burgin called the meeting to order at 12:10 PM for the SRCCVB Board, Rowan County TDA, and Salisbury TDA.

Burgin introduced Whitney Wallace, attorney at Wallace and Graham, and Justin Dionne, Managing Artistic Director at Lee Street Theatre, as two new board members.

Audits

James Meacham stated there are three organizations involved in the auditing process, including the Rowan County TDA, Salisbury TDA, and the Salisbury-Rowan County Convention and Visitor's Bureau. The auditing team, including Eddie Carrick, has been involved for 6-7 years through the evolution of the organizations. Meacham conveyed there are three sets of audits available, one for each organization, and the group referred to the printed copies provided.

Carrick started with a brief summary of the SRCVB's audit, which found the financial statements are fair and accurate. This was considered the first normal year for the CVB because activities did not begin until late within the first year of the organization being born. There was a net revenue of \$64,000 for the year. From a financial stability standpoint, the cash available at the end of the year was about 43% of the current year's expenditures, leaving about 5 months of reserves. Meacham noted to the Board that a portion of the 5 months reserves highlighted on the audit was \$100,000 received from Wells Fargo, which was being held as restricted funds. Carrick added that available funds would actually amount to 2-3 months of reserves when restricted funds are considered.

Motion: Thad Howell made the motion for the approval of the Salisbury-Rowan County Convention and Visitor's Bureau's audit, as presented.

Second: Mark Lewis

Motion: Approved

Carrick continued with the presentation of the Rowan County TDA's audit. Because of the structure of the TDA, the audit will look different versus the SRCVB. The TDA is more in line with a governmental organization while the SRCVB is in line with a non-profit organization, since SRCVB is a 501c6. Carrick directed the group's attention to pages 3-9, which are entitled "Management Discussion and Analysis". This is a public document and can be requested by anyone, so it is important to review the financial information if case any questions arise.

Like the SRCVB, the Rowan County TDA's audit found the financial statements to be fair and accurate and this would also be considered the first normal year for the organization. The TDA's audit reflects occupancy taxes, building expenses, and trolley revenue and expenditures. The occupancy tax increased \$30,000 this year and there was a net loss of \$4,300. This is normal for an organization's profit/loss to fluctuate throughout the year.

Motion: Dan Peters made the motion for the approval of the Rowan County TDA's audit, as presented.

Second: Krista Osterweil

Motion: Approved

Teresa Harris shared information about the audit for the Salisbury TDA. Much like the Rowan County TDA, the audit reflects a structure based on a governmental organization. Harris highlighted the slight increase in revenue due to the hotels doing so well. The reports are public record and available to anyone in the group that needs more information.

Motion: Barbara Perry made the motion for the approval of the Salisbury TDA's audit, as presented.

Second: Boris Bunich

Motion: Approved

There were no questions. Meacham and Burgin adjourned the meeting for the Rowan County TDA and Salisbury TDA.

SRCCVB Financial Report

Mark Lewis shared the financial report with the Board, which represents 50% of the fiscal year, through the end of December, 2015. Cash balances are down \$31,000 due to the release of restricted and non-restricted capital funds for two projects. There is \$70,000 allocated for the Rail Walk project and \$8,250 for a streetscape project on Main Street. Furthermore, even though the branding loan is a current liability now, it will become a long term liability eventually.

Lewis shared that this was a high activity month with marketing, trolleys, digital infrastructure and branding with revenues totaling \$121,000. The monthly trolley revenue was significant at \$17,309, which was mainly attributed to the Scrooge Trolley Tours over the holidays. Marketing expenses in December were higher due to group business and holiday programming. Total expenses for the month were \$107,000. Revenues are ahead of budget as a result of occupancy taxes and the success of the trolley program. The SRCVB's support of Day out with Thomas, at the NC Transportation Museum, of \$13,000 needs to be coded to the partner marketing line item. Overall, things are going well from a revenue perspective.

Motion: Boris Bunich made the motion for the approval of the SRCVB financial report, pending the correction of coding for the partner marketing line item.

Second: Michelle Patterson

Motion: Approved

Destination Marketing Committee

Tara Ludwig shared a marketing PowerPoint presentation with the Board and stated that 2015 was a very good year for the SRCVB.

Trolley

The trolley program helped to end the year on a very high note. With the high demand of tours, the SRCVB is going to focus on expanding the trolley program in 2016 and enhance the available overnight packages associated with the tours. The ridership in 2015 equaled 4,754 while revenue totaled \$120,123. In addition, room nights associated with the trolley were 1,194. Meacham conveyed that the Destination Marketing Committee had a discussion about the trolley program becoming an attraction being managed by the SRCVB. One of the best benefits of the

Revenue is that a substantial portion of the \$120,123 is actually revenue being generated for tourism businesses in Rowan County. Scrooge's Trolley Tour was very popular this year with a total revenue of \$15,110.

Ludwig shared a radio spot with the Board, which helped to reach a much wider audience during the holiday marketing campaign. Additional shows had to be added on December 18th and 19th due to the overwhelming popularity. Overnight event ticket packages were also available, including two free tickets and Downtown Dollars for visitors electing to stay at a local hotel or bed and breakfast. Meacham added that the Scrooge Trolley Tours ran at 95.8% occupancy, selling all tickets available in advance.

Partnership Marketing

During the holidays Polar Express took place at the NC Transportation Museum. A package was available for visitors staying overnight at a local hotel and bed and breakfast, which included two free standard tickets for the event. A meeting will take place with the NCTM about extending the Polar Express package and other offerings in 2016.

In partnership with Downtown Salisbury, visitors will receive two free tickets to Wine about Winter and \$20 Downtown Dollars if they book an overnight stay. In partnership with Lee Street Theatre, visitors will receive two free seated tickets for a concert if they book an overnight stay.

Group Business and Marketing Support

Ludwig is continuing to work with the American Auto Club Association. This group will be in Rowan County in June of 2016 will a very high estimated visitor related economic impact. In addition, the Rowan Cabarrus Community College Fine Arts Conference will take place in February of 2016.

Digital Marketing

Over the past few months the overall numbers have increased. The total digital reach at the end of December, including social media, emails and website, equaled \$150,207. Furthermore, Aristotle was in Salisbury December 8th-12th to conduct a holiday photoshoot throughout the community, capturing high quality still shots and video. Ludwig visited 19 different locations with Aristotle to participate in a variety of holiday events.

Holiday Marketing Recap

Ludwig and Staff ran a very successful overall awareness campaign to attract Salisbury and Rowan County for the holidays. Some marketing efforts included Time Warner Cable's Weather on the Ones, an article in Creative Loafing, and a spot with WBTV. In addition, a RoCo Holidays contest was conducted on Instagram where visitors shared their holiday photographs on the SRCVB's Instagram from local attractions or holiday events for a weekly giveaway of \$100 in Downtown Dollars and a grand prize drawing of \$500. Furthermore, the Elf on the Shelf, Hap, helped to promote local holiday events.

Capital Committee

Mark Lewis reported that the Capital Committee is focusing on three upcoming projects. The Hogan's Alley project, with a cost of \$8,250, was requested by Paula Bohland with Downtown Salisbury. This project would take an existing city alley and convert it into a more aesthetically pleasing area by way of planters, new landscaping, and new lighting. The alley would be used as a pedestrian thoroughway and closed for vehicular access. The \$8,250 approved by the Capital Committee is half of the total project cost.

Also, the first phase of the Wayfinding project is close to completion with all signs being installed by the end of the week. All pedestrian signs have been installed and the eight large vehicular signs will be installed this week. The second phase will include a sign off of Jake Alexander and other significant spots throughout the city. The consensus of the Capital Committee is to continue with phase two of the project immediately since the funds are available and the Department of Transportation is allowing the project to move forward.

The Rail Walk project is underway with a \$70,000 Wells Fargo grant approved by the Capital Committee. Meacham stated that the city is currently working on surveying the area and several water drainage issues will have to be addressed. Bill Burgin is kindly lending his architectural services on complimentary basis to the project with overview drawings of what the area will look like. Rowan Investments, John Ketner's group, is moving forward with the construction portion of the restaurant and brewery. By the end of February and into March, the participating groups will meet to bring all gathered information together.

A meeting with the city and leading officials will then take place to determine the overall total cost of the project, from start to finish. Meacham reminded the Capital Committee and Board that the group has allocated \$25,000 a year for five years to go toward the project. Additionally, Meacham conveyed that during the November meeting a claw back provision was decided upon for the Rail Walk project. The signed incentive agreement between the SRCVB and Morgan Brewhouse, for the Wells Fargo funds was developed that within two years of receiving funds the project must be completed or the funds have to be reverted back to the SRCVB. Quarterly reports and updates on the project will be requested as well.

Digital Infrastructure

Meacham shared that the digital infrastructure is well underway so visitors and partners alike can stay connected with the SRCVB and well informed at all times. Additionally hardware and software upgrades for the CVB and Gateway partners are continuing. Additionally new digital assets, photos and videos have occurred too.

The new content management system and customer relations management system are in the process of being implemented and will act as the workhorse, making all aspects of Staff's efforts much easier. The opportunities with the new systems will allow efficiency in order to meet the needs of the visitor. One feature, called Destination Dashboard, shows up-to-date performance reports at any given moment. The

reports will be streamlined into graphs, charts, and other informational formats, which will be available to the Board and partners in real time as data is being updated. The additional extra \$investment is important because the more the SRCVB is doing in the destination and the community, the faster the data needs to be updated and streamlined for all involved. Furthermore the new hardware and software upgrades are improving efficiencies at the CVB.

Rowan County Branding Initiative

Meacham stated Chandlerthinks has made two visits to Rowan County so far, with 40 one-on-one interviews, 6 focus groups, and 5 tours of the community. The interviews included a wide variety of individuals.

The CEO of Aristotle, Marla Johnson, is the keynote speaker of the Power in Partnership Chamber of Commerce breakfast and the Board is invited to attend. The SRCVB will cover the cost of any member interested. Johnson's 30 minutes presentation will cover marketing, what it means, and how to move forward. Part of the digital process of the branding initiative includes keynote speaker presentations to the community, including Johnson and Steve Chandler. This is part of the brand and marketing community engagement process to reach the community and partners regarding expanded opportunities with marketing, digital infrastructure and the branding over the next year.

A community wide survey will be launched soon during the next phase of the branding project. Any resident of Rowan County is encouraged to weigh in with their opinion about the branding initiative. Expanded research has been added to the branding program.

Master Plan Committee

Barbara Perry conveyed that the committee did not meet in January due to holiday events. Furthermore, Meacham will be inviting Chris Cavanaugh to speak with the Board at February's meeting about what is coming up next with the Master Plan. One item to be discussed is Michelle Patterson's recommendation for an Agriculture and Arts Festival, which would be at least a year long endeavor. Additionally, the selection committee for the 2016 Sculpture Show will be meeting soon. All colleges will be participating in the show again this year and the committee will receive 25% of any sales that take place.

Other Business

Meacham relayed to the group that the February Board meeting will involve Chris Cavanaugh to have an overall check in on the strategic direction of the CVB. This will allow Board members to talk with an outside consultant and decide if the SRCVB is heading in a favorable direction.

There were no questions. The meeting was adjourned at 1:05 PM.

Respectfully submitted by:
Allyson Teague, SRCCVB Office Assistant