



February 4, 2016

Ms. Karen M. McCarthy
Clerk, Erie County Legislature
92 Franklin Street, 4th Floor
Buffalo, New York 14202

Dear Karen:

Enclosed please find the 4th quarter report for 2015 regarding efforts made toward achieving funding purposes as stated in our Marketing Plan and Budget and financial statements as of December 31, 2015 for Visit Buffalo Niagara and Buffalo Niagara Convention Center.

Sincerely,

A handwritten signature in cursive script that reads "Patrick J. Kaler".

Patrick J. Kaler
President and CEO

/Enclosures

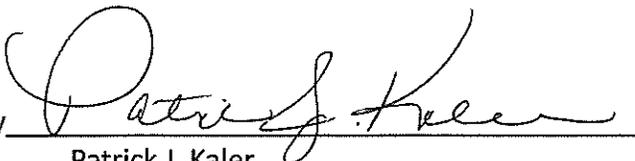


February 4, 2016

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 
Patrick J. Kaler
President and CEO



2015 Fourth Quarter Report

FINANCE & ADMINISTRATION				
Q4 Financials	Projected	Budgeted	Variance	% Variance
Revenues	\$ 4,312,579	\$ 4,011,1433	\$ 301,446	7.52%
Expenses				
Marketing Department	\$ 1,657,525	\$ 1,339,797	\$317,728	23.71%
Convention Sales & Services	\$ 1,531,432	\$ 1,583,911	(\$ 52,479)	-3.31%
Airport Visitor Center	\$ 205,822	\$ 271,225	(\$ 65,403)	-24.11%
Downtown Visitor Center	\$ 96,062	\$ 82,500	\$ 13,562	16.44%
Administrative & Finance	\$ 773,317	\$ 733,700	\$ 39,617	5.40%
TOTAL EXPENSES	\$ 4,264,158	\$ 4,011,133	\$ 253,025	6.31%
Increase (Decrease) In Net Assets	\$ 48,421	\$ -	\$ 48,421	

SALES				
Q4 Sales Results	Goal	Actual	+/-	% Variance
Convention Leads	82	81	-1	-1.22%
Sports Leads	66	70	4	6.06%
Group Tour Leads	42	42	0	0.00%
Definite Business	92	120	28	30.43%
Hotel Room Nights	38,750	43,575	4,825	12.45%
YTD Sales Results				
Convention Leads	363	386	23	6.34%
Sports Leads	280	284	4	1.43%
Group Tour Leads	172	177	5	2.91%
Definite Business	371	527	156	42.05%
Hotel Room Nights	166,000	171,381	5,377	3.24%
YOY Comparison				
	2015	2014		
Convention Leads	386	359	27	7.52%
Sports Leads	284	302	-18	-5.96%
Group Tour Leads	177	171	6	3.51%
Definite Business	527	460	67	14.57%
Hotel Room Nights	171,381	170,447	934	.55%
Q4 Major Bookings		Hotel Room Nights	Economic Impact	
Amherst Youth Hockey NYS Championships		3,450	\$2,403,819	
Garden Writers Association		1,005	\$1,364,202	
Harley Davidson Officer Training		853	\$1,262,715	
Gaelic Athletic Association Continental		1,700	\$1,179,045	
Elks Association Spring Conference		1,150	\$935,740	
Creative Problem Solving Institute		1,680	\$934,408	
CSTT Sports Management		600	\$851,595	
Franciscan Federation 51 st Conference		570	\$779,505	
1 st Episcopal District Women's Missionary Society		794	\$608,553	
Mid Atlantic Regional Archives Conference		210	\$448,934	
Associated Construction Distributors International		455	\$315,220	
Coalition of Black Trade Unionists		300	\$267,920	

Q4 Site Visits	Hotel Room Nights	Economic Impact
National Homeland Security Association	3,600	\$2,391,782
1 st Episcopal District Women's Missionary Society	500	\$626,300
Associated Construction Distributors International	455	\$315,220
Air Methods Corporation	150	\$272,760
USS Great Sitkin AE-17 Association	200	\$117,997
New York Ontario Shrine Association	100	\$195,624
Niagara Frontier Orchid Society	80	\$72,500
USS Rupertus DD-851	75	\$63,320

Q4 Lost Business

Meeting/Event	Year(s)	Hotel Room Nights	Reason Lost
National Association of Campus Card Users	2018 & 2019	1,845/year	Group does not use convention centers as a rule, for us to accommodate we could only do so with BNCC in the mix.
Computer Science Teachers Association	2017	888	City Image and accessibility were cited as reasons to cut Buffalo from the list. Albany, Newark, Philadelphia and Baltimore made the short list.
NYS Association for the Education of Young Children	2018 & 2019	865/year	Lost to Turning Stone Casino lower room rates and free parking. Our room rates needed to include a subsidy to offset the cost of BNCC pushing the rates too high.
USA Fencing Association Grand Prix	2015	800	Lost due to the lack of local support to host event.
NYS Speech Language – Hearing Assoc.	2018	500	Capitol Hill Management lost the contract to supply services for this group. A new services group will be named and we will rebid.
Naval Support Activity	2017	365	Client wanted the Marriott Harbor Center only and the hotel did not have availability.
United States Synchronized Swim	2016	300	Venue availability
USS Saratoga Association	2017	250	Membership turned down move outside of Saratoga Springs
Church of God Militant Pillar and Ground of the Truth	2017	175	Lost to Rochester, Free parking in downtown.

Q4 Sales Initiatives and Programs

S.P.O.R.T.S. Institute – 20 appointments with National Governing Bodies were conducted, immediate leads for USA Football, USA Badminton and National Collegiate Roller Hockey were shared with our hotel and facility partners.

Rejuvenate Marketplace –Reverse tradeshow where suppliers go to appointments at meeting planners' booths for religious organizations. 51 appointments were conducted garnering three immediate lead opportunities with four additional potential leads needing further development.

Ontario Motor Coach Assoc. – Ontario based motor coach operators' conference - 26 appointments were conducted generating two immediate leads for our hotel partners with five potential leads needing further development. VBN has a seat on the conference organizing committee and the supplier council.

TEAMS – 46 event planners came to the booth to discuss potential bid and/or hosting opportunities. Ten immediate leads were garnered for USA Figure Skating, Lacrosse USA and College Club Sports, 18 potential leads need further development.

United States Aquatics Convention – Attended to bid on a 2016 Swimming Championship, Senior Zone Championships, with STAR Swimming - Buffalo won the bid for 2016 & 2017. Also bid on the Speedo Championships; Buffalo was awarded this event for March 2017.

US Sports Congress – 22 event planners met at the tradeshow booth and discussed opportunities for future events. Four immediate leads for National Collegiate Roller Hockey, USA Ultimate Sports and AthleTx Baseball Tournaments were

distributed to our hotel and venue partners.

TSE Consulting presented its final report to the Sports Advisory Council on December 16, 2015. This report focused on a sport event strategy for the next ten years. TSE's report included the current state of the market and what Buffalo was doing well, a competitor analysis, and recommendations for the future success of sports tourism in Buffalo. As a result, a Funding/Facilities Committee and a Future Events/Bids Committee have been formed to start implementing some of TSE's recommendations. 15 council members were in attendance. The next Sports Advisory Council meeting is scheduled for the end of March.

MARKETING			
Q4 Website & Mobile	2015	2014	Variance
Users	290,757	245,638	18.3%
Pageviews	721,718	953,841	-24.3%
Time on Site	1:28	3:09	-53.7%
YTD Website & Mobile	2015	2014	Variance
Users	889,196	1,222,551	-27.2%
Pageviews	2,920,454	5,036,592	-42%
Time on Site	2:07	3:16	-34.9%
Organic website traffic declined more dramatically than expected after the launch of the new website. Progress is finally being realized in Q4. In fact, November 2015 vs. November 2014 was up 24% and December YoY was up 58%. We are encouraged by these results and plan to see even more of an upturn in 2016.			
In the final days of Q4, we made the decision to disengage eBrains as our SEO/SEM vendor. We have contracted with Madden Media to handle these services on our behalf in 2016. We look forward to a collaborative working relationship with them.			
Social Media	2015	2014	Variance
VBN on Facebook	67,274	63,238	+6.3%
Twitter	18,425	14,090	+30.7%
Instagram	10,800	3,355	+200%
Domestic Advertising			
Facebook advertising was one of our main advertising outlets in Q4. We paid to promote original blog posts that we saw were resonating well with our fan base in the first 24 hours. The promotion of these posts is responsible for a good portion of the boost in web traffic we saw in Q4.			
Canadian Marketing Initiative			
We purchased a 12 month digital billboard with Pattison Outdoor that started on December 28 th . This billboard is located at the Peace Bridge, visible to those coming into the U.S. just before they cross the bridge. Knowing we have only seconds to engage with that incoming traffic we went with a simple and straightforward message of 'Buffalo Loves Canada'. Given the downturn in the exchange rate, we want to express our gratitude for those still choosing to make the trip to Buffalo.			
Continue to work with eBrains on the distribution of monthly e-newsletters to our 40,000 Canadian subscribers that ultimately drove traffic to our Girlfriend Getaway landing page found on visitbuffaloniagara.com.			
Social Media			
Visit Buffalo Niagara has increasingly used Facebook to drive new traffic to its website. The number of website referrals in Q4 2015 was 84,799, compared to 2,099 in Q4 2014 (those numbers include paid and organic traffic from Facebook).			
VBN also launched its #WinterBUF social media campaign, asking its fans and followers to submit photos that capture all the fun and enjoyment to be had here this time of year to #WinterBUF. The contest already garnered over 800 photos in its first month.			

Video Production			
We released 2 videos in Q4.			
1.) Billy & Pat produced a holiday video in December that showed their experience with picking out a Christmas tree in the Elmwood Village, enjoying a Tom & Jerry at Schwab's, doing some shopping at Hertel Holidays and skating at Canalside. The video has 3,847 views.			
2.) We produced a #BuffaLOVE15 wrap-up video that took 200 of the best photos we received during this summer contest and put them into a video montage. The video has 2,249 views.			
Media Relations			
Visit Buffalo Niagara capped off an all-time record-breaking year for media relations in 2015. A total of over 200 out-of-market travel stories appeared in 2015, worth an earned media value of over \$4.1 million. These included hits in the Associated Press, The Guardian, USATODAY.com, the Toronto Star and a wide variety of blogs and newspapers in Ohio, Pennsylvania, New York State and Southern Ontario. The AP story "Buffalo's Industrial Cathedrals Are Finding New Life" was pitched to the Associated Press and picked up by over 100 media outlets in early October.			
Media Outlet	Circulation	Media Value	Headline and Quotes/Highlights
Associated Press	96,635,654	\$970,263	Over 100 media outlets ran AP story that VBN pitched.
Toronto Star	361,223	\$126,577	"The Trader Joe's Mystique" story grew out of Buffalo visit.
Pittsburgh Tribune-Rev	388,788	\$4,848	Road Trip! Destination: East Aurora, NY
EatPGH	N/A	N/A	"What to Do in Buffalo, New York"
Eat. Live. Travel. Write.	N/A	N/A	Niagara Falls and Buffalo: Five Reasons to Visit Now
Drink Up Columbus	N/A	N/A	Destination Drinking: Buffalo
USA TODAY.com	14.2 million	\$43,700	Duff's Wings named top regional food by USA TODAY.com
Toronto Star	571,449	\$646	Garden Walk Buffalo named top Gardening event by Toronto Star Gardening Columnist

INDUSTRY RELATIONS / DESTINATION DEVELOPMENT			
Q4 Downtown VIC & info tables	2015	2014	Variance
Walk-In Traffic & info requests	4,031	2,573	56.67%
Merchandise Sales	\$11,668	\$6,084	91.77%
YTD Downtown VIC			
Walk-In Traffic	18,473	14,959	23.49%
Merchandise Sales	\$34,753	\$19,417	78.98%
Q4 Airport VIC			
Walk-In Traffic	13,345	17,447	-23.51%
Merchandise Sales	\$47,295	\$51,119	-7.49%
YTD Airport VIC			
Walk-in Traffic	61,806	79,217	-21.98%
Merchandise Sales	\$192,423	\$224,219	-14.18%
Q4 Travel Pulse			
October	1351	978	38.14%
November	1359	1005	35.22%
December	1374	1022	34.44%

Q4 Ambassador/Volunteer Engagement				
Date	Convention/Event Name	# of Volunteers	# of Hours	Total Hours
10/1	United University Professionals	4	3 hours each	12 hours
10/1-10/2	Association of University Research Parks	4	3 hours each	12 hours
10/5-10/6	CSEA	10	3 hours each	30 hours
10/9-10/10	FinnFest	23	3 hours each	69 hours
10/14	MedTech	1	4 hours	4 hours
10/22-10/25	NACA	12	Various	16 hours
10/24-10/25	Buffalo Speed Skating Championships	7	5 hour shifts	35 hours
10/26	New York State Financial Aid	2	3 hours each	6 hours
11/14	Amherst Skating Club	1	3 hours	3 hours
12/11-12/13	STAR Swimming Invitational	10	4 hours each	40 hours
TOTAL		74	3-5 hour shifts	233 total hours

Q4 Visit Buffalo Niagara Academy Programs		
Industry Meeting	Date	Attendance
Buffalo After Dark FAM tour. This was a tour of unique and new venues open in the evening that one might recommend to visitors. Stops included Buffalo Arts Studio in the TriMain Building, Colored Musicians Club, Big Ditch Brewery, Lockhouse Distillery, Irish Classical Theatre and a few others.	October 21	37
Q4 Industry Meeting Pole Position Raceway. The focus of this meeting was the newly released Bring it Home Buffalo campaign, designed to engage locals by enlisting their support in finding organizations willing to bring their business to Buffalo. Patrick Whalen, former Chief Operating Officer for the Buffalo Medical Campus was the featured speaker.	November 4	51

VBN EVENTS CALENDAR - 2016			
Event	Date	Location	Description
Q1 Destination Development Advisory Committee Meeting	February 3	VBN Conference Room	First meeting of this newly created committee, chaired by Randy Kramer. Will flush out destination priorities for 2016.
Q1 Industry Meeting	February 11	Albright Knox Art Gallery	Expanding your brand through creative marketing. Google Look Inside, Triple AAA, I Love New York will be presenting their offerings, some of which are available at no charge, to industry partners.
Board of Directors Meeting	April 27	Buffalo Niagara Convention Center	Quarterly meeting
National Travel & Tourism Week	May 1-7	Various	Plans are underway for lighting the town red (color of tourism), billboard campaign, editorial, open house and more to celebrate tourism.
Beacon Awards Luncheon	May 4	Buffalo Niagara Convention Center	Recognize exemplars in hospitality and tourism; award hospitality and restaurant scholarships



Buffalo Niagara Convention & Visitors Bureau, Inc.

FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND 2014

UNAUDITED

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014

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BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.
BALANCE SHEET
DECEMBER 31, 2015 AND 2014

UNAUDITED

	2015	2014
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 512,017	\$ 580,539
Accounts Receivable - Erie County	-	-
Accounts Receivable - Trade	93,022	68,443
Grants Receivable	250,000	75,000
Prepaid expenses and supplies	68,346	102,429
	Total current assets	826,411
Property and equipment, net	61,684	61,684
	Total assets	\$ 888,095

LIABILITIES AND NET ASSETS

Current liabilities:		
Short-term borrowings	\$ -	\$ -
Accounts payable and accrued expenses	204,853	197,918
Accounts payable - Foundation	41,466	50,190
Deferred revenue - Other	161,484	112,291
Deferred revenue - Bed Tax	-	-
	Total current liabilities	360,399
Net assets	577,266	527,696
	Total liabilities and net assets	\$ 888,095

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014

	<u>Actual 12 Months 12/31/15</u>	<u>Budgeted 12 Months 12/31/15</u>	<u>\$ Variance Over (Under)</u>	<u>% Variance Over (Under)</u>	<u>Annual Budget 2015</u>	<u>Actual 12 Months 12/31/14</u>
REVENUES	<u>\$ 4,318,067</u>	<u>\$ 4,011,133</u>	<u>\$ 306,934</u>	<u>7.65%</u>	<u>\$ 4,011,133</u>	<u>\$ 4,433,785</u>
MARKETING DEPARTMENT EXPENSES	\$ 1,666,734	\$ 1,339,797	\$ 326,937	24.40%	\$ 1,339,797	\$ 2,043,390
SALES & SERVICES DEPARTMENT EXPENSES	1,540,030	1,583,911	(43,881)	-2.77%	1,583,911	1,503,462
AIRPORT VISITOR CENTER EXPENSES	203,403	271,225	(67,822)	-25.01%	271,225	245,438
BUFFALO VISITOR CENTER EXPENSES	98,030	82,500	15,530	18.82%	82,500	81,675
ADMINISTRATIVE & FINANCE EXPENSES	760,300	733,700	26,601	3.63%	733,700	834,092
TOTAL EXPENSES	<u>\$ 4,268,497</u>	<u>\$ 4,011,133</u>	<u>\$ 257,365</u>	<u>6.42%</u>	<u>\$ 4,011,133</u>	<u>\$ 4,708,057</u>
INCREASE (DECREASE) IN NET ASSETS	\$ 49,570	\$ -	\$ 49,570		\$ -	\$ (274,272)
NET ASSETS - BEGINNING	527,696	527,696	-		527,696	801,968
NET ASSETS - ENDING	<u>\$ 577,266</u>	<u>\$ 527,696</u>	<u>\$ 49,570</u>	<u>9.39%</u>	<u>\$ 527,696</u>	<u>\$ 527,696</u>

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.

TOTAL REVENUES

FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014

	Actual 12 Months 12/31/15	Budgeted 12 Months 12/31/15	\$ Variance Over (Under)	% Variance Over (Under)	Annual Budget 2015	Actual 12 Months 12/31/14
Erie County Grant	\$ 3,300,000	\$ 3,233,283	\$ 66,717	2.06%	\$ 3,233,283	\$ 3,233,283
BNCC Management Fee Allocation	9,940	12,000	(2,060)	-17.17%	12,000	8,242
Visitor Guide Advertising	245,719	245,000	719	0.29%	245,000	229,079
Assessments - Convention	43,454	5,000	38,454	769.08%	5,000	52,569
NYS Matching Funds Program	54,547	55,100	(553)	-1.00%	55,100	54,912
Joint/Co-Op - Marketing	122,631	70,000	52,631	75.19%	70,000	143,737
Joint/Co-Op - Sales	94,305	109,500	(15,195)	-13.88%	109,500	84,206
Grant Revenues	212,400	-	212,400	-	-	367,000
Joint/Co-Op - Airport	2,912	6,500	(3,588)	-55.20%	6,500	4,120
Merchandising Revenues - BVC	34,738	20,000	14,738	73.69%	20,000	19,414
Merchandising Revenues - Airport VC	192,360	250,000	(57,640)	-23.06%	250,000	224,218
Interest Income	81	750	(669)	-89.20%	750	419
Miscellaneous Income	4,935	3,500	1,435	41.00%	3,500	12,586
Merchandising Revenues - Conventions	45	500	(455)	-91.00%	500	-
Total Revenues	\$ 4,318,067	\$ 4,011,133	\$ 306,934	7.65%	\$ 4,011,133	\$ 4,433,785

BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.
TOTAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014

	Actual 12 Months 12/31/15	Budgeted 12 Months 12/31/15	\$ Variance Over (Under)	% Variance Over (Under)	Annual Budget 2015	Actual 12 Months 12/31/14
<u>Personnel Costs:</u>						
Salaries	\$ 1,553,202	\$ 1,562,500	\$ (9,298)	-0.60%	\$ 1,562,500	\$ 1,551,114
Payroll Taxes & Fringe Benefits	283,054	300,483	(17,429)	-5.80%	300,483	273,099
Training	33,868	34,500	(632)	-1.83%	34,500	37,526
Total Personnel Costs	\$ 1,870,124	\$ 1,897,483	\$ (27,359)	-8.23%	\$ 1,897,483	\$ 1,861,739
<u>Sales & Marketing Expenditures:</u>						
Advertising	\$ 742,349	\$ 385,000	\$ 357,349	92.82%	\$ 385,000	\$ 917,470
Convention Commitments	172,976	160,275	12,701	7.92%	160,275	189,564
Visitor Guide	222,025	220,000	2,025	0.92%	220,000	222,851
Tradeshows	139,367	144,000	(4,633)	-3.22%	144,000	135,652
Printing	51,510	31,500	20,010	63.52%	31,500	73,783
Branding Initiative	-	-	-	-	-	-
Postage	29,609	36,250	(6,641)	-18.32%	36,250	34,284
Sales Bids & Promotions	78,275	101,500	(23,225)	-22.88%	101,500	70,218
Convention Sales & Services	23,503	25,100	(1,597)	-6.36%	25,100	10,572
Travel & Meetings	33,623	38,000	(4,377)	-11.52%	38,000	30,811
Washington DC Rep Firm	-	-	-	-	-	-
Albany Office	18,254	17,750	504	2.84%	17,750	18,495
Receptions	19,177	37,700	(18,523)	-49.13%	37,700	16,650
Research	47,482	59,000	(11,518)	-19.52%	59,000	85,942
Distribution	22,791	20,000	2,791	13.96%	20,000	17,352
Website Development/Hosting	67,486	68,000	(514)	-0.76%	68,000	206,958
Familiarization Tours	55,467	39,000	16,467	42.22%	39,000	38,172
Professional Fees & Public/Media Relations	33,894	65,000	(31,106)	-47.86%	65,000	53,252
Freelance/Graphic Artist	11,975	17,500	(5,525)	-31.57%	17,500	15,753
Regional Marketing	12,022	25,500	(13,478)	-52.85%	25,500	10,581

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BUFFALO NIAGARA CONVENTION & VISITORS BUREAU, INC.

TOTAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014

	Actual 12 Months 12/31/15	Budgeted 12 Months 12/31/15	\$ Variance Over (Under)	% Variance Over (Under)	Annual Budget 2015	Actual 12 Months 12/31/14
Airport Visitor Center Operations	125,385	173,725	(48,340)	-27.83%	173,725	150,680
Market Arcade Visitor Center Operations	30,455	17,550	12,905	73.53%	17,550	19,717
Promotional Items	16,358	18,000	(1,642)	-9.12%	18,000	9,922
Destination Development	44,163	50,050	(5,887)	-11.76%	50,050	29,266
Film/Video/Photo Productions	27,195	40,000	(12,805)	-32.01%	40,000	37,711
Photography	34,708	15,000	19,708	131.39%	15,000	40,085
Online Media Resource	3,419	5,500	(2,081)	-37.84%	5,500	4,083
Social Networking	2,636	1,200	1,436	119.67%	1,200	2,558
Special Projects	-	-	-	-	-	-
Newsletter	2,066	4,000	(1,934)	-48.35%	4,000	4,545
Annual Report	-	-	-	-	-	-
Total Sales & Marketing Expenditures	\$ 2,068,170	\$ 1,816,100	\$ 252,070	13.88%	\$ 1,816,100	\$ 2,446,927
Technology & Equipment	29,670	9,350	20,320	217.33%	9,350	9,438
Departmental Administrative Expenses	300,533	288,200	12,333	4.28%	288,200	389,953
Total Expenses	\$ 4,268,497	\$ 4,011,133	\$ 257,365	6.42%	\$ 4,011,133	\$ 4,708,057

BUFFALO NIAGARA CONVENTION CENTER			
Q4 Revenue	Goal	Projected	Variance
Rent Revenue	\$117,425	\$222,537	+89.5 %
F&B Revenue	\$668,200	\$852,043	+27.5%
Electrical Service	\$28,350	\$33,294	+17.4%
Other Revenue	\$36,102	\$48,196	+33.5%
TOTAL REVENUE	\$850,077	\$1,156,070	+36.0%
YTD Revenue	Goal	Projected	Variance
Rent Revenue	\$688,622	\$743,995	+8.0%
F&B Revenue	\$2,555,305	\$3,096,481	+21.1%
Electrical Service	\$145,516	\$144,917	-.4%
Other Revenue	\$143,533	\$149,353	+4.1%
TOTAL REVENUE	\$3,532,976	\$4,131,746	+16.9%
Q4 Events	2015	2014	Variance
Number of Events	44	46	-4.4%
Attendance	58,919	48,179	+22.3%
YTD Events	2015	2014	Variance
Number of Events	161	161	0%
Attendance	280,108	300,071	-6.6%
F&B Profit Margin	27.1%	26.0%	+4.2%
Guest Satisfaction Survey	4.76	4.75	+0.2%
Comments Q4			
<p>Total revenues exceeded budget in the fourth quarter by \$306k or 36.0%. Groups responsible for this increase included the Delaware North Meetings (+\$56k), United University Professions (+\$30k), Discover the Dinosaurs (+\$28k), Buffalo Comicon (+\$27k) and Natl. Assn. for Campus Activities (+\$16k).</p> <p>Food and Beverage revenues are projected to be up to budget by \$184k or 27.5%. Electrical revenues exceeded budget by \$5k or 17.4% and other revenues are over budget by \$12k or 33.5%.</p>			

Q4 Major Events Hosted

Month	Event Name	Number of Attendees
Oct	Buffalo Comicon	4,952
Oct	UB Dental Alumni Association – Buffalo Niagara Dental Meeting	2,450
Oct	Buffalo On Tap – Harvest Festival	1,379
Oct	Bison Scholarship Fund Luncheon	910
Oct	Civil Service Employees Association – Annual Delegates Meeting	850
Oct	National Association for Campus Activities – Mid Atlantic Conference	712
Nov	YMCA Buffalo Niagara Turkey Trot – Post Race Party	10,000
Nov	Conesus Fest for Charity – World’s Largest Disco	7,000
Nov	Mayor Byron Brown’s Reading Rules Summer Reading Challenge	4,000
Nov	Roswell Park Alliance Foundation – All Star Gala	1,000
Nov	Buffalo Urban League Gala	900
Nov	Greater Buffalo Sports Hall of Fame Dinner	844
Nov	Delaware North – Food & Beverage Summit	709
Dec	Blue Star Media – Discover the Dinosaurs	5,122
Dec	First Night Buffalo	5,000
Dec	Maria Love Convalescent Fund – Charity Ball	2,400
Dec	Civil Service Employee Association Holiday Party	800

Q4 Major Events Booked

Year	Event Name	Expected Revenue
2015	Blue Star Media – Discover the Dinosaurs	\$25,000
2016	Ingram Micro 2016 Sales Kick Off	\$200,000
2016	National Prevention Network 2016 Annual Conference	\$54,500
2016	Roswell Park Cancer Institute 2016 Employee Holiday Party	\$30,000
2016	Niagara Frontier Automobile Dealers Association – 2016 Preview Party	\$24,000
2017	Harley Davidson Hog Officer Training (HOT) 2017	\$95,000
2017	United University Professions - 2017 Fall Delegate Meeting	\$38,300

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2018	United University Professions - 2018 Fall Delegate Meeting	\$39,000
2018	NYC Dance Alliance – 2018 Annual	\$23,443
2019	NYC Dance Alliance – 2019 Annual	\$27,000

Q4 Notable Sales Activities

Date	Program
Oct	Attended several meetings with Snow Symposium Planning Committee
Nov	Attended Rejuvenate Marketplace - Dallas
Nov	DC Sales Calls
Nov	Meeting and site with 1 st Episcopal District WMS
Nov	Meeting and Site with Buffalo Parent Teachers Organization
Dec	Attended the ESSAE Holiday party
Dec	Albany Sales Calls
Dec	Met with clients and delivered holiday gifts throughout the month
Nov -Dec	Worked on various sales and marketing projects with intern from ECC



**Buffalo Niagara Convention Center Management
Corporation**

FINANCIAL STATEMENTS

DECEMBER 31, 2015 and 2014

UNAUDITED

For Presentation at the Board of Director's Meeting on Wednesday January 27, 2016

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

FINANCIAL STATEMENTS

FOR THE MONTH AND TWELVE MONTHS ENDED DECEMBER 31, 2015 AND 2014

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BUFFALO NIAGARA CONVENTION CENTER MANAGEMENT CORP.
BALANCE SHEET
DECEMBER 31, 2015 AND 2014

UNAUDITED

	2015	2014
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 701,797	\$ 1,045,034
Accounts receivable (net)	522,844	258,281
Accounts Receivable - County Grant	-	-
Inventory	73,907	56,300
Prepaid expenses	61,496	43,054
	Total current assets	1,402,668
Property and equipment, net	-	-
	Total assets	\$ 1,402,668
	\$ 1,360,043	\$ 1,402,668

LIABILITIES AND NET ASSETS

Current liabilities:		
Short-term borrowings	\$ -	\$ -
Current portion of long-term debt	-	-
Accounts payable and accrued expenses	325,966	365,152
Deferred revenue - Erie County Grant	-	-
Deferred revenue - Technology Grant	28,196	28,196
Deferred revenue - Other	133,611	124,829
	Total current liabilities	518,177
Long-term debt	-	-
Net Assets:		
Net assets - unrestricted	872,270	884,491
	Total liabilities and net assets	\$ 1,402,668
	\$ 1,360,043	\$ 1,402,668

BUFFALO NIAGARA CONVENTION CENTER MANAGEMENT CORP.
STATEMENT OF ACTIVITIES
DECEMBER 31, 2015 AND 2014

UNAUDITED

	<u>Actual December 2015</u>	<u>Budget December 2015</u>	<u>\$ Variance Over (Under)</u>	<u>% Variance Over (Under)</u>	<u>Actual December 2014</u>
Technology Grant	\$ -	\$ -	\$ -	0%	\$ -
County Grant Funds	141,656	139,562	2,094	2%	139,563
Other revenues	45,047	36,760	8,287	23%	26,846
Total Revenues	<u>186,703</u>	<u>176,322</u>	<u>10,381</u>	<u>6%</u>	<u>166,409</u>
Payroll and related costs	172,672	129,390	43,282	33%	154,553
Professional fees	6,207	9,189	(2,982)	-32%	13,926
Supplies	20,428	12,555	7,873	63%	58,834
Telephone	6,526	6,251	275	4%	2,853
Postage and Freight	171	247	(76)	-31%	222
Occupancy costs	55,412	62,386	(6,974)	-11%	46,659
Equipment rental and maintenance	12,359	9,271	3,088	33%	5,101
Travel expenses	1,127	1,957	(830)	-42%	301
Promotional expenses	23,277	8,815	14,462	164%	20,979
Other Expenses	1,895	2,866	(971)	-34%	6,231
Depreciation expense	-	-	-	0%	-
Capital Equipment Purchases	58,215	5,000	53,215	1064%	78,137
Total Operating expenses	<u>358,289</u>	<u>247,927</u>	<u>110,362</u>	<u>45%</u>	<u>387,796</u>
Increase (decrease) in net assets	(171,586)	(71,605)	(99,981)	140%	(221,387)
Net assets - beginning	1,043,856	956,096	87,760	9%	1,105,878
Net assets - ending	<u><u>\$ 872,270</u></u>	<u><u>\$ 884,491</u></u>	<u><u>\$ (12,221)</u></u>	<u><u>-1%</u></u>	<u><u>\$ 884,491</u></u>

BUFFALO NIAGARA CONVENTION CENTER MANAGEMENT CORP.
STATEMENT OF ACTIVITIES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2015 AND 2014

UNAUDITED

	<u>Actual December 2015</u>	<u>Budget December 2015</u>	<u>\$ Variance Over (Under)</u>	<u>% Variance Over (Under)</u>	<u>Actual December 2014</u>
Technology Grant	\$ -	\$ -	\$ -	0%	\$ 5,000
County Grant Funds	1,699,871	1,674,750	25,121	1%	1,674,750
Other revenues	1,851,421	1,634,617	216,804	13%	1,671,260
Total Revenues	<u>3,551,292</u>	<u>3,309,367</u>	<u>241,925</u>	<u>7%</u>	<u>3,351,010</u>
Payroll and related costs	2,053,229	2,006,618	46,611	2%	1,868,725
Professional fees	129,069	138,262	(9,193)	-7%	144,721
Supplies	254,533	150,492	104,041	69%	279,258
Telephone	58,418	75,004	(16,586)	-22%	69,882
Postage and Freight	2,303	2,957	(654)	-22%	2,345
Occupancy costs	633,927	641,102	(7,175)	-1%	556,595
Equipment rental and maintenance	111,420	111,262	158	0%	104,407
Travel expenses	24,424	23,500	924	4%	18,363
Promotional expenses	122,283	105,786	16,497	16%	115,033
Other Expenses	46,351	34,384	11,967	35%	35,623
Depreciation expense	-	-	-	0%	-
Capital Equipment Purchases	127,556	20,000	107,556	538%	107,511
Total Operating expenses	<u>3,563,513</u>	<u>3,309,367</u>	<u>254,146</u>	<u>8%</u>	<u>3,302,463</u>
Increase (decrease) in net assets	(12,221)	-	(12,221)	0%	48,547
Net assets - beginning	884,491	884,491	-	0%	835,944
Net assets - ending	<u><u>\$ 872,270</u></u>	<u><u>\$ 884,491</u></u>	<u><u>\$ (12,221)</u></u>	<u><u>-1%</u></u>	<u><u>\$ 884,491</u></u>

BUFFALO NIAGARA CONVENTION CENTER MANAGEMENT CORP.
SCHEDULE OF FOOD SERVICE OPERATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2015 AND 2014

UNAUDITED

	<u>For the Month</u>		<u>Year To date</u>		<u>Year To Date</u>	
	<u>December</u>		<u>December</u>		<u>December</u>	
	<u>2015</u>	<u>%</u>	<u>2015</u>	<u>%</u>	<u>2014</u>	<u>%</u>
<u>Sales:</u>						
Sales - Food	\$ 95,238	72.82%	\$2,557,236	82.63%	\$ 2,249,075	83.53%
Sales - Beverage	34,923	26.70%	529,206	17.10%	437,096	16.23%
Sales - Vending all	628	0.48%	8,431	0.27%	6,262	0.23%
Sales - Non-foods Other	-	0.00%	-	0.00%	-	0.00%
Total Sales	<u>130,789</u>	<u>100.00%</u>	<u>3,094,873</u>	<u>100.00%</u>	<u>2,692,433</u>	<u>100.00%</u>
<u>Cost of Sales:</u>						
Cost of Sales - Food	53,973	41.27%	868,245	28.05%	748,073	27.78%
Cost of Sales - Beverage	7,807	5.97%	160,521	5.19%	137,998	5.13%
Cost of Sales - Vending all	309	0.24%	4,652	0.15%	3,222	0.12%
Cost of Sales - Non foods & Other	5,015	3.83%	18,860	0.61%	15,763	0.59%
Cost of Sales - Employee meals	-	0.00%	-	0.00%	-	0.00%
Total Cost of Sales	<u>67,104</u>	<u>51.31%</u>	<u>1,052,278</u>	<u>34.00%</u>	<u>905,056</u>	<u>33.61%</u>
Gross Profit	<u>63,685</u>	<u>48.69%</u>	<u>2,042,595</u>	<u>66.00%</u>	<u>1,787,377</u>	<u>66.39%</u>
<u>Operating Expenses:</u>						
Salaries & Benefits	56,203	42.97%	1,012,171	32.70%	872,451	32.40%
Professional fees/Contracts	-	0.00%	-	0.00%	-	0.00%
Supplies and Freight	9,908	7.58%	87,469	2.83%	65,664	2.44%
Occupancy	2,762	2.11%	58,080	1.88%	60,614	2.25%
Equipment rental & maintenance	329	0.25%	6,526	0.21%	15,487	0.58%
Travel expenses	-	0.00%	-	0.00%	-	0.00%
Promotion	6,486	4.96%	61,954	2.00%	60,412	2.24%
Other	1,880	1.44%	16,311	0.53%	17,399	0.65%
Total Operating Expenses	<u>77,568</u>	<u>59.31%</u>	<u>1,242,511</u>	<u>40.15%</u>	<u>1,092,027</u>	<u>40.56%</u>
Net Income Food Service	<u><u>\$(13,883)</u></u>	<u><u>-10.61%</u></u>	<u><u>\$ 800,084</u></u>	<u><u>25.85%</u></u>	<u><u>\$ 695,350</u></u>	<u><u>25.83%</u></u>

BUFFALO NIAGARA CONVENTION CENTER MANAGEMENT CORP.
OTHER REVENUES RECAP
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2015 AND 2014

UNAUDITED

	For The Month			Year to Date					
	Actual December 2015	Budget December 2015	\$ Variance Over (Under)	% Variance Over (Under)	Actual December 2014	Budget December 2015	\$ Variance Over (Under)	% Variance Over (Under)	Actual December 2014
Rentals	\$ 51,696	\$ 12,000	\$ 39,696	331%	\$ 15,572	\$ 688,622	\$ 62,025	9%	\$ 705,180
Equipment Rentals	250	734	(484)	-66%	-	8,808	(2,750)	-31%	5,791
Electrical Services	6,033	1,800	4,233	235%	1,464	145,516	1,481	1%	133,886
Commissions	90	1,598	(1,508)	-94%	463	19,185	(6,956)	-36%	13,918
Net Catering Revenues	(13,883)	11,122	(25,005)	-225%	4,016	637,688	162,396	25%	695,351
Interest	-	6	(6)	-100%	-	73	(73)	-100%	12
Other	861	9,500	(8,639)	-91%	5,331	134,725	681	1%	117,122
Total Other Revenues	\$ 45,047	\$ 36,760	\$ 8,287	23%	\$ 26,846	\$1,634,617	\$ 216,804	13%	\$ 1,671,260