

ATTACHMENT A
WILLIAMSBURG TOURISM COUNCIL MEETING
Williamsburg, Virginia
May 16, 2023
Meeting Minutes

A meeting of the Williamsburg Tourism Council (WTC) was convened at 1 p.m. on May 16, 2023. The meeting was held at Williamsburg Winery, Wessex Hall. A quorum was present.

Tourism Council Members Present:

CHAIR	Ruth Larson, James City County Board of Supervisors
Vice Chair	Cliff Fleet, Colonial Williamsburg Foundation
TREASURER	Doug Pons, Mayor, City of Williamsburg
	Neal Chalkley, Williamsburg Hotel and Motel Association
	Mickey Chohany, Williamsburg Area Restaurant Association
	Christy Coleman, Executive Director, Jamestown/Yorktown Foundation
	Chad Green, York County Board of Supervisors
	Kevin Lembke, President, Busch Gardens/Water Country USA
	Denise Kellogg, Jamestown Rediscovery Foundation
	Rita McClenny, Virginia Tourism Corporation, Ex Officio
	Mike Rock, Chair, Greater Williamsburg Chamber of Commerce, Ex Officio

Staff Members Present:

Victoria Cimino, CEO

Josue Ayala, Executive Assistant

Rob Larson, Sports/Group Sales Manager

Jennifer McConnell, Sales and Service Coordinator

Lori Ottarson, Accountant

Daniela Owen, Familiarization Tour Coordinator

Julia Smyth-Young, Sales Director

David Turner, Finance Director

Sandra Vazquez, Talent and Culture Manager

I. Call to Order

- Ruth Larson called the meeting to order at 1 p.m.
- Larson noted that Christy Coleman was joining virtually due to personal reasons, in particular, a scheduling conflict
 - Remote participation was unanimously approved

II. Public Comment

- No public comments were presented

III. American Bus Association (ABA) Briefing – Peter Pantuso

- Victoria Cimino introduced Peter Pantuso, ABA's president and chief executive officer, noting the organization is the leading motorcoach, tour, and travel association, representing 3,800 members and 65% of all motorcoaches on the road
- Pantuso provided an overview of ABA
 - Based in Washington, D.C.
 - Established in 1926
 - Areas of focus: government affairs, communications, meetings, education, training, etc.
- Motorcoach comparison throughout the pandemic
 - 2020 was down 85%
 - 2021 was down 60%
 - 2022 was down 30%
 - 2023 is down 20%
 - The industry today feels "normal," but will not be fully recovered until 2024
- Industry Outlook
 - 2023 spring demand is very strong
 - More demand than in 2020, 2021, and 2022, but less than in 2019
 - Supply is down; 30% of motorcoach and tour companies are gone
 - Costs for fuel, insurance, parts, vehicles, and drivers are up
 - Rates are up, impacting travel choices
- Economy and Travel
 - People are traveling in record numbers in 2023 with the highest rate of travel since 2019 (domestic and inbound)
 - U.S. travel is strong with changed vaccine policies
- Trends
 - Niche markets
 - Shorter trips lead to longer ones
 - A La Carte – future of industry with personalized travel packages
- New Industry
 - Customer expectations are high
 - Suppliers must provide safe and clean transportation
 - Shifts in popular destinations, veering away from tier one; moving towards beaches, mountains, national parks, small towns, and historical sites
- Events
 - ABA 2024 Marketplace – January 13 – 16 in Nashville, Tennessee
 - Registration opens June 7
- Questions
 - Chad Green inquired about workforce and how best to address those needs; Pantuso responded that insurance and drug testing are major barriers; he also noted that wages have increased and now include signing bonuses

IV. **Virginia Tourism Corporation (VTC) Briefing – Rita McClenny, President and CEO**

- McClenny announced that the VTC is engaged in its agency of record review
 - 15 submissions for creative
 - 14 submissions for paid media
- ARPA funds delivered on the promise, created \$1.8 Billion in incremental spending

V. **Roundtable Discussion**

- Larson introduced the roundtable discussion
 - Mike Rock had no comment
 - Chad Green announced that there are two new tall ships on Yorktown's waterfront
 - Neal Chalkley shared that hotels are busy; rate is softening, but expecting a good and busy summer
 - Cliff Fleet stated that Colonial Williamsburg is working to build an official bus arrival area; the sports complex lease will be executed imminently; receiving terrific media coverage ahead of Virginia 250
 - Larson shared that James City County approved the master plan updates for three of the county's parks
 - Doug Pons announced that the City of Williamsburg's budget was approved; the budget includes funds for special events
 - Denise Kellogg shared that Jamestown Rediscovery is working with the federal government to protect against flooding and preserve Jamestown's archaeological sites
 - Working with leadership at the National Park Service to renegotiate agreements
 - Larson noted a \$15 fee to utilize pull-offs along the Parkway
 - Christy Coleman shared that Jamestown-Yorktown Foundation had a strong spring, short only 2,000 visitors from JYF's original budget
 - Kevin Lembke shared that Busch Gardens' spring season is starting strong
 - New attraction, DarKoaster, opens on Friday, May 19
 - Water Country is now open
 - Mickey Chohany stated that restaurant sales are up; labor continues to be a challenge; expressed concern around the destination's ability to service groups

VI. **Minutes**

- Larson requested a motion to approve the March 21, 2023, meeting minutes
- Fleet motioned
- Pons provided a second
- Minutes were unanimously approved

VII. **Chair Report**

- Larson announced it will be Rock's last meeting with the Williamsburg Tourism Council
- Rock's replacement has not yet been announced

VIII. Treasurer's Report

- Pons shared financial statements through March 31, 2023
 - Total March 2023 revenues were \$1.1M - over budget by \$52K
 - Sales tax receipts totaled \$938K, over budget by \$42K
 - Transient tax receipts totaled \$106K, over budget by \$11K
 - Maintenance of Effort Funds totaled \$25K, under budget by \$13K
 - Other receipts totaled \$8K, over budget by \$5K
 - Expenses were \$2.1M - over budget by \$137K for January
 - Destination Marketing expenses were \$1.9M, over budget by \$172K
 - Sales activities were \$26K, under budget by \$20K
 - Labor and benefits expenses were \$106K, under budget by \$35K
 - Administrative expenses were \$45K, under budget by \$20K
 - 2023 Fiscal YTD revenues were \$12.7M, over budget by \$288K
 - YTD sales tax receipts (58.1-603.2) totaled \$11M, over budget by \$7K
 - YTD transient tax receipts totaled \$1.2M, under budget by \$23K
 - YTD Maintenance of Effort (MOE) totaled \$102K, over budget by \$1K
 - YTD ARPA Grant totaled \$255K, over budget by \$255K
 - Other revenue was \$73K, over budget by \$48K
 - 2023 Fiscal YTD expenses were \$16.9M, over budget by \$5.5M
 - Destination Marketing expenses were \$10.3M, under budget by \$840K
 - Other sales and marketing expenses totaled \$359K, under budget by \$101K
 - Historic Triangle Recreational Facilities Authority (HTRFA) Product Development costs were \$5.2M, over budget by \$5.2M
 - Labor and benefit costs were \$762K, under budget by \$404K
 - Administrative expenses were \$295K, under budget by \$23K
- Cash on Hand
 - The Tourism Council has \$8.5M for operations, over budget by \$616K
- Sales tax revenue
 - February increased \$115K or 12.8% year-over-year
 - 3-month moving average increased 8.3% vs 2021 and 2022
 - YTD sales tax receipts increased 11.4% vs the same period in 2022
- Transient tax revenue
 - February decreased \$10K or 9.9% year-over-year
 - \$88K in 2023 versus \$98K in 2022
 - The 3-month moving average decreased by 4.6% versus the same period in 2021/2022
 - Year-to-date tax receipts are up 1.4% versus the same period in 2022

IX. Budget, presented by Victoria Cimino

- Cash position
 - Cash availability is forecast to be \$5M at the start of FY24
 - The bulk of these dollars are in the Tourism Council's operating account with Chesapeake Bank, earning 1% interest
- FY23 Budget Amendment
 - Revenue
 - ARPA funds received (\$250K), but not budgeted
 - The three municipalities provided \$205K to open the Boston market

- VTC awarded \$45K to support two sports programs
 - Expenses
 - To account for ARPA revenue, amend the ad agency line item by \$205K, as well as the sales business development line item by \$45K
 - In addition, the budget must account for the distribution of \$5.2M in product development funds to the Historic Triangle Recreational Facility Authority
- Rock asked if the Tourism Council had considered banking with additional financial institutions; Cimino responded that the organization is content with the viability of its current financial institutions
- Vote to approve FY23 Budget Amendment
 - Pons motioned to approve
 - Fleet provided a second
 - The amendment was unanimously approved
- FY24 Budget Recommendation
 - Revenue
 - Budgeted to be \$15.9M, in line with FY23 actuals and with the Virginia Department of Taxation's forecast
 - Sales tax revenue is budgeted at \$14.2M
 - Transient tax revenue is budgeted at \$1.5M
 - Maintenance of effort dollars contributed by the localities totaled \$127K, in-line with statute
 - Expenses
 - Budgeted to be \$17.8M vs. \$17.5M in FY23, increasing by 1.7%
 - Destination Marketing is budgeted at \$14.5M
 - Public relations is budgeted at \$250K
 - Research is budgeted at \$220K, increased by \$20K to allow for special projects
 - Sales activities are budgeted at \$650K, increasing by \$100K
 - Trade shows will continue as in FY23
 - Larger client events at ABA and Student Youth Tourism Association (SYTA)
 - Adds Smart Market meetings and regional sports conferences
 - Adds increased client FAM trips and sales calls
 - Administrative overhead is budgeted to be \$2.2M, increasing by \$480K
 - Filling three positions
 - Two marketing positions
 - One sales position
 - Administrative services are budgeted at \$341K, increasing by \$82K, accounting for increased staff and inflation
 - Total spending is projected to exceed revenues by \$1.97M in FY24; the Tourism Council proposed to utilize cash reserves to fund operations
 - Vote to approve FY24 Budget Recommendation
 - Pons motioned to approve
 - Fleet provided a second
 - The FY24 budget was unanimously approved

X. Executive Director and CEO report

- Key Performance Indicators (KPI)
 - STR Report data
 - March 2023
 - Occupancy totaled 51.2%, exceeding 2022 (45.6%) and 2019 (44%)
 - Average Daily Rate (ADR) totaled \$131.48, exceeding 2019 (\$110.69)
 - RevPAR totaled \$67.34, exceeding 2022 (\$60.20) and 2019 (\$48.69)
 - Total hotel revenue was \$13.7M, exceeding 2022 (\$12.3M) and 2019 (\$10.2 M)
 - Rooms sold totaled 104,000, exceeding 2022 (93.1K) and 2019 (92.3K)
 - 2023 Q1 Comparison to 2019
 - Occupancy totaled 39.4%, up 7.4% over 2019 levels
 - ADR (\$126.55) increased 15.1% when compared to YTD 2019 (\$109.98)
 - RevPAR (\$49.81) increased 41.8% when compared to 2019 (\$35.13)
 - April's Estimated Hotel Performance
 - Occupancy estimated to be at 61% compared to 2019 at 60% and 2022 at 59%
 - ADR is estimated at \$160.56 compared to 2019 at \$135.21 and 2022 at \$162.73
 - RevPAR is estimated at \$97.86 compared to 2019 at \$81.10 and 2022 at \$96.41
 - Top Origin Markets (January – April)
 - New York ranks at #3
 - Boston ranks at #9
 - Visitor-to-Resident Ratio
 - As expected, our attractions start to see a higher visitor ratio throughout the Spring
 - Data source: Cell phone data (194K sample size)
 - Average Visitor Daily Spend Per Month
 - April and July are ranked the highest
 - Data is collected based on on-site swipes with a 99K sample size card-holders
 - Visitor Demographic: Household Income (HHI)
 - In April, nearly 60% of visitors had a HHI of \$100k+, which confirms Visit Williamsburg is targeting the correct demographic
 - Marketing
 - Media Strategy: 2023 optimization will provide greater emphasis on key KPI's of bookings and site traffic
 - Market Evolution: Committed to greater visibility in broadcast, integrating digitally in a new test market (Atlanta)
 - Endemic Lean In: Increasing lower-funnel booking support by working with new travel endemic partners
 - KPI Refinement: Directing more site traffic to visitwilliamsburg.com versus partner sites
 - Cookieless Expansion: Working with digital partners (Adara and Sojern) to ensure continued personalization and targeted insights
 - Using new identifiers to include email and IP addresses or device IDs
 - Seasonal Visitation Trends
 - 56% of our visitors come during spring and summer, aligning with our flight strategy

- Flighting Strategy
 - Visit Williamsburg went live on January 2
 - 55% of advertising takes place from January through April to ensure a strong spring break and summer season
- Market Strategy
 - Launched in 23 markets in January
 - New this year: Atlanta (digital only)
- Audience
 - Millennial and Gen-X couples and families, as well as Active Mature couples
 - Working with partners to determine new “identifiers” as cookies are phased out
- YTD Out of Home (OOH)
 - Street-level, transit, and wallscape placements in the following cities:
 - New York City
 - Boston
 - Washington, D.C.
 - Baltimore
 - Philadelphia
 - Cleveland
- YTD (Q1): Digital Advertising Performance
 - 45% increase in site sessions from paid digital channels
 - 10% increase in online hotel bookings
- January – April: Website Performance
 - Site sessions increased 192% over 2019
 - Site users increased by 200% over 2019
- January – April: Emerging Markets – Site Traffic Growth
 - Showing strong gains from New York, Boston, Cleveland, Columbus, and Atlanta
- March/April Familiarization Tours (FAM)
 - Victoria Leandra (Amtrak partnership)
 - Jim Byers (writer)
 - Kay Akpan (influencer)
 - Jermaine Fowler (author, podcaster)
 - Renee Jordan (influencer)
 - Helene Sula (influencer)
 - International media
 - Partnered with Travel South, in conjunction with Virginia Travel Corporation
- Public Relations
 - March/April Earned Media
 - 522M impressions; 14 placements
 - “The 50 Best Small Towns in the South 2023” *Southern Living*
 - “Best Historic Small Towns” *USA Today*
 - “16 Summer Vacation Ideas for an Unforgettable Family Experience” *Good Housekeeping*
 - On April 19, Visit Williamsburg brought the region to NYC for its inaugural media event
 - VW chose the region’s golf offering as the theme, declaring it as the best golf destination on the East Coast
 - Travel editors and journalists from 40+ outlets attended and were surprised by the offering within a close proximity

- Six attendees have already confirmed a media visit
- March/April: Awards and Accolades
 - Ranked #13 in Best Small Towns to Visit in the USA by U.S. News
 - Ranked #42 in 50 Best Small Towns
 - Williamsburg ranked #7 and Yorktown ranked #8 in Best Historic Small Town
 - Won the Virginia Destination Marketing Organization Award for an ad campaign valued at more than \$1M
 - Four Public Relations Society of America (PRSA) Awards
 - Paid Social Media
 - Influencer Marketing
 - Digital Newsletter
 - Blog
- Sales Performance (March/April)
 - Shows and Events
 - African American Travel Conference (April 3-5)
 - Connect Spring Marketplace (DEI/Sports) (April 11-13)
 - Southeast Travel Society (STS) Domestic Showcase (April 17-20)
 - Smart Meetings National (April 23-25)
 - Virginia Society of Association Executives (VSAE) Annual (May 7-9)
 - Site Visits and Sales Calls
 - Viajes A Plus (March 28)
 - Education First (March 30)
 - Firecracker (March 30)
 - Triple Crown (April 13)
 - North Carolina Healthcare Association (May 8-9)
 - New Business Leads
 - Throughout March and April, the DMO issued 21 new business leads, representing a potential 10,352 room nights
 - Definite Bookings
 - Visit Williamsburg confirmed 47 definite bookings, an all-time high
 - These bookings translate into 3,244 room nights
 - Upcoming tradeshow and events
 - U. S. Travel Association's IPW (May 20-24)
 - Society of Government Meeting Professionals (June 6-8)
 - Pennsylvania Bus Association Annual Conference (June 18-21)
- New Staff
 - Cimino introduced Visit Williamsburg's Talent and Culture Manager, Sandra Vazquez
- Coraggio Group
 - Cimino thanked board members for participating in stakeholder interviews, which were incorporated into strategic planning
 - Staff retreat focused on developing vision, mission, and values, as well as Clifton Strengths assessments

XI. Old Business

- None

XII. **New Business**

- None

XIII. **Adjournment**

- Meeting adjourned
- The next meeting will take place on July 18, 2023