

WILLIAMSBURG TOURISM COUNCIL MEETING
Williamsburg, Virginia
February 16, 2024
Finance Meeting Minutes

A meeting convened at 10:00 a.m. on February 16, 2024, in the 2nd-floor conference room at 421 North Boundary Street.

Tourism Council Members Present:

TREASURER Doug Pons, Mayor, City of Williamsburg

Staff Members Present:

Julia Smyth-Young, Interim CEO

David Turner, Finance Director

Lorine Ottarson, Accountant

I. Call to order

- Doug Pons called the meeting to order
- January 9, 2024, finance meeting minutes were acknowledged

II. December 2023 Activity

December Activity

- December 2023 revenues were \$1.4M – over budget by \$28K
 - Sales tax receipts (58.1-603.2) totaled \$1.2M, over budget by \$36K
 - Transient tax receipts totaled \$135K, under budget by \$10K
 - Maintenance of Effort funds totaled \$0K, in line with budget
 - Other revenue was \$5K, over budget by \$2K
- December 2023 expenses were \$1.1M – under budget by \$100K
 - Destination Marketing expenses were \$852K, under budget by \$98K
 - Paid media is under budget by \$91K on lower marketing activity in broadcast media, partially offset by higher spending on digital media and social influencers
 - Sales activities were \$80K, under budget by \$24K
 - Savings in the Group (\$57K under budget) segment were the key contributors to the savings and were partially offset by higher than budgeted spending in the Sports (\$24K over budget) and International (\$11K over budget) segments
 - Total administrative expenses were \$183K, over budget by \$22K
 - Staffing costs were \$152K, \$19K over budget on the payment of year-end and executive bonuses
 - Other administrative expenses were \$30K, over budget by \$4K

Fiscal YTD Activity

- Fiscal 2024 revenues were \$8.7M – over budget by \$391K
 - Sales tax receipts (58.1-603.2) totaled \$7.7M, over budget by \$265K
 - Transient tax receipts totaled \$903K, over budget by \$83K
 - Maintenance of Effort funds totaled \$63K, in line with budget
 - Other revenue was \$63K, over budget by \$43K on interest received from the Virginia state treasurer

- Fiscal 2024 expenses were \$6.9M – under budget by \$762K
 - Destination Marketing expenses were \$5.8M, under budget by \$579K
 - Paid media expenses were \$3.8M, under budget by \$654K due to a shift this fall to increase digital media (\$424K over budget), influencers (\$105K over budget), and co-op marketing (\$101K over budget) with savings in broadcast media (\$1.2M under budget)
 - Agency expenses were \$1.3M, over budget by \$119K due to market personas research and photo shoot expenses
 - Production expenses were \$367K, over budget by \$88K due to an increase in spending to update marketing materials
 - Sales activities were \$257K, under budget by \$85K
 - The MICE segment is \$16K under budget on the timing of special client events and advertising activities
 - The Group segment is \$50K under budget due to the scheduling of tradeshow
 - The International segment is \$12K over budget on the increased cost of memberships
 - The Sports segment is under budget \$30K due to the timing of payments for sales events
 - Total administrative expenses were \$896K, under budget by \$99K
 - Staffing costs were \$736K, \$85K under budget due to the timing of hiring for open staff positions
 - Other administrative expenses were \$160K, under budget by \$14K

Cash on Hand Slide

- The Tourism Council has \$7.3 million in the bank for operations
 - Cash on Hand for Operations on December 31 is over budget by \$3.1M, with accounts payable liabilities of \$2.1M, leaving free Cash on Hand for Operations at \$5.2M

- A recommendation was made to move the \$750K deposited with Truist Bank to a 7-month Certificate of Deposit at Chesapeake Bank to increase

the interest earned on these funds. Mayor Doug Pons agreed with this recommendation and asked for confirmation on the decision by Ruth Larson, President WTC Board of Directors, before implementing the funds transfer and investment in the CD.

Tax Slides

Reminder: The tax slides have the month the actual activity took place, not when the payment was received. This month is November – a one-month lag to the financial reports.

- Sales Tax (58.1-603.2)
 - November sales tax increased by \$72K or 6.2% year-over-year
 - \$1.24M in 2023 versus \$1.17M in 2022
 - The three-month moving average increased by 4.1% versus the same period in 2022
 - YTD sales tax receipts are up 6.3% versus the same period in 2022
- Transient Tax
 - November transient tax decreased by \$22K or -16.4% year-over-year
 - \$110K in 2023 versus \$132K in 2022
 - The three-month moving average increased by 0.6% versus the same period in 2022
 - YTD tax receipts are up 0.7% versus the same period in 2022

III. Next Finance Meeting

- The next Finance meeting will be on March 7, 2024

IV. Adjournment

- Doug Pons adjourned the meeting