MONROE TOURISM DEVELOPMENT AUTHORITY
REGULAR MEETING

City Hall Conference Room
300 W. Crowell Street
Monroe, NC 28112
Thursday, October 13, 2022 - 8:30 AM

AGENDA

1. Approval of Minutes of Monroe Tourism Development Authority Regular Meeting of August 11, 2022
2. Finance/Occupancy Report
3. Audit Presentation
4. Resolution Establishing Amount of Finance Officer Bond
5. Dowd Center Theatre Update
6. Science Center Update
7. Air Show Update
8. Other

MONROE TOURISM DEVELOPMENT AUTHORITY

REGULAR MEETING

CONFERENCE ROOM

300 W. CROWELL STREET, MONROE, NC 28112

AUGUST 11, 2022 – 8:30 A.M.

MINUTES

Present: Chairman Marion Holloway, Vice Chairwoman Pat Kahle, Joyce Rentschler, Arpan Bhakta, Lorayn DeLuca, and Gina Day

Absent: Ron Hinson, MaryAnn Rasberry, and Sharon Crowder Poston

Staff Present: Communications and Tourism Officer Pete Hovanec, Downtown Director Matt Black, Accounting Manager Ashley Ivey, Interim City Manager Brian Borne, Assistant City Attorney Ashley Duncan Britt, Monroe Science Center Supervisor Lauren Fike, and Dowd Center Theatre Supervisor James Vesce

Staff Absent: Communications and Tourism Assistant Alison Nichols and Finance Director Lisa Strickland

Visitors:

Chairman Holloway called the Monroe Tourism Development Authority Regular Meeting of August 11, 2022 to order at 8:30 a.m.

Item No. 1 Approval of Minutes of Monroe Tourism Development Authority Meeting of July 14, 2022 Ms. Kahle made a motion to approve the Minutes of the Monroe Tourism Development Authority Regular Meeting of July 14, 2022. Ms. Rentschler seconded the motion, which passed unanimously with the following votes:

AYES: Day, Bhakta, DeLuca, Kahle, and Rentschler

NAYS: None

Item No. 2 Finance/Occupancy Report Ms. Ivey stated that collections are in for the full year. Last month came in very strong. Total collections for the year are $740,932.00, which is a record. Compared to 2019, that is a 16% increase in collections. The auditors will be out in a couple weeks. Staff expects an increase in the fund balance of a little over $55,000 for the operating fund. The unreserved balance of the capital project fund is $654,805.

Item No. 3 Science Center Update Mr. Hovanec said new staff is on board and staff is in process of hiring third full-time staff member and trying to hire part-time pool. Once all those people are trained, opening will become a reality. Looking to open next month just for groups, not to public and walk-ins, which will give staff time to train and help them ease into being open.

Ms. Fike said there were 120 applicants for the third full-time position; staff has narrowed it down to four who will have in-person interviews. Staff is looking for someone to complement the other two full-time workers. Ms. Fike emphasized the importance of training this third person to deal with the public effectively. Ms. Fike stated that Ashe Barker has been a wonderful addition and is very tech-savvy.

Mr. Hovanec stated that IT will be coming in next week to install point-of-sale systems and reiterated the importance of the slow open with groups, especially with the high volume of children who will be coming to the science center. Staff has learned a lot of lessons from the opening of the theater. Staff is in regular contact with Dr. Darden. As far as parking goes, there has been some movement on that, and staff is working with contractors. It won't be done soon, but it will be done. Hopefully the plane will be painted within the next three weeks. Scaffolding around the plane for painting will cost almost $18,000. Staff is looking into renting a lift instead.

Item No. 4 Science Center Budget Amendment for Resale Merchandise Mr. Hovanec said that last year the board approved a budget amendment for $35,000 for retail merchandise, and staff only spent $10-15,000 of it. Staff did not encumber the rest of that money, so whatever didn't get spent got put back into the budget. Now that money needs to be re-allocated ($20,000) and put it in a line item for resale merchandise. It should have been carried forward; it isn't costing TDA any money. Staff just wants to ensure that there is enough money this year for resale merchandise. The retail section is looking really good. Mr. Hovanec requested a motion to approve a budget amendment in the amount of $20,000 to come out of operational money. That does not have to go to City Council; it just needs TDA approval.

Ms. DeLuca made a motion to approve a budget amendment in the amount of $20,000 for resale merchandise. Ms. Day seconded the motion, which passed unanimously with the following votes:

AYES: Day, Bhakta, DeLuca, Kahle, and Rentschler

NAYS: None

Mr. Hovanec said that if the money isn't all spent, it will go back in the budget at the end of the year.

Item No. 5 Dowd Center Theatre Update Mr. Vesce stated that staff will be publishing on the website and social media explanations about the sporadic scheduling at the theater in the spirit of helping the public to understand programming decisions. There are 31 events scheduled beginning in September which include rentals and ticketed events. The Platters are coming in October; the Union County Playmakers will put on a production in December, and there are a couple youth-based organizations that are working in loose partnership with the theater. Staff continues to flesh out policies such as dealing with children and security and learns more with each event. September 10 will be a big movie rollout, and staff is working on film programming. Staff has also had productive meetings with local merchants. James Gregory will likely be back this spring by popular demand. The Dowd is still relatively unknown in the industry and is trying to remedy that; it is generally a 3 to 5-year process.

Mr. Hovanec reminded the group that in addition to focusing on artists and acts, staff is also considering the audience and trying to build a sophisticated base who knows they can expect a quality experience at the Dowd Center Theatre. Also, staff continues to work to refine the rental process in the frame of defining the purpose of the theater.

Chairman Holloway asked about the ticketing company.

Mr. Hovanec answered that they are very easy to work with and only has a 3% ticket surcharge.

Mr. Vesce confirmed that it has been a good partnership.

Item No. 6 Other Mr. Hovanec stated that the air show planning is underway and a big crowd is expected.

Chairman Holloway asked if any board members planned to go to the science center tour. Ms. Rentschler was the only one.

Ms. Kahle made a motion to adjourn. Ms. Rentschler seconded the motion, which passed unanimously with the following votes:

AYES: Day, Bhakta, DeLuca, Kahle, and Rentschler

NAYS: None

The meeting adjourned at 8:56 a.m.

Item No. 7 Tour of Science Center After the meeting, staff offered a tour of the Science Center. A quorum was not present.

ATTEST: ______________________________
Marion Holloway, Chairman

____
Alison H. Nichols

MTDA/8-11-22

CITY OF MONROE, NORTH CAROLINA
HOTEL OCCUPANCY TAX COLLECTIONS HISTORY

Collections

Month	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013
July	$ -	$24,556.89	$27,208.12	$29,286.12	$28,559.50	$32,087.46	$24,549.05	$27,790.74	$27,818.09	$29,545.33
August	-	25,022.32	30,345.70	30,787.10	30,115.11	32,033.40	25,786.36	28,032.25	29,928.88	29,019.70
September	-	23,650.32	25,663.34	27,638.59	26,326.66	30,674.71	24,355.49	25,216.46	29,075.25	34,306.54
October	23,898.98	25,473.20	27,055.75	28,562.74	31,670.44	30,657.74	26,223.58	28,169.20	27,991.73	30,332.49
November	22,494.05	21,146.42	22,983.34	25,543.85	28,526.48	24,889.11	21,999.34	24,475.06	27,316.22	23,851.33
December	16,840.00	18,153.54	19,603.53	22,332.76	23,850.96	22,574.32	17,584.24	19,915.52	21,837.96	20,589.31
January	20,665.34	20,582.21	22,515.21	23,357.77	28,635.44	23,883.63	19,615.02	21,103.77	23,391.38	24,429.80
February	21,943.99	21,854.75	22,916.93	26,649.30	32,343.36	23,992.82	26,678.68	22,835.19	27,762.95	26,817.63
March	23,020.95	27,654.43	28,608.28	31,187.99	35,210.37	27,000.53	24,336.17	28,069.68	31,538.28	32,723.61
April	23,655.79	24,442.11	25,763.12	28,374.34	34,877.90	29,873.15	25,712.31	26,000.83	27,103.36	31,967.58
May	24,877.18	29,180.42	30,325.62	31,500.43	34,667.79	30,725.91	27,459.38	27,747.78	29,612.56	30,685.57
June	22,969.04	26,509.85	28,506.59	30,525.80	34,605.93	27,755.05	28,609.00	29,627.13	28,256.66	30,805.02
Penalties/Interest	2,275.37	502.50		2,852.82	2,245.44		1,028.71		25.20	22.50
Total Collections	$202,640.69	$288,728.96	$311,495.53	$338,599.61	$371,635.38	$336,147.83	$293,937.33	$308,983.61	$331,658.52	$345,096.41
Distribution of Collections										
Administrative Fee	$30,396.11	$43,309.34	$46,724.33	$50,789.96	$55,745.30	$10,084.43	$8,818.12	$9,269.51	$9,949.76	$10,352.89
Operating (2/3)	$57,414.86	$81,806.54	$88,257.07	$95,936.54	$105,296.68	$108,687.80	$95,039.73	$99,904.70	$107,236.25	$111,581.17
Capital (1/3)	$114,829.72	$163,613.08	$176,514.13	$191,873.11	$210,593.38	$217,375.60	$190,079.48	$199,809.39	$214,472.51	$223,162.35
	$202,640.69	$288,728.96	$311,495.53	$338,599.61	$371,635.36	$336,147.83	$293,937.33	$308,983.60	$331,658.52	$345,096.41

Month	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	Total from Inception
July	$28,654.11	$43,035.55	$50,935.50	$57,757.87	$49,237.75	$52,555.67	$50,502.69	$36,361.82	$58,632.48	$77,203.59	
August	30,116.04	36,977.80	48,845.23	56,430.47	53,328.43	53,326.15	56,119.30	33,717.52	$57,897.52	$72,112.89	
September	26,188.56	36,170.00	43,971.63	52,501.28	49,280.40	57,322.54	54,601.79	36,333.99	$57,646.95	$0.00	
October	32,977.87	39,730.02	50,450.31	62,852.14	54,883.77	61,478.56	58,576.63	47,918.88	$60,324.82	$0.00	
November	28,593.65	36,201.55	44,935.28	53,718.49	52,159.03	52,344.58	44,677.93	33,689.77	$62,776.88	$0.00	
December	24,367.81	29,698.95	37,857.15	42,905.99	43,020.41	41,248.49	35,855.88	30,608.58	$55,627.44	$0.00	
January	28,568.49	33,174.57	47,446.36	49,314.76	44,917.89	45,790.70	37,998.34	34,555.26	$47,425.62	$0.00	
February	31,618.26	43,506.47	49,690.07	50,786.19	49,090.46	50,174.09	41,074.64	35,790.58	$55,074.93	$0.00	
March	35,351.64	45,588.42	54,238.06	58,370.59	58,151.91	55,628.08	44,213.52	49,982.86	$68,473.24	$0.00	
April	33,561.95	44,006.59	56,185.32	54,463.65	55,541.22	52,298.83	24,603.84	54,315.36	$72,023.49	$0.00	
May	33,436.34	46,174.97	55,415.35	59,183.07	56,465.45	58,606.08	30,748.09	57,003.16	$72,299.75	$0.00	
June	37,334.32	46,835.97	56,036.83	53,968.10	56,273.88	54,481.57	36,285.75	57,435.41	$72,729.08	$0.00	
Penalties/Interest	2.00	130.10	40.29								
Total Collections	$370,771.04	$481,230.96	$596,047.38	$652,252.60	$622,350.60	$635,255.34	$515,258.40	$507,713.19	$740,932.20	$149,316.48	
Distribution of Collections											
Administrative Fee	$11,123.13	$14,436.93	$17,881.42	$16,522.53	$16,415.73	$16,352.55	$15,152.58	$15,077.13	$17,409.32	$4,479.49	$420,290.57
Operating (2/3)	$119,882.64	$273,630.07	$385,443.97	$423,820.05	$403,956.58	$412,601.86	$333,403.88	$328,424.04	$482,348.59	$96,557.99	$4,211,231.01
Capital (1/3)	$239,765.27	$193,163.96	$192,721.99	$211,910.02	$201,978.29	$206,300.93	$166,701.94	$164,212.02	$241,174.29	$48,279.00	$3,768,530.45
	$370,771.04	$481,230.96	$596,047.38	$652,252.60	$622,350.60	$635,255.34	$515,258.40	$507,713.19	$740,932.20	$149,316.48	$8,400,052.03

Operating Fund Activity:

Fiscal Year	Total Revenue*	Operating Expense	Capital Fund Transfer Out	Increase/(Decrease) in Net Assets	Fund Balance	
2004	172,430	249	114,830	57,351	57,351	
2005	245,420	49,354	163,613	32,453	89,804	
2006	268,539	70,628	176,514	21,397	111,201	
2007	292,730	69,590	191,873	31,267	142,468	
2008	319,940	79,519	210,593	29,828	172,296	
2009	327,232	85,108	217,376	24,748	197,044	
2010	286,292	105,147	190,079	(8,934)	188,110	
2011	306,323	141,300	199,809	(34,786)	153,324	
2012	338,380	218,328	214,473	(94,421)	58,903	
2013	366,349	157,025	223,162	(13,839)	45,064	
2014	389,562	132,144	239,765	17,653	62,717	
2015	505,323	229,769	193,164	82,390	145,107	
2016	603,262	324,214	192,722	86,326	231,433	
2017	677,786	243,750	211,910	222,126	453,559	
2018	634,804	270,913	201,978	161,913	615,472	
2019	643,745	257,345	206,301	180,099	795,571	
2020	599,412	270,236	166,702	162,473	958,044	
2021	501,615	385,603	164,212	(48,200)	909,844	
2022	732,524	459,705	241,174	31,645	941,489	**preliminary balances until audit is final
Fund Balance as of June 30, 2022					$941,489	

* Includes total occupancy tax collection less adminstrative fee plus interest earnings and revenue for The Tinker Belle.

Capital Fund Activity:

Revenue			$3,768,530.45
Proceeds from 2018B Limited Obligation Bonds - Science Center			$3,651,935.65
Interest Earned Trustee Account for 2018B Limited Obligation Bonds			$80,836.31
Investment Earnings			110,382.55
Donations/Sponsorships			440,233.25
Grants			100,000.00
Expenses:			
Professional Fees for Civic Center			86,838
Monroe Park Master Plan and Site Assessment			23,058
Air Museum Advance Planning			19,240
Purchase "The Tinker Belle"			150,000
Capital Improvement to interior of "The Tinker Belle"			18,500
Storage Building			8,175
Tourism Study			7,500
Snow Machine			6,129
Tinker Belle Navigational Equipment			1,480
Center Theater Property			248,273
Tinker Belle Engine Purchase			80,046
Tinker Belle Tail Wheel			5,151
Purchase of Property Adjacent to Center Theater			260,497
Purchase of 318 E. Franklin Street Property			449,875
Capital Improvements to Science Center Building			3,848,582
Architectural/Engineering Services/Exhibits Consulting - Science Center			669,225
Fund Raising Services - Science Center			100,439
Capitalized Equipment/Exhibits - Science Center			499,227
Center Theater Expansion - Consulting Services			62,000
Branding Initiative/Website Design			33,830
2018B Limited Obligation Bonds - Issuance Costs - Science Center			84,256
2018B Limited Obligation Bonds - Debt Service & Annual Admin Fees			583,082
ERP Project			3,220
NC DNCR Grant Capital Equipment Expenses			32,982
Cash Balance of the Capital Project Fund as of September 30, 2022			$870,313.03
Portion of Cash Balance Currently Committed in Projects:			
Projects:			
Branding Initiative	$	-	
Monroe Science Center Building		26,239.70	
Center Theatre Expansion		-	
Science Center Exhibits		139,382.70	
	$	165,622.40	
Unreserved Cash Balance of the Capital Project Fund			$704,690.63

($0.00)

The Tinker Belle Operating Activity FY 2023	**Budget**	**FYTD Actual**
Revenue:		
Show Appearance Fees	20,000	$ -
Walk-Through/Merchandise Sales	10,000	-
Total	30,000	-
Expenses:		
Repair & Maintenance - Equipment	27,005	10,242
Travel	6,500	-
Fuel	20,000	-
Insurance	12,460	7,917
Contracted Services - Warriors & Warbirds	10,000	-
Merchandise for Resale	3,000	-
Marketing & Promotions	17,275	1,052
Printing	2,500	-
Total	98,740	19,211
Net Income (Loss)	(68,740)	(19,211)

Update and e-mail to Pete Hovanec, Mary Lou, Brian Borne, Lisa Strickland, Alison Nichols, Bethany H lawver

STAFF REPORT

TO: Tourism Development Authority

VIA: Marion Holloway, Chairman

DATE: October 13, 2022

FROM: Ashley Ivey, Accounting Manager

SUBJECT: Presentation of the Fiscal Year 2022 Audit Report

SUMMARY STATEMENT

The purpose of this report is to inform the Board that on October 13, 2022, Ms. Kamila Cleveland of Martin Starnes & Associates, CPAs, P.A. will present the audited financial statements for the Monroe Tourism Development Authority for the year ended June 30, 2022.

REVIEW

Ms. Cleveland will present the audited financial statements, highlighting the results of the annual audit performed on the Authority's financial records. A printed copy of the audited financial statements will be provided to you.

RECOMMENDATION

No action required. For information only.

STAFF REPORT

TO: Tourism Development Authority

VIA: Marion Holloway, Chairman

DATE: October 13, 2022

FROM: Lisa Strickland, Finance Officer

PREPARED BY: Lisa Strickland, Finance Officer

SUBJECT: Resolution Establishing Amount of Finance Officer Bond

SUMMARY STATEMENT

The Tourism Development Authority is requested to establish the amount of the Finance Officer Bond as required by North Carolina General Statutes §159-29(a).

REVIEW

North Carolina General Statutes §159-29(a) requires that the City's Finance Officer be required to be bonded in an amount to be fixed by the governing board. The amount of the bond fixed by the governing board may not be less than the greater of the following:

(1) Fifty thousand dollars ($50,000).
(2) An amount equal to ten percent (10%) of the unit's annually budgeted funds, up to one million dollars ($1,000,000).

The Tourism Development Authority's annual budget for all funds for fiscal year 2023 is $1,243,943. Based on this information, the minimum amount required for the Tourism Development Authority to set as the Finance Officer performance bond is $124,394. Based on this calculation, staff is recommending a performance bond in the amount of $150,000.

RECOMMENDATION

Staff requests that the Monroe Tourism Development Authority approve the attached Resolution R-2022-02 to establish the amount for the Finance Officer bond and authorize the City Manager to execute any required documents to obtain the required bond.

Attachment(s):
Resolution R-2022-02

RESOLUTION ESTABLISHING THE AMOUNT
OF PERFORMANCE BOND FOR FINANCE OFFICER
R-2022-02

WHEREAS, North Carolina General Statutes §159-29(a), Fidelity Bonds, requires that the Finance Officer obtain a performance bond in an amount to be fixed by the Governing Board; and

WHEREAS, the amount of the bond may not be less than the greater of the following:

(1) Fifty Thousand Dollars ($50,000).
(2) An amount equal to ten percent (10%) of the Authority's annually budgeted funds, up to one million dollars ($1,000,000); and

WHEREAS, the Tourism Development Authority, agrees that it should ensure that the Finance Officer should obtain a bond to meet the requirements of North Carolina General Statutes §159-29(a).

THEREFORE, BE IT RESOLVED THAT, the Tourism Development Authority, based on the Authority's budget of $1,243,943 for fiscal year 2023, establishes that the amount of the performance bond with sufficient sureties to be acquired be $150,000 for the Authority's Finance Officer.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized to execute any documents and agreements as necessary to obtain the performance bond for the Finance Officer.

Adopted this 13th day of October, 2022.

Attest:

____
Marion L. Holloway, Jr., Chairman

____
Alison Nichols, Clerk

City of Monroe
Where Heartland Meets High Tech

STAFF REPORT

TO:	Tourism Development Authority
VIA:	Marion Holloway, Chairman
DATE:	October 13, 2022
FROM:	Pete Hovanec, Communications and Tourism Director
SUBJECT:	Dowd Center Theatre Update

SUMMARY STATEMENT

The TDA will be presented an update on events for the Dowd Center Theatre.

REVIEW

The Dowd is in the process of hiring flexible part-time staff attendants as well as newly acquired permanent part-time front-of-house and technical assistant positions. These hires will allow the Dowd to finally provide consistent programming opportunities heading into Fall 2022 and include: debut of a bi-weekly movie schedule, continued private rentals, residency support for the Monroe Art Walk, Union Symphony, and other local arts organizations and ticketed events, and bookings in progress with performers Ruben Studdard, Noel Freidline, Molly Tuttle, The Platters, and more.

RECOMMENDATION

No action is needed at this time.

STAFF REPORT

TO: Tourism Development Authority

VIA: Marion Holloway, Chairman

DATE: October 13, 2022

FROM: Peter Hovanec, Communications and Tourism Director

SUBJECT: Science Center Update

SUMMARY STATEMENT

The TDA will be presented an update on staffing, exhibit updates and proposed opening plan.

REVIEW

Staff has on boarded our third full time staff member, Amy Byrum as Customer Service Rep. She has experience with guests and memberships at the Monroe Aquatics Center. The part time open position has closed and we are in the review and interview process with those 10 open positions. As part time staff starts, we will be able to schedule school field trips for them to have on the job training prior to opening to the public.

Staff is still completing last operational steps to be able to open. This includes writing SOP's (standard operating procedures) so that we can train staff and have a baseline of guidelines to abide by.

Staff will be participating in community events this fall to get out in the public to introduce ourselves to the public and answer questions about the science center. We will be providing educational programs at the Dowd Center theater prior to the Hocus Pocus showing on 10/22 as well as having a booth at this year's airshow.

RECOMMENDATION

No action is needed at this time.

Attachment(s):

City of Monroe
Where Heartland Meets High Tech

STAFF REPORT

TO: Tourism Development Authority

VIA: Marion Holloway, Chairman

DATE: October 13, 2022

FROM: Peter Hovanec, Communications and Tourism Director

SUBJECT: Air Show Update

SUMMARY STATEMENT

The TDA will be presented an update on Warbirds Over Monroe Air Show plans.

REVIEW

The annual Warbirds Over Monroe Air Show is scheduled to take place on November 12-13 at the Charlotte- Monroe Executive Airport. The air show serves as the largest event in Union County, drawing upwards of 50,000 people over the duration of the event, and the Monroe Tourism Development Authority is its largest sponsor. There will be more than 40 aircraft contracted to attend and perform as well as an expanded re-enactor area, kids' area and several static aircraft displays. Staff is contracting with television, radio, newspapers, billboards and social media to advertise the event.

RECOMMENDATION

No action is needed at this time.

Attachment(s):