

# VISIT ROWAN COUNTY

NORTH CAROLINA

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

Wednesday, September 21, 2022, Noon

### MEETING AGENDA

- |      |   |                              |
|------|---|------------------------------|
| I.   | Call to Order                                 | Krista Osterweil, Chair      |
|      | A. Welcome New Board Members                  |                              |
| 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               | Tara Furr and Sarah Michalec |
|      | B. Gateway Building Update                    | James Meacham                |
|      | C. Tourism Capital Plan                       | Chris Cavanaugh              |
| V.   | Additional Business                           |                              |
| VI.  | Adjourn                                       |                              |



**ROWAN COUNTY TOURISM  
BOARD OF DIRECTORS MEETING**  
Wednesday, August 17, 2022: 12:00 pm

**BOARD MEETING MINUTES**

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

**Not Attending:**

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

**RCTDA Call to Order**

Meacham called the RCTDA to order at 12:00pm. Osterweil will be coming in later.

**Approval of the Minutes**

Motion: John Ketner made the motion for approval of the June 2022 minutes.

Second: Craig Pierce

Motion: Approved

**Organizational & Financial Update**

Meacham reported that occupancy tax revenues as of 6-30-2022 for fiscal year 2021-22 on an accrual basis equal \$1,273,444 and were 42.5% ahead of fiscal year 2020-21. May 2022 occupancy taxes were \$126,185 and 29.6% ahead of May 2021. June 2022 occupancy taxes were \$114,033 and 11% ahead of June 2021. Initial fiscal year revenue on an accrual basis exceeded expenses by \$131,687. Meacham reported total Current Assets equaled \$409,181, a decrease of \$188,905 from 5-31-22. The decrease was primarily driven by a one-time release of cash (approximately \$165,800) to retire the CVB branding loan at the end of the fiscal year and a decrease in accounts receivable based on future occupancy tax collections.

Accounts Receivables equaled \$202,165, consisting of June and July occupancy taxes. The combined June and July occupancy taxes will end up being closer to \$230,000 based on June's actual collections and market data from July. Cash on hand as of 06-30-2022 equaled \$205,170 a decrease of \$155,131 from 05-31-22. Driven by the one-time transfer to the CVB to retire the branding loan in the amount of \$165,800. Meacham noted that fiscally it was a fantastic year with almost \$1,285,718 in gross occupancy taxes.

Staff is monitoring everything weekly on an economic basis and July 2022 was better than July 2021 by almost 20%. The lodging profitability index this week is up 6%. Hotel management are managing their inventory

effectively and keep rates up which drives profitability. Occupancy is trending month to date 16% higher than August of 2021. The positive trend from the spring and summer is continuing into the fall.

Motion: Craig Pierce made the motion for approval of the finance report as presented.

Second: Stephen Kidd

Motion: Approved

## **Destination Marketing Report**

Michalec reported that the e-Newsletter open rates for June and July were both above 30% and were up 26% from last summer's numbers. The new [visitrowancountync.com](http://visitrowancountync.com) website is continuing to do well and still being fine-tuned daily. Some new permanent pages for municipalities and annual events have been added to the website. These changes were based on data about what people are searching for and wanting to see in the area. Michalec reported that visitors by location data have stayed consistent. Stats show 180,000 page views year to date and 78,000 users.

Michalec reported that the Root Rez online booking platform is doing amazing with well with packages. Currently there are 242 room nights with revenue of about \$36,000 booked. Root Rez reports that is a conversion between people putting their dates into the tracker and then booking a room of 9.9% which is above their industry average is 1% with no special offer and about 5-6% for special offers. Meacham noted that the platform has already paid for itself with the booking made for our tourism partners.

The social media this summer has focused on events, eat original, explore original, and the Cannon Baller ticket giveaway. The Cannon Baller partnership has done well with a lot of engagement. Faith Fourth, Farmer's Day and the Firetruck Festival were popular events and experienced good visitor engagement. Michalec reported social media total engagements year to date of 252,000 and reach was just over 2.5 million.

Furr reports that trolleys continue to be busy with private events and wedding rentals. Staff is in the process of revamping the Trolley program and are hopeful for restarting the public trolley tours early next year. Year to date bookings for trolleys stand at 61.

Furr reported that Root Rez is working really well for the online package bookings. Furr reports that both DOWT and Polar Express bookings are tracking ahead of prepandemic levels. A new package will launch in September for the OctTour & Bell Tower Brew Fest. This will feature a combination ticket for the overnight stay. Furr reported for tourism supported investments this month, there are five new events supported including Salisbury Pride, Dragon Boat, the Summer Concert Series, Bell Tower Brew Fest, and Salisbury Symphony conference.

Furr reported that group sales are starting to come back. Little League just finished up in July with 700 attendees, 313 team room nights and 992 parent room nights. There were 605 total room nights associated with Little League. Furr and Meacham thanked Osterweil for her assistance with handling a booking issue with one of the main properties. Staff was able to work everything out and accommodate all the teams for a successful tournament stay.

Furr reports that Smoke-out is set for early September and staff is continuing to work with RPCA. RPCA's Board is completing a site visit next week and checking out the host lodging sites. Furr estimates 250-300 room nights for RPCA. Furr announced that she 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.

Furr stated that staff will complete the summer market campaign, continue to offer DOWT, Polar Express and the new OctTour packages, and finish out the Cannon Baller ticket giveaways. The summer photoshoot just wrapped up with many wonderful photos of sites around the county. The fall photo shoot will occur Oct 1-3 and a one day shoot later in October which will focus on fall foliage. Staff is looking ahead to the fall marketing campaign and will present that to the board next month.

Arrowood reported on her site visits this summer which have corresponded with the summer campaigns of eat original and explore original. Arrowood attended all the major festivals, spent a day in the Village of Gold Hill and visited dining establishments around the entire county. Brooke posts onsite social media posts during the events and could touch base with tourism community partners.

Meacham announced to the board that the Furr's are expecting their second child in late October.

### **Product Development**

Meacham noted that Bob Glover passed away several months ago. One of Mr. Glover's last projects was the Pavilion/Farmer's Market. Meacham said that a plaque will be placed at the Railway Pavilion in recognition of Mr. Glover.

Meacham announced that Chris Cavanaugh will be at the September RCTDA Board meeting to present the proposed ten-year capital plan.

Meacham reported that he and Michalec met with Buzz Bizzell last week on the first stages of the development of the county-wide wayfinding plan. Once the plan is developed staff will visit with each municipality to review and present the plan and collect their feedback. Once the municipalities have shared their input, the plan will go to the county commission for consideration. If approved by the County and adopted, the plan will be sent to the NCDOT.

Meacham reported that the investment group for the new hotel are ready to get started on the construction of the property. The property is slated to be a 100 room Town Place Suites adjacent to the Cracker Barrel and Walmart on Arlington. The group hopes to break ground at the beginning of 2023 with an opening of 2025.

### **Gateway Building**

Meacham reported that the current leasing fee structure and the half of the building that is leasable is no longer sustainable to keep the building running. Ketner and Meacham have been analyzing the current costs and projected costs and have developed a ten-year capital plan for the building. Ketner and Meacham will meet with the Gateway Tenant group on September 8<sup>th</sup> to present the plan which includes a rate increase. Meacham said that most tenants are receptive to rate increase and capital management plan.

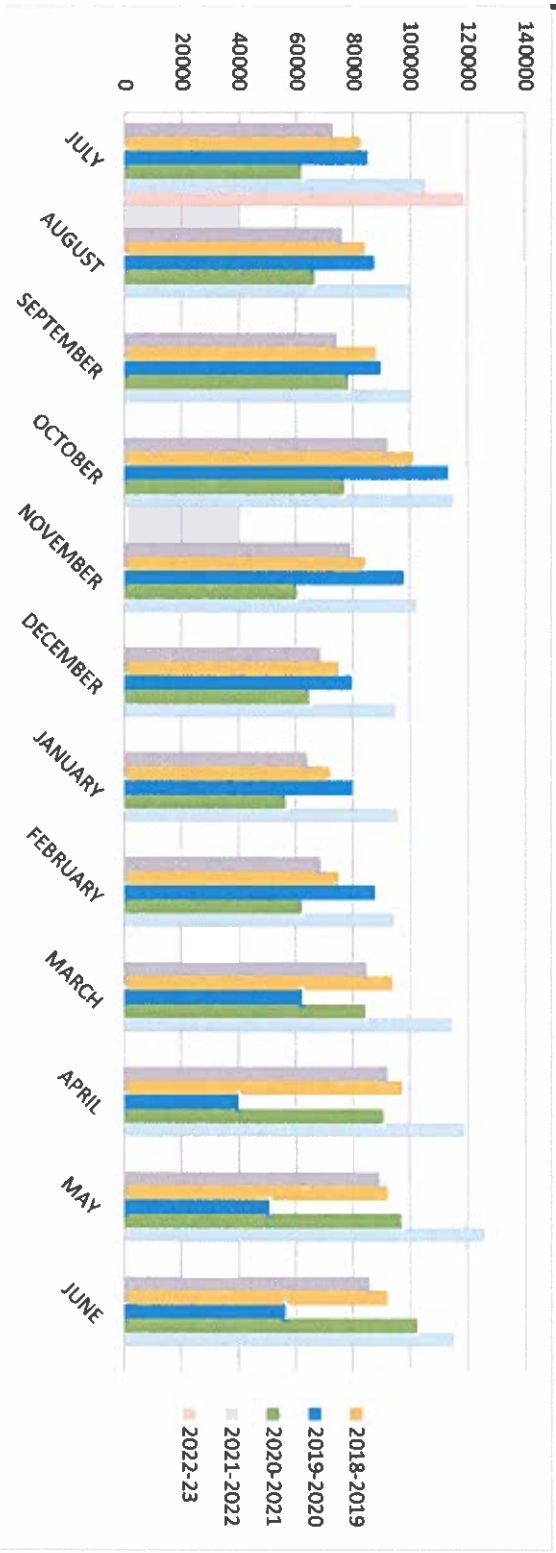
The meeting adjourned at 1:04 pm.

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%	118,984.73	12.8%
August	84,227.53	87,388.13	3.8%	66,399.96	-24.0%	99,851.17	50.4%		
September	88,060.74	89,694.58	1.9%	78,562.08	-12.4%	100,792.04	28.3%		
<b>Quarter Total</b>	<b>255,116.06</b>	<b>262,144.75</b>	<b>2.8%</b>	<b>206,699.12</b>	<b>-21.2%</b>	<b>306,158.00</b>	<b>48.1%</b>		
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%		
<b>Quarter Total</b>	<b>260,542.06</b>	<b>290,962.29</b>	<b>11.7%</b>	<b>201,900.92</b>	<b>-30.6%</b>	<b>313,637.44</b>	<b>55.3%</b>		
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%		
<b>Quarter Total</b>	<b>240,982.61</b>	<b>230,144.88</b>	<b>-4.5%</b>	<b>202,713.16</b>	<b>-11.9%</b>	<b>306,275.46</b>	<b>51.1%</b>		
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%		
<b>Quarter Total</b>	<b>281,660.50</b>	<b>146,599.41</b>	<b>-48.0%</b>	<b>290,588.42</b>	<b>98.2%</b>	<b>360,647.98</b>	<b>24.1%</b>		
Adjimts Penalties									
Penalties									
<b>Year Total</b>	<b>\$ 1,038,301.23</b>	<b>\$ 929,851.33</b>	<b>-10.4%</b>	<b>\$ 901,901.62</b>	<b>-3.0%</b>	<b>\$ 1,286,718.88</b>	<b>42.7%</b>	<b>\$ -</b>	



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

Accrual Basis

	<u>Aug 31, 22</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1052 · F&M Bank-Operating 9224	39,868.64
1020 · Petty cash	16.83
1050 · First Bank checking #0436	31,245.77
1065 · NC Capital Mgmt Trust	25,005.44
1070 · First Bank MM account-4509	85,184.08
	<hr/>
<b>Total Checking/Savings</b>	181,320.76
<b>Accounts Receivable</b>	
1201 · Accounts Receivable	228,385.14
	<hr/>
<b>Total Accounts Receivable</b>	228,385.14
	<hr/>
<b>Total Current Assets</b>	409,705.90
<b>Fixed Assets</b>	
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
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<b>Total Fixed Assets</b>	2,747,736.20
<b>Other Assets</b>	
1900 · Pension Asset	12,674.00
	<hr/>
<b>Total Other Assets</b>	12,674.00
	<hr/>
<b>TOTAL ASSETS</b>	<b><u>3,170,116.10</u></b>

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

Accrual Basis

	<u>Aug 31, 22</u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
234 · 457b Withholdings	288.46
2039 · United Way	-800.00
2033 · State withholding payable	240.00
2035 · Retirement withholding	346.16
2100 · Payroll Liabilities	<u>2,425.47</u>
<b>Total Other Current Liabilities</b>	<u>2,500.09</u>
<b>Total Current Liabilities</b>	2,500.09
<b>Long Term Liabilities</b>	
2700 · Pension Deferrals	<u>20,011.00</u>
<b>Total Long Term Liabilities</b>	<u>20,011.00</u>
<b>Total Liabilities</b>	22,511.09
<b>Equity</b>	
3050 · Investment in fixed assets	2,397,736.00
3100 · Fund balance	154,914.16
3105 · Restricted Fund Balance	112,820.00
3900 · Retained Earnings	474,921.29
Net Income	<u>7,213.56</u>
<b>Total Equity</b>	<u>3,147,605.01</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>3,170,116.10</u></u>

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

Accrual Basis

August 2022

	Aug 22	Jul - Aug 22
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4070 · Misc and Ticket Sales	2.75	9.23
4060 · Holiday Caravan Parade	3,500.00	3,500.00
4010 · Occupancy taxes	120,000.00	228,385.14
4000 · Trolley Operations	12,115.00	14,928.00
4300 · Gateway Building Revenue	5,517.33	14,905.35
4025 · Partner Services	548.06	867.16
<b>Total Income</b>	<u>141,683.14</u>	<u>262,594.88</u>
<b>Gross Profit</b>	141,683.14	262,594.88
<b>Expense</b>		
6510 · Holiday Caravan Parade Expense	3,025.00	3,025.00
6511 · Partner Service Expense	1,193.93	1,193.93
60001 · Marketing & Visitor Services		
6135 · Salisbury-Rowan CVB	117,488.36	197,451.14
6465 · Trolley	100.00	1,789.47
6180 · Dues and subscriptions	30.00	60.00
6070 · Miscellaneous	279.00	758.00
<b>Total 60001 · Marketing &amp; Visitor Servi...</b>	<u>117,897.36</u>	<u>200,058.61</u>
60002 · Operations & Administration		
6010 · RCTDA Operations Staff	5,769.24	16,269.51
6025 · Payroll taxes and unemploy...	436.18	1,098.95
6030 · Retirement	1,343.37	1,771.06
6020 · Health Benefits	-67.62	-169.05
6040 · Worker's comp insurance	0.00	540.00
6105 · Professional Services	700.00	2,350.00
6600 · Gateway Building Expenses	17,382.45	29,243.31
<b>Total 60002 · Operations &amp; Administra...</b>	<u>25,563.62</u>	<u>51,103.78</u>
<b>Total Expense</b>	<u>147,679.91</u>	<u>255,381.32</u>
<b>Net Ordinary Income</b>	<u>-5,996.77</u>	<u>7,213.56</u>
<b>Net Income</b>	<u><u>-5,996.77</u></u>	<u><u>7,213.56</u></u>