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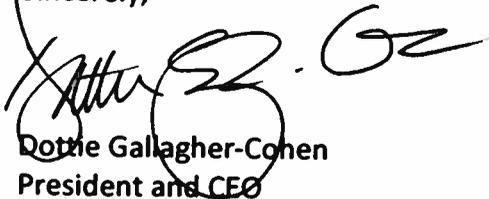
February 1, 2013

The Honorable Lynn Marinelli
Chair, Community Enrichment Committee
Erie County Legislature
1701 Hertel Avenue
Buffalo, New York 14202

Dear Lynn:

In accordance with the reporting requirements outlined in Exhibit A of the Agreement between the County of Erie and the Buffalo Niagara Convention & Visitors Bureau and the Agreement between the County of Erie and the Buffalo Niagara Convention Center, both dated January 1, 2012, enclosed please find the 4th quarter report for 2012 regarding efforts made toward achieving funding purposes as stated in our Marketing Plan, and Budget and Financial Statements as of December 31, 2012.

Sincerely,



Dottie Gallagher-Cohen
President and CEO

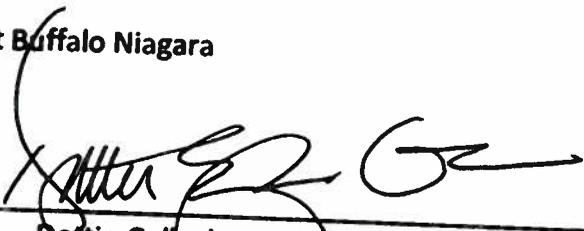
/Enclosure

February 1, 2013

I, the undersigned, do hereby certify based on my knowledge, the information provided herein:

- is accurate, correct and does not contain any untrue statement of material fact;
- does not omit any material fact which, if omitted, would cause the financial statements to be misleading in light of the circumstances under which such statements are made;
- fairly presents, in all material respects, the financial condition and results of operations of the authority as of and for the periods presented in the financial statements.

Visit Buffalo Niagara

By 
Dottie Gallagher-Cohen
President and CEO



2012 4th Quarter Report

	<u>Projected</u>	<u>Budgeted</u>	<u>Variance</u>	<u>Variance</u>
Revenues	\$ 4,143,711	\$3,862,600	\$ 281,111	7.28%
Expenses:				
Marketing Department	\$ 1,497,942	\$ 1,289,709	\$ 208,233	16.15%
Convention Sales & Services	1,581,562	1,574,665	6,897	0.44%
Buffalo Niagara Film Commission	271,326	268,826	2,500	0.93%
Administrative & Finance	733,389	729,400	3,989	0.55%
Total Expenses	\$ 4,084,219	\$3,862,600	\$ 221,619	5.74%
Increase (Decrease) in Net Assets	\$ 59,492	\$ -	\$ 59,492	

SALES

Q4 Sales Results	Goal	Actual	+/-	% Variance
Leads	164	172	8	5%
Group Tour Leads	40	38	-2	-5%
Definite Business	95	111	16	17%
Hotel Room Nights	39,890	58,367	18,477	46%
YTD Sales Results	Goal	Actual	+/-	% Variance
Leads	619	608	-11	-2%
Group Tour Leads	163	163	-	-
Definite Business	397	427	30	7%
Hotel Room Nights	160,000	161,152	1,152	1%
Actual YOY Comparison	2011	*2012	+/-	% Variance
Leads	630	608	-22	-4%
Group Tour Leads	184	163	-21	-11%
Definite Business	441	427	-14	-3%
Hotel Room Nights	165,644	161,152	-4,492	-3%

*Sales team is reduced by one sales person compared to 2011; goals adjusted accordingly as reported at Board meeting on August 1, 2012.

Website

Q4

VisitBuffaloNiagara.com	2011	2012	Variance
Unique Visits	167,601	179,244	6.94%
Pageviews	810,818	860,821	6.17%
Time on Site	3:45	3:46	.3%

YTD

VisitBuffaloNiagara.com	2011	2012	Variance
Unique Visits	594,153	811,585	36.60%
Pageviews	3,096,618	4,079,083	31.73%
Time on Site	4:17	3:42	-17.99%

Sales Initiatives and Programs

Site Visits

American Legion, State of New York 2015	2,300 hotel room nights
Zeta Phi Beta Sorority Oct. 2013	360 room nights
Upscale Getaways Mar. 2013	1800 room nights
North American Scrabble Players Association 2014	820 room nights
US Bowling Congress Junior Gold 2014	10,000 hotel room nights
American Society of Mechanical Engineers 2014	1,200 room nights
International Assoc. Workforce Professionals 2016	915 room nights

Lost Business

In the fourth quarter 153 pieces of business were lost which represented more than 117,000 hotel room nights for various reasons from room availability, room rates or facility limitations. Below is a short list of examples.

Upscale Getaways 2013 (1800 room nights) – This was a short term booking and the group was more familiar with Niagara Falls, Ont. They will consider us for 2014 which will give them more time to prepare their attendees for a new location.

International Test & Evaluation Association (ITEA) 2013 (825 hotel room nights). After much consideration it was decided the Convention Center is too small for this group's needs.

Eta Phi Beta Sorority 2014 (855 room nights). Group is meeting in Richmond because they have a chapter established there. Buffalo doesn't have one

Civil Service Employees Association 2016 (1,300 hotel room nights). Attendance at the Spring Conference has been poor so for the foreseeable future the Spring Conference is cancelled.

Amateur Softball Association Annual Meeting 2014 & 2015 lost to Reno. The National Office pays for hotel and airfare for all of their voting delegates and felt they offered a more competitive proposal, our hotel room rates were too high compared to competing city bids and history of rates paid.

American Society for Pain Management Nursing, September of 2015 (500 attendees, 1760 room nights) – lost because the group prefers to have everything under one roof.

National Conference of Diocesan and Vocation Directors, September 2014, 970 hotel room nights lost to Long Island.

Church of God, A Worldwide Association, September 2013, 3,600 hotel room nights lost due to inability to meet group's room requirements.

NYS Professional Firefighters Association, July 2013, 615 hotel room nights lost due to local Firefighter union's lack of interest in working on hosting the event in Buffalo.

Major Bookings:

NYS Law Examiners 2013-2015 February and July for each year	12,400 hotel room nights
US Swimming Niagara Long Course 2013	1,000 hotel room nights
Council of State Governments 2013	630 hotel room nights
Zeta Phi Beta Sorority, Inc. Atlantic Region Leadership Conference	360 hotel room nights
Top Gun Hockey Tournament 2013	450 hotel room nights
NJCAA Bowling Championships 2013	200 hotel room nights

MARKETING

Media Relations, Social Media, Targeted Promotions – Consumer

Online store developed and launched.
Winter 2012 and spring 2013 advertising developed and released.

VBN's marketing staff generated several non-local media hits in the fourth quarter, including a resoundingly positive review of Buffalo's architecture and culture on Bloomberg.com, which had a media value of \$132,481. Other highlights included a news brief about the OMCA conference on WSJ.com, a Toronto Sun story that featured Forest Lawn Cemetery and a full-page feature about Buffalo in the Erie (Pa.) Reader.

In November, VBN hosted a media FAM tour for a group of writers from the Erie Reader.

Launched another episode of Buffalo. For Real TV highlighting Buffalo's presidential history. Scenes were filmed at the Teddy Roosevelt Site, Founding Fathers and Forest Lawn. It debuted just in time for Election Day.

At the end of December, the Buffalo CVB YouTube channel had 659,000 views.

Generated \$12,791 in sales through our online booking engine, ARES. (\$139,138 in 2012 vs. \$73,797 in 2011)

Completed digital marketing test campaign which resulted in 50,000 subscribers to our culture e-newsletter database. For \$100,000 investment, incremental visitor spending was \$3,996,563* - a 30 to 1 return.

*Advertising Effectiveness Conversion Study 1/16/13 Texas A&M University

Social Media Numbers

Visit Buffalo Niagara on Facebook – 57,167 likes
The 716 on Facebook – 70,450 likes
Buffalo Niagara on Twitter – 5,167 followers



Marketing to GTA and Southern Ontario

Sponsored the National Women's Show in Toronto to promote shopping in Buffalo. Exhibited at the show with our partners from the Elmwood Village, Hertel Avenue and Walden Galleria. Entered close to 1,000 women in our Win the Ultimate Shopping Weekend prize.

Please see above regarding a Toronto Sun story that ran in December.

BUFFALO AMBASSADORS

Citizen Engagement

Number of Buffalo Ambassadors – Ended the year with 2,380 subscribers to Tourism Insider, a modest increase of 2.5% over the third quarter but an increase of 58.6% over 2011.

A Buffalo Ambassador, Adam Zyglis of The Buffalo News, is working with the sales department to bring the Association of Editorial Cartoonists to Buffalo in the late summer/early fall of 2013.

Volunteer Engagement

One group requested volunteer assistance from Visit Buffalo Niagara, the Ontario Motor Coach Association. Over the course of three days, 17 volunteers worked for a total of 54 hours.

No other activities were planned for volunteers in the fourth quarter; however, the 2013 calendar of opportunities was sent and planning is underway.

Tourism Industry Development and Visitor Readiness

65 industry partners attended our quarterly meeting held at the Buffalo Museum of Science on December 5. The focus of this meeting was to explore ways in which to incorporate the "Buffalo Loves Canada" theme into marketing plans, on-site events and more.

Visitor Centers

Walk in traffic at the Airport visitor center was 18,338, broken down as follows:

October	6822
November	5717
December	5799

Walk in traffic at the Market Arcade was 2,864, an increase of 28% over 2011, broken down as follows:

October	1192
November	957
December	715

This brings total walk-in visitors at both locations to 50,343 for 2012. When added to the number of phone calls, email inquiries, website requests and mail, 2012 total inquiries (including walk ins at both locations) is 74,400.

Earned Revenue from merchandise sales:

BuffaloNiagaraShop.com was launched November 5 with an announcement in Tourism Insider and a few mentions on Facebook. An \$800 advertising campaign was purchased in December for the 12 days of Christmas promotion. We ended the year with over \$10,000 in sales from our online store. Sales at the airport during the fourth quarter were brisk: \$55,430. (Earned revenue from the store is used to pay for the rent and labor force that works at the store. The Airport VC is close to a break-even operation as a result.)

FILM COMMISSION

Q4 and YTD Results

Project Type	Q4 Total Projects	Q4 Economic Impact	YTD Total Projects	YTD Economic Impact
Feature Film	10	30,000.00	32	\$801,000.00
Television	3	1,485,000.00	25	\$3,141,500.00
Commercial	3	400,000.00	9	\$1,325,000.00
Still Photography	0	\$0.00	3	\$498,000.00
Student	0	\$0.00	1	\$9,000.00
Documentary	2	125,000.00	5	\$245,000.00
Total	18	2,040,000.00	75	\$6,019,500.00

In 2012, the Economic Impact ROI of the Film Commission was \$23 to \$1 invested.

Activity Q4

- Assisted with permits and location scouts for four television commercial productions
- Location Scouting and Permits for International Documentary "Iraqi Odyssey"
- Preproduction location meetings for Feature Independent "Dry Bones"
- Permitting and location assistance for Feature Independent "Bubble Girl"
- Preproduction and Tax Incentive assistance for Feature Independent "The Romans"
- Location Scout for 5 Major Studio Feature Films (working titles "Norman Rockwell Main Streets," "Old Banks," "London Calling," "And Viages," and "VA") and a children's action movie without working title.
- Permit and Location Scout for NBC's "Biggest Loser"
- Permit and Location Support for TV Special on Bullying
- Crew assistance and support for NFL Network, CBS Sports, and Fox Sports

BUFFALO NIAGARA CONVENTION CENTER

Q4 Revenue	Goal	Projected	Variance
Rent Revenue	\$103,993	\$136,476	31.2%
F&B Revenue	\$582,708	\$546,507	-6.2%
Electrical Service	\$6,100	\$21,793	257.3%
Total Revenue	\$692,801	\$704,776	1.7%

Comments Q4

Total earned revenues were up to budget for the 4th quarter by 1.7% (\$12k).
 F&B revenues down (-\$36k) due to the drop in attendees for CSEA and the UB Holiday Dance in December.
 Rental revenues up by (+\$33k) in Q4 due to an increase in Disco rentals, US Fencing (new) and UB Dental.
 Electric revenues were up \$16k to budget to in large part to additional electrical billings to Delaware North and UB Dental.

YTD Revenue	Goal	Projected	Variance
Rent Revenue	\$612,295	\$655,388	7.0%
F&B Revenue	\$1,894,653	\$1,966,032	3.8%
Electrical Service	\$100,930	\$124,532	23.4%
Total Revenue	\$2,607,878	\$2,745,952	5.3%

Comments YTD

We are projecting to end 2012 up by \$138k or 5.3% in total earned revenues to budget.

The increase in Food and Beverage is projected at \$71k, rent up by \$43k and Electrical up by \$24k.

Through December, revenues of \$536k or 19.5% of earned revenues were booked in the year for the year.

This increase in revenues, as well as improved profitability, enabled us to complete \$180,000 in additional Convention Center improvement projects.

Q4	2011	2012	Variance
No. of Events	63	61	-3.2%
Attendance	46,855	39,567	-15.6%
YTD			
No. of Events	223	217	-2.7%
Attendance	291,000	247,515	14.9%

The Buffalo Niagara Convention Center successfully hosted a multitude of convention groups and other high profile events in the 4th quarter. Notable highlights included:

Major Events hosted October - December 2012 :	Attendance
UB Dental Alumni Association	2,000
United University Professions (UUP)	425
Black Achievers Inc.	720
Ontario Motor Coach Association (OMCA)	500
Roswell Park All-Star Gala	810
Students for the Exploration & Development of Space	265
Delaware North Companies	410
Independent Health - Fit for Kids	2,800
Turkey Trot	10,000
World's Largest Disco	7,000
Maria Love Charity Ball	2,400

Major Events Booked :

- Mid-Atlantic Region - American Music Therapy Assn. (April 2014)
- UB Dental Alumni Association (November 2015)
- North American Scrabble Tournament (August 2014)
- YMCA / Turkey Trot Post Race Party (November 2013)
- Let Them LOL Gala (November 2013)

Notable Sales and Marketing Activities:

Attended Rejuvenate Marketplace in Columbus

Site Inspection with American Association of Airport Executives

Site visit with NYS Association of Agricultural Fairs

Hosted client table at Roswell Park All Star Night and Buffalo Urban League Gala

Site visit with Commercial Vehicle Safety Alliance, Event Strategies and American Society of Mechanical Engineers

Albany Sales Calls

Attended the ESSAE Holiday Reception with NYS Assn. clients



Buffalo Niagara Convention & Visitors Bureau, Inc.

FINANCIAL STATEMENTS

DECEMBER 31, 2012 and 2011

UNAUDITED

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.

FINANCIAL STATEMENTS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2012 AND 2011

Table of contents	Page 1
Balance Sheet	Page 2
Statement of Activities	Page 3
Statement of Total Revenues	Page 4
Statement of Total Expenses	Page 5-6

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.
BALANCE SHEET
DECEMBER 31, 2012 AND 2011

UNAUDITED

	2012	2011
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 538,838	\$ 594,995
Accounts Receivable - Erie County	-	-
Accounts Receivable - Trade	41,981	87,893
Prepaid expenses and supplies	82,862	41,740
Total current assets	663,681	724,628
Property and equipment, net	-	-
Total assets	\$ 663,681	\$ 724,628

LIABILITIES AND NET ASSETS

Current liabilities:		
Short-term borrowings	\$ -	\$ -
Accounts payable and accrued expenses	201,738	267,329
Accounts payable - Foundation	28,700	60,833
Deferred revenue - Other	20,333	103,164
Deferred revenue - Bed Tax	-	-
Total current liabilities	250,771	431,326
Net assets	412,910	293,302
Total liabilities and net assets	\$ 663,681	\$ 724,628

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.
STATEMENT OF ACTIVITIES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2012 AND 2011

	<u>Actual 12 Months 12/31/12</u>	<u>Budgeted 12 Months 12/31/12</u>	<u>\$ Variance Over (Under)</u>	<u>% Variance Over (Under)</u>	<u>Annual Budget 2012</u>	<u>Actual 12 Months 12/31/11</u>
REVENUES	<u>\$ 4,166,337</u>	<u>\$ 3,862,600</u>	<u>\$ 303,737</u>	<u>7.86%</u>	<u>\$ 3,862,600</u>	<u>\$ 3,855,018</u>
MARKETING DEPARTMENT EXPENSES	\$ 1,555,256	\$ 1,289,709	\$ 265,547	20.59%	\$ 1,289,709	1,282,161
SALES & SERVICES DEPARTMENT EXPENSES	1,510,290	1,574,665	(64,375)	-4.09%	1,574,665	1,598,107
BUFFALO NIAGARA FILM COMMISSION EXPENSES	251,920	268,826	(16,906)	-6.29%	268,826	269,763
ADMINISTRATIVE & FINANCE EXPENSES	729,263	729,400	(137)	-0.02%	729,400	709,343
TOTAL EXPENSES	<u>\$ 4,046,729</u>	<u>\$ 3,862,600</u>	<u>\$ 184,129</u>	<u>4.77%</u>	<u>\$ 3,862,600</u>	<u>\$ 3,859,374</u>
INCREASE (DECREASE) IN NET ASSETS	\$ 119,608	\$ -	\$ 119,608		\$ -	\$ (4,356)
NET ASSETS - BEGINNING	293,302	293,302	-		293,302	297,658
NET ASSETS - ENDING	<u>\$ 412,910</u>	<u>\$ 293,302</u>	<u>\$ 119,608</u>	<u>40.78%</u>	<u>\$ 293,302</u>	<u>\$ 293,302</u>

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.
TOTAL REVENUES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2012 AND 2011

	Actual 12 Months 12/31/12	Budgeted 12 Months 12/31/12	\$ Variance Over (Under)	% Variance Over (Under)	Annual Budget 2012	Actual 12 Months 12/31/11
Erie County Grant	\$ 3,300,000	\$ 3,300,000	\$ -	0.00%	\$ 3,300,000	\$ 3,250,000
BNCC Management Fee Allocation	105,209	95,000	10,209	10.75%	95,000	164,692
Visitor Guide Advertising	207,805	140,000	67,805	48.43%	140,000	134,798
BNFC Operations Grants	162,850	135,000	27,850	20.63%	135,000	110,000
Assessments - Convention	53,618	40,000	13,618	34.05%	40,000	25,204
NYS Matching Funds Program	40,456	50,000	(9,544)	-19.09%	50,000	55,871
Joint/Co-Op - Marketing	60,488	17,000	43,488	255.81%	17,000	26,955
Joint/Co-Op - Sales	109,513	70,050	39,463	56.34%	70,050	67,542
Merchandising Revenues - MAV	29,689	10,000	19,689	196.89%	10,000	15,949
Merchandising Revenues - Airport VC	92,041	-	92,041	N/A	-	-
Interest Income	540	2,500	(1,960)	-78.40%	2,500	1,758
Miscellaneous Income	3,887	2,550	1,337	52.43%	2,550	1,999
Merchandising Revenues - Conventions	241	500	(259)	-51.80%	500	250
Total Revenues	\$ 4,166,337	\$ 3,862,600	\$ 303,737	7.86%	\$ 3,862,600	\$ 3,855,018

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.

TOTAL EXPENSES

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2012 AND 2011

	Actual 12 Months 12/31/12	Budgeted 12 Months 12/31/12	\$ Variance Over (Under)	% Variance Over (Under)	Annual Budget 2012	Actual 12 Months 12/31/11
Personnel Costs:						
Salaries	\$ 1,600,512	\$ 1,592,140	\$ 8,372	0.53%	\$ 1,592,140	\$ 1,576,633
Payroll Taxes & Fringe Benefits	268,837	294,373	(25,536)	-8.67%	294,373	270,237
Training	11,600	31,250	(19,650)	-62.88%	31,250	12,619
Total Personnel Costs	\$ 1,880,949	\$ 1,917,763	\$ (36,814)	-71.03%	\$ 1,917,763	\$ 1,859,489
Sales & Marketing Expenditures:						
Advertising	\$ 471,290	\$ 388,268	\$ 83,022	21.38%	\$ 388,268	\$ 418,663
Convention Commitments	196,675	225,500	(28,825)	-12.78%	225,500	171,871
Visitor Guide	162,730	130,000	32,730	0.00%	130,000	130,665
Tradeshows	154,682	166,745	(12,063)	-7.23%	166,745	136,218
Printing	43,001	26,000	17,001	65.39%	26,000	71,047
Branding Initiative	-	-	-	0.00%	-	6,045
Postage	38,931	36,500	2,431	6.66%	36,500	29,032
Sales Bids & Promotions	38,704	36,000	2,704	7.51%	36,000	57,184
Convention Sales & Services	21,641	24,700	(3,059)	-12.38%	24,700	34,112
Travel & Meetings	58,739	42,780	15,959	37.30%	42,780	59,527
Washington DC Rep Firm	11,500	15,000	(3,500)	-23.33%	15,000	25,700
Albany Office	15,932	15,600	332	2.13%	15,600	16,755
Receptions	93,420	66,200	27,220	0.00%	66,200	55,827
Research	72,814	65,600	7,214	11.00%	65,600	38,921
Distribution	16,747	21,000	(4,253)	-20.25%	21,000	21,593
Website Development/Hosting	59,302	67,800	(8,498)	-12.53%	67,800	100,706
Familiarization Tours	40,565	42,500	(1,935)	0.00%	42,500	17,030
Public/Media Relations	57,050	76,000	(18,950)	-24.93%	76,000	48,966
Freelance/Graphic Artist	11,211	37,000	(25,789)	0.00%	37,000	3,900
Regional Marketing	11,714	12,000	(286)			11,864

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.
TOTAL EXPENSES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2012 AND 2011

	Actual 12 Months 12/31/12	Budgeted 12 Months 12/31/12	\$ Variance Over (Under)	% Variance Over (Under)	Annual Budget 2012	Actual 12 Months 12/31/11
MAVC Operations	27,527	13,500	14,027	103.90%	13,500	15,303
Airport VC Operations	115,834	-	115,834	n/a	-	-
Promotional Items	17,835	21,100	(3,265)	-15.47%	21,100	28,517
Buffalo Ambassador Program	22,777	36,000	(13,223)	0.00%	36,000	26,399
Film/Video/Photo Productions	48,790	41,500	7,290	17.57%	41,500	8,010
Photography	17,681	20,000	(2,319)	-11.60%	20,000	17,523
Online Media Resource	6,202	5,000	1,202	24.04%	5,000	4,851
Social Networking	6,293	-	6,293	n/a	-	9,896
Special Projects	14,683	3,500	11,183	319.51%	3,500	66,778
Newsletter	5,000	4,100	900	21.95%	4,100	2,000
Annual Report	1,900	1,000	900	0.00%	1,000	832
Total Sales & Marketing Expenditures	\$ 1,861,170	\$ 1,640,893	\$ 220,277	13.42%	\$ 1,640,893	\$ 1,635,735
Technology & Equipment	18,051	22,500	(4,449)	-19.77%	22,500	70,979
Departmental Administrative Expenses	286,559	281,444	5,115	1.82%	281,444	293,171
Total Expenses	\$ 4,046,729	\$ 3,862,600	\$ 184,129	4.77%	\$ 3,862,600	\$ 3,859,374



**Buffalo Niagara Convention Center Management
Corporation**

FINANCIAL STATEMENTS

DECEMBER 31, 2012 and 2011

UNAUDITED

**BUFFALO NIAGARA CONVENTION CENTER MANAGEMENT
CORPORATION**

FINANCIAL STATEMENTS

FOR THE MONTH AND TWELVE MONTHS ENDED DECEMBER 31, 2012 AND 2011

TABLE OF CONTENTS

Balance Sheet	Page 1
Statement of Activities for the month ended December 31, 2012 and 2011	Page 2
Statement of Activities for the month and twelve months ended December 31, 2012 and 2011	Page 3
Schedule of Food Service Operations for the month and twelve months ended December 31, 2012 and 2011	Page 4
Schedule of Other Revenues for the month and twelve months ended December 31, 2012 and 2011	Page 5

BUFFALO NIAGARA CONVENTION CENTER MANAGEMENT CORP.
BALANCE SHEET
DECEMBER 31, 2012 AND 2011

UNAUDITED

	2012	2011
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 1,233,384	\$ 704,706
Accounts receivable (net)	271,626	359,031
Accounts Receivable - County Grant	-	-
Inventory	63,653	73,957
Prepaid expenses	59,962	43,743
Total current assets	1,628,625	1,181,437
Property and equipment, net	439,026	451,026
Total assets	\$ 2,067,651	\$ 1,632,463

LIABILITIES AND NET ASSETS

Current liabilities:		
Short-term borrowings	\$ -	\$ -
Current portion of long-term debt	-	-
Accounts payable and accrued expenses	435,487	599,197
Deferred revenue - Erie County Grant	-	1,000
Deferred revenue - Technology Grant	500,000	-
Deferred revenue - Other	95,071	86,448
Total current liabilities	1,030,557	686,645
Long-term debt	-	-
Net Assets:		
Net assets - unrestricted	1,037,094	945,818
Total liabilities and net assets	\$ 2,067,651	\$ 1,632,463

BUFFALO NIAGARA CONVENTION CENTER MANAGEMENT CORP.
STATEMENT OF ACTIVITIES
DECEMBER 31, 2012 AND 2011

UNAUDITED

	<u>Actual December 2012</u>	<u>Budget December 2012</u>	<u>\$ Variance Over (Under)</u>	<u>% Variance Over (Under)</u>	<u>Actual December 2011</u>
County Grant Funds	\$ 137,500	\$ 137,500	\$ -	0%	\$ 137,500
Other revenues	81,384	50,262	31,122	62%	37,746
Total Revenues	<u>218,884</u>	<u>187,762</u>	<u>31,122</u>	<u>17%</u>	<u>175,246</u>
Payroll and related costs	101,105	118,106	(17,001)	-14%	118,302
Professional fees	18,743	13,250	5,493	41%	23,153
Supplies	17,051	8,082	8,969	111%	17,683
Telephone	6,567	2,917	3,650	125%	2,967
Postage and Freight	364	291	73	25%	215
Occupancy costs	65,771	51,519	14,252	28%	70,972
Equipment rental and maintenance	10,651	11,500	(849)	-7%	8,812
Travel expenses	1,017	2,532	(1,515)	-60%	3,051
Promotional expenses	6,746	5,500	1,246	23%	17,873
Small equipment purchases	1,302	3,209	(1,907)	0%	2,031
Depreciation expense	1,000	1,000	-	0%	1,000
Capital Equipment Purchases	118,135	2,500	115,635	4625%	168,414
Total Operating expenses	<u>348,452</u>	<u>220,406</u>	<u>128,046</u>	<u>58%</u>	<u>434,473</u>
Increase (decrease) in net assets	(129,568)	(32,644)	(96,924)	297%	(259,227)
Net assets - beginning	1,166,662	977,462	189,200	19%	1,205,045
Net assets - ending	<u>\$1,037,094</u>	<u>\$ 944,818</u>	<u>\$ 92,276</u>	<u>10%</u>	<u>\$ 945,818</u>

BUFFALO NIAGARA CONVENTION CENTER MANAGEMENT CORP.
STATEMENT OF ACTIVITIES
FOR THE TWELVE MONTHS ENDED DECEMBER 31 , 2012 AND 2011

UNAUDITED

	<u>Actual December 2012</u>	<u>Budget December 2012</u>	<u>\$ Variance Over (Under)</u>	<u>% Variance Over (Under)</u>	<u>Actual December 2011</u>
County Grant Funds	\$ 1,650,000	\$ 1,650,000	\$ -	0%	\$ 1,650,000
Other revenues	1,356,883	1,162,076	194,807	17%	1,459,371
Total Revenues	<u>3,006,883</u>	<u>2,812,076</u>	<u>194,807</u>	<u>7%</u>	<u>3,109,371</u>
Payroll and related costs	1,584,041	1,624,903	(40,862)	-3%	1,499,790
Professional fees	219,469	172,122	47,347	28%	252,047
Supplies	140,858	97,000	43,858	45%	129,704
Telephone	25,444	35,000	(9,556)	-27%	26,065
Postage and Freight	3,548	3,500	48	1%	2,856
Occupancy costs	554,315	596,651	(42,336)	-7%	642,862
Equipment rental and maintenance	109,436	138,000	(28,564)	-21%	128,849
Travel expenses	20,551	30,400	(9,849)	-32%	20,924
Promotional expenses	93,902	66,000	27,902	42%	92,676
Small equipment purchases	27,376	38,500	(11,124)	0%	31,574
Depreciation expense	12,000	12,000	-	0%	12,000
Capital Equipment Purchases	124,667	10,000	114,668	1147%	270,475
Total Operating expenses	<u>2,915,607</u>	<u>2,824,076</u>	<u>91,532</u>	<u>3%</u>	<u>3,109,822</u>
Increase (decrease) in net assets	91,276	(12,000)	103,276	-861%	(451)
Net assets - beginning	945,818	945,818	(0)	0%	946,269
Net assets - ending	<u>\$ 1,037,094</u>	<u>\$ 933,818</u>	<u>\$ 103,276</u>	<u>11%</u>	<u>\$ 945,818</u>

BUFFALO NIAGARA CONVENTION CENTER MANAGEMENT CORP.
SCHEDULE OF FOOD SERVICE OPERATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2012 AND 2011

UNAUDITED

	For the Month December		Year To date December		Year To Date December	
	2012	%	2012	%	2011	%
Sales:						
Sales - Food	\$ 69,102	60.31%	\$1,646,909	81.85%	\$ 1,904,572	84.40%
Sales - Beverage	18,445	16.10%	330,695	16.43%	330,216	14.63%
Sales - Vending all	486	0.42%	8,070	0.40%	7,255	0.32%
Sales - Non-foods Other	26,541	23.16%	26,541	1.32%	14,652	0.65%
Total Sales	114,574	100.00%	2,012,215	100.00%	2,256,695	100.00%
Cost of Sales:						
Cost of Sales - Food	25,209	22.00%	545,288	27.10%	580,475	25.72%
Cost of Sales - Beverage	8,733	7.62%	97,231	4.83%	103,800	4.60%
Cost of Sales - Vending all	297	0.26%	3,934	0.20%	2,445	0.11%
Cost of Sales - Non foods & Other	1,498	1.31%	27,313	1.36%	40,090	1.78%
Cost of Sales - Employee meals	-	0.00%	-	0.00%	-	0.00%
Total Cost of Sales	35,737	31.19%	673,766	33.48%	726,810	32.21%
Gross Profit	78,837	68.81%	1,338,449	66.52%	1,529,885	67.79%
Operating Expenses:						
Salaries & Benefits	25,279	22.06%	688,398	34.21%	726,972	32.21%
Professional fees/Contracts	-	0.00%	-	0.00%	-	0.00%
Supplies and Freight	3,486	3.04%	68,747	3.42%	60,154	2.67%
Occupancy	3,710	3.24%	63,211	3.14%	56,374	2.50%
Equipment rental & maintenance	2,140	1.87%	16,225	0.81%	15,419	0.68%
Travel expenses	-	0.00%	-	0.00%	-	0.00%
Promotion	5,301	4.63%	42,066	2.09%	37,398	1.66%
Other	1,304	1.14%	19,698	0.98%	28,721	1.27%
Total Operating Expenses	41,220	35.98%	898,345	44.64%	925,038	40.99%
Net Income Food Service	\$ 37,617	32.83%	\$ 440,104	21.87%	\$ 604,847	26.80%

BUFFALO NIAGARA CONVENTION CENTER MANAGEMENT CORP.
OTHER REVENUES RECAP
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2012 AND 2011

UNAUDITED

	For The Month			Year to Date						
	Actual December 2012	Budget December 2012	\$ Variance Over (Under)	% Variance Over (Under)	Actual December 2011	Actual December 2012	Budget December 2012	\$ Variance Over (Under)	% Variance Over (Under)	Actual December 2011
Rentals	\$ 33,184	\$ 23,500	\$ 9,684	41%	\$ 17,323	\$ 665,109	\$ 612,295	\$ 52,814	9%	\$ 683,177
Equipment Rentals	-	1,100	(1,100)	-100%	-	6,756	13,200	(6,444)	-49%	15,881
Electrical Services	1,749	2,000	(251)	-13%	1,624	124,681	100,930	23,751	24%	117,250
Commissions	1,180	1,200	(20)	-2%	-	10,861	18,700	(7,839)	-42%	7,510
Net Catering Revenues	37,618	22,296	15,322	69%	13,887	440,105	414,851	25,254	6%	604,847
Interest	-	-	-	n/a	25	6	100	(94)	-94%	29
Other	7,653	166	7,487	4510%	4,887	109,365	2,000	107,365	5368%	30,677
Total Other Revenues	\$ 81,384	\$ 50,262	\$ 31,122	62%	\$ 37,746	\$ 1,356,883	\$ 1,162,076	\$ 194,807	17%	\$ 1,459,371