

WILLIAMSBURG TOURISM COUNCIL MEETING
Williamsburg, Virginia
June 28, 2024
Finance Meeting Minutes

A meeting convened at 11:00 a.m. on June 28, 2024, in the 2nd-floor conference area at 421 N. Boundary Street.

Tourism Council Members Present:

TREASURER Doug Pons, Mayor, City of Williamsburg

Staff Members Present:

Edward Harris, CEO
Julia Smyth-Young, Director of Sales
David Turner, Finance Director
Lorine Ottarson, Accountant
Josue Ayala, Executive Assistant

I. Call to order

- Doug Pons called the meeting to order
- June 11, 2024, finance meeting minutes were acknowledged

II. May 2024 Activity

May Activity

- May 2024 revenues were \$1.3M – over budget by \$147K
 - Sales tax receipts (58.1-603.2) totaled \$1.2M, over budget by \$84K
 - Transient tax receipts totaled \$112K, over budget by \$35K
 - Maintenance of Effort funds totaled \$0K, in line with budget
 - Other revenue was \$31K, over budget by \$28K
- May 2024 expenses were \$1.7M – over budget by \$182K
 - Destination Marketing expenses were \$1.4M, over budget by \$182K
 - Paid media is over budget by \$189K due to the timing of payments versus the budget for broadcast and digital media
 - Sales activities were \$139K, over budget by \$73K
 - Savings from previous periods are now being expensed. MICE was \$66K over budget on memberships and sponsorships; International was \$25K under budget on the timing of tradeshow expenses; and Sports was \$33K over budget on cooperative marketing efforts
 - Total administrative expenses were \$132K, under budget by \$92K
 - Staffing costs were \$115K, \$72K under budget on open staff positions
 - Other administrative expenses were \$32K, under budget by \$2K

Fiscal YTD Activity

- Fiscal 2024 revenues were \$15.3M – over budget by \$691K
 - Sales tax receipts (58.1-603.2) totaled \$13.5M, over budget by \$506K
 - Transient tax receipts totaled \$1.5M, over budget by \$60K
 - Maintenance of Effort funds totaled \$127K, in line with the budget
 - Other revenue was \$162K, over budget by \$125K on interest received from the Virginia state treasurer and higher rates paid on deposits

- Fiscal 2024 expenses were \$15.0M, under budget by \$1.3M
 - Destination Marketing expenses were \$12.8M, under budget by \$829K
 - Paid media expenses were \$9.7M, under budget by \$752K due to a strategy shift to increase digital media (\$538K over budget) and co-op marketing (\$244K over budget) with savings in broadcast media (\$1.7M under budget) – Savings in Paid Media will be spent during the Spring/Summer advertising program
 - Production expenses were \$254K, under budget by \$45K
 - Public Relations expenses were \$210K, under budget by \$18K on the timing of expenses for an event in Washington, DC, in June
 - Sales activities were \$540K, under budget by \$52K
 - The current savings are anticipated to be used before the end of the fiscal year
 - The MICE segment is \$16K over budget on the timing of special client events and advertising activities
 - The Group segment is \$41K under budget due to savings on tradeshow expenses partially offset by spending on special events
 - The International segment is \$11K under budget on the timing of expenses for tradeshows, partially offset by the increased cost of memberships
 - The Sports segment is under budget by \$16K due to the timing of cooperative marketing events
 - Total administrative expenses were \$1.6M, under budget by \$402K
 - Staffing costs were \$1.3M, \$313K under budget due to open staff positions
 - Other administrative expenses were \$341K, under budget by \$89K on the change in plan to relocate the office (\$100K under budget), partially offset by higher employee recruiting costs

Cash on Hand Slide

- The Tourism Council has \$6.3 million in the bank for operations
 - Cash on Hand for Operations on May 31 is over budget by \$4.5M, with accounts payable liabilities of \$2.6M, leaving free Cash on Hand for Operations at \$3.7M

Tax Slides

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

- Sales Tax (58.1-603.2)
 - April sales tax decreased by \$35K or -2.7% year-over-year
 - \$1.25M in 2024 versus \$1.29M in 2023
 - The three-month moving average increased by \$2K or 0.1% versus the same period in 2023
 - YTD sales tax receipts are down \$107K or -2.4% versus the same period in 2023

- Transient Tax
 - April transient tax increased by \$30K or 19.8% year-over-year
 - \$184K in 2024 versus \$153K in 2023
 - The three-month moving average increased by \$61K or 18.1% versus the same period in 2023
 - YTD tax receipts are up \$73K or 16.4% versus the same period in 2023

III. Next Finance Meeting

- The next Finance meeting will be on August 13, 2024

IV. Adjournment

- Doug Pons adjourned the meeting