



Visit Buffalo Niagara

Board of Directors Meeting
Wednesday, May 1, 2024
Buffalo Marriot Lecom Harborcenter

PRESENT: C. Abbott-Letro, D. Castle, M. Chiazza, P. Kaler, K. Minkel, M. Roberts, B. Karmazyn, M. Urbanczyk

ABSENT: M. Alnutt, T. Beauford, M. Borwn, A. Chase, D. Gallagher, M. Glasgow, T. Long, W. Paladino, S. Ranalli, D. Schutte, D. Spasiano, G. Wells

STAFF: J. Calkins, D. Marzo, R. Toney, M. Even, E. Healy, K. Fashana, J. Bialek

GUEST: C. Karpik

CALL TO ORDER: The meeting was called to order by Board Chair, Cindy Abbott-Letro at 3:24 p.m. Ms. Abbott-Letro stated that we do not have a quorum, so no action will be taken at this meeting.

APPROVAL OF MINUTES: No action taken due to lack of quorum.

FINANCE REPORT: Mr. Marzo reported that when the audit is ultimately presented, you will see the opinion was clean and unmodified. You will also see this in the materials you received prior to this meeting.

Mr. Marzo reviewed the financial statements for the quarter ending March 31, 2024. VBN ended the quarter with about \$5.3 million in total assets. Cash and the balance of the 2024 Erie County Grant receivable make up most of this total. On the liability side, there is about \$3.9 million, the majority of which represents the deferred revenue from the 2024 County Grant as well as accounts payable due in the normal course of business.

On the asset side of things, you will see an asset called the Right of Use Assets. On the liabilities side, you will see Lease Liabilities. As required by the Financial Accounting Standards board, a new pronouncement was issued in 2023, that long term leases must be capitalized. This pertains to our lease on the Brisbane Building in which there is approximately one year left on the lease.

The net assets as of March 31, 2024, totaling \$1.3 million, is in compliance with the Erie County grant terms.

On the Statement of Activities, VBN realized a decrease in net assets of \$68,000, about \$90,000 behind the budgeted pace. Much of the variance is timing related. Salaries, website development, and professional fees make up the majority and we expect this should reverse as the year moves on. Mr. Marzo also pointed out that in March of 2023 we applied for and received notification that we were eligible for about \$390,000 in employer retention tax credits. We are awaiting final approval from the IRS and are confident our application will come under review in the near future, and we will receive these additional funds.

Mr. Marzo reported the Foundation and Sports Commission had limited activity. For the Foundation, activity was mostly centered around the mobile Visitor Center and activity for the Paul Murphy Scholarship Fund. For the Sports Commission, no significant activity to report.

Lastly, we were awarded a \$20,000 grant from Erie County for the purpose of promoting accessibility at Erie County restaurants.

Q1/PRESIDENT'S REPORT: Mr. Kaler reviewed the numbers for Q1. Things are looking very strong for overall hotel performance. Hotel revenue is 21% over 2019. Occupancy is also over 2019. ADR and RevPAR are both over 2019 (28% and 31% respectively.) Short-term rentals overall revenue is 55% over last year. Overall passenger count at the airport is only down 4% airport traffic continues to make great strides. Cross border traffic is down 8% and Canadian visitors are slowly but surely coming back.

Mr. Kaler reported Sales are only slightly down on our overall lead generation, as well as definite bookings; however, the numbers after that are all very strong, including the number of room nights booked, attendance numbers and overall economic impact. The number of events we held so far this year are up 10% over last year. We have a good diversity of shows, meetings, and conventions. We are also fully staffed now as well.

On the marketing side, Mr. Kaler reported the team continues to do fantastic work with our website. Overall engagement for both the desktop website as well as mobile has seen huge growth. Media placements were up 145% due to the Eclipse on April 8th. We are also seeing growth in all our social media platforms with the exception of "X."

VBN commissioned a comprehensive study on our website. It was conducted by Future Partners and the objectives were to determine website return on investment and develop a website user profile. We were pleased with the results.

We recently welcomed three new staff members. Brooke Chavanne is our new Administrative Sales Assistant, Temekia Powers is our DC National Sales Director. Nicklaus Householder is our new Destination Experience Specialist, and we added Nick Tronolone, Research and Operations Assistant. We are also pleased to announce five staff promotions; which include James Adler, Director of Sports Development, Karen Cox, Direction of Convention Services, Marisa Urbano, Convention Services Coordinator, Meredith Walsh, National Sales Manager, and Heather Nowakowski, Director of Research and Operations.

Regarding the Solar Eclipse which took place on April 8, 2024; utilizing the Destinations International Event Impact calculator, VBN was able to determine there was \$14.7 million in total economic impact. We were able to calculate a true and accurate number by looking at a specific four days; April 5th through April 8th. Daily hotel occupancy average was 77%, which was up 67.95% over last year. The average daily rate for the four days was \$236.63, up over \$120.2% from last year. Total hotel revenue

was \$7.4 million which was a 283.3% increase over last year. The top five tourism sectors that were impacted were lodging, food and beverage, transportation, retail, and attractions/recreation.

Mr. Kaler reported the City of Buffalo is proposing to implement a 5% bed tax increase. Currently the Buffalo total bed tax rate ranks #90 in the country at 13.75%. The increase would bring us to 18.75%, and move us to #3, third highest in the country. Questions on whether we are still competitive at this rate were discussed.

When it comes to upcoming activities, we have been in discussions with the Brisbane Building regarding our lease extension and have a good proposal which will be reviewed with the Executive Committee. Mr. Kaler will be leaving for IPW on May 3rd. National Travel and Tourism Week takes place May 19th through the 25th, and the NYS DMO meeting is being held June 2nd and 3rd. Renata is working on the Certified Travel Ambassador program which we are hoping to launch in the Fall. We are also beginning the process of our 2025-2027 Strategic Plan.

Lastly, Ed Healy, our Vice President of Marketing will be retiring at the end of May. Ed has been with VBN for over 20 years. At the same time, we will be promoting Karen Fashana into the Vice President of Marketing role. She has been with VBN since she was an intern and this is a much deserved promotion.

ADJOURNMENT: There being no further business, a motion was made by Ms. Minkel and seconded by Mr. Urbanczyk to adjourn the VBN meeting. Motion carried. Meeting adjourned at 4:06 p.m.

Minutes prepared by J. Bialek

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