



Buffalo Niagara Convention & Visitors Bureau, Inc.

FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

UNAUDITED

*For Presentation at the Board of Directors Meeting on Wednesday
August 16, 2023*

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.

FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022

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Buffalo Niagara Convention & Visitors Bureau, Inc.
Summary Review Memorandum
For the six Months ended June 30, 2023

Balance Sheets:

- **Accounts Receivable – Erie County**, the second and final installment for 2023 of \$ 1,926,029 was received during the month of June.
- **Accounts Receivable – Trade** – All amounts are current and no collections issues are present.
- **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 six months ended June 30, 2023, the Bureau has realized a decrease in net assets of \$ 225,967, approximately \$ 76,000 behind the budgeted pace through June 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 a synopsis of the relevant activities.

Revenues:

Through June, revenues were ahead of budget by about \$ 78,000. 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 June, expenditures are approximately \$ 154,000 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 June 30, 2023.
- **Convention Commitments** – Lesser than expected as one group required less assistance in holding their event.
- **Tradeshows** – Additional convention related shows attended during the first half of 2023. Additionally additional expenses related to the IPW show in advance of the FAM were incurred.
- **Research** – Higher than anticipated costs related to various research related service arrangements was incurred during the first half of the year.
- **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
JUNE 30, 2023 AND 2022

UNAUDITED

	2023	2022
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 3,624,116	\$ 4,217,925
Accounts Receivable - Erie County	-	-
Accounts Receivable - Trade	55,546	7,475
Grants Receivable	80,000	75,000
Prepaid expenses and supplies	159,543	101,837
	Total current assets	3,919,205
Property and equipment, net	47,638	40,409
	Total assets	\$ 3,966,843

LIABILITIES AND NET ASSETS

Current liabilities:		
Short-term borrowings	\$ -	\$ -
Accounts payable and accrued expenses	150,321	278,981
Accounts payable - Foundation	18,144	13,753
Deferred revenue - Other	72,700	44,534
Deferred revenue - Erie County Grant	1,933,220	1,869,931
SBA - EIDL Loan	142,056	146,087
	Total current liabilities	2,316,441
Net assets	1,650,402	2,089,360
	Total liabilities and net assets	\$ 3,966,843

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.
STATEMENT OF ACTIVITIES
FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022

	Actual 6 Month(s) 06/30/23	Budgeted 6 Month(s) 06/30/23	\$ Variance Over (Under)	% Variance Over (Under)	Annual Budget 2023	Actual 6 Month(s) 06/30/22
REVENUES	<u>\$ 2,233,793</u>	<u>\$ 2,155,282</u>	<u>\$ 78,511</u>	<u>3.64%</u>	<u>\$ 4,191,536</u>	<u>\$ 2,049,974</u>
MARKETING DEPARTMENT EXPENSES	\$ 841,134	\$ 778,383	\$ 62,751	8.06%	\$ 1,571,090	\$ 921,929
SALES & SERVICES DEPARTMENT EXPENSES	942,006	895,266	46,740	5.22%	1,796,905	756,451
DESTINATION DEVELOPMENT	149,550	150,605	(1,055)	-0.70%	292,780	118,422
ADMINISTRATIVE & FINANCE EXPENSES	527,070	480,743	46,327	9.64%	930,761	491,185
TOTAL EXPENSES	<u>\$ 2,459,760</u>	<u>\$ 2,304,997</u>	<u>\$ 154,763</u>	<u>6.71%</u>	<u>\$ 4,591,536</u>	<u>\$ 2,287,987</u>
INCREASE (DECREASE) IN NET ASSETS	\$ (225,967)	\$ (149,715)	\$ (76,252)		\$ (400,000)	\$ (238,013)
NET ASSETS - BEGINNING	1,876,369	1,876,369	-		1,876,369	2,327,373
NET ASSETS - ENDING	<u>\$ 1,650,402</u>	<u>\$ 1,726,654</u>	<u>\$ (76,252)</u>	<u>-4.42%</u>	<u>\$ 1,476,369</u>	<u>\$ 2,089,360</u>

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.

TOTAL REVENUES

FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022

	Actual 6 Month(s) 06/30/23	Budgeted 6 Month(s) 06/30/23	\$ Variance Over (Under)	% Variance Over (Under)	Annual Budget 2023	Actual 6 Month(s) 06/30/22
Erie County Grant	\$ 1,926,030	\$ 1,926,030	\$ -	0.00%	\$ 3,852,057	\$ 1,869,930
BNCC Management Fee Allocation	-	-	-	-	-	-
Erie County - Theatre/ARP Act Grant	33,000	-	33,000	-	-	-
Advertising Sales	151,580	150,000	1,580	1.05%	150,000	115,907
Assessments - Convention	8,710	10,000	(1,290)	-12.90%	15,000	-
NYS Matching Funds Program	47,532	47,000	532	1.13%	47,000	48,897
Joint/Co-Op - Marketing	18,500	3,750	14,750	393.33%	7,500	6,069
Joint/Co-Op - Sales	21,038	17,000	4,038	23.75%	35,000	5,482
Joint/Co-Op - Destination Development	1,605	-	1,605	-	5,000	750
Grant Revenues	20,000	-	20,000	-	75,000	272
Interest Income	5,700	252	5,448	2161.90%	500	232
Miscellaneous Income	98	1,250	(1,152)	-92.16%	4,479	2,435
Merchandising Revenues - Conventions	-	-	-	-	-	-
Total Revenues	\$ 2,233,793	\$ 2,155,282	\$ 78,511	3.64%	\$ 4,191,536	\$ 2,049,974

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.

TOTAL EXPENSES

FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022

	Actual 6 Month(s) 06/30/23	Budgeted 6 Month(s) 06/30/23	\$ Variance Over (Under)	% Variance Over (Under)	Annual Budget 2023	Actual 6 Month(s) 06/30/22
<u>Personnel Costs:</u>						
Salaries	\$ 953,992	\$ 914,620	\$ 39,372	4.30%	\$ 1,833,729	\$ 847,069
Payroll Taxes & Fringe Benefits	167,942	176,178	(8,236)	-4.67%	353,291	149,291
Training	28,423	21,250	7,173	33.76%	45,500	11,588
Total Personnel Costs	\$ 1,150,357	\$ 1,112,048	\$ 38,309	33.39%	\$ 2,232,520	\$ 1,007,948
<u>Sales & Marketing Expenditures:</u>						
Advertising	\$ 231,577	\$ 235,776	\$ (4,199)	-1.78%	\$ 605,000	\$ 420,234
Convention Commitments	74,000	84,000	(10,000)	-11.90%	150,000	64,100
Visitor Guide	150,762	152,500	(1,738)	-1.14%	160,000	97,746
Tradeshows	102,912	80,550	22,362	27.76%	148,000	80,400
Printing	5,947	7,000	(1,053)	-15.04%	29,500	1,138
Postage	1,560	1,471	89	6.05%	3,001	1,318
Sales Bids & Promotions	68,893	66,050	2,843	4.30%	130,000	38,717
Convention Sales & Services	7,981	9,777	(1,796)	-18.37%	35,050	14,985
Travel & Meetings	13,208	15,853	(2,645)	-16.68%	39,000	14,542
Receptions	18,158	22,500	(4,342)	-19.30%	47,500	1,806
Research	89,341	76,450	12,891	16.86%	160,000	109,443
Website Development/Hosting	51,922	50,748	1,174	2.31%	101,500	59,321
Familiarization Tours	63,154	57,665	5,489	9.52%	100,000	7,635
Professional Fees & Public/Media Relations	43,000	21,000	22,000	104.76%	42,000	20,050
Freelance/Graphic Artist	18,952	19,370	(418)	-2.16%	40,000	15,958
Regional Marketing	8,031	8,040	(9)	-0.11%	8,040	8,167
Promotional Items	6,152	14,653	(8,501)	-58.02%	24,500	4,217
Destination Development	49,824	49,287	537	1.09%	82,950	47,051
Film/Video/Photo Productions	37,215	6,000	31,215	520.25%	45,000	75,110

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.

TOTAL EXPENSES

FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022

	Actual 6 Month(s) 06/30/23	Budgeted 6 Month(s) 06/30/23	\$ Variance Over (Under)	% Variance Over (Under)	Annual Budget 2023	Actual 6 Month(s) 06/30/22
Photography	3,400	4,890	(1,490)	-30.47%	22,500	10,202
Social Networking/Wing Trail	3,104	3,045	59	1.94%	6,500	2,473
Total Sales & Marketing Expenditures	\$ 1,049,093	\$ 986,625	\$ 62,468	6.33%	\$ 1,980,041	\$ 1,094,613
Technology & Equipment	29,455	22,875	6,580	28.77%	45,000	1,903
Departmental Administrative Expenses	230,855	183,449	47,406	25.84%	333,975	183,523
Total Expenses	\$ 2,459,760	\$ 2,304,997	\$ 154,763	6.71%	\$ 4,591,536	\$ 2,287,987