

CITY OF HIGH POINT

AGENDA ITEM



Title: FY 2015-2016 Convention and Visitors Bureau Contract/Budget

From: Eric Olmedo, Budget Manager

Meeting Date: June 15, 2016

Public Hearing: N/A

Advertising Date: N/A

Advertised By: N/A

Attachments: Convention and Visitors Bureau Contract
Convention and Visitors Bureau Budget

PURPOSE:

To approve the FY 2015-2016 Convention and Visitors Bureau contract and budget.

BACKGROUND:

The Convention and Visitors Bureau requests that the City Council approve its contract and budget on an annual basis. The FY 2015-2016 Convention and Visitors Bureau budget was presented to the City Council at its June 2, 2015 budget worksession.

BUDGET IMPACT: n/a

RECOMMENDATION / ACTION REQUESTED:

The Budget Department recommends approval of the CVB contract and budget and that the appropriate city official and/or employee be authorized to execute all necessary documents.

**NORTH CAROLINA
GUILFORD COUNTY**

**AGREEMENT FOR PROVISION OF
CONVENTION AND VISITORS BUREAU**

THIS AGREEMENT, made and entered into before the first day of July 1, 2015 by and between the City of High Point (hereinafter referred to as the City) and the High Point Convention and Visitors Bureau, Inc. (hereinafter referred to as the Grantee), pursuant to and subject to the restrictions and conditions set forth herein:

WITNESSETH:

In consideration of receipt of a grant or appropriation of funds from the City Council of the City of High Point equal to the total amount of the net proceeds received by the City from the Guilford County 3% Room Occupancy and Tourism Development Tax, the Grantee named hereinabove does hereby agree to provide Convention and Visitors Bureau Services for the City in accordance with the terms of this Agreement as set forth herein.

In consideration of the above, the parties do hereby agree as follows:

(1) The Grantee agrees to expend the funds, which are the subject of this Agreement and perform services in consideration of the receipt of funds in accordance with the Overview of Program of Work as attached to this Agreement and incorporated herein by reference. The Grantee further agrees to expend the funds in accordance with an Annual Budget for said funds attached hereto and which is incorporated herein by reference. Funds made available to the Grantee pursuant to this Agreement shall be expended only in accordance with applicable federal, state, and local laws. The Grantee shall amend the budget from time to time in order to conform with the actual amount of funds received under this agreement.

(2) The Grantee agrees that it will supply such records, reports, information and verification relating to the expenditures of the funds or the operations of the Grantee on a quarterly basis and as may be requested by the City. This shall include quarterly reports on the receipts and expenditures, as well as an annual audit completed within six months

of Grantee's fiscal year end, performed in accordance with generally accepted accounting principles of the revenues and expenditures of the Grantee. The Grantee shall maintain a written accounting and documentation of all of its receipts and disbursements relating to the grant funds, which are the subject of this Agreement. The Grantee agrees to subject itself to the provisions of Article 33c of Chapter 143 of the North Carolina Statutes entitled "Meetings of Public Bodies," to the same extent as the City.

(3) Funds will be distributed to the Grantee on a monthly basis in accordance with the attached budget. Further, should expenditures overspend the revenues under this Agreement; the City shall have no obligation to reimburse the Grantee for such expenditures.

(4) This Agreement will automatically terminate on June 30, 2016, at which time a new Agreement will be considered.

(5) Upon termination of this Agreement by either party all non-expendable property purchased under this Agreement shall revert to the City or its assigns.

(6) A High Point Convention and Visitors Bureau Board of Directors shall be appointed, which shall have the authority to oversee the Convention and Visitors Bureau's implementation of the program of work, and the expenditures of the grant funds, which are the subject of this Agreement. The Convention and Visitors Bureau Board shall be composed of a minimum of the following twelve (12) members:

(a) One member of the Guilford County Board of Commissioners appointed by the Board of County Commissioners.

(b) One member of the High Point City Council appointed by the City Council.

- (c) Two owners or operators of hotels, motels, or other taxable tourist accommodations in the local metropolitan area, one of whom owns or operates hotels, motels, or other tourist accommodations with more than 100 rental units, and one of whom owns or operates hotels, motels, or other tourist accommodations with 100 or fewer rental units, both appointed by the Board of County Commissioners.
- (d) One individual who has demonstrated an interest in tourism development and does not own or operate hotels, motels, or other tourist accommodations, and is a Board member of the High Point Chamber of Commerce, appointed by the Chamber of Commerce.
- (e) One individual involved in the local restaurant or food service business, who has demonstrated an interest in tourism development, and does not own or operate hotels, motels, or other tourist accommodations, appointed by the High Point Chamber of Commerce.
- (f) One individual involved in the cultural arts or tourist attraction business, who has demonstrated an interest in tourism development, and does not own or operate hotels, motels, or other tourist accommodations, appointed by the High Point Chamber of Commerce.
- (g) One at-large individual who has demonstrated an interest in tourism development and does not own or operate hotels, motels, or other tourist accommodations, appointed by the High Point Chamber of Commerce.
- (h) One individual who has demonstrated an interest in tourism development and is a representative of a High Point public

convention/trade show center, appointed by the High Point Chamber of Commerce.

- (i) Two at-large individuals who have demonstrated an interest in tourism development and do not own or operate hotels, motels, or other tourist accommodations, appointed by the Board of County Commissioners.
- (j) The President & CEO of the High Point Convention and Visitors Bureau, Inc., who shall be a non-voting, ex-officio member.

All voting members of the High Point Convention and Visitors Bureau Board shall serve without compensation. All members shall serve two-year terms. Members may serve no more than two consecutive terms. Members appointed to fill the at-large designations shall serve a full term, and have all voting rights and privileges. The members shall elect a chairperson, who shall also serve a two-year term if eligible. Members appointed to fill vacancies shall first serve for the remainder of the unexpired term for which they are appointed to fill, and then are eligible for appointment for a regular term. The Board shall meet at the call of the Chairperson, and shall adopt rules of procedure to govern its meetings. The Board shall appoint such ex-officio members as it deems appropriate.

(7) The attached Exhibits are:

- (A) Overview & Program of Work
- (B) Proposed New Budget and Explanation
- (C) Occupancy Tax Comparison Current Year
- (D) Financial Statement through March Current Year
- (E) Arts & Tourism Grants Awards for Current Year
- (F) Event Booking Incentives for Current Year
- (G) Board of Directors, Organizational Chart, and Chart of Staff Organizational Involvement
- (H) Business Plan FY 15-16

These exhibits are incorporated herein by reference and shall have the same force and effect as if set forth herein.

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its behalf; and the Grantee has caused the same to be duly executed in its behalf as of the date first above written.

CITY OF HIGH POINT, NORTH CAROLINA

ATTEST:

Lisa B. Vierling, City Clerk

Greg Demko, City Manager

Approved as to legal form:

JoAnne Carlyle, City Attorney

**HIGH POINT CONVENTION &
VISITORS BUREAU, INC.**

ATTEST:

Mary Lou Blakeney, Board Chair

Timothy C. Mabe, President & CEO

OVERVIEW & PROGRAM OF WORK FY 2015 - 2018

1. NEW BUDGET

The Proposed Budget for the High Point Convention & Visitors Bureau (HPCVB) is for FY 15-16. The projected HMT revenues is \$1,632,840, which reflects an increase of 4% from projected actual receipts to end the current fiscal year FY 14-15 at an estimated \$1,570,036. The approved budget for FY 14-15 was \$1,534,500. The current Room Occupancy Tax Comparison shows steady increases over the previous year, with a FY 14-15 ending with an 8% increase over FY 2013-14 collections. Remaining conservative, the new budget reflects \$1,632,840 tax receipts plus \$1,000 interest, and \$105,387 EBI rollover totaling \$1,739,227. In addition, sponsorship revenues earmarked for marketing the new visitor center is \$75,000. The amount of sponsorship revenue that is earmarked to build up the reserves is \$75,000. The Regional Preferred Member Revenue for Marketing is projected at \$10,000. There is also a building credit from the High Point Chamber to satisfy their loan to build-out of the board room totaling \$12,000 for the year. A copy of the March Financial Statement for FY 14-15 is attached.

The 15% room tax revenue allocated for the Arts & Tourism Grants Program is restricted at \$245,000; therefore, \$1,666,227 will be the Regular (Unrestricted Income) Budget. The Marketing Budget is \$1,031,452. This includes Convention Promotions, Tourism Promotions, as well as the Grants Program, which is a significant arm of the tourism effort for the City. The Event Booking Incentive (EBI) Line Item is \$150,000, which includes the roll over from the previous year of \$105,387, and Market Authority Line Item is \$150,000.

2. PARTNERSHIPS

Arts & Tourism Grants Program:

The Arts & Tourism Grants Program's 15% will be awarded to a number of arts and tourism related projects during FY 15-16. This current year, FY 14-15, support was awarded to 28 worthy projects totaling \$239,685. Some of the groups also received Event Booking Incentive (EBI) funds.

Funding for High Point Market Authority:

For FY 14-15, the HPCVB has allocated \$150,000 to the High Point Market Authority with the understanding that this will be a critical year for the Authority in its role of furthering the success of the High Point Market.

Events Booking Incentives:

A number of Event Booking Incentives were offered for conventions and events that were to occur in FY 14-15 and is projected to total \$44,613. The events booking program is more than incentives to book. It is expanded to include maintenance, retention, and support of groups. At the end of FY 14-15 \$105,387 will be rolled over into FY 14-15 EBI line item. These incentives continue to be successful tools in moving convention/event proposals from lead status to definite bookings.

3. ORGANIZATION

The Board of Directors consists of eleven Board Members, twelve Ex-officio positions (including the Bureau CEO and the *Chairman Emeritus*) and four staff members. The Organizational Chart presents an overview of the High Point Convention & Visitors Bureau, the Board, Staff and Committees. The Bureau Staff currently consists of seven full time employees. In addition, Registrars and Visitor Information Specialists are employed on an 'as needed basis'. The Bureau staff holds memberships and board positions on a number of industry related organizations.

4. SUMMARY

The Bureau has always recognized its role to fill the City between the International Home Furnishings Markets, thereby keeping a year-round healthy hospitality environment. The Bureau's main focus continues to be *strong solicitation and service to overnight visitors, conventions, special events and trade shows; providing these visitors with outstanding services and insuring a most enjoyable experience for all.*

HPCVB FY 15-16 BUDGET

No.	ITEM	FY 14-15	FY 15-16
		Budget at 5% increase over projected year-end	Budget at 4% increase over projected year-end
<u>INCOME</u>			
<u>OCCUPANCY TAX COLLECTION</u>			
4101.0	Transient Occupancy Tax	1,534,500	1,632,840
<u>OTHER INCOME</u>			
4102.0	Interest Income	1,500	1,000
4105.0	Reserve EBI Carry Over	97,736	105,387
4106.1	Sponsorship Revenue Earmarked for Visitor Center Marketing	75,000	75,000
4106.2	Sponsorship Revenue Earmarked for Reserves	75,000	75,000
4107.0	Regional Preferred Member Revenue for Marketing	10,000	10,000
4108.0	Arts & Tourism Grants Carry Over	9,510	0
4109.0	Building Rental Credit Earmarked for Reserves	12,000	12,000
TOTAL BUDGET		1,815,246	1,911,227
<u>GRANT PROGRAM (15% of occupancy tax)</u>			
	Arts & Tourism Grants	230,175	245,000
INCOME (-15% grants)=Oper. Budget		1,585,071	1,666,227
<u>EXPENSES</u>			
<u>ADMINISTRATIVE EXPENSES</u>			
5201.0	Salaries (7 full-time staff positions)	377,267	392,861
5202.0	Retirement	22,000	22,000
5203.0	Life/Hosp/Dent. Ins.	64,900	66,800
5204.0	Soc. Security	28,860	30,054
5205.0	Unemployment Ins.	1,300	1,300
ADMINISTRATIVE EXPENSES TOTAL		494,327	513,015
<u>OPERATING EXPENSES</u>			
5301.0	Memberships/Subscriptions	5,405	29,845
5302.0	Travel/Entertainment	19,000	24,475
5303.0	General & Administrative Operations	104,000	102,040
5304.0	Postage/General	5,000	2,000
5306.0	Telephone	10,700	10,500
5307.0	Rent/Utilities	75,820	75,570
5308.0	Comm/Board Expenses	14,534	16,300
5309.0	Equipment	16,020	19,030
OPERATING EXPENSES TOTAL		250,479	279,760

+ 95,981

No.	ITEM	FY 14-15	FY 15-16
		Budget at 5% Increase over projected year-end	Budget at 4% Increase over projected year-end
5401.0	Convention Advertising	28,000	30,000
5402.0	Convention Services	324,000	326,700
5402.1	Convention Services	7,000	11,500
5402.5	Event Booking Incentives (includes \$105,387 roll over)	150,000	150,000
5402.7	HP Market Authority	150,000	150,000
5402.8	Preferred Member Program	12,000	6,200
5402.9	Special Services	5,000	9,000
5403.0	Entertainment	2,000	1,500
5404.0	Literature/Printing	17,000	16,453
5405.0	Memberships - Convention	6,205	7,200
5406.0	Postage - Convention	1,500	100
5407.0	Conv. - Special Promotional Projects	67,000	96,000
5408.0	Subscription/Publications	250	250
5409.0	Travel - Convention	29,000	17,100
5410.0	Trade Shows - Convention	8,700	10,250
5411.0	Sales Training	0	22,500
5412.0	Audiovisuals	1,500	1,500
5413.0	Intern(s)	7,200	0
CONVENTION PROMOTIONS EXPENSES TOTAL		492,355	529,553
TOURISM PROMOTION EXPENSES			
5501.0	Advertising	51,000	54,000
5502.0	Audiovisuals	1,500	1,500
5503.0	Tourism - Literature/Printing	24,000	20,000
5504.0	Memberships/Subscriptions - Tourism	600	600
5505.0	Postage - Tourism	2,500	1,500
5506.0	Special Projects	19,500	20,000
5507.0	Travel/Entertainment	2,000	10,000
5508.0	Travel Shows	6,000	6,745
5509.0	Visitor Information Center	30,300	83,104
5512.0	Web	18,000	6,000
5513.0	Visitor Center Marketing	96,000	53,450
TOURISM PROMOTION EXPENSES TOTAL		251,400	256,899
TOTAL EXPENSES BEFORE GRANT EXPENSES		1,488,561	1,579,227
GRANT EXPENSES			
5800.1	Arts & Tourism Grants Program	230,175	245,000
5800.2	Arts & Tourism Grants Program Carry Over	9,510	0
TOTAL GRANT EXPENSES		239,685	245,000
TOTAL EXPENSES		1,728,246	1,824,227

+ 95 981
(4)

<u>No.</u>	<u>ITEM</u>	<u>FY 14-15</u>	<u>FY 15-16</u>
		<u>Budget at 5% increase over projected year-end</u>	<u>Budget at 4% increase over projected year-end</u>
	Total Marketing Expense	983,440	1,031,452
	Subtotal of Income over Expenses	87,000	87,000
	Sponsorship Expenses Earmarked for Reserves	75,000	75,000
	Building Rental Credit Earmarked for Reserves	12,000	12,000
	Total Earmarked for Reserves (Year 2 Payback for Building/Move/Visitor Center Buildout)	87,000	87,000
	Excess of Income over Expenses	0	0

FY 2015-2016 Budget Draft

Income

4101 - Occupancy Tax projections for FY-15/16 is \$1,632,840, which is 4% over the estimated YTD receipts of \$1,570,036. This is an estimation based on receipts thus far and keeping the estimation conservative over last year's estimates for May and June 2015. We also consulted with Greensboro CVB and they are also using this estimate.

4102 - Interest Income is not a great return as it used to be. We get interest from our Money Market account compounded monthly as well as our cd of \$125,000 that is only compounded monthly back to the Money Market account.

4105 - Reserve EBI Carry Over is \$105,387, which is what is currently remaining in the EBI line item 5402.5 that was budget at \$150,000

4106.1 - Sponsorship Revenue Earmarked for VIC Marketing is \$75,000, which is half of an estimated total revenue from sponsorships of \$150,000 cash receipts. The sales team has set forth a goal of a 25% increase in sponsorships sales, where at least \$150,000 will be cash.

4106.2 - Sponsorship Revenue Earmarked for Reserves is \$75,000, which is half of an estimated total revenue from sponsorships of \$150,000. This coincides with the 25% increase in sales goals and is consistent with the 5-year pay back plan.

4107.1 - Preferred Memberships include regional partners that we solicit outside of High Point. These members are promoted on website, Visitor Center, and app. Other revenue include realtor certification registration money. Also, the Sales and Marketing Dept. plans to sell ads on the website and Visitor Guide where revenue would be in this line item.

4108 - No Grant carry over as we will be able to disperse any excess receipts X 15% by the end of June with the timing of our grants program in May where the committee can get together in June to decide.

4109 - Building Rental Credit Earmarked for Accts Receivables Chamber Loan on Balance Sheet is \$12,000. The balance of the Chamber loan to build out the board room is \$55,071.

The subtotal is **\$1,919,227**. The restricted income is **\$245,000** for Arts & Tourism Grants. The Total Income is **\$1,666,227**

5309 – Equipment includes computers, postage machines, copiers, and misc. office equipment and furniture. Property taxes and leases for equipment. We have computers that are approaching their end of life and may need to be replaced within the year.

Total Operating Expenses are at an **11% increase** from FY 14-15 budget.

Convention Expenses:

5401 – Convention Advertising includes Connect Tradeshow, Sports Travel, Sports Destination Management, Travel South, NC Motorcoach Association, American Bus Association, and Leisure Group Travel plus some funds for impromptu opportunities that are available throughout the year.

5402 – Convention Services – include incentive gifts, mobile app, Servsafe program, 2 customer service seminars, Market Authority of \$150,000; Event Booking Incentives of \$150,000, and special services (long-term goals for feasibility study).

5403 – Entertainment for site visits with clients

5404 – Convention Literature and Printing – Sports Collateral in partnership with HP Parks and Rec, Group Tour Planner re-print, Stationary, Visitor Guides and production

5405 – Convention Membership – National Association of Sports Commissions, Meeting Planners International, American Express Annual Fees, AENC, NC Sports Association, PT Sports Clubs, Destination Marketing Association International, American Bus Tours, NC Motorcoach Association

5406 – Convention Postage drops considerably with more email and e-blast correspondence.

5407 – Convention Special Promotions – Explore High Point final renewal of calendar, designer tours, end of Market advertising for Shop and Stay, 2 FAM tours 1 – for local sports planners and 1 – for motorcoach operators. Also, have money for grant or buy in opportunity such as NC Retire Certification. McNeill Communication PR contract is also in this line item too.

5408 – Convention publications for sales leads

5409 – Sales travel, mileage reimbursement, meals on trips, hotel and flight for tradeshow

5410- Connect Tradeshow, NC Sports Association, TEAMS/NASC, Expo NC (new), NASC Sports Events Symposium, SPORTS (new), and impromptu opportunities.

5513- Visitor Center Marketing includes billboards, cable, radio, and High Point Enterprise promotions. Budgeted funds in this line item is partially funded by sponsorship dollars.

5514- Visitor Center Programs include Spotlight on Saturday and survey enhancements in the Visitor Center for tracking

Total Tourism expense is \$256,899 compared to \$251,400 the year before.

5800- Grant Expense is \$245,000 is 15% of occ. tax

OCCUPANCY TAX COMPARISON 2014-2015 to PAST YEAR 2013-2014

Month	Month	Monthly Amt.	Total Amt.	Monthly Amt.	Total Amt.	% Change	Diff. from Last Yr.	Diff. from Last Yr.	% Change
Received	Collected	Rec'd 14-15	YTD 14-15	Rec'd 13-14	YTD 13-14	by Month	by Month	YTD	YTD
Jul-14	May-14	\$126,253	\$126,253	\$121,763	\$121,763	4	\$4,490	\$4,490	4
Aug-14	Jun-14	\$126,422	\$252,675	\$114,108	\$235,871	11	\$12,314	\$16,804	7
Sep-14	Jul-14	\$129,211	\$381,886	\$113,577	\$349,448	14	\$15,634	\$32,438	9
Oct-14	Aug-14	\$133,061	\$514,947	\$118,519	\$467,967	12	\$14,542	\$46,980	10
Nov-14	Sep-14	\$128,147	\$643,094	\$124,127	\$592,094	3	\$4,020	\$51,000	9
Dec-14	Oct-14	\$200,194	\$843,288	\$171,488	\$763,582	17	\$28,706	\$79,706	10
Jan-15	Nov-14	\$115,371	\$958,659	\$104,941	\$868,523	10	\$10,430	\$90,136	10
Feb-15	Dec-14	\$84,430	\$1,043,089	\$75,780	\$944,303	11	\$8,650	\$98,785	10
Mar-15	Jan-15	\$96,442	\$1,139,531	\$81,537	\$1,025,840	18	\$14,905	\$113,691	11
Apr-15	Feb-15			\$109,542	\$1,135,382				
May-15	Mar-15			\$161,815	\$1,297,197				
Jun-15	Apr-15			\$162,453	\$1,459,650				

HIGH POINT CONVENTION VISITORS - BUREAU - FINANCIAL - MARCH FY 14/15

No.	Item	ACTUAL Month-Mar This Year 14/15	ACTUAL Month-Mar This Year 13/14	ACTUAL YTD This Year 14/15	ACTUAL YTD Last Year 13/14	Operational Budget HPCVB FY 14/15	9 Month Estimate	YTD Variance
INCOME								
4101	Transient Occ. Tax (Jan.)	96,442	81,537	1,139,532	1,025,840	1,534,500	1,150,875	(11,343)
4102	Interest Income	59	88	609	1,093	1,500	1,125	(516)
4104	Other Income	-	13	-	16,676	-	-	-
4105	Reserve Carry Over EBI	-	-	-	-	97,736	73,302	(73,302)
4106.1	Sponsorship Revenue Earmarked for VIC Marketing	2,812	-	46,114	-	75,000	56,250	(10,136)
4106.2	Sponsorship Revenue Earmarked for Reserves	2,812	-	46,025	-	75,000	56,250	(10,225)
4107	Regional Preferred Member Revenue for Marketing	700	-	7,067	-	10,000	7,500	(433)
4108	Art & Tourism Grants Carryover	-	-	-	-	9,510	7,133	(7,133)
TOTAL INCOME		102,825	81,638	1,239,347	1,043,609	1,803,245	1,352,435	(113,088)
RESTRICTED A & T Grant Income								
Restricted A & T Grant Income		19,181	17,552	172,629	157,568	230,175	172,631	(2,25)
UNRESTRICTED INCOME		83,644	64,086	1,066,718	885,641	1,573,071	1,179,803	(113,085)
EXPENDITURES								
Administrative								
5201	Salaries	31,976	30,365	286,909	268,515	377,267	282,950	3,959
5202	Retirement	2,170	1,187	15,436	14,817	22,000	16,500	(1,064)
5203	Life/Hosp/Dent. Ins.	2,579	4,467	43,444	40,164	64,900	48,675	(5,231)
5204	Soc. Security	2,484	2,309	22,206	20,356	28,860	21,645	561
5205	Unemployment Ins.	149	123	829	628	1,300	975	(146)
TOTAL ADMINISTRATIVE EXP.		38,892	38,451	368,824	344,480	494,327	370,745	(1,921)
Operations								
5301	Memberships General * See NOB Footnote * 1	455	455	26,424	4,605	5,405	4,054	22,370
5302	Travel Local	2,170	1,853	18,675	13,822	19,000	14,250	4,425
5303	General & Administrative * See NOB Footnote 2	4,415	77,373	100,192	114,898	104,000	76,000	22,192
5304	Postage/General	(4,392)	79	1,664	3,891	5,000	3,750	(2,086)
5305	Parking	-	-	-	960	-	-	-
5306	Telephone	993	891	9,771	7,014	10,700	8,025	1,746
5307	Rent/Utilities - Bureau/PDMM	6,244	4,398	51,121	49,327	75,820	56,865	(5,744)
5308	Comm/Board Expenses	2,647	293	16,921	9,280	14,534	10,901	6,021
5309	Equipment	783	5,197	12,429	15,773	16,020	12,015	414
TOTAL OPERATIONS EXPENSE		13,305	90,539	237,197	219,170	250,479	187,859	49,338
Convention Promotion								
5401	Advertising	-	2,128	12,235	24,195	28,000	21,000	(8,765)
5402	Convention Services - General * See NOB Footnote 3	95	(1,439)	19,652	3,232	24,000	18,000	1,652
5402.5	Convention Services - Event Booking Incentive	-	-	41,613	43,264	150,000	112,500	(70,887)
5402.7	IHFMA Furn. Market Support	12,500	12,500	112,500	112,500	150,000	112,500	-
5403	Entertainment	-	306	104	1,560	2,000	1,500	(1,396)

Non-Operational Budget Expenditures Noted

* NOB Footnote 1 - We have paid \$20,000 to the HP Partners to be an active participant in Business Inc. Initiative

* NOB Footnote 2 - We have paid \$5,515 in electrical and construction in the Visitor Center

* NOB Footnote 3 - We have paid \$7,403 for Strategic Advisory Group for follow up meetings and consultation

No.	Item	ACTUAL Month-Mar This Year 14/15	ACTUAL Month-Mar This Year 13/14	ACTUAL YTD This Year 14/15	ACTUAL YTD Last Year 13/14	Operational Budget HPCVB FY 14/15	9 Month Estimate	YTD Variance
5404	Literature/Printing	-	2,911	511	4,295	17,000	12,750	(12,239)
5405	Memberships - Convention	-	-	2,445	3,000	6,205	4,654	(2,209)
5406	Postage	3	-	3	239	1,500	1,125	(1,125)
5407	Special Projects	4,062	4,134	68,069	43,145	67,000	50,250	17,819
5408	Subscription/Publ.	-	-	168	84	250	188	(20)
5409	Travel	3,613	2,729	12,658	18,370	29,000	21,750	(9,092)
5410	Trade Shows	-	500	3,288	8,149	8,700	6,525	(3,237)
5412	Audio-Visuals	-	-	-	-	1,500	1,125	(1,125)
5413	Systems/Intern	-	-	3,270	-	7,200	5,400	(2,130)
TOTAL CONVENTION PROM.		20,273	23,769	276,516	262,033	492,355	389,266	(92,750)
Tourism Promotion								
5501	Advertising	5,835	1,075	43,772	27,699	51,000	38,250	5,522
5502	Audio Visuals	-	-	-	-	1,500	1,125	(1,125)
5503	Literature/Printing	1,915	1,095	20,879	1,680	24,000	18,000	2,879
5504	Memberships - Tourism	-	-	390	176	600	450	(60)
5505	Postage	6,412	27	6,500	482	2,500	1,875	4,625
5506	Special Projects	20	-	9,697	16,410	19,500	14,625	(4,928)
5507	Travel/Entertainment	737	177	2,163	742	2,000	1,500	663
5508	Travel Shows	70	-	4,000	-	6,000	4,500	(500)
5509	Visitor Info Ctr. * See NOB Footnote 4	10,928	5,872	86,231	78,124	30,300	22,725	63,506
5512	Web	679	-	5,010	11,701	18,000	13,500	(8,490)
5513	Visitor Center Marketing	3,476	-	48,066	9,700	96,000	72,000	(23,934)
5514	Visitor Center Programming	-	-	6,710	-	-	-	6,710
TOTAL TOURISM PROMOTION		30,072	8,246	233,418	146,714	251,400	188,550	44,868
Subtotal unrestricted expenses		102,542	161,005	1,115,955	972,397	1,488,561	1,116,421	(466)
Net unrestricted income after expenses		(18,898)	(96,919)	(49,237)	(86,756)	84,510	63,383	(112,620)
ARTS & TOURISM GRANTS PROGRAM								
Restricted A & T Grant Income								
5800	Restricted A & T Grants Expense * See OB Footnote 1	19,181	17,552	172,629	157,968	239,685	179,764	(7,134.75)
Net restricted income after expenses		8,100	4,833	216,334	170,254	239,685	179,764	36,570
TOTAL EXPENDITURES								
Total earmarked for Reserves (Year 1 Payback)		110,642	165,838	1,332,289	1,142,651	1,728,246	1,296,185	36,105
Sub Total Excess Receipts over Expenses		(7,817)	(92,942)	(92,942)	(92,942)	87,000	65,250	(65,250)
Building Rental Credit Earmarked for Reserves - Chamber loan		1,000	9,000	9,000	9,000	1,815,246	1,361,435	(29,146)
Total of non-operational budget expenses (depicted in footnotes (1-4))		9,348	104,880	104,880	104,880	(12,000)	(9,000)	(83,942)
Total of Operational Budget Expenditures		101,294	1,227,409	1,227,409	1,227,409	12,000	9,000	104,880
TOTAL OPERATIONAL BUDGET RECEIPTS OVER EXPENSES		1,531	(84,200)	11,938	(99,042)	0	0	(23,763)

NON-OPERATIONAL BUDGET EXPENDITURES NOTED

* NOB Footnote 4 - We have paid \$71,862 for completion of the Visitor Center galleries, videos and design

OPERATIONAL BUDGET EXPENDITURES NOTED

* OB Footnote 5 - We have paid \$216,334 in Arts & Tourism Grants where we typically would have paid \$179,764 YTD. There were several groups that needed their money at the start of the fiscal year. We paid out \$36,570 more than schedule in grants. We only have \$23,351 to spend in grants for the remainder of the year.

HP Convention & Visitors Bureau
Balance Sheet
March 31, 2015

4/28/15 at 14:51:23.08

ASSETS

Current Assets

HP Bank & Trust - Chkg - CVB	\$	77,483.39
HP Bank & Trust - MM - CVB		94,678.79
Petty Cash		2.31
CASH CD/ CVB		125,648.05
AR - Chamber Loan Balance		56,071.83

Total Current Assets 353,884.37

Property and Equipment

FURNITURE / EQUIPMENT	161,434.90
ACCUMULATED DEPRECIATION	(123,858.87)

Total Property and Equipment 37,576.03

Other Assets

COLLECTIONS DOLLS	156,200.00
-------------------	------------

Total Other Assets 156,200.00

Total Assets \$ 547,660.40

LIABILITIES AND CAPITAL

Current Liabilities

Retirement Withholding	\$	(0.16)
Health Insurance Withholding		(290.02)
Dental Withholding		285.93
Tax Garnishments		(84.00)
Aflac Withheld		(146.80)
Accident Ins.		26.00
United Way		236.60

Total Current Liabilities 27.55

Long-Term Liabilities

Total Long-Term Liabilities 0.00

Total Liabilities 27.55

Capital

Retained Earnings	(82,215.89)
Fund Balance - CVB	722,799.48
Net Income	(92,950.74)

Total Capital 547,632.85

Total Liabilities & Capital \$ 547,660.40

SUMMARY OF HPCVB'S REGIONAL VISITOR CENTER SPONSORSHIP PROGRAM

SPONSOR GOAL FOR YEAR 1	150,000.00
Paid Sponsors	51,000.00
Outstanding Sponsors	118,000.00
Paid Ambassadors	21,000.00
Outstanding Ambassadors	20,500.00
In Kind Sponsors	72,500.00
TOTAL COMMITMENT	283,000.00

	Committed Cash Collections	June 2014 Receipts	FY 14-15 Receipts	FY 15-16 Receipts	FY 16-17 Receipts	Total Committed Collections including non-cash
Cash Receipts	72,000.00	25,000	47,000	0	0	72,000
Outstanding Receivables for next 3 years	138,500.00		46,139	77,361	15,000	138,500
In Kind Sponsors - non cash commitments already collected	72,500.00	72,500	0	0	0	72,500
TOTAL COMMITMENT	283,000.00	97,500	93,139	77,361	15,000	283,000

Cash Commitment	210,000
Cash Received To Date (FY 13/14 and FY 14/15)	118,139
Amount committed to reserves (1/2 of sponsor receipts)	59,070

HPCVB 's allows Industry Partners to market their organizations within the High Point Regional Visitor Center, interactive kiosks, website, exhibit galleries, information on demand, promotional map, and visitor app. This opportunity supplements HPCVB's operational marketing in all promotional collateral and website. HPCVB developed a program for Industry Partners to become a sponsor in the Visitor Center, where HPCVB has custom packages and promotions for any budget ranging from \$250 - \$30,000. This is a win-win for the Industry Partner as well as HPCVB. The Industry Partner gets the additional marketing exposure and HPCVB receives additional income to market High Point and High Point's Regional Visitor Center through billboards, radio, and cable tv. This aggressive marketing strategy complements the operational marketing budget such as reprint of brochures, maintain website, place ads in state, regional, and niche market magazine, etc. HPCVB would not be able to promote High Point through these media outlets within our operating budget of our occupancy tax receipts. HPCVB saw an opportunity to brand the Visitor Center as a regional visitor center as there was not an entity promoting the region as a tourism destination. This branding is a great fit for High Point as it compliments our hub and spoke strategy, making High Point the hub or center destination for visitors. Once they are in High Point, we can then encourage them to stay longer as they visit other attractions or spokes in the area.

To refer to the Sponsorship Program in the budget, please review line items 4106.1 (sponsorship dollars allocated for additional marketing) and 4106.2 (sponsorship dollars allocated to go back in reserves, hence paying off the capital expenditures of the building, move, and build out of the Visitor Center that was taken out of reserves)

Non-Operational Budget Expenditures

	<u>FY 13-14</u>	<u>FY 14-15 YTD</u>
Capital Expenditures - Visitor Center Construction	185,248	71,862
<i>Design, Implementation, Buildout, Videos, Graphics, Kiosks, Database, Art - Companies used: Holt Group, Frogman Interactive, Cartagram, McNeill Communications, Me & Him Désigns, and Elements * this item is footnoted on the financial statement #4 under 5509 Visitor Center</i>		
Capital Expenditures - Move/Building/Office		
Equipment/Signage	70,391	5,615
<i>Move offices, build entrance, add doors, add carpet, widen sidewalk, add awnings, add digital signage, directional signage, add telephone lease, add small copier, cabling and wiring of building - Companies used: City Transfer, SignWorks, Dize Company, Capitol Medals, Williard-Stewart * this item is footnoted on the financial statement #2 under 5303 General & Administrative</i>		
Chamber Loan - to build out new board room	70,071	0
<i>Buildout of Board Room with AV technology - Companies used: Willard-Stewart and Church Interiors Audio/Video * this item is reflected on the balance sheet under Accts. Receivables - Chamber Loan</i>		
HP Partners -Business Inc. initiative * this item is footnoted on the financial statement # 1 under 5301 Memberships General		20,000
Strategic Advisory Group - Feasibility Study * this item is depicted in 5402 Convention Services - General	5,996	7,403
	331,706	104,880
		please refer to page 2 of financial statement highlighted in
Sponsorship Funds added to Reserve (split 1/2)	-12,500	-46,570
TOTAL OF NON-OPERATIONAL BUDGET EXPENSES	319,206	58,310

Please note that Sponsorship Funds collected are \$92,139 YTD for FY 14-15. Half the funds \$46,070 will be used to offset the Capital Expenditures in the Non-Operational Budget. The other \$46,070 is used for Visitor Center Marketing Expense which is a budget line item in 5513. The line items on this page were not budgeted in our operational budget and came out of reserves. These projects were/are associated with the move to the Chamber building, the build out of the Visitor Center, a loan to the Chamber to build another board room in their raw space, an opportunity to participate in Business Inc, and work for Strategic Advisory Group to vet a possible

HPCVB Arts & Tourism Grants FY 14-15

ORGANIZATION	PROJECT	GRANT AWARD
Theatre Art Galleries	Audience Awareness Campaign	\$3,337
Historic Jamestown Society	Mendenhall Plantation Website Project	\$1,500
High Point Theatre	Passport to Entertainment Series	\$6,000
Culler Senior Center	3rd Annual Triad Pickleball Tournament	\$956
High Point Area Arts Council	Capitol Campaign for Centennial Station Arts Center	\$33,000
High Point Area Arts Council	Marketing and Ticketing for Arts & Entertainment Events	\$12,500
Piedmont Triad Film Commission	Reel Scout and Tradeshows	\$10,800
Big Brothers Big Sisters of the Central Piedmont	Spider Digital Tennis Classic	\$3,537
Friends of John Coltrane	5th Annual John Coltrane Intl. Jazz and Blues Festival	\$41,378
High Point Swim Club	Splash Back to High Point	\$5,050
High Point Community Chorus	17th Annual Concert	\$660
Piedmont Artists	Spring Concert Series 2015	\$530
High Point Community Concert Assn.	2014 Concerts	\$625
The City Project	Enhancing a Sence of Place in the Core City	\$11,050
Piedmont Soccer Alliance	Phillips Park Soccer Complex Improvement Phase #3	\$17,049
High Point Parks & Recreation / HP Youth Council	Teambuilding / Leadership State Youth Council Conference	\$1,120
High Point Parks & Recreation	July 4th Uncle Sam Jam at Oak Hollow Festival Park	\$1,504
High Point Parks & Recreation	Renewal of Explore High Point	\$1,710
HiToms Baseball	Multipurpose Athletic Facility	\$8,100
Children's Home Society of NC	Ilderton Beach Music Blasts	\$4,600
Southwest Renewal Foundation of High Point	HP Antiques, Arts, and Accessories Sale	\$2,700
Southwest Renewal Foundation of High Point	HP Core City Public Art Pilot Project	\$1,440
J Gallery Fine Art / Bienenstock Furniture Library	2014 Piedmont Plein Air Paintout	\$17,550
High Point Historical Society	Gwendolyn Magee Exhibit Marketing Campaign	\$2,160
Carl Chavis YMCA	Splash Pad	\$12,400
High Point Cycling Classic	2014 High Point Cycling Classic	\$31,629
Carolina Preps	High Point Basketball Classic	\$4,300
Macedonia Family Resource Center	Triple-H Hunger Stomp 5k	\$2,500
	<u>FY 14-15 Grant Allocation</u> \$239,685	\$239,685

ARTS & TOURISM GRANTS PROGRAM

2015-2016 GUIDELINES

Application Deadline May 29, 2015

The purpose of this Arts & Tourism Grants Program is to assist area non-profit organizations with promotional and marketing projects that will enhance the development of arts and tourism, and supplement the High Point Convention & Visitors Bureau's (HPCVB) efforts to bring increased visitation to High Point.

PROJECT GUIDELINES

Any non-profit organization may apply for an Arts & Tourism Grant according to the following guidelines:

1. Projects should be arts and tourism related and should be of a promotional, advertising, or marketing nature.
2. Projects should be designed to develop and enhance increased visitation for the organization or event, as well as High Point, including hotels, motels, event facilities, and attractions.
3. Projects should promote visitation by out of town guests as well as have local impact.
4. Projects should help to enhance High Point's image as a visitor/convention/event destination or stopover.
5. HPCVB Board of Directors shall have sole authority in granting these funds.
6. In making decisions on grant applications, the Board will consider such factors as the type and scope of the applying organization, the impact and priority of the proposed project, the timetable, the number of applications received, the dollar amounts requested, the dollar amounts available, and the timeliness of updated progress and final reports.
7. Organizations receiving Arts & Tourism Grants in the past must re-apply each year. There are no guarantees that organizations will receive grants from year to year. Application requests are made annually, and grants will be awarded based on the merit and priorities for each year.
8. Recipients of previous grants will only be eligible if all previous progress and final reports are received.
9. Projects must take place within July 1, 2015 and December 31, 2016
10. All applicants must submit a copy of their official proof of non-profit status with their grant application.
11. It is understood that if the applicant is awarded grant monies, then HPCVB's contribution will be sufficiently acknowledged.
12. If the organization has multiple projects to submit for grant funding, then the applicant should submit a stand-alone application for each request.

APPLICATION PROCEDURES & SCHEDULE

1. Complete and deliver or mail the **Application**. **Electronic submissions of applications or grant reports will not be accepted.** All information must be included, such as budget, IRS non-profit status information, and the applicant's signature. **Applications and reports must be typed.** Attach extra sheets if needed. In the event you are including additional support information such as brochures, flyers, audio visuals, guides, etc., then please provide those in quantities of (10) and **hole punched.** It is encouraged to submit support materials with the application by the submission deadline. These materials will be included with the application for review by the committee. To receive an application via e-mail, please contact 884-5255 or MBurnett@HighPoint.org. Applications are also accessible via the web at www.highpoint.org
2. **Application Deadline is May 29, 2015**

**Mail or Deliver
Applications to:**

Arts & Tourism Grants Committee
High Point Convention & Visitors Bureau
1634 N. Main St. Suite 102
High Point, NC 27262

- HPCVB is open 8:30am – 5:00pm Monday – Friday.
- Applications must be received by 5:00pm

PAYMENT OF APPROVED GRANTS

Approved grants will be paid in either a lump sum or in increments, depending on the amount granted, the project's timetable, and the Bureau's funding schedule.

REPORTS REQUIRED:

1. Progress Report and Final Report forms are available at www.highpoint.org. The Final Report will be due by May 10, 2015 if the project is completed by June 30, 2015. The Progress Report is due by May 10, 2015 if the project is not completed by June 30, 2015, and then the Final Report will be due by December 31, 2015.
2. Should plans for the approved Grant be changed, HPCVB must be notified. Grants are subject to be refunded to HPCVB if the funds are spent on unauthorized projects, or if the project is canceled.

**The mission of the High Point Convention & Visitors Bureau
is to promote and encourage economic development in
High Point through travel and tourism.**

**EVENT BOOKING INCENTIVES
PROPOSED/DEFINITE
FY 14-15**

<u>GROUP</u>	<u>AMOUNT</u>	<u>AMOUNT GIVEN</u>
Hi-Toms Baseball - TEAM Japan	\$1,000	\$1,000
High Point Golf Swingers	\$2,000	\$2,000
Piedmont Soccer Alliance	\$2,500	\$2,500
NC Assn. or the Treatmean of Opioid Dependence	\$300	\$324
HPU Fall Family Weekend	\$1,000	\$1,000
HPU Fall Alumni Weekend	\$2,000	\$2,000
Miss NC USA Teen and Miss NC USA Pageant	\$10,000	\$10,000
NC State Elks Assn. Fall Convention	\$5,000	\$3,034
Special Olympics	\$10,000	\$10,000
Showtime - ITMA	\$14,000	\$7,000
HPU Spring Family Weekend	\$1,000	\$1,000
Carolina Preps, Inc	\$1,000	
2014 Furniture City Long Course Swim Meet	\$2,000	
Willow Creek Senior Golf HOF Championship	\$2,000	
 TOTAL TO DATE	 \$53,800	 \$39,858

group will be paid before June 30, 2015 at the end of the fiscal year after their event

Board of Directors

<u>Board Member</u>	<u>Representing</u>	<u>Terms</u>	<u>Appointed By:</u>
Mary Lou Blakeney Chairwoman 1411-D Bergamot Loop HP NC 27260 Cell: 336-471-3178 Purplelady44@gmail.com	Voting At Large	10/11 – 9/13* 10/13 – 9/15	County
Bruce Davis Vice-Chairman KidAppeal 1010 Greensboro Rd.; HP NC 27260 Work: 336-887-3684; 336-688-2431 BruceDavis@Triadbiz.rr.com	Voting At-Large	1/15 – 12/16*	County
Corine Hollingsworth Treasurer High Point Plaza Hotel and Conference Center 135 S. Main St. HP NC 27260 Work: 336-889-8888 Chollingsworth@innercirclehp.com	Voting Accommodations with more than 100 rooms	1/15 -12/16 FIT	County
Patrick Harman Asst. Treasurer 1214 Woodland Pl HP NC 27262 Phone: 508-2703; Home 336-882-3551 Patrickatserve@aol.com	Voting Arts & Tourism Attractions	12/14 – 11/16*	Chamber
A. Doyle Early Jr. Chairman Emeritus Wyatt Early Harris Wheeler P.O. Drawer 2086; HP NC 27261 Work: 336-819-6046 DEarly@WEHWLaw.com	Ex-Officio Chairman Emeritus	One of HPCVB's Founders Ex-Officio 1996 Ex Officio Emeritus 1998 Chairman Emeritus 2008	HPCVB Board
Mena Parrish Past Chairman JH Adams Inn 1108 N. Main St. HP, NC 27262 Work: 882-3267 MParrish@jhadamsinn.com	Ex-Officio Past Chair	Term Began 12/14	HPCVB Board

FIT = Fulfilled Incomplete Term

*=Renewable Term

Updated 1/13/15

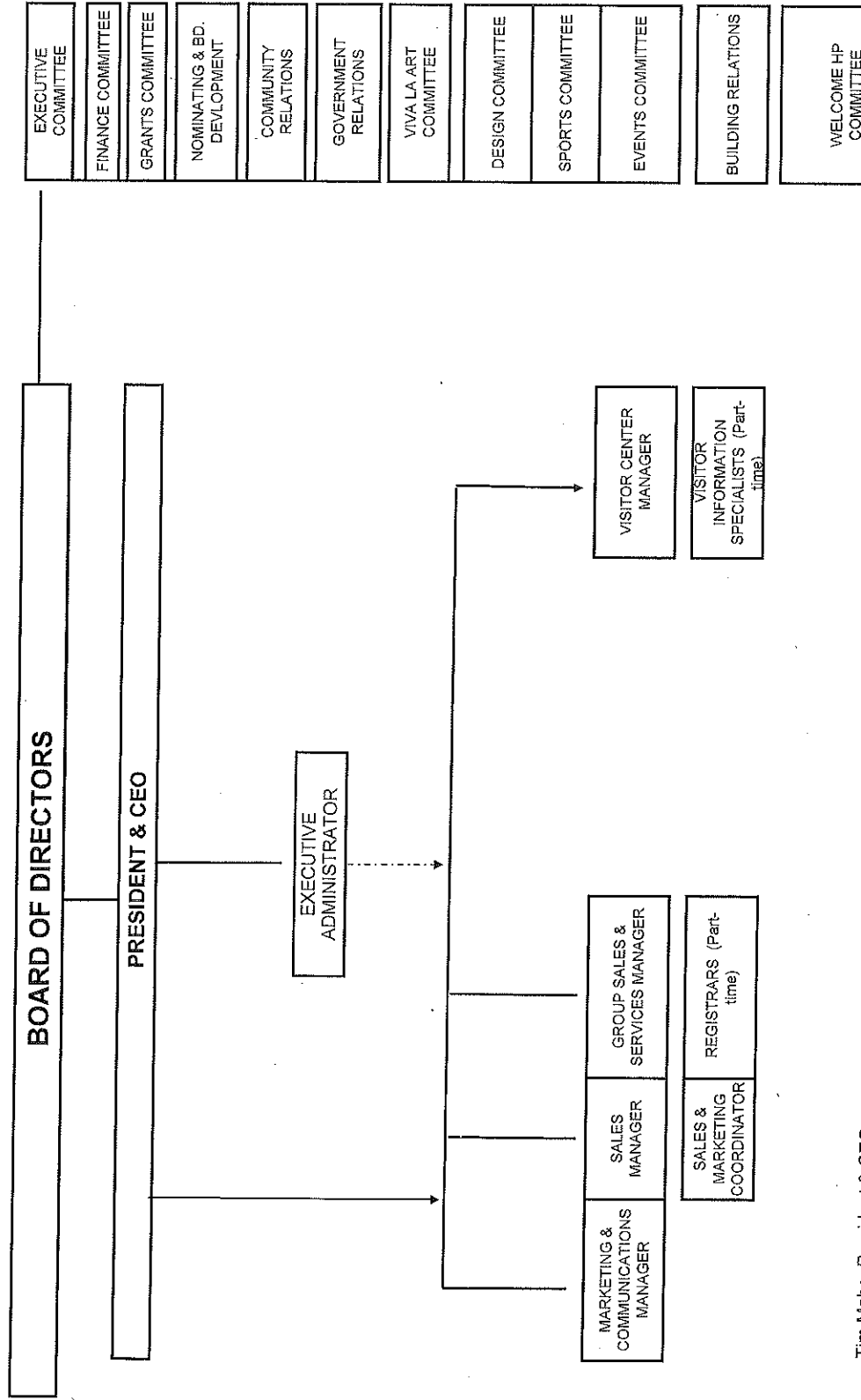
<u>Board Member</u>	<u>Representing</u>	<u>Terms</u>	<u>Appointed By:</u>
Dorothy Darr Southwest Renewal Foundation 501 W. High St. HP, NC 27260 Phone: 336-887-5130 Cell: 336-689-8122 Dorothy1@northstate.net	Ex-Officio Southwest Renewal	Term Began 12/14 in conjunction with Southwest Renewal Role	Southwest Renewal
Peter Freeman Freeman Kennett Architects 1102 N. Main St. Ste. 102 HP, NC 27262 Phone 336-869-3464 Freeman@freemankennett.com	Ex-Officio City Architect of Record	Term began 12/14 with Freeman Kennett's involvement in City of High Point's core city planning	HP City
Natalie Haire Community Relations Manager HPU Roberts Hall 313 Drawer 59, HP NC 27262 Work: 336-841-9524; 880-9166 NHaire@HighPoint.edu	Ex-Officio High Point University	Term began 3/15 in conjunction with High Point University role	HPU
Mark Harris GTCC 901 S. Main St.; HP NC 27260 Cell: 336-854-0424 MEHarris@gtcc.edu	Ex-Officio GTCC	Term began 3/15 in conjunction with GTCC role	GTCC
Darlene Leonard Chamber Chairman 4035 Premier Dr. Suite 300 HP NC 27265 Work: 336-821-1320 Cell: 336-339-7930 DLeonard@smithleonardcpas.com	Ex-Officio High Point Chamber	Term Began 1/12 in conjunction with Chamber Chairmanship	HP Chamber
Leah Price EDC Chairman BB&T 620 N. Main St. HP, NC 27260 Work: 336-889-1121 LPPrice@BBandT.com	Ex-Officio High Point EDC	Term began 1/14 in conjunction with EDC Chairmanship	HP EDC
Lee Tillery High Point Parks and Recreation 136 Northpoint Ave. HP, NC 27262 Work: 336-883-3473 Lee.tillery@highpointnc.gov	Ex-Officio High Point Parks and Recreation	Term began 12/14 in conjunction with HP Parks and Recreation Role	HP Parks and Rec
Scott Tilley High Point Partners 501 N. Main St. HP, NC 27260 Phone: 336-410-7204 Scott_tilley@ml.com	Ex-Officio High Point Partners	Term began in conjunction with High Point Partners Role	High Point Partners

FIT = Fulfilled Incomplete Term

*=Renewable Term

Updated 1/13/15

High Point Convention & Visitors Bureau



Tim Mabe, President & CEO
 Melody Burnett, Executive Administrator
 Nancy Bowman, Marketing & Communications Manager
 Marva Wells, Sales Manager
 Gillian Dobbins, Group Sales & Services Manager
 Joyce Allen-Crawford, Visitor Center Manager
 Janet Siler, Sales & Marketing Coordinator

HPCVB INVOLVEMENT

Fiscal Year 2014/2015

CITY REPRESENTATION

Chamber of Commerce
Economic Development Committee
Rotary Club of High Point

Chair Blakeney, Tim Mabe (substitute)
Chair Blakeney, Tim Mabe (substitute)
Tim Mabe
Tim Mabe, Melody Burnett, Nancy Bowman
(current class)
Melody Burnett
Chair Blakeney, Tim Mabe
Joyce Allen-Crawford
Melody Burnett
Tim Mabe
Tim Mabe
Tim Mabe & Melody Burnett
Gillian Dobbins
Tim Mabe
Tim Mabe

Leadership High Point Alumni
Triad Women's Forum
High Point Market Authority
High Point Showroom Association
Uptowne High Point Committee
Business Inc.
HP Partners Board
HP Partners Task Force Committee
South Main St./GTCC Committee
Downtown/Market District Committee
Southwest Renewal Foundation

COUNTY REPRESENTATION

Guilford County Hotel Association

Gillian Dobbins

TRIAD REPRESENTATION

Piedmont Triad Film Commission
Piedmont Triad Sports Clubs
Piedmont Triad Host DMO Group

Tim Mabe & Nancy Bowman
Marva Wells
Tim Mabe & Nancy Bowman

STATE REPRESENTATION

Association Executives of North Carolina
Governor's Conference - Tourism
Meeting Professionals International - Carolinas
Chapter
American Bus Tours
NC Motorcoach Association
National Association of Sports Commissions
NC Tourism Industry Association

Gillian Dobbins & Mara Wells
Tim Mabe, Nancy Bowman, Janet Siler
Gillian Dobbins, Marva Wells, and Tim Mabe
Gillian Dobbins and Nancy Bowman
Gillian Dobbins and Nancy Bowman
Marva Wells
Tim Mabe

NATIONAL REPRESENTATION

CONNECT
IAVM - National & Regional
Destination Marketing Association Intl.
TEAMS

Marva Wells
Tim Mabe & Gillian Dobbins
Melody Burnett
Marva Wells