

VISIT

BUFFALO
NIAGARA

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November 2, 2012

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 3rd quarter report for 2012 regarding efforts made toward achieving funding purposes as stated in our Marketing Plan, and Budget and Financial Statements as of September 30, 2012.

Sincerely,

Dottie Gallagher-Cohen
President and CEO

/Enclosure



November 2, 2012

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 3rd Quarter Report

	<u>Projected</u>	<u>Budgeted</u>	<u>Variance</u>	<u>% Variance</u>
<u>Revenues</u>	\$ 3,087,431	\$ 2,872,012	\$ 215,419	7.50%
<u>Expenses:</u>				
Marketing Department	\$ 1,206,432	\$ 1,102,674	\$ 103,758	9.41%
Convention Sales & Services	1,122,203	1,228,531	\$(106,328)	-8.65%
Buffalo Niagara Film Commission	207,688	206,272	\$ 1,416	0.69%
Administrative & Finance	548,059	551,100	\$ (3,041)	-0.55%
Total Expenses	\$ 3,084,382	\$3,088,577	\$ (4,195)	-0.14%
Increase (Decrease) in Net Assets	\$ 3,049	\$ (216,565)	\$ 219,614	

SALES

Q3 Sales Results	Goal	Actual	+/-	% Variance
Leads	149	116	-33	-22%
Group Tour Leads	36	34	-2	-5%
Definite Business	94	70	-24	-25%
Hotel Room Nights	38,100	18,925	-19,175	-50%

YTD Sales Results	Goal	Actual	+/-	% Variance
Leads	455	436	-19	-4%
Group Tour Leads	123	125	2	2%
Definite Business	302	316	14	4%
Hotel Room Nights	120,110	102,785	-17,325	-14%

Actual YOY Comparison	2011	*2012	+/-	% Variance
Leads	449	436	-13	-3%
Group Tour Leads	136	125	-11	-8%
Definite Business	348	316	-32	-9%
Hotel Room Nights	124,177	102,785	-21,392	-17%

*Sales team is reduced by one sales person compared to 2011.

Website

Q3

VisitBuffaloNiagara.com	2011	2012	Variance
Unique Visits	202,511	282,360	39%
Pageviews	1,027,922	1,335,294	30%
Time on Site	4:37	3:25	-26%

YTD

VisitBuffaloNiagara.com	2011	2012	Variance
Unique Visits	432,724	643,621	49%
Pageviews	2,287,822	3,231,915	41%
Time on Site	4:31	3:42	-21%

Sales Initiatives and Programs

Site Visits

Retail Confectioners 2013	220 hotel room nights
American Music Therapy Association 2014	415 hotel room nights
Vet Cancer Society 2016	923 hotel room nights
USA Fencing 2012 & 2013	300 hotel room nights per year
North American Scrabble 2014	600 hotel room nights
Pesach Celebration 2013	1,800 hotel room nights

Lost Business

In the third quarter 54 pieces of business were lost which represented more than 44,000 hotel room nights for various reasons from room availability, room rates or facility limitations, i.e. convention center too small. Below is a short list of lost business.

American Homebrews Association: June 2013, 2,000 hotel room nights. After polling their membership they decided there wasn't adequate interest to hold the convention in Buffalo.

National Science Teachers Association: 2014, 2,379 hotel room nights. This lead was expected to turn definite for 2013, since there was no other competition; however, we were unable to accommodate the client's preferred dates. The planner will keep us in mind for another year.

NYS Association for Superintendents of School Buildings and Grounds: September 2014, 1,060 hotel room nights. The planner was investigating a rotation which would move the group around NYS. Ultimately the group voted not to leave Saratoga.

National Church Ushers Association: July 2017, 3,100 hotel room nights. This was lost to Rochester, NY due to high hotel room rates which needed to include a subsidy to offset some convention costs and shuttling issues.

International Conference of Young People in Alcoholics Anonymous: September 2013, 1,000 hotel room nights. Group was lost because the local committee wasn't as prepared as the National office would have liked relative to offsite meeting locations, logistics and fundraising. The local committee will take another look at 2014 or 2015.

Public Relations Society of America: May 2014, 700 hotel room nights. Due to the group's travel restrictions and hotel room availability, we were unable to accommodate this group.

Major Bookings:

NYS Bureau of Emergency Medical Services - October 2013	1,950 hotel room nights
New York State Board of Law Examiners – February 2014	3,600 hotel room nights
New York State School Boards – October 2016	3,550 hotel room nights
Alpha Phi Alpha – March 2013	800 hotel room nights
AM-CAN Judo - May 2013	700 hotel room nights

Upcoming Tradeshow:

TEAMS	October	Detroit, MI
Rejuvenate Marketplace	October	Columbus, OH
Ontario Motor Coach Assoc./Auction	October	Buffalo, NY
Coalition of Black Meeting Planners	November	Atlanta, GA
US Sports Congress	December	Sarasota, FL
Int'l Assoc. of Hispanic Meeting Professionals	December	Portland, OR
United State Track & Field Assoc.	December	Daytona Beach, FL
Holiday Showcase	December	Chicago, IL

MARKETING

Media Relations, Social Media, Targeted Promotions - Consumer

VBNI's marketing staff generated 16 non-local media hits in the second quarter, totaling more than \$1 million in media value, according to BurrellesLuce. Highlights included a profile on FoxNews.com, a pair of stories in the Canadian national newspaper the *Globe & Mail*, and a two-page story about the National Garden Festival in *Canadian Gardening* magazine.

Visit Buffalo Niagara hosted media FAMs for the following journalists in the third quarter:

Carol Bradford, *Syracuse Post-Standard*

Daniel Billy, *Bloomberg*

Dave LeBlanc, *Globe & Mail* (Toronto)

JoAnn Greco, *TheAtlanticCities.com*

Julia Halperin, *Art Info*

Merle Rosenstein, Toronto gardening freelancer

Bruce Zimmerman, Open-Line Garden Show, 105.1 Ed FM (Ontario)

Ken Brown, www.gardening-enjoyed.com (Ontario)

Christine Sismondo, *Toronto Star*

Diane Slawych, *Toronto Sun*

Hosted a media luncheon in New York City in partnership with the Albright-Knox Art Gallery to promote the gallery's 150th anniversary and its "Decade" exhibition.

Produced four new episodes of Buffalo For Real TV and began work on a family-oriented video which will premier in Spring 2013.

War of 1812

Collaborated with the NTCC and Niagara Legacy Council to promote a "Relive the War of 1812 at the Battle of Queenston Heights" contest through Smithsonian.com and HistoryChannel.com. Received more than 2,000 entrants to the contest.

Promoted "Win a Weekend in Buffalo" to promote Navy Week at the Buffalo & Erie County Naval & Military Park with HistoryChannel.com. Received more than 2,300 entrants to the contest.

Prizes included airfare, accommodations, event/attraction tickets and meals. Over 4,000 entrants total.

Distributed 2,000 DVDs of WNED-TV's production of "Old Fort Niagara" to contest entrants

Sent War of 1812 dedicated newsletter to 12,000 subscribers of our "Culture" newsletter.

Garden Festival

Hosted media FAM tours for four garden journalists in the third quarter (see list on previous page).

Have grown the National Garden Festival Facebook page to 3,600 fans.

Purchased advertising with Upstate Gardener's Journal, AAA Member Connections, Horticulture Magazine, Philadelphia Flower Show e-blast, National Garden Club program, Canada Blooms, "Naturally Green" radio show and NPR radio stations in Erie, Rochester & Syracuse.

Social Media Numbers

Buffalo on Facebook – 54,260 fans

The 716 on Facebook – 70,472 fans

Buffalo Niagara on Twitter – 4,646 followers



Marketing to GTA and Southern Ontario

Hosted media FAM tours for six Ontario-based journalists in the third quarter (see list on previous page).

Maintain the Shopping in Buffalo fan page with more than 3,933 fans.

Worked with style consultant, Erin Habes, to produce weekly blog posts about Buffalo's fashion scene and assist with other ways in attracting the Canadian shopping market.

Attended the Women's Day in the Courtyard sales and marketing event in Toronto

Signed up to sponsor the National Women's Show in Toronto, which will grant us more access to the more than 15,000 attendees.

Our shopping e-newsletter has grown to over 11,500 subscribers.

LGBT Marketing

Advertised to the LGBT wedding market in the IGLTA annual directory and the NYC Pride Guide.

Continue to run a Google PPC campaign to attract additional visitors to our LGBT wedding microsite.

Generated coverage in OutTraveler and OutTravelerG.P.S.

BUFFALO AMBASSADORS

Citizen Engagement

Number of Buffalo Ambassadors – 2317, an increase of 3% from second quarter

Volunteer Engagement

In July, there were two groups requiring volunteers: North American Hockey Prospects and Triple-A All-Star Game; August had none and September had three: The National Buffalo Wing Festival, Navy Week and The Nickel City Triathlon. There were a total of 53 shifts covered, 163 volunteer hours and 42 volunteers (not including those volunteers who worked multiple shifts).

Volunteer tour – July 13 - Open Air Autobus Tour – 40 in attendance – to fill the bus for taping of newest webisode for Buffalo For Real TV.

Volunteer quarterly training – held September 19 at the Buffalo Museum of Science; 22 in attendance. Topics included upcoming volunteer opportunities; new volunteer handbook (prepared by VBN), tour of Museum.

Tourism Industry Development and Visitor Readiness

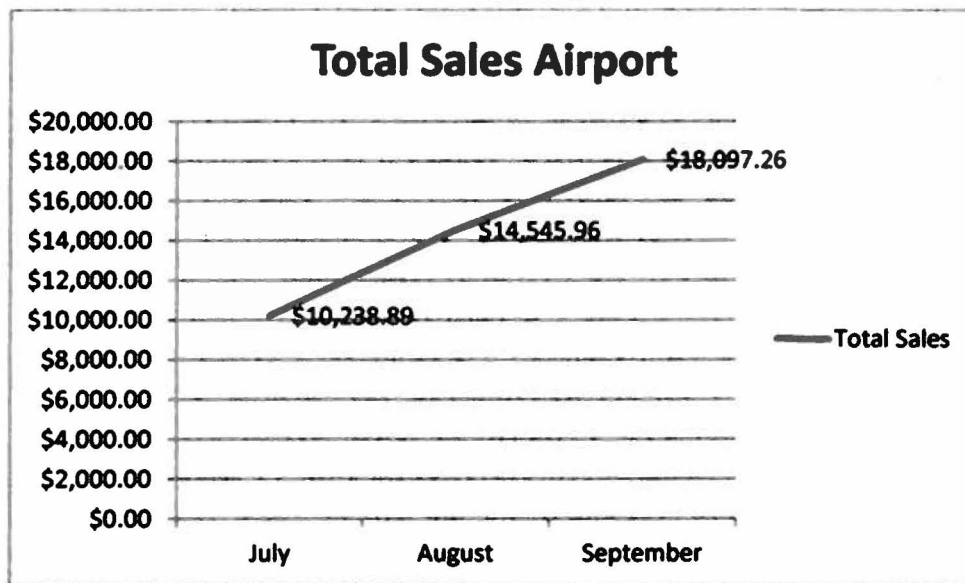
75 industry partners attended our quarterly meeting held at Salvatore's Italian Gardens on September 12. Topics – introduction to 2013 advertising opportunities; description of Airport Visitor Center and Longwoods research – more on the Canadian shoppers.

Visitor Centers

Airport visitor center opened July 9. 3709 visitors in July; 7615 visitors in August and 7187 visitors in September.

Market Arcade center: 1,777 visitors/3,321 inquiries in July; 1793 visitors/3499 inquiries in August; 1386 visitors/1590 inquiries in September.

This brings total visitor inquiries (walk-ins, phone, email, etc.) to 48,211 to date.



FILM COMMISSION

Q3 and YTD Results

Project Type	Q3 Total Projects	Q3 Economic Impact	YTD Total Projects	YTD Economic Impact
Feature Film	5	\$766,000.00	22	\$771,000.00
Television	9	\$247,500.00	22	\$1,656,500.00
Commercials	5	\$775,000.00	6	\$925,000.00
Still Photography	2	\$300,000.00	3	\$498,000.00
Student	0	\$0.00	1	\$9,000.00
Documentary	1	\$50,000.00	2	\$120,000.00
Total	22	\$2,138,500.00	56	\$3,979,500.00

Q3 Activities

Provided permit and location support for:
Food Network Show "Restaurant Impossible"
Travel Channel "Ghost Adventures"
VH1's "Mob Wives Season 3"
Buffalo News Commercial "Where Else Campaign"
Independent Health TV Campaign
AAA Commercial Campaign
SyFy Networks "Ghost Hunters"
German still photo shoot
Biography Channel shoot
Live at Larkin shoot
A & E Show - Shipping Wars
Clockwork Creative Company - Infomercial (Niagara Falls)
WNED documentary on Olmsted
YAP Films (Toronto) for reality show pilot

Provided permit support for Independent Film "Give and Take," Discovery Channel Show and three political (Congressional) commercials.

Provided permit and NYS Tax Program Support for independent feature film "Buffalo Boys."

Qualified Niagara Falls Arts and Cultural Center and the Great Arrow Building as New York State Level 1 Soundstages.

Scouted Locations for Warner Brothers feature film "Winter's Tale" and Victorian era major studio feature film.

Provided permit, location, and daily support for the following feature films: "Model Hunger," "Return to The Class of Nukem High" and "Wards Island."

Assisted with location for IBM Corporate still shoot (at Niagara Falls)
Assisted with scouting and locations for Visionista (Kaleida corporate video)
Assisted with location support for "Electric TV".... IBEW Show on Nik Wallenda involvement
Scouting support for Hickory Pictures at Allegany State Park

Assisted Dunkirk elected official re: location promotion
Assisted NYS Film Commissioner in touring WNY locations
Assisted local non-profit group with movie screening (Halfway Home)
Assisted WKBW-TV with Emmy Awards research
Assisted film festival organizer with tax incentive information
Continue to provide local contact assistance for the "American Side"
Assisted unnamed client with high tech product launch (Niagara Falls)
Met with Torre Catalano re: future production
Continue to assist Mary Wall and Hockey Documentary (Harbor concert, events, etc)

CONVENTION CENTER

Q3 Revenue	Goal	Projected	Variance
Rent Revenue	92,030	129,106	40.3%
F&B Revenue	317,197	403,669	27.3%
Electrical Service	22,000	29,304	33.2%
Other Revenue	3,800	20,297	434.1%
Total Revenue	435,027	582,376	33.9%

YTD Revenue	Goal	Projected	Variance
Rent Revenue	508,302	519,127	2.1%
F&B Revenue	1,311,945	1,426,860	8.8%
Electrical Service	92,530	101,627	9.8%
Other Revenue	26,602	87,853	230.2%
Total Revenue	1,939,379	2,135,467	10.1%

Q3	2011	2012	Variance
No. of Events	51	50	-2.0%
Attendance	17,136	11,051	-35.5%
YTD			
No. of Events	165	156	-5.5%
Attendance	299,166	201,864	-32.5%

Comments Q3

Total earned revenues were up from budget for the 3rd quarter by 33.9% (+\$147k). The main sources for the increase in F&B were NACA (+\$34k not budgeted), NRLCA (over budget by \$90k) due to the late addition of over 100 menus and Weston Price (\$13k not budgeted).

The majority of the increase in rentals came as a result of Law Boards' increase in attendees (+\$31k), NACA (+\$20k not budgeted) and NRLCA (\$7k over budget).

Electric revenues are up from budget by \$7k due to an increase in Laws Boards' electrical billings.

Major Events Hosted

<u>Group</u>	<u>Attendance</u>
Board of Law Examiners - July Bar Exam	2,931
NACA American Dream Event	500
National Rural Letter Carriers	3,000
Community Action Organization - Meeting	200
City of Buffalo Reading Rules	3,000
Nickel City Triathlon	500
Town Square Media - Job Fair	500
Kaleida Health Foundation – Kaleida Ball	900
Buffalo Professional Geologists Annual Convention	110
Weston A. Price Foundation Regional Conference	250
GLIIFCA - Annual Conference	150
American Association of Airport Executives	110
Preservation Buffalo Niagara Workshop	400

Major Events Booked

	<u>Projected Contract Value</u>
NYS School Boards Association (October 2016)	\$100,000
Alpha Phi Alpha (April 2013)	\$ 55,000
UB Dental Annual Meeting (November 2014)	\$ 45,000
NYS Board of Law Examiners (Feb.2013 Bar Exam)	\$ 64,000
1490 Enterprises Black Achievers Event (Oct. 2012)	\$ 19,000
NYS Bureau of Emergency Medical Services (Oct. 2013)	\$ 35,000
Creating Keepsakes Scrapbook Convention	\$ 20,000

Notable O3 Activities

Hosted client reception on the Plaza
Participated in the VBN FAM for State & National clients including a luncheon hosted at the BNCC
Attended ASAE Trade Show in Dallas
Attended Connect Market Place in New Orleans
Exhibited at Professional Fraternity Association Conf. in Rochester
Participated with VBN & Hotels in NYS Sales Blitz in Albany



Buffalo Niagara Convention & Visitors Bureau, Inc.

FINANCIAL STATEMENTS

September 30, 2012 and 2011

UNAUDITED

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.

FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012 AND 2011

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Buffalo Niagara Convention & Visitors Bureau, Inc.
Summary Review Memorandum
Variance Analysis
For the Nine Months ended September 30, 2012

Statements of Activities:

Revenues:

- ❑ **Visitor Guide Advertising** – Additional sales dollars generated on similar numbers of advertisers, revenues enhanced by trade opportunities.
- ❑ **BNFC Operation Grants** – A grant from the State of New York to assist with film commission operations was received in 2012. This grant had not been budgeted for.
- ❑ **Assessments** – An assessment for the national Rural Letter Carriers event was generated to assist the group with Center rental and shuttling services. This was not in the CVB's budget.
- ❑ **NYS Matching Funds Program** – Program was allocated lesser dollars than originally expected by the State.
- ❑ **Joint co-op marketing** - is ahead of budget as a result of \$ 10,000 in revenue received to offset the cost of the Longwood's Canadian Shopping Study, \$ 15,000 in funding received from NTTC to assist with the war of 1812 marketing, approximately \$2,500 in additional revenue from the Beacon's award luncheon and the new Destination Plan Guide which was distributed in September 2012. These monies had not been budgeted for in the 2012 plan.
- ❑ **Merchandising Revenue AVC** – This represents the gross sales of merchandise at the Airport Visitor center. Operation of the Visitor Center was not in the 2012 budget.

Expenditures:

- ❑ **Advertising** – Partially due to timing and some additional in year opportunities that have arose.
- ❑ **Visitor Guide** – Increased printing costs and sales commissions due to higher ad sales is the cause for the variance reported.
- ❑ **Tradeshows** – Combination of small individual show variances offset by shows not attended. Helms Briscoe, Conference Direct and Reunion Friendly Network. In May a LGBT show and a Coalition of Black Meeting Planners show were budgeted but were not attended. It was determined the unattended shows either did not fit our organization's needs or could not generate enough interest/business to warrant attending. The department is currently assessing other potential opportunities to fill in these openings. In addition, Film commission tradeshows that were not attended include South by Southwest and Locations. The total cost associated with these two shows was approximately \$ 12,000.

Buffalo Niagara Convention & Visitors Bureau, Inc.
Summary Review Memorandum
Variance Analysis
For the Nine Months ended September 30, 2012

- ❑ **Airport VC Operations** – This is the cost of operating the Airport Visitor Center including the cost of merchandise sold. Airport VC operations were not budgeted for in 2012.
- ❑ **Website Development** – Additional Simpleview purchases, timing of support expenditures and quarterly maintenance.
- ❑ **Freelance/Graphic Artist** – Budget was to be used to assist in the War of 1812 marketing efforts. During the year it was determined these services were not needed.
- ❑ **Promotional Items** – Girlfriend Getaway weekend/shopping packages.
- ❑ **Washington DC Rep Firm** – Contract was cancelled. Funding from this line item has been reallocated to a sponsorship opportunity with Helms Briscoe, a National Association third party planning organization.
- ❑ **Special Projects** – Costs associated with the Wallenda wire walk which had not been budgeted for.

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.
BALANCE SHEET
SEPTEMBER 30, 2012 AND 2011

UNAUDITED

	<u>2012</u>	<u>2011</u>
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 264,480	\$ 512,335
Accounts Receivable - Erie County	825,000	812,500
Accounts Receivable - Trade	99,402	54,020
Accounts Receivable - Foundation	26,137	-
Prepaid expenses and supplies	101,616	24,562
	<hr/>	<hr/>
Total current assets	1,316,635	1,403,417
 Property and equipment, net	 <hr/> -	 <hr/> -
	<hr/>	<hr/>
Total assets	<u>\$ 1,316,635</u>	<u>\$ 1,403,417</u>
 <u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Short-term borrowings	\$ -	\$ -
Accounts payable and accrued expenses	132,171	87,884
Accounts payable - Foundation	-	26,689
Deferred revenue - Other	20,333	27,174
Deferred revenue - Bed Tax	825,000	812,500
	<hr/>	<hr/>
Total current liabilities	977,504	954,247
 Net assets	 <hr/> 339,131	 <hr/> 449,170
	<hr/>	<hr/>
Total liabilities and net assets	<u>\$ 1,316,635</u>	<u>\$ 1,403,417</u>

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.
STATEMENT OF ACTIVITIES
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012 AND 2011

	Actual 9 Months 09/30/12	Budgeted 9 Months 09/30/12	\$ Variance Over (Under)	% Variance Over (Under)	Annual Budget 2012	Actual 9 Months 09/30/11
REVENUES	<u>\$ 3,092,910</u>	<u>\$ 2,872,012</u>	<u>\$ 220,898</u>	<u>7.69%</u>	<u>\$ 3,862,800</u>	<u>\$ 2,830,402</u>
MARKETING DEPARTMENT EXPENSES	\$ 1,199,910	\$ 1,102,674	\$ 97,236	8.82%	\$ 1,289,709	835,101
SALES & SERVICES DEPARTMENT EXPENSES	1,107,581	1,229,531	(121,950)	-9.92%	1,575,021	1,130,295
BUFFALO NIAGARA FILM COMMISSION EXPENSES	198,797	206,272	(7,475)	-3.62%	268,826	180,923
ADMINISTRATIVE & FINANCE EXPENSES	540,793	551,100	(10,307)	-1.87%	729,400	532,567
TOTAL EXPENSES	<u>\$ 3,047,081</u>	<u>\$ 3,089,577</u>	<u>\$ (42,496)</u>	<u>-1.38%</u>	<u>\$ 3,862,956</u>	<u>\$ 2,678,890</u>
INCREASE (DECREASE) IN NET ASSETS	\$ 45,829	\$ (217,565)	\$ 263,394		\$ (156)	\$ 151,512
NET ASSETS - BEGINNING	293,302	293,302	-		293,302	297,658
NET ASSETS - ENDING	<u>\$ 339,131</u>	<u>\$ 75,737</u>	<u>\$ 263,394</u>	<u>347.77%</u>	<u>\$ 293,146</u>	<u>\$ 449,170</u>

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.
TOTAL REVENUES
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012 AND 2011

	Actual 9 Months 09/30/12	Budgeted 9 Months 09/30/12	\$ Variance Over (Under)	% Variance Over (Under)	Annual Budget 2012	Actual 9 Months 09/30/11
Erie County Grant	\$ 2,475,000	\$ 2,475,000	\$ -	0.00%	\$ 3,300,000	\$ 2,437,497
BNCC Management Fee Allocation	80,131	71,253	8,878	12.46%	95,000	120,476
Visitor Guide Advertising	207,805	140,000	67,805	48.43%	140,000	134,798
BNFC Operations Grants	62,850	35,000	27,850	79.57%	135,000	-
Assessments - Convention	51,100	30,000	21,100	70.33%	40,000	3,490
NYS Matching Funds Program	40,456	50,000	(9,544)	-19.09%	50,000	55,871
Joint/Co-Op - Marketing	58,172	10,900	47,272	433.69%	17,200	24,541
Joint/Co-Op - Sales	62,798	49,870	12,928	25.92%	70,050	41,380
Merchandising Revenues - MAV	11,187	5,858	5,329	90.97%	10,000	9,082
Merchandising Revenues - Airport VC	40,232	-	40,232	N/A	-	-
Interest Income	460	1,839	(1,379)	-74.99%	2,500	1,294
Miscellaneous Income	2,674	1,917	757	39.49%	2,550	1,811
Merchandising Revenues - Conventions	45	375	(330)	-88.00%	500	162
Total Revenues	\$ 3,092,910	\$ 2,872,012	\$ 220,898	7.69%	\$ 3,862,800	\$ 2,830,402

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.
TOTAL EXPENSES
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012 AND 2011

	Actual 9 Months 09/30/12	Budgeted 9 Months 09/30/12	\$ Variance Over (Under)	% Variance Over (Under)	Annual Budget 2012	Actual 9 Months 09/30/11
<u>Personnel Costs:</u>						
Salaries	\$ 1,185,732	\$ 1,179,726	\$ 6,006	0.51%	\$ 1,592,140	\$ 1,174,248
Payroll Taxes & Fringe Benefits	207,072	217,938	(10,866)	-4.99%	294,373	196,301
Training	8,460	25,000	(16,540)	-66.16%	31,250	11,704
Total Personnel Costs	\$ 1,401,264	\$ 1,422,664	\$ (21,400)	-70.64%	\$ 1,917,763	\$ 1,382,253
<u>Sales & Marketing Expenditures:</u>						
Advertising	\$ 397,406	\$ 372,226	\$ 25,180	6.76%	\$ 388,624	\$ 262,580
Convention Commitments	156,425	188,350	(31,925)	-16.95%	225,500	104,288
Visitor Guide	158,396	130,000	28,396	0.00%	130,000	120,485
Tradeshows	92,254	136,145	(43,891)	-32.24%	166,745	104,175
Printing	37,987	26,000	11,987	46.10%	26,000	30,675
Branding Initiative	-	-	-	0.00%	-	5,545
Postage	32,650	29,909	2,741	9.16%	36,500	23,276
Sales Bids & Promotions	35,365	26,000	9,365	36.02%	36,000	29,712
Convention Sales & Services	11,782	20,000	(8,218)	-41.09%	24,700	19,592
Travel & Meetings	44,544	32,029	12,515	39.07%	42,780	40,771
Washington DC Rep Firm	11,500	15,000	(3,500)	-23.33%	15,000	23,200
Albany Office	12,066	11,700	366	3.13%	15,600	11,666
Receptions	41,033	55,700	(14,667)	0.00%	66,200	17,256
Research	63,845	61,127	2,718	4.45%	65,600	31,763
Distribution	15,491	19,585	(4,094)	-20.90%	21,000	20,137
Website Development/Hosting	68,542	50,969	17,573	34.48%	67,800	71,338
Familiarization Tours	38,130	42,500	(4,370)	0.00%	42,500	11,441
Public/Media Relations	52,584	56,997	(4,413)	-7.74%	76,000	37,153
Freelance/Graphic Artist	7,873	29,000	(21,127)	0.00%	37,000	1,250
Regional Marketing	11,714	12,000	(286)	-	12,000	11,864

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.
TOTAL EXPENSES
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012 AND 2011

	Actual 9 Months 09/30/12	Budgeted 9 Months 09/30/12	\$ Variance Over (Under)	% Variance Over (Under)	Annual Budget 2012	Actual 9 Months 09/30/11
MAVC Operations	9,501	10,125	(624)	-6.16%	13,500	9,530
Airport VC Operations	31,560	-	31,560	#DIV/0!	-	-
Promotional Items	10,595	15,107	(4,512)	-29.87%	21,100	17,971
Buffalo Ambassador Program	20,629	31,125	(10,496)	0.00%	36,000	23,019
Film/Video/Photo Productions	28,035	38,750	(10,715)	-27.65%	41,500	5,074
Photography	16,010	17,500	(1,490)	-8.51%	20,000	5,795
Online Media Resource	4,423	3,753	670	17.85%	5,000	3,438
Social Networking	4,419	-	4,419	#DIV/0!	-	3,646
Special Projects	8,620	-	8,620	#DIV/0!	3,500	18,421
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	<u>\$ 1,430,279</u>	<u>\$ 1,436,697</u>	<u>\$ (6,418)</u>	<u>-0.45%</u>	<u>\$ 1,641,249</u>	<u>\$ 1,067,893</u>
Technology & Equipment	10,436	20,450	(10,014)	-48.97%	22,500	19,954
Departmental Administrative Expenses	205,102	209,766	(4,664)	-2.22%	281,444	208,790
Total Expenses	<u>\$ 3,047,081</u>	<u>\$ 3,089,577</u>	<u>\$ (42,496)</u>	<u>-1.38%</u>	<u>\$ 3,862,956</u>	<u>\$ 2,678,890</u>



**Buffalo Niagara Convention Center Management
Corporation**

FINANCIAL STATEMENTS

SEPTEMBER 30, 2012 and 2011

UNAUDITED

***BUFFALO NIAGARA CONVENTION CENTER MANAGEMENT
CORPORATION***

FINANCIAL STATEMENTS

FOR THE MONTH AND NINE MONTHS ENDED SEPTEMBER 30, 2012 AND 2011

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BUFFALO NIAGARA CONVENTION CENTER MANAGEMENT CORP.
BALANCE SHEET
SEPTEMBER 30, 2012 AND 2011

UNAUDITED

	<u>2012</u>	<u>2011</u>
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 1,178,894	\$ 580,921
Accounts receivable (net)	271,612	490,831
Accounts Receivable - County Grant	412,500	412,500
Inventory	57,758	61,249
Prepaid expenses	58,387	63,194
	<hr/>	<hr/>
Total current assets	1,979,150	1,608,695
Property and equipment, net	<hr/> 442,026	<hr/> 454,026
	<hr/>	<hr/>
Total assets	<u>\$ 2,421,176</u>	<u>\$ 2,062,722</u>

LIABILITIES AND NET ASSETS

Current liabilities:		
Short-term borrowings	\$ -	\$ -
Current portion of long-term debt	-	-
Accounts payable and accrued expenses	312,706	441,898
Deferred revenue - Erie County Grant	413,500	413,501
Deferred revenue - Technology Grant	500,000	-
Deferred revenue - Other	112,225	93,523
	<hr/>	<hr/>
Total current liabilities	1,338,430	948,921
Long-term debt	-	-
Net Assets:		
Net assets - unrestricted	1,082,746	1,113,800
	<hr/>	<hr/>
Total liabilities and net assets	<u>\$ 2,421,176</u>	<u>\$ 2,062,722</u>

BUFFALO NIAGARA CONVENTION CENTER MANAGEMENT CORP.
STATEMENT OF ACTIVITIES
SEPTEMBER 30, 2012 AND 2011

UNAUDITED

	Actual September 2012	Budget September 2012	\$ Variance Over (Under)	% Variance Over (Under)	Actual September 2011
County Grant Funds	\$ 137,500	\$ 137,500	\$ -	0%	\$ 137,500
Other revenues	77,714	18,335	59,379	324%	143,409
Total Revenues	215,214	155,835	59,379	38%	280,909
Payroll and related costs	122,057	117,958	4,099	3%	131,906
Professional fees	13,513	13,172	341	3%	18,375
Supplies	8,234	8,082	152	2%	10,214
Telephone	571	2,917	(2,346)	-80%	4,319
Postage and Freight	174	291	(117)	-40%	119
Occupancy costs	32,495	44,868	(12,373)	-28%	61,696
Equipment rental and maintenance	2,723	11,500	(8,777)	-76%	12,281
Travel expenses	1,618	2,532	(914)	-36%	1,442
Promotional expenses	9,558	5,500	4,058	74%	6,523
Small equipment purchases	3,805	3,209	596	0%	1,288
Depreciation expense	1,000	1,000	-	0%	1,000
Capital Equipment Purchases	2,785	2,500	285	11%	9,440
Total Operating expenses	198,533	213,529	(14,996)	-7%	258,603
Increase (decrease) in net assets	16,681	(57,694)	74,375	-129%	22,306
Net assets - beginning	1,066,065	1,035,073	30,992	3%	1,091,494
Net assets - ending	\$1,082,746	\$ 977,379	\$ 105,367	11%	\$ 1,113,800

BUFFALO NIAGARA CONVENTION CENTER MANAGEMENT CORP.
STATEMENT OF ACTIVITIES
FOR THE NINE MONTHS ENDED SEPTEMBER 30 , 2012 AND 2011

UNAUDITED

	Actual September 2012	Budget September 2012	\$ Variance Over (Under)	% Variance Over (Under)	Actual September 2011
County Grant Funds	\$ 1,237,500	\$ 1,237,500	\$ -	0%	\$ 1,237,500
Other revenues	986,952	894,989	91,963	10%	1,004,349
Total Revenues	<u>2,224,452</u>	<u>2,132,489</u>	<u>91,963</u>	<u>4%</u>	<u>2,241,849</u>
Payroll and related costs	1,209,989	1,208,228	1,761	0%	1,103,745
Professional fees	168,750	132,372	36,378	27%	191,372
Supplies	98,683	72,754	25,929	36%	77,303
Telephone	13,971	26,249	(12,278)	-47%	19,273
Postage and Freight	2,232	2,627	(395)	-15%	2,201
Occupancy costs	402,385	437,521	(35,136)	-8%	455,716
Equipment rental and maintenance	77,825	103,500	(25,675)	-25%	92,363
Travel expenses	16,546	22,804	(6,258)	-27%	16,715
Promotional expenses	63,204	49,500	13,704	28%	43,353
Small equipment purchases	20,760	28,873	(8,113)	0%	21,372
Depreciation expense	9,000	9,000	-	0%	9,000
Capital Equipment Purchases	4,179	7,500	(3,320)	-44%	41,905
Total Operating expenses	<u>2,087,524</u>	<u>2,100,928</u>	<u>(13,403)</u>	<u>-1%</u>	<u>2,074,318</u>
Increase (decrease) in net assets	136,928	31,561	105,367	334%	167,531
Net assets - beginning	945,818	945,818	(0)	0%	946,269
Net assets - ending	<u>\$ 1,082,746</u>	<u>\$ 977,379</u>	<u>\$ 105,367</u>	<u>11%</u>	<u>\$ 1,113,800</u>

BUFFALO NIAGARA CONVENTION CENTER MANAGEMENT CORP.
SCHEDULE OF FOOD SERVICE OPERATIONS
FOR THE NINE MONTHS ENDED SEPTEMBER 30 , 2012 AND 2011

UNAUDITED

	For the Month September		Year To date September		Year To Date September	
	2012	%	2012	%	2011	%
<u>Sales:</u>						
Sales - Food	\$144,295	81.63%	\$1,219,028	85.91%	\$1,373,911	87.59%
Sales - Beverage	31,891	18.04%	193,606	13.64%	189,392	12.07%
Sales - Vending all	587	0.33%	6,398	0.45%	4,989	0.32%
Sales - Non-foods Other	-	0.00%	-	0.00%	224	0.01%
Total Sales	176,773	100.00%	1,419,032	100.00%	1,568,516	100.00%
<u>Cost of Sales:</u>						
Cost of Sales - Food	44,296	25.06%	406,274	28.63%	416,643	26.56%
Cost of Sales - Beverage	9,728	5.50%	52,667	3.71%	61,766	3.94%
Cost of Sales - Vending all	(128)	-0.07%	3,198	0.23%	1,457	0.09%
Cost of Sales - Non foods & Other	1,900	1.07%	20,437	1.44%	30,976	1.97%
Cost of Sales - Employee meals	-	0.00%	-	0.00%	-	0.00%
Total Cost of Sales	55,796	31.56%	482,575	34.01%	510,842	32.57%
Gross Profit	120,977	68.44%	936,457	65.99%	1,057,674	67.43%
<u>Operating Expenses:</u>						
Salaries & Benefits	49,352	27.92%	520,393	36.67%	525,589	33.51%
Professional fees/Contracts	-	0.00%	-	0.00%	-	0.00%
Supplies and Freight	7,044	3.98%	46,230	3.26%	42,173	2.69%
Occupancy	6,281	3.55%	51,436	3.62%	43,088	2.75%
Equipment rental & maintenance	211	0.12%	11,627	0.82%	12,159	0.78%
Travel expenses	-	0.00%	-	0.00%	-	0.00%
Promotion	4,127	2.33%	26,761	1.89%	21,142	1.35%
Other	2,251	1.27%	15,547	1.10%	18,823	1.20%
Total Operating Expenses	69,266	39.18%	671,993	47.36%	662,974	42.27%
Net Income Food Service	\$ 51,711	29.25%	\$ 264,464	18.64%	\$ 394,700	25.16%

BUFFALO NIAGARA CONVENTION CENTER MANAGEMENT CORP.
OTHER REVENUES RECAP
FOR THE NINE MONTHS ENDED SEPTEMBER 30 , 2012 AND 2011

UNAUDITED

	For The Month				Year to Date					
	Actual September 2012	Budget September 2012	\$ Variance Over (Under)	% Variance Over (Under)	Actual September 2011	Actual September 2012	Budget September 2012	\$ Variance Over (Under)	% Variance Over (Under)	Actual September 2011
Rentals	\$ 18,455	\$ 11,350	\$ 7,105	63%	\$ 35,369	\$ 518,912	\$ 508,302	\$ 10,610	2%	\$ 492,475
Equipment Rentals	625	1,100	(475)	-43%	2,816	6,181	9,900	(3,719)	-38%	14,006
Electrical Services	1,262	2,000	(738)	-37%	4,095	102,739	92,530	10,209	11%	80,244
Commissions	112	1,200	(1,088)	-91%	11	9,423	15,100	(5,677)	-38%	7,475
Net Catering Revenues	51,711	2,519	49,192	1953%	97,523	264,464	267,555	(3,091)	-1%	394,699
Interest	-	-	-	0%	-	6	100	(94)	-94%	3
Other	5,549	166	5,383	3243%	3,595	85,227	1,502	83,725	5574%	15,447
		</								