

WILLIAMSBURG TOURISM COUNCIL MEETING
Williamsburg, Virginia
April 12, 2024
Finance Meeting Minutes

A meeting convened at 11:00 a.m. on April 12, 2024, in the 1st-floor conference room at 421 N. 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
- March 7, 2024, finance meeting minutes were acknowledged

II. February 2024 Activity

February Activity

- February 2024 revenues were \$1.6M – under budget by \$34K
 - Sales tax receipts (58.1-603.2) totaled \$1.5M, under budget by \$77K
 - Transient tax receipts totaled \$111K, over budget by \$13K
 - Maintenance of Effort funds totaled \$0K, in line with budget
 - Other revenue was \$33K, over budget by \$29K
- February 2024 expenses were \$1.4M – under budget by \$363K
 - Destination Marketing expenses were \$1.2M, under budget by \$318K
 - Paid media is under budget by \$308K due to the timing of invoices for broadcast media (Digital \$181K under budget and Television \$65K under budget)
 - Social Influencer spending is \$50K under budget due to a strategy shift
 - Sales activities were \$21K, under budget by \$16K
 - Savings in the MICE (\$17K under budget), International (\$4K under budget), and Sports (\$4K under budget) were from the timing of sales activities and advertising expense savings were partially offset by higher than budgeted spending in the Group segment (\$9K over budget)
 - Total administrative expenses were \$134K, under budget by \$29K
 - Staffing costs were \$95K, \$40K under budget on open positions
 - Other administrative expenses were \$39K, over budget by \$11K on corporate association/membership expenses

Fiscal YTD Activity

- Fiscal 2024 revenues were \$11.7M – over budget by \$330K
 - Sales tax receipts (58.1-603.2) totaled \$10.4M, over budget by \$251K
 - Transient tax receipts totaled \$1.1M, in line with budget
 - Maintenance of Effort funds totaled \$102K, in line with budget
 - Other revenue was \$106K, over budget by \$79K on interest received from the Virginia state treasurer

- Fiscal 2024 expenses were \$9.6M, under budget by \$1.4M
 - Destination Marketing expenses were \$8.0M, under budget by \$1.2M
 - Paid media expenses were \$5.7M, under budget by \$1.1M due to a shift this fall to increase digital media (\$226K over budget), influencers (\$19K over budget), and co-op marketing (\$73K over budget) with savings in broadcast media (\$1.3M under budget) and Social Media Ads (\$88K under budget) – Savings in Paid Media will be spent during the Spring/Summer advertising program
 - Agency expenses were \$1.7M, over budget by \$129K due to market personas research and photo shoot expenses
 - Production expenses were \$237K, under budget by \$59K – additional expenses are anticipated in the coming months for color corrections from the photoshoot
 - Sales activities were \$312K, under budget by \$143K with the current savings anticipated to be used before the end of the fiscal year
 - The MICE segment is \$63K under budget on the timing of special client events and advertising activities
 - The Group segment is \$39K under budget due to tradeshow timing and staffing constraints
 - The International segment is \$8K over budget on the increased cost of memberships
 - The Sports segment is under budget by \$49K due to the timing of sales events and cooperative marketing events
 - Total administrative expenses were \$1.2M, under budget by \$132K
 - Staffing costs were \$943K, \$160K under budget due to open staff positions
 - Other administrative expenses were \$263K, over budget by \$29K on the expenses associated with the CEO search and staff recruitment activities

Cash on Hand Slide

- The Tourism Council has \$7.7 million in the bank for operations
 - Cash on Hand for Operations on February 29 is over budget by \$3.9M, with accounts payable liabilities of \$2.0M, leaving free Cash on Hand for Operations at \$5.7M

Tax Slides

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

- Sales Tax (58.1-603.2)
 - January sales tax increased by \$8K or 0.9% year-over-year
 - \$946K in 2024 versus \$938K in 2023
 - The three-month moving average increased by \$16K or 0.4% versus the same period in 2022/2023
 - YTD sales tax receipts are up \$8K or 0.9% versus the same period in 2023

- Transient Tax
 - January transient tax increased by \$12K or 11.2% year-over-year
 - \$117K in 2024 versus \$106K in 2023
 - The three-month moving average increased by \$3K or 0.9% versus the same period in 2022/2023
 - YTD tax receipts are up \$12K or 11.2% versus the same period in 2023

- III. **Certificate of Deposit Update**
 - The funds on deposit at Truist Bank were transferred to Chesapeake Bank. A 7-month certificate of deposit has been established at Chesapeake with \$750K invested at 4.89%.

- IV. **Next Finance Meeting**
 - The next Finance meeting will be on May 10, 2024

- V. **Adjournment**
 - Doug Pons adjourned the meeting