



**Thurston County Hotel & Motel Commission Meeting Agenda
OrgSupport Offices, 2102 E Carriage Drive SW, Olympia, WA
Monday, August 27, 2018 • 3:30 pm**

AGENDA

1. Welcome & Call to Order
2. Consent Calendar (items of a routine nature)
 - a. Approval of June 25, 2018 Minutes
 - b. Financials
3. STR Report
4. Marketing & Communications Report
5. 2018 Mid-Year Budget Revision
6. 2019 Budget Review
7. Recommendation to the Board of County Commissioners to Fill Vacant Seat
8. Items from the Floor
9. Adjournment

Next Meeting: October 29, 2018



Thurston County Hotel & Motel Commission Meeting Agenda
OrgSupport Offices, 2102 E Carriage Drive SW, Olympia, WA
Monday, June 25, 2018 • 3:30 pm

ATTENDEES: Jeetu Chaudhry, Michael Gustaves, John Hutchings, Shauna Stewart, Greg Taylor, Valerie Walters and Craig Ottavelli (staff).

ACTION ITEMS:

- *Shauna Stewart will bring a presentation on U-Trip Software to next meeting.*
- *Shauna Stewart will ask who is taking Nick Durant's place when she goes on Thursday.*

MINUTES

1. Welcome & Call to Order – **Chair Michael Gustaves called the meeting to order at 3:39 pm.**
2. Consent Calendar (items of a routine nature) – **It was moved, seconded, and passed unanimously to approve the consent calendar with the below changes.**
 - a. Approval of April 30, 2018 Minutes –Add Moira Davin and Shauna Stewart to attendance for April 30 Minutes
 - b. Financials
 - c. Acceptance of Resignation by Nick Durant, Yelm Prairie Hotel
3. STR Report – Distributed by Shauna Stewart and discussed. Occupancy rates were down for past 3 months.
4. Marketing & Communications Report – Distributed by Shauna Stewart and discussed.
 - a. The focus is on keeping people and their money here in Thurston County. There was a 15.6% growth in destination spending in 2017.
 - b. The WIAA Golf Tournament is coming to Thurston County for a four year contract starting next year. Estimated 500 rooms a year.
 - c. U-Trip Software has been fully launched for a few months, discussion regarding making it more visible and impactful throughout. There is a background report to show what people are looking at when they use U-trip. *Shauna Stewart will bring a presentation on U-Trip Software to next meeting.*
5. 2019 Budget Discussion – The Budget Survey intention is to a capture revenue and expenses forecast. Summer will be a better indication of where things are going to go financially.
 - a. Discussion regarding market segments and which segment is the most valuable? Getting more sporting events, festivals, tour & travel, weekend events coming to the area would improve the market.
 - b. There are fewer big events happening now than in the past. A number of events aren't happening at all this year. Donor fatigue and volunteer fatigue are a factor. The Visitors Convention Bureau should continue to grow what they are doing.
 - c. Discussion about the value of tracking vs. value of advertising. How should TPA be prioritizing and making decisions around that? Discussion about Adara software. What is needed is a balance of tracking



what is effective and retaining enough money to capitalize on it. If it's balanced spending, there is value in both. Adara could be a valuable investment in the long-run.

- d. Visitor center numbers are trending down, although there are still people who seek out visitors centers and want the maps and pamphlets and the face-to-face contact. Mobile information centers, increasing hospitality training, and kiosks at higher traffic destinations could be a possible solutions to combat the downturn. Partnerships with local chambers and downtown associations is also a possibility.
6. Recommendation to the Board of County Commissioners to Fill Vacant Seat
 - a. Suggestion made to inquire if new Yelm GM could be interested. *Shauna Stewart will ask who is taking Nick Durant's place when she goes on Thursday.* Another suggestion is Cassandra (GM) from La Quinta Tumwater.
7. Items from the Floor – Shauna Stewart has learned through Jack Rabbit that the further away people are they are more likely to book. Olympia is often the half way point on the Canadian or Californian trip. Commissioners regard expanding marketing reach to Oregon or Northern California or Canada.as a good idea.
8. Adjournment – **Chair Michael Gustaves adjourned the meeting at 5:02 pm.**

Next Meeting: August 27, 2018

Olympia-Lacey-Tumwater Visitor & Convention Bureau
 Revenue & Expense Budget Performance - 2018 YTD
 June 2018

Accrual Basis

	Jun 18	Budget	% of Budget	Jan - Jun 18	YTD Budget	% of Budget	Annual Budget
Income							
40000 - LTAC							
40110 - LTAC-Lacey	6,666.67	6,666.67	100.0%	39,999.98	39,999.98	100.0%	80,000.00
40120 - LTAC-Olympia	8,333.33	8,333.33	100.0%	50,000.02	50,000.02	100.0%	100,000.00
40130 - LTAC-Tumwater	2,177.67	2,177.67	100.0%	13,065.99	13,065.98	100.0%	26,132.00
Total 40000 - LTAC	17,177.67	17,177.67	100.0%	103,065.99	103,065.98	100.0%	206,132.00
40200 - Membership							
40210 - New Memberships	600.00	300.00	200.0%	3,300.00	1,800.00	183.33%	3,600.00
40220 - Renewing Memberships	2,400.00	1,200.00	200.0%	11,050.00	7,200.00	153.47%	14,400.00
Total 40200 - Membership	3,000.00	1,500.00	200.0%	14,350.00	9,000.00	159.44%	18,000.00
40300 - Private Funds							
40310 - Advertising	38,876.00	24,870.00	156.32%	38,876.00	44,870.00	86.64%	44,870.00
40320 - Event Income	3,360.00	0.00	100.0%	12,280.00	25,300.00	48.54%	25,300.00
40330 - In Kind Event Income	931.08	0.00	100.0%	15,107.74	15,000.00	100.72%	15,000.00
40340 - Sponsorship	200.00	0.00	100.0%	35,386.00	40,000.00	88.47%	40,000.00
Total 40300 - Private Funds	43,367.08	24,870.00	174.38%	101,649.74	125,170.00	81.21%	125,170.00
40400 - TPA Income							
40410 - TPA Revenue	67,763.86	77,649.90	87.27%	393,411.81	399,965.09	98.36%	942,023.53
Total 40400 - TPA Income	67,763.86	77,649.90	87.27%	393,411.81	399,965.09	98.36%	942,023.53
Total Income	131,308.61	121,197.57	108.34%	612,477.54	637,201.07	96.12%	1,291,325.53
	131,308.61	121,197.57	108.34%	612,477.54	637,201.07	96.12%	1,291,325.53
Expense							
50100 - Marketing & Communications							
50110 - Advertising	11,680.98	27,533.34	42.43%	107,163.59	130,246.99	82.28%	216,527.00
50120 - Content Development	3,051.76	2,830.00	107.84%	17,532.23	17,980.00	97.51%	34,960.00
50130 - Distribution	0.00	15,000.00	0.0%	16,526.61	18,000.00	91.82%	18,000.00
50140 - Layout & Design	0.00	500.00	0.0%	4,233.01	11,800.00	35.87%	17,300.00
Total 50150 - Media FAM Tours	872.38	730.00	119.5%	4,818.47	10,620.00	45.37%	15,000.00
50160 - Membership & Research	5,352.13	5,340.00	100.23%	15,604.44	17,505.00	89.14%	22,154.00
50170 - Printing & Brochures	0.00	1,000.00	0.0%	3,087.87	13,000.00	23.75%	14,000.00
Total 50180 - Product & Development	0.00	0.00	0.0%	3,462.85	15,750.00	21.99%	22,500.00
Total 50200 - Special Projects	0.00	5,000.00	0.0%	346.10	8,000.00	4.33%	9,000.00
Total 50300 - Visitor Guide	38,876.00	44,870.00	86.64%	74,876.00	80,870.00	92.59%	80,870.00
50400 - Website	1,222.07	2,960.00	41.29%	45,695.67	45,217.80	101.06%	71,883.80
Total 50100 - Marketing & Communications	61,055.32	105,763.34	57.73%	293,346.84	368,989.79	79.5%	522,194.80
51000 - Community Relations							
Total 51100 - Annual Meeting	401.96	50.00	803.92%	16,959.98	24,750.00	68.53%	24,750.00
51200 - Meals & Registrations	150.70	300.00	50.23%	2,274.00	1,850.00	122.92%	4,250.00
Total 51300 - Member Events	2,272.04	10,850.00	20.94%	11,248.32	15,360.00	73.23%	16,140.00
Total 51000 - Community Relations	2,824.70	11,200.00	25.22%	30,482.30	41,960.00	72.65%	45,140.00

	Jun 18	Budget	% of Budget	Jan - Jun 18	YTD Budget	% of Budget	Annual Budget
52000 - Sales							
Total 52100 - Tradeshow	987.34	850.00	116.16%	11,752.34	15,500.00	75.82%	19,560.00
52200 - Event Sponsorship & Bid Fees	857.59	0.00	100.0%	3,805.14	7,000.00	54.36%	8,700.00
Total 52300 - FAM Tours	100.00	25.00	400.0%	1,462.44	150.00	974.96%	1,500.00
52400 - Client Entertainment	11.99	100.00	11.99%	243.09	800.00	30.39%	1,600.00
Total 52000 - Sales	1,956.92	975.00	200.71%	17,263.01	23,450.00	73.62%	31,360.00
60000 - Operations							
Total 60100 - Personnel Expense	43,621.74	43,744.03	99.72%	252,607.80	247,464.23	102.08%	494,928.41
Total 60200 - Internet and Technology	2,564.80	2,488.75	103.06%	16,440.45	14,921.50	110.18%	29,854.00
60310 - Rent & Facility Charges	5,782.07	5,685.94	101.69%	34,446.63	34,115.60	100.97%	68,231.24
60320 - Equipment	0.00	250.00	0.0%	0.00	1,500.00	0.0%	3,000.00
60340 - Insurance	229.58	0.00	100.0%	3,673.54	2,900.00	126.67%	2,900.00
60360 - Licenses & Fees	0.00	0.00	0.0%	0.00	50.00	0.0%	200.00
60380 - Postage and Shipping	324.26	200.00	162.13%	741.07	1,300.00	57.01%	2,500.00
Total 60400 - Professional Development	2,351.67	0.00	100.0%	8,413.45	9,480.00	88.75%	12,980.00
60410 - Printing	248.38	375.00	66.24%	1,892.20	2,425.00	78.03%	4,775.00
Total 60500 - Professional Fees	958.00	5,850.00	16.38%	1,490.32	7,125.00	20.92%	14,300.00
60550 - Repairs & Maintenance	0.00	125.00	0.0%	0.00	250.00	0.0%	500.00
60570 - Supplies	1,619.12	850.00	190.49%	3,875.56	5,000.00	77.51%	10,000.00
Total 60580 - Travel Expenses	3,361.92	1,540.00	218.31%	11,928.77	8,950.00	133.28%	17,075.00
Total 60600 - Bank Charges	53.40	12.50	427.2%	137.75	215.00	64.07%	275.00
Total 60000 - Operations	61,114.94	61,121.22	99.99%	335,647.54	335,696.33	99.99%	661,518.65
Total 61105 - Marketing & Operations	0.00	515.00	0.0%	2,566.14	2,995.00	85.68%	3,135.00
Total 61200 - Professional Fees	2,658.75	2,325.00	114.36%	15,587.92	13,950.00	111.74%	27,900.00
Total 61000 - TPA Administration	2,658.75	2,840.00	93.62%	18,154.06	16,945.00	107.14%	31,035.00
Total Expense	129,610.63	181,899.56	71.25%	694,893.75	787,041.12	88.29%	1,291,248.45
Net Ordinary Income	1,697.98	-60,701.99	-2.8%	-82,416.21	-149,840.05	55.0%	77.08
98100 - Interest Income	5.52	18.00	30.67%	423.65	96.00	441.3%	200.00
Net Income	1,703.50	-60,683.99	-2.81%	-81,992.56	-149,744.05	54.76%	277.08



To: TPA Commission
From: Shauna Stewart, CEO
Date: August 16, 2018
Subject: 2018 Mid-Year Budget Adjustment

As communicated at the beginning of the year, I am presenting a 2018 mid-year budget revision to account for 2017 carry-forward as well as some changes in income and expenses. Attached is a comparison of the 2018 approved budget and the revised 2018 proposed budget.

At the end of 2017, we were left with \$110K in carry-forward. This total was a result of TPA revenues being higher than projected and program cost savings largely due to the delay in moving into the administrative offices and the hiring of a sales coordinator.

Per our financial policies, we need to have three months of operating expenses in a reserve fund. As such we put \$45K of the carry-forward into our reserve/opportunity account, leaving \$65K to carry-forward into the 2018 budget.

2018 Income

In 2018 TPA revenues are coming in below what was anticipated. To be safe we recommend reducing our TPA budget revenues by 3 percent. On a more positive note, we received sponsorship revenues of \$10K more than our budget.

2018 Expenses

Now that we are mid-way through the year, we have been able to achieve some cost savings in some line items which are reflected on the attached budget.

Summary of Proposed Adjustments

Income		Expenses	
Carry-forward	\$65,000	Additional Expenses	\$59,500
Sponsorship	\$10,000	Savings	<u>(\$11,500)</u>
TPA	<u>(\$27,000)</u>	Total	\$48,000
Total	\$48,000		

I look forward to further discussion and answering any questions you may have at the TPA Commission meeting.

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The Olympia-Lacey-Tumwater Visitor & Convention Bureau is the official destination marketing organization for Thurston County.

Olympia-Lacey-Tumwater Visitor & Convention Bureau

Profit & Loss Budget Overview 2018

January through December 2018

APPROVED CHANGE PROPOSED

Jan - Dec 18

Jan-Dec 18

Income		110,000.00	110,000.00 CARRY FORWARD 12.31.17
40000 - LTAC			
40110 - LTAC-Lacey	80,000.00		80,000.00
40120 - LTAC-Olympia	100,000.00		100,000.00
40130 - LTAC-Tumwater	26,132.00		26,132.00
Total 40000 - LTAC	<u>206,132.00</u>		<u>206,132.00</u>
40200 - Membership			
40210 - New Memberships	3,600.00		3,600.00
40220 - Renewing Memberships	14,400.00		14,400.00
Total 40200 - Membership	<u>18,000.00</u>		<u>18,000.00</u>
40300 - Private Funds			
40310 - Advertising	44,870.00		44,870.00
40320 - Event Income	25,300.00		25,300.00
40330 - In Kind Event Income	15,000.00		15,000.00
40340 - Sponsorship	40,000.00	10,000.00	50,000.00 Lucky Eagle and Chehalis Tribe Sponsorships
Total 40300 - Private Funds	<u>125,170.00</u>		<u>135,170.00</u>
40400 - TPA Income			
40410 - TPA Revenue	942,023.53	(27,000.00)	915,023.53 lowered based on trend
Total 40400 - TPA Income	<u>942,023.53</u>		<u>915,023.53</u>
Total Income	<u>1,291,325.53</u>	93,000.00	<u>1,384,325.53</u>
	1,291,325.53		1,384,325.53
Expense			
50100 - Marketing & Communications			
50110 - Advertising	216,527.00	12,000.00	228,527.00 Fall digital campaign
50120 - Content Development	34,960.00		34,960.00
50130 - Distribution	18,000.00	(1,500.00)	16,500.00 eliminted STORY distribution contract
50140 - Layout & Design	17,300.00		17,300.00
Total 50150 - Media FAM Tours	15,000.00		15,000.00
50160 - Membership & Research	22,154.00		22,154.00
50170 - Printing & Brochures	14,000.00		14,000.00
Total 50180 - Product & Developmei	<u>22,500.00</u>		<u>22,500.00</u>
50190 - Promotional Items	0.00		0.00
Total 50200 - Special Projects	9,000.00	(5,000.00)	4,000.00 savings on sports logo
Total 50300 - Visitor Guide	<u>80,870.00</u>		<u>80,870.00</u>
50400 - Website	71,883.80		71,883.80
Total 50100 - Marketing & Communicatic	<u>522,194.80</u>		<u>527,694.80</u>
51000 - Community Relations			
Total 51100 - Annual Meeting	24,750.00	(5,000.00)	19,750.00 reflects actuals/cost savings
51200 - Meals & Registrations	4,250.00		4,250.00
Total 51300 - Member Events	<u>16,140.00</u>		<u>16,140.00</u>
Total 51000 - Community Relations	<u>45,140.00</u>		<u>40,140.00</u>

	<u>Jan - Dec 18</u>		<u>Jan-Dec 18</u>	
52000 - Sales				
52100 - Tradeshows				
Total 52100 - Tradeshows	19,560.00		19,560.00	
52200 - Event Sponsorship & Bid Fees	8,700.00	5,000.00	13,700.00	Reach the Beach
Total 52300 - FAM Tours	1,500.00		1,500.00	
52400 - Client Entertainment	1,600.00		1,600.00	
Total 52000 - Sales	<u>31,360.00</u>		<u>36,360.00</u>	
60000 - Operations				
Total 60100 - Personnel Expense	494,928.41	26,500.00	521,428.41	salary adj based on need for more time, market rate, promotion
Total 60200 - Internet and Technology	29,854.00	8,000.00	37,854.00	Contract + due to addtl staff/ locations
60310 - Rent & Facility Charges	68,231.24		68,231.24	
60320 - Equipment	3,000.00		3,000.00	
60340 - Insurance	2,900.00		2,900.00	
60360 - Licenses & Fees	200.00		200.00	
60380 - Postage and Shipping	2,500.00		2,500.00	
Total 60400 - Professional Development	12,980.00	1,000.00	13,980.00	Additional conferences
60410 - Printing	4,775.00		4,775.00	
Total 60500 - Professional Fees	14,300.00		14,300.00	
60550 - Repairs & Maintenance	500.00		500.00	
60570 - Supplies	10,000.00	2,000.00	12,000.00	Emergency preparedness VIC/Admin
Total 60580 - Travel Expenses	17,075.00		17,075.00	
Total 60600 - Bank Charges	275.00		275.00	
Total 60000 - Operations	<u>661,518.65</u>		<u>699,018.65</u>	
61000 - TPA Administration				
Total 61105 - Marketing & Operations	3,135.00		3,135.00	
Total 61200 - Professional Fees	27,900.00	5,000.00	32,900.00	Fees budgeted at +20%; actual + 140%
Total 61000 - TPA Administration	<u>31,035.00</u>		<u>36,035.00</u>	
Total Expense	<u>1,291,248.45</u>		<u>1,339,248.45</u>	
Operational Reserve Funds		45,000.00	45,000.00	Adjusted 3 month operational reserve
Total Expense			1,384,248.45	
	77.08	0.00	77.08	
Interest Income	<u>200.00</u>	200.00	<u>200.00</u>	
	200.00	200.00	200.00	
Net Income	<u><u>277.08</u></u>		<u><u>277.08</u></u>	

* pending approval