



Buffalo Niagara Convention & Visitors Bureau, Inc.

FINANCIAL STATEMENTS

MARCH 31, 2023 AND 2022

UNAUDITED

*For Presentation at the Board of Directors Meeting on Wednesday
May 10, 2023*

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.

FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022

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Buffalo Niagara Convention & Visitors Bureau, Inc.
Summary Review Memorandum
For the three Months ended March 31, 2023

Balance Sheets:

- **Accounts Receivable – Erie County**, represents the balance of the 2023 Erie County Grant appropriated to VBN for 2023. The first of two \$ 1,926,029 installments were received during March of this year.
- **SBA-EIDL Loan** – In 2020, VBN applied for and received a \$ 150,000 SBA Economic Injury Disaster Loan accompanied by a \$ 10,000 grant. Repayment of the loan is over 30 years at 2.75% interest. VBN commenced making payments on the loan in June of 2021 in the amount of \$ 641.00 per month. There is no penalty for early repayment.

Statements of Activities:

For the three months ended March 31, 2023, the Bureau, has realized a decrease in net assets of \$ 37,969, approximately \$ 47,000 behind the budgeted pace through March of 2023. Most of the impact being reported is timing related, however some additional revenues from the Erie County Theatre grant were recognized along with grant revenues from a \$ 200,000 multi-year NYS CFA grant received by VBN for 2023 and 2024 expenses related to this program contributed to the overall decrease in net assets. Below is synopsis of the relevant activities.

Revenues:

Through March, revenues were ahead of budget by about \$ 32,000. The majority of the variance is due to grant revenue recognized for the Erie County Theatre program and grant revenues for VBN's Music program funded in part through a grant from NYS.

Expenditures:

Through March, expenditures are approximately \$ 79,000 ahead of the budgeted pace. Most of the variance is timing related below are some of the more significant variances:

- **Personnel Costs** – Variance is resulting from timing as it pertains to the recording of the VBN's vacation accrual as of March 31, 2023.
- **Professional Fees** – Variance related to costs associated with VBN's Music Program.
- **Film/Video** – Costs associated with the production of a Theatre promotional Video account for the variance.

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.
BALANCE SHEET
MARCH 31, 2023 AND 2022

UNAUDITED

	2023	2022
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 2,851,842	\$ 3,577,942
Accounts Receivable - Erie County	1,926,029	1,869,930
Accounts Receivable - Trade	12,253	(9,230)
Grants Receivable	80,000	75,000
Prepaid expenses and supplies	187,542	131,006
	Total current assets	5,644,648
Property and equipment, net	47,638	40,409
	Total assets	\$ 5,685,057

LIABILITIES AND NET ASSETS

Current liabilities:		
Short-term borrowings	\$ -	\$ -
Accounts payable and accrued expenses	163,835	172,290
Accounts payable - Foundation	16,837	12,869
Deferred revenue - Other	25,000	125,315
Deferred revenue - Erie County Grant	2,918,235	2,804,896
SBA - EIDL Loan	142,997	147,000
	Total current liabilities	3,262,370
Net assets	1,838,400	2,422,687
	Total liabilities and net assets	\$ 5,685,057

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.
STATEMENT OF ACTIVITIES
FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022

	Actual 3 Month(s) 03/31/23	Budgeted 3 Month(s) 03/31/23	\$ Variance Over (Under)	% Variance Over (Under)	Annual Budget 2023	Actual 3 Month(s) 03/31/22
REVENUES	<u>\$ 1,198,065</u>	<u>\$ 1,165,891</u>	<u>\$ 32,174</u>	<u>2.76%</u>	<u>\$ 4,191,536</u>	<u>\$ 1,104,197</u>
MARKETING DEPARTMENT EXPENSES	\$ 467,720	\$ 432,776	\$ 34,944	8.07%	\$ 1,571,090	\$ 381,529
SALES & SERVICES DEPARTMENT EXPENSES	434,344	412,371	21,973	5.33%	1,796,905	348,474
DESTINATION DEVELOPMENT	71,980	78,641	(6,661)	-8.47%	292,780	68,221
ADMINISTRATIVE & FINANCE EXPENSES	261,990	232,898	29,092	12.49%	930,761	210,659
TOTAL EXPENSES	<u>\$ 1,236,034</u>	<u>\$ 1,156,686</u>	<u>\$ 79,348</u>	<u>6.86%</u>	<u>\$ 4,591,536</u>	<u>\$ 1,008,883</u>
INCREASE (DECREASE) IN NET ASSETS	\$ (37,969)	\$ 9,205	\$ (47,174)		\$ (400,000)	\$ 95,314
NET ASSETS - BEGINNING	1,876,369	1,876,369	-		1,876,369	2,327,373
NET ASSETS - ENDING	<u>\$ 1,838,400</u>	<u>\$ 1,885,574</u>	<u>\$ (47,174)</u>	<u>-2.50%</u>	<u>\$ 1,476,369</u>	<u>\$ 2,422,687</u>

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.

TOTAL REVENUES

FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022

	Actual 3 Month(s) 03/31/23	Budgeted 3 Month(s) 03/31/23	\$ Variance Over (Under)	% Variance Over (Under)	Annual Budget 2023	Actual 3 Month(s) 03/31/22
Erie County Grant	\$ 963,015	\$ 963,015	\$ -	0.00%	\$ 3,852,057	\$ 934,965
BNCC Management Fee Allocation	-	-	-	-	-	-
Erie County - Theatre/ARP Act Grant	11,000	-	11,000	-	-	-
Advertising Sales	151,340	150,000	1,340	0.89%	150,000	112,718
Assessments - Convention	-	-	-	-	15,000	-
NYS Matching Funds Program	47,532	47,000	532	1.13%	47,000	48,897
Joint/Co-Op - Marketing	2,000	-	2,000	-	7,500	6,069
Joint/Co-Op - Sales	2,930	5,000	(2,070)	-41.40%	35,000	850
Joint/Co-Op - Destination Development	100	-	100	-	5,000	-
Grant Revenues	20,000	-	20,000	-	75,000	272
Interest Income	82	126	(44)	-34.92%	500	148
Miscellaneous Income	66	750	(684)	-91.20%	4,479	278
Merchandising Revenues - Conventions	-	-	-	-	-	-
Total Revenues	\$ 1,198,065	\$ 1,165,891	\$ 32,174	2.76%	\$ 4,191,536	\$ 1,104,197

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.

TOTAL EXPENSES

FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022

	Actual 3 Month(s) 03/31/23	Budgeted 3 Month(s) 03/31/23	\$ Variance Over (Under)	% Variance Over (Under)	Annual Budget 2023	Actual 3 Month(s) 03/31/22
<u>Personnel Costs:</u>						
Salaries	\$ 482,329	\$ 456,185	\$ 26,144	5.73%	\$ 1,833,729	\$ 415,881
Payroll Taxes & Fringe Benefits	87,655	87,865	(210)	-0.24%	353,291	78,011
Training	10,615	10,300	315	3.06%	45,500	4,866
Total Personnel Costs	\$ 580,599	\$ 554,350	\$ 26,249	8.55%	\$ 2,232,520	\$ 498,758
<u>Sales & Marketing Expenditures:</u>						
Advertising	\$ 92,807	\$ 89,770	\$ 3,037	3.38%	\$ 605,000	\$ 98,281
Convention Commitments	44,500	45,500	(1,000)	-2.20%	150,000	28,100
Visitor Guide	150,762	152,500	(1,738)	-1.14%	160,000	97,746
Tradeshows	38,203	34,345	3,858	11.23%	148,000	30,590
Printing	100	250	(150)	-60.00%	29,500	750
Postage	1,071	721	350	48.54%	3,001	692
Sales Bids & Promotions	34,327	31,800	2,527	7.95%	130,000	20,183
Convention Sales & Services	3,249	3,801	(552)	-14.52%	35,050	2,533
Travel & Meetings	5,789	6,774	(985)	-14.54%	39,000	5,045
Receptions	3,197	4,000	(803)	-20.08%	47,500	-
Research	42,664	35,725	6,939	19.42%	160,000	69,890
Website Development/Hosting	26,282	25,374	908	3.58%	101,500	25,932
Familiarization Tours	990	225	765	340.00%	100,000	921
Professional Fees & Public/Media Relations	21,500	10,500	11,000	104.76%	42,000	10,025
Freelance/Graphic Artist	8,426	6,580	1,846	28.05%	40,000	3,378
Regional Marketing	8,031	8,040	(9)	-0.11%	8,040	8,167
Promotional Items	2,919	5,839	(2,920)	-50.01%	24,500	2,212
Destination Development	24,419	30,456	(6,037)	-19.82%	82,950	31,469
Film/Video/Photo Productions	12,000	2,000	10,000	500.00%	45,000	3,216

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.

TOTAL EXPENSES

FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022

	Actual 3 Month(s) 03/31/23	Budgeted 3 Month(s) 03/31/23	\$ Variance Over (Under)	% Variance Over (Under)	Annual Budget 2023	Actual 3 Month(s) 03/31/22
Photography	1,100	1,550	(450)	-29.03%	22,500	2,200
Online Media Resource	-	-	-	-	-	-
Social Networking/Wing Trail	1,814	2,520	(706)	-28.02%	6,500	2,050
Total Sales & Marketing Expenditures	\$ 524,150	\$ 498,270	\$ 25,880	5.19%	\$ 1,980,041	\$ 443,380
Technology & Equipment	8,927	9,875	(948)	-9.60%	45,000	661
Departmental Administrative Expenses	122,358	94,191	28,167	29.90%	333,975	66,084
Total Expenses	\$ 1,236,034	\$ 1,156,686	\$ 79,348	6.86%	\$ 4,591,536	\$ 1,008,883