



Visit Buffalo Niagara
Annual Members Meeting
Wednesday, February 7, 2024
The Westin Buffalo

PRESENT: C. Abbott-Letro, M. Alnutt, T. Beauford, M. Brown, D. Castle, A. Chase, M. Chiazza, P. Kaler, T. Long, K. Minkel, M. Roberts, D. Schutte, D. Spasiano, H. Taran, M. Urbanczyk, G. Wells

ABSENT: M. Brown, D. Gallagher, M. Glasgow, W. Paladino, S. Ranalli

STAFF: J. Bialek, J. Calkins, E. Healy, D. Marzo, R. Toney

CALL TO ORDER: The annual members meeting was called to order by Board Chair, Cindy Abbott-Letro at 3:36 p.m.

ELECTION OF DIRECTORS: Ms. Abbott-Letro reported Huseyin Taran will be terming off the Board. The Executive Committee is recommending Bob Karmazyn, General Manager at the Embassy Suites, to fill the open seat. Ms. Abbott-Letro presented the slate of directors proposed by the Executive Committee and asked for a motion to elect the slate for 2024:

Representatives of the Hotel Industry:

Matt Chiazza
Thomas Long
Bob Karmazyn

At-Large Directors

Kimberley A. Minkel
Steven P. Ranalli
David Schutte
Donald Spasiano
Michelle Urbanczyk
Gail V. Wells

A motion was made by Mr. Beauford and seconded by Mr. Castle to elect the slate of directors as presented for 2024. Motion carried.

ADJOURNMENT: A motion was made by Ms. Urbanczyk and seconded by Mr. Taran to adjourn the annual members meeting. Motion carried and meeting adjourned at 3:38 p.m.

Minutes prepared by J. Bialek

Approved: /s/ Cindy Abbott-Letro
Cindy Abbott-Letro, Chair



Visit Buffalo Niagara
Annual Directors Meeting
Wednesday, February 7, 2024
The Westin Buffalo

PRESENT: C. Abbott-Letro, M. Alnutt, T. Beauford, M. Brown, D. Castle, A. Chase, M. Chiazza, P. Kaler, T. Long, K. Minkel, M. Roberts, D. Schutte, D. Spasiano, H. Taran, M. Urbanczyk, G. Wells

ABSENT: M. Brown, D. Gallagher, M. Glasgow, W. Paladino, S. Ranalli

STAFF: J. Bialek, J. Calkins, E. Healy, D. Marzo, R. Toney

CALL TO ORDER: Board Chair, Cindy Abbott-Letro, convened the meeting of the Visit Buffalo Niagara Board of Directors at 3:39 p.m.

APPROVAL OF MINUTES: A motion was made by Mr. Alnutt and seconded by Mr. Castle to approve the November minutes as presented. Motion carried.

ELECTION OF OFFICERS: Ms. Cindy Abbott-Letro presented the slate of officers proposed by the Executive Committee and asked for a motion to elect the slate for 2024:

Chair – Cindy Abbott-Letro
Vice Chair – Kimberley A. Minkel
Treasurer – Thomas Long
Secretary – Thomas Beauford, Jr.
Immediate Past Chair – Mary F. Roberts

A motion was made by Ms. Urbanczyk and seconded by Mr. Taran to elect the 2024 slate of officers as presented. Motion carried.

FINANCE REPORT: Mr. Marzo reviewed the financial statements for the year ended December 31, 2023.

Balance Sheets: The balance sheet is in a strong position. Visit Buffalo Niagara finished December with approximately \$2 million in total assets. Cash and receivables make up the majority of the total. Liabilities totaled about \$550,000, the majority of which represents deferred revenue from 2024 Touring Guide ad sales. Net assets as of December 31st totaled \$1.4 million and is in compliance with the Erie County Grant terms in our annual funding contract.

Statement of Activities: Through December 31st, Visit Buffalo Niagara realized a decrease in net assets of \$527,000, about \$127,000 behind the budgeted pace.

Revenues: The total revenues were ahead of budget by \$460,000, mostly due to additional revenue recognized from the close-out of a theatre promotion grant, additional joint cooperative revenue, and

significantly higher investment income, due to investing idle cash in a high yield, low risk, money market account since June. The change has yielded almost \$60,000 in interest income.

Expenses: Overall, expenses are running ahead of budget by \$595,000. Some of these expenses would not have been incurred if not for the additional funding being received. Mr. Marzo spoke to a few of these variances which included:

- Salaries ran slightly behind budget resulting from two open convention sales positions, which were filled close to year end.
- Programming line items such as Advertising, Media Relations and Videography ran ahead of budget, due to the additional costs incurred in connection with the various grants received for these programs. In these cases, additional grant revenue was recognized to help offset these costs.
- Sales Bids and Promotions ran ahead of budget. In 2023, more site inspections were hosted, additional costs associated with the CAC program were incurred, and VBN hosted a DC Sales Blitz at the Bills Commanders game in September. We also held the UK Sales blitz in London, for the Bills vs. Jaguars game in October.
- Familiarization Tours were up as we hosted two huge convention familiarization tours. We hosted the MPI thought Leaders Summit and the IPW post conference. We also hosted a Sports Diversity familiarization tour in November.
- With regards to website development, we ran additional promotional spots during the last half of the year accounting for the increase.

ERTC Credits: We received an update this week from the IRS. They indicated the returns have been received and in process.

BNCVB Foundation: The Foundation activity is mostly related to the MVC operation, and activity for the Paul Murphy Scholarship Fund, through December of 2023. In 2023 we also ran various print projects, as well as the 2024 Visitor Guide costs through the Foundation.

Buffalo Niagara Sports Commission: For the Sports Commission, there is no significant activity to report.

A motion was made by Ms. Roberts and seconded by Mr. Spasiano to approve the financial statements as presented. Motion carried.

Future County Funding Update

Mr. Kaler reviewed and offered clarification of our new funding mechanism from Erie County. The County will project the annual bed tax collections based on the previous year. The County advances the projected bed tax disbursements to VBN, BCC and BCC Debt Service for the 2024 budgets. During Q1 of 2025, Erie County will calculate actual bed tax collections for the year ending 2024 to determine overage of projection. The actual overage of 2024 bed tax collection, plus the 2025 advance bed tax collection, will determine the VBN budget for 2025.

2024 BUDGET: Mr. Marzo reviewed the 2024 operating budget for Visit Buffalo Niagara. The budget was reviewed with the Finance Committee and approved prior to today's meeting.

Background:

Mr. Marzo reported that we delayed finalizing our budget as we awaited a final decision from Erie County on how the new bed tax legislation would affect Visit Buffalo Niagara's funds for 2024. Once we found out the mechanics of how it would work, we were able to finalize our budget in late January. We will be receiving \$4.5 million in our County grant for 2024, which is an increase of about \$650,000. We will use the remainder of our carryover funds from the pandemic to allow us to run a \$325,000 deficit budget. Couple that with about \$300,000 in additional NYS Grant money, this will give us about an additional \$1.2 million to spend in 2024.

Revenue: We are budgeting for \$5.4 million in total revenues for 2024:

- \$4.5 million coming from the County bed tax.
- \$500,000 in NYS Expenditure Grants.
- \$200,000 in ad sales for our Visitor Guide for 2024.
- \$70,000 from cooperatives with our industry partners.

Expenses:

- Personnel Costs – The increase is made up of a few factors. We did an in-depth salary study with Destinations International; the result was that it was appropriate to give about a 4.5% salary increase to staff. We also added new staff positions during the last quarter of 2023, and January 2024. The new positions include a Research Assistant, Convention Sales Assistant, Convention Services Assistant, and the replacement of the open National Sales Manager position in the DC marketplace.
- Advertising – We are budgeting just under \$1.1 million. The increase planned for 2024 is attributed to several large Market NY and NYS EDA grants. The projects will include both print and digital consumer advertising.
- Convention and Sports commitments – For 2024, with the anticipated increase in groups traveling to the Buffalo Niagara Region, additional resources are allocated to attract and entice groups to book by assisting them with various event-related costs, such as venue rental, shuttling etc. Based on definite bookings, it is anticipated that more assistance will be required in 2024. We have three large groups coming to Buffalo in 2024 including Select Travelers, which is an \$85,000 commitment. We have the African American Travel Show, which requires a host fee of about \$65,000. We also have about \$43,000 in hockey related commitments.
- Trade shows - Overall costs associated with attendance at tradeshow will increase for 2024. Additional shows have been added to the Convention Sales and Sports Sales departments which will increase the number of shows to well over 45 in 2024. We are projecting over 45 shows will be attended whether they be sports, conventions or on the marketing side of things.
- Research - Costs are up for the annual maintenance and upgrade of the Tourism Economics Impact Calculator, Smith Travel Research and Zartico. VBN is hopeful this research will assist in identifying key markets and assessing the return on investment these marketplaces may bring to our area. The research will also help quantify the economic impact of the business VBN has brought to the area.
- Familiarization Tours – In 2024, VBN familiarization tours are down.

Ms. Minkel requested we make note the board is approving a deficit budget.

A motion was made by Ms. Minkel and seconded by Mr. Beauford to approve the 2024 Budget as presented. Motion carried.

2024 BUSINESS PLAN: Mr. Kaler reviewed highlights of the 2024 Business Plan.

Administration:

- Finalize the overall County funding agreement for next year, as well as the planning that will come into play for 2025.
- DI social inclusion assessment; our industry's new assessment for engagement and inclusion.
- Three-year Strategic plan and Destination NEXT Assessment.
- DI DMAP Reaccreditation.
- Office space – our 10-year lease with Brisbane will be coming up, and we have started conversations with Brisbane regarding our lease and future office space.
- Succession planning for Sales and Accounting positions.

Marketing and Communications:

- Arts and culture branding; using the Buffalo AKG as the pillar.
- "Here Hear" music initiative.
- "Freedom's Footsteps" launch.
- Website sprints and upgrades, including new content.
- Media relations.
- RFP process for Advertising & PR agency to take our message even further and deeper.

Sales and Services:

- Host Select Traveler Conference in March with the opportunity for future business.
- New DC-based National Sales Director.
- Attend 25 Tradeshows in 2024.
- Attendance at IMEX, which is a major show that takes place in Los Angeles.
- Finalize NCAA bids. We have 2026 finalized and are hoping to get 2028 as well.
- Bidding on an Iron Man Competition.
- 11th Annual Customer Advisory Council. We will bring back some alumni so this will be a reunion year.

Destination Development:

- April 8th Solar Eclipse. We will hold a safety workshop with the County on February 29th to discuss traffic and emergency plans.
- Finalize "Freedom's Footsteps" product development. Several sites are under construction and will hopefully come to conclusion this summer.
- Certified Tourism Ambassador Program - On March 20th our consultant will be coming in to build the curriculum. The goal is to certify anybody in Erie County who would like to be knowledgeable about tourism.
- Launch new Industry consumer eNewsletter. We are currently getting a 42% open rate on our newsletter.

Research and CRM Operations

- Visitor Profile Study.
- Meeting/Convention and Sporting event attendee behavior intercept survey.
- Meeting Planner Destination Perception Survey.

A motion was made by Ms. Wells and seconded by Ms. Urbanczyk to approve the 2024 Business Plan. Motion carried.

Q4/PRESIDENT'S REPORT:

Mr. Kaler reported we ended the year on a positive note. Our hotel key performance indicators through Smith Travel Research (STR) have reached and exceeded 2019 levels. Our overall hotel revenue is up 16.3%, over 2019. Our overall hotel occupancy is up almost 1%. Our average daily rate is up 25.2% over 2019. Airport traffic is down 6% over 2019 but we are still adding new flights to our destination. We are still down 21% on overall cross border traffic.

Meetings and conventions are not predicted to be back to 2019 levels until the end of this year, beginning of next year. Attendance numbers, however, are up compared to 2019. Much of this is attributed to sporting events.

We promoted Meredith Walsh to the National Sales Manager position and hired Temekia Powers to head up our DC effort. We hosted eight site visits in Q4, as well as seven trade shows. We journeyed to the UK to do a travel trade and media sales mission, in conjunction with the Buffalo Bills game. Leah Mueller continued onto England, Ireland, and Scotland and held more meetings with Great Lakes USA, which gave us another gateway for international travelers. It proved to be a very good trip for us on the sales side of things.

Marketing numbers are all positive for us. Ed Healy and his team have done a great job with the website and have finalized the new look. The time spent on the website is up 1 minute and 7 seconds. Our overall video views and video content are of great importance to us and Kate Scaduto, our Marketing and Social Media Manager, is phenomenal in this area. A video she put together recently, "The Carfrigerator" Reel had over four million views. We continue to update the website content, including a new Tom & Jerry Trail which got great pick up. We also successfully unveiled the "BUF" letters at Canalside.

We were awarded a gold HSMAI Adrian award for our work with a travel writer, which we brought in through our efforts with Madden media, who wrote a fantastic article for Travel Leisure. The article was in relation to working with the Buffalo AKG on their pre-launch of their opening.

Upcoming Activities:

- The Tourism Outlook Marketing Forum took place on January 23rd and we received positive feedback.
- The Total Solar Eclipse will happen on April 8th and we will be hosting, along with Erie County, an Emergency Preparedness Session on February 29th.
- Hosting the 2024 Select Traveler Conference, March 17-19.
- Certified Travel Ambassador CTA Program - content stakeholder engagement session will be taking place on March 20th.
- US Culture & Heritage Marketing Council is an ongoing program through Renata Toney's efforts.

Mr. Kaler recognized and thanked Huseyin Taran, for his eight years of service on the Board. We will be making a donation in Mr. Taran's name to The Friends of Night People.

Ms. Roberts asked if we have heard anything more on the Great Lakes Cruise initiative. Mr. Kaler responded that we are awaiting a report to be released. We are going to the Cruise Line International

Show to start doing our due diligence on working with the cruise lines. Viking has identified the outer harbor as the possible desired location, as a port of call and a port city. We are also working with Great Lakes Cruising to build a relationship.

OTHER BUSINESS/ADJOURNMENT: There being no further business, a motion was made by Mr. Castle and seconded by Mr. Taran to adjourn the meeting. Motion carried. Meeting adjourned at 4:36 p.m.

Minutes prepared by J. Bialek

Approved: /s/ Cindy Abbott-Letro
Cindy Abbott-Letro, Chair