



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

Wednesday, March 15, 2023, Noon

MEETING AGENDA

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|-------------|------------------------------------------------------|-------------------------------|
| I. | Call to Order | Krista Sullivan, Chair |
| II. | Approval of Meeting Minutes | Krista Sullivan, Chair |
| III. | Financial Report | |
| | A. Tourism Financial Report and Market Update | James Meacham |
| IV. | Organizational Update: Staff Structure | James Meacham |
| V. | Program of Work Report | |
| | A. Destination Marketing Report | Tara Furr |
| | B. Tourism Development | |
| | 1. Wayfinding | Sarah Michalec |
| | 2. Tourism Development Plan: Railwalk | Sarah Michalec |
| VI. | Additional Business | |
| VII. | Adjourn | |



**ROWAN COUNTY TOURISM
BOARD OF DIRECTORS MEETING**

Wednesday, February 15, 2023, 12:00 pm

BOARD MEETING MINUTES

Board Members Attending: Sada Troutman, Craig Pierce, Kimberly Morgan, Richard Reinholz (ZOOM), John Ketner, Therese Henderson, Michelle Patterson (ZOOM), and Cyndi Greenwood (ZOOM).

Not Attending: Krista Sullivan, Karen Alexander, Vivian Hopkins

Guest: Eddie Carrick, CPA

TDA Staff: James Meacham, Sarah Michalec, Brooke Arrowood

RCTDA Call to Order

Meacham called the RCTDA to order at 12:05pm.

Approval of the Minutes

Motion: Craig Pierce made the motion for approval of the January 2023 minutes.

Second: John Ketner

Motion: Approved

Organizational & Financial Update

Meacham reported occupancy tax revenues as of 1-31-23 for fiscal year 2022-23 on an accrual basis equaled \$827,297 and are 10.1% ahead of budget. Meacham said that December 2022 actuals for occupancy taxes were \$103,799 and 8.3% ahead of Dec. 2021 and were an all-time high for the month of December.

January 2023 occupancy taxes are in line for \$107,500 and approximately 10% ahead of January 2022 and will be another all-time high collection for the month of January. Year to date revenue on an accrual basis has exceeded expenses by \$63,503. Meacham reported total current assets equaled \$463,173 and are up \$16,451 from the month ending December 31st.

Accounts receivables equaled \$229,021 a decrease of \$6,995 from the month ending December 31st. The receivables consist of December and January occupancy taxes. Cash on hand as of 1-31-23 equaled \$234,151 an increase of \$23,446 from the month ending December 31, 2022.

Meacham reported that fiscally the organization is in very sound condition. Occupancy tax revenue is 10.9% ahead of last year. February is looking better than January.

Motion: John Ketner made the motion to accept the financials as presented.

Second: Craig Pierce

Motion: Approved.

Audit Reports Year Ending June 30, 2022

Meacham introduced Eddie Carrick, CPA and reminded the members of the yearly audit presentation on the RCTDA and the SRCVB. The RCTDA is legally required and filed with the LGC and the state treasurer's office.

Eddie Carrick, CPA noted that in 2021-22 the organization received federal funds and he is required to produce an opinion on compliance in utilizing those funds and that there were no issues. Carrick hit the highlights of the financial position statement on page 10. He noted the pay-off of the RailWalk Pavillion. Carrick noted the gateway repairs and capital items for the building. Carrick noted the ARPA funds received and the \$150,000 in Covid relief business grants that were disbursed by the TDA.

Carrick gave the 2021-22 RCTDA Audit report stating that the organization received an unqualified or clean opinion. Carrick reviewed key components of the report for the board. Carrick noted that RCTDA is a governmental entity and is monitored by the State Treasurer's office and Local Government Commission each year. A review of the Audit's highlights from the report were provided.

Carrick reviewed the 2021-22 SRCVB audit report noting the CVB also received an unqualified or clean opinion. Carrick noted that the CVB runs very lean by design as a subset organization of the TDA. Carrick noted the pay-off of the branding loan and that the PPP Loan of \$66,000 was forgiven and is reflected as revenue. Carrick commented that \$100,000 more was put into marketing and services than the prior year with the pay-off of the branding loan. Carrick complimented the staff on organization and compliance to the LGC and Federal standards. Carrick reported that the RCTDA audit was accepted by the State Treasurer's office and Local Government Commission.

Carrick thanked the board for the opportunity to serve the organization and the staff for the hospitality.

Program of Work

Meacham noted that for 2022, the hotel occupancy rates finished above 70% for the first time, and was a 2.6% increase from 2021. The local hotels were the most profitable they have ever been in 2022 with a Rev PAR of \$75.41. Revenue was up 25% from the previous year. Meacham reported that for January 2023, there was a slight decrease in occupancy, a 15% increase in rate, 15% in Rev PAR and 15% increase in revenue.

Through February 11th, stats show 71.1% in occupancy compared to 66.7% in January and currently rates are at \$111 per night in the market. This is putting things on pace for February to be a stronger month than January. Meacham reported a huge pick up from having the RPCA group in the local market in January. Meacham noted that strong growth and health continue in the Airbnb and VRBO markets in the area.

Michalec reported that the email newsletter had a 34% open rate in January with 4,800 active subscribers. The visitrowancountync.com website had 20,000 page views in January. Staff is continuously updating the site with widget placements, updated content, and verbiage for search optimization. Staff is continuing to do extensive search engine optimization to make sure that content is the best it can be to improve search engine ranking. In addition, January saw 1,000 viewer sessions just related to the Wine @ Winter with folks utilizing the event calendar and/or package information pages. January also saw a huge spike in traffic to the restaurant pages

with an increase of 42.7%. Michalec noted that this was probably due to the RPCA restaurant guide with QR code for restaurant information page link that was distributed to all conference attendees.

Michalec reported good Root Rez traffic around the Wine @Winter packages. Staff is now able to utilize the booking widget on affiliate sites, so tourism partners can use the widget on their websites allowing visitors to book hotel rooms or packages directly from their sites. The widget is now in place on the Rowan County site and staff is starting to work with our tourism partners such as the NC Transportation Museum, Patterson Farm, etc. Staff will also be able to track bookings that come through the tourism partner sites.

Michalec reported that all social media platforms continue to do well. On social media platforms of Facebook and Instagram continue to show growth. Top stories in January included Kannapolis featured in *Travel & Leisure*, the Arts Events and the Wine and Dine Train at NCTM. Arrowood wrote a great blog about antiquing in Rowan County which garnered 652 views in January. Michalec reported total year to date engagement right around 32,000 and reach 173,000.

It was an exciting month in the influencer world. Jenna (Rowan Tourism's influencer partner) really got going in January with three posts for tourism. Those posts had 309,000 views, 28,000 likes, and 170 saves. Those three posts received as much engagement as all the other posts across all platforms in the entire month. Jenna also added a link to visitrowancountync.com in her link tree. When she references the area in a video that link is right there for people to easily find the information they are seeking. Jenna attended Wine @ Winter and will be attending the Sewanee theatre in Kannapolis later this month. In March, Jenna is coming to the Treesort and bringing influencer friends with her. Meacham noted that Jenna had added over 200,000 additional followers to her own site in just one month as well. Sada Troutman reported that La Cava had 85% new customers in January and had the best January in their 29-year history after Jenna's video.

Michalec reported that the Trolleys are keeping staff busy. Rentals and inquiries are up. Year to date 55 bookings on the calendar and 23 in the next 90 days. Lee Street theatre is looking at bringing back the Scrooge Trolley tours as well as offering a Halloween tour production of some type utilizing the trolleys.

Michalec reported that Wine @ Winter sold 9 packages and 9 room nights. Day Out with Thomas packages go on sale on March 31st. Wine @ Winter sold out with over 1400 tickets sold. Sada Troutman reported the local businesses were really happy with the event and the attendance.

In group sales, Michalec reported that RPCA produced 615 room nights and \$335,000 in economic impact. Brooke continues to visit community partners around the county each week.

The Datafy cell phone data for November, December, and January showed 651,000 individual active devices in the destination with 60,000 of those coming specifically to visit attractions and 160,000 of those coming for dining.

Michalec reported that the Spring marketing campaign begins in March. The Cannon Baller partnership as discussed last month is a go and the hospitality day with the Cannon Ballers will take place in May. Tara Furr will return on Tuesday and staff is looking forward to having her back.

Tourism Development

Meacham reminded the board that the county approved \$500,000 dollars for the countywide wayfinding signage. Meacham thanked Commission Pierce and the commissioners again for that funding. Meacham noted that Michalec is running point on the wayfinding and turned the update over to her.

Michalec reported that staff is now in the process of touching base with each individual municipality with their area/section and getting their input and possible changes. Implementing the changes that are workable and fit

within the NCDOT rules and regulations. After those changes are made, Michalec is working with Bizzell to make any updates to the original plans. Once all updates have been completed, staff will sit down with each municipality in person to review the final plans for their community.

Meacham reminded board members about the two key tourism hubs (RailWalk and Agritourism Adventure) the board adopted in the tourism capital plan approved in the fall of 2022. Meacham said that staff is working with Sada and DSI looking at moving forward with looking at further processes in the farmers market area and infrastructure along the RailWalk itself and potentially new property acquisitions in that area that could be added to further expand the tourism footprint and create the tourism hub experience.

Meacham noted that Sada is being very helpful and in providing additional leadership as the head of Downtown Salisbury and Tourism Board member with the Railwalk hub. Meacham said that staff is moving on this particular hub process soon and funds are being put away for starting phase 2 up of the Railwalk project, specifically the infrastructure and street scape in the Railwalk area that runs from Kerr to Depot Street. Staff should have architectural services and construction management agreement in place by the March meeting.

Additional Business

Meacham presented some information on employee retirement benefit information on what comparable local employers are offering their employees. Meacham looked at the Rowan Economic Development Council, City of Kannapolis, Cabarrus County Tourism, and City of Salisbury. Meacham gave a brief breakdown on what these organizations are offering in way of employee retirement benefits and offered a suggestion on what Rowan County Tourism might consider offering employees to be on par with its peer se. Meacham said that this would be last piece in the benefits package that would assist him in both recruiting and retaining quality employees and meeting the Board's goal of market competitive wages and benefits.

Meacham presented the following proposal:

1. Offer a side-by-side plan by adding a new 401K option from a new vendor and keep the NC457 plan.
2. For the NC457 plan provide for a 5% employer contribution to all eligible employees into the 457plan, with no match requirement.
3. Establish a new 401K plan that the CVB will offer a 5% matching contribution to all eligible employees. This would be a plan setup outside of the current 457.
4. Employees would still be eligible to make additional contributions to either plan up to the legal limits established by the IRS per plan type.

Motion: John Ketner motioned for approval of the structure as presented by Meacham to so and bring back a final proposal as needed for board approval for the revised retirement benefit package for CVB employees.

Second: Craig Pierce

Motion: Approved

The meeting adjourned at 12:55 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%	119,693.09	13.4%
August	84,227.53	87,388.13	3.8%	66,399.96	-24.0%	99,851.17	50.4%	114,943.40	15.1%
September	88,060.74	89,694.58	1.9%	78,562.08	-12.4%	100,792.04	28.3%	119,384.91	18.4%
Quarter Total	255,116.06	262,144.75	2.8%	206,699.12	-21.2%	306,158.00	48.1%	354,021.40	15.6%
October	101,229.40	113,427.41	12.0%	76,794.51	-32.3%	115,324.55	50.2%	127,954.49	11.0%
November	84,418.19	97,848.24	15.9%	60,357.00	-38.3%	102,438.16	69.7%	116,182.15	13.4%
December	74,894.47	79,686.64	6.4%	64,749.41	-18.7%	95,874.73	48.1%	103,799.59	8.3%
Quarter Total	260,542.06	290,962.29	11.7%	201,900.92	-30.6%	313,637.44	55.3%	347,936.23	10.9%
January	72,190.74	80,100.88	11.0%	56,291.87	-29.7%	96,918.80	72.2%	114,520.05	18.2%
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%		
Quarter Total	240,982.61	230,144.88	-4.5%	202,713.16	-11.9%	306,275.46	51.1%		
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%		
Quarter Total	281,660.50	146,599.41	-48.0%	290,588.42	98.2%	360,647.98	24.1%		
Adjmts Penalties									
Penalties									
Year Total	\$ 1,038,301.23	\$ 929,851.33	-10.4%	\$ 901,901.62	-3.0%	\$ 1,286,718.88	42.7%	\$ 944,432.14	

