

Memo

Date: June 18, 2020

RE: 2020/2021 Proposed Budget

Attached is a draft of the FY 2020-2021 Budget for your review. Below is an explanation of the corresponding line item variances as compared to FY 2019-2020 Budget. The FY20-21 Budget will be reassessed monthly by staff, quarterly by the Finance Committee and in December/January by the full board.

Revenues

City State 2% - The City of Beaufort has kept whole the funding for the DMO in their submitted budget.

County State 2% - Beaufort County is projecting a 50% decrease in funding for the DMOs out of the state accommodations tax. We receive this funding on a quarterly basis.

Grants - We anticipate a 15% decrease based on 19/20 grant allocations from City, County and SCPRT. This is based on reduced amount available for grant allotment. These funds have some

Marketing Sales - An decrease of 50% has been budgeted YoY.

Other Sales - Continue to switch out inventory. Local artist, Visit Beaufort #innercoastal merchandise.

Expenses

The following are brief explanations of significant variances between budgeted items for 2020/2021 compared to 2019/2020.

Personnel - Salary & Wages will see a 6% increase as Part Time staffing allocations have been increased to reflect our workload. Other line items in this category have been reallocated to other line items to properly reflect the actual expenditure.

Advertising -Advertising budget reflects the absence of two months of direct media placement. those funds are shown in our recovery advertising line item (CODE 70000).

Group Sales - We held the line in group sales. The trade shows reflect the largest expense but is where the majority of our leads and business executions take place.

Telephone/Internet/Utilities - Decrease in these lines are a result of the transition into separate accounts.

Contract Services - Line items more accurately reflect the changes in operational output resulting in a 23% decrease.

Recovery AD Spend - \$170,000 is to be spent into 100% direct media placement.