



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

**AGENDA**

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

**Next Meeting: October 29, 2018**



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

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

**ACTION ITEMS:**

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

**MINUTES**

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



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

- d. Visitor center numbers are trending down, although there are still people who seek out visitors centers and want the maps and pamphlets and the face-to-face contact. Mobile information centers, increasing hospitality training, and kiosks at higher traffic destinations could be a possible solutions to combat the downturn. Partnerships with local chambers and downtown associations is also a possibility.

6. Recommendation to the Board of County Commissioners to Fill Vacant Seat

- a. Suggestion made to inquire if new Yelm GM could be interested. *Shauna Stewart will ask who is taking Nick Durant's place when she goes on Thursday.* Another suggestion is Cassandra (GM) from La Quinta Tumwater.

7. Items from the Floor – Shauna Stewart has learned through Jack Rabbit that the further away people are they are more likely to book. Olympia is often the half way point on the Canadian or Californian trip. Commissioners regard expanding marketing reach to Oregon or Northern California or Canada as a good idea.

8. Adjournment – **Chair Michael Gustaves adjourned the meeting at 5:02 pm.**

**Next Meeting: August 27, 2018**

Olympia-Lacey-Tumwater Visitor & Convention Bureau

Revenue & Expense Budget Performance - 2018 YTD

June 2018

Accrual Basis

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

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



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

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

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

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

### **2018 Income**

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

### **2018 Expenses**

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

### **Summary of Proposed Adjustments**

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

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

### **EXPERIENCEOLYMPIA.COM**

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2424 Heritage Ct. SW Suite B, Olympia, WA 98502

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

# Olympia-Lacey-Tumwater Visitor & Convention Bureau

## Profit & Loss Budget Overview 2018

January through December 2018

APPROVED    CHANGE    PROPOSED

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

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

\* pending approval