

COVER PAGE

2016 Budget Request Form Tompkins County Tourism Program

I. BASIC INFORMATION

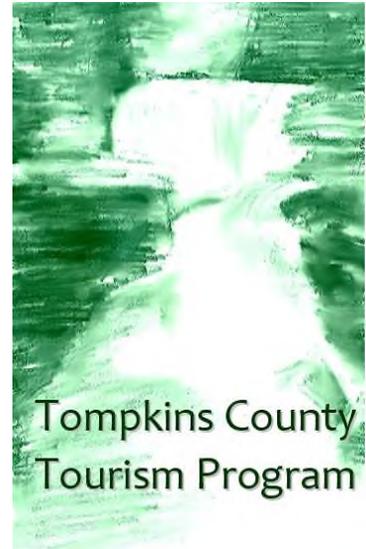
Program: Ithaca/Tompkins CVB

Applicant Organization: Ithaca/Tompkins CVB, Division of the
Tompkins County Chamber of Commerce

Contact Person: Bruce Stoff, Director

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2016 Request: \$950,000 -- Marketing



Year	Tourism Program Allocation**	\$ Change	% Change	% of Program Budget*
2012	\$895,778	\$13,238	1.5%	87%
2013	\$925,776 budget + \$54,030 Tourism Implementation Grant	\$29,988	3.2%	81%
2014	\$957,500	\$31,724	3.4%	88%
2015	\$924,000	-\$33,500	-3.5%	87%
Request 2016	950,000	+26,000	2.8%	84.7%

* Enter the % of the total program budget that would come from the Tompkins County Tourism Program.

** Enter modified budget amounts where applicable.

II. PROGRAM DESCRIPTION

The CVB supports the county's Strategic Tourism Plan through marketing, group sales and visitor services. The three departments work in conjunction with local tourism partners to increase visitation, advance the tourism product and enhance the visitor experience. This creates more overnight stays, generating revenue for the tourism program and tax relief for county residents. As the county's designated Tourism Promotion Agency, the CVB receives and manages NYS Tourism Matching funds while representing Tompkins County on tourism matters both regionally and statewide.

III. CHALLENGES & OPPORTUNITIES

The ongoing challenges and opportunities remain the same as prior years:

1. Increasing midweek occupancy via consumer marketing, group/motor coach sales and convention/meeting sales. Secondary targets are shoulder seasons, niche markets, sports events.
2. Increasing Visitor Services customer contact via technology & outreach.
3. Utilizing our expertise in marketing, communications and sales to support all the attractions, events and initiatives funded by the county tourism program.

Challenges & Opportunities: Detailed

Midweek Occupancy

Low midweek occupancy is a perennial challenge for the local lodging industry. It's also our largest opportunity for growth. Along with ongoing midweek group and conference sales efforts, we will continue to fund, monitor and improve the midweek marketing campaign begun in 2014. We will stay committed to improving the program until it generates measurable results in occupancy and room tax revenue (and then we'll expand the program). In addition, we will refine and expand the visitor services "upselling" program begun in 2015. This program aims to generate additional overnights from existing visitors (campus, leisure and business). Off season marketing and promotion will be scaled back, investment in core season midweeks will produce greater ROI.

Visitor Center Traffic and Technology

Coinciding with the rapid adoption of smartphones, Visitor Center traffic has declined since 2006 when walk-ins peaked at 19,000. Traffic fell to a low of 12,000 visitors in 2013 before rebounding to about 15,000 visitors last year. The lack of growth in walk-ins contrasts with overall growth in visitation, which is concerning because it has impacted our ability to fulfill our visitor services mission as outlined in the strategic plan. This is an emerging issue industrywide and we plan to lead the industry in finding solutions. The ultimate goal is to design a workspace, workforce and workplace tools to change visitor centers from receptive "welcome desks" to broadcast "outreach centers" that use cellular technology, digital information and social media tools to reach travelers wherever they may be. In 2015 we started the process with research funded by a NYS REDC CFA grant. We plan to launch a new mobile technology beta test in 2016, again funded by NYS. In addition to technical outreach, we will also pursue Dispersed Visitor Services—meeting people in high-traffic locations in the local market, i.e. Taughannock Falls (below), campus events, attractions, festivals and other tourism program funded activities.

Convention and Meeting Sales

In recent years, the CVB has been challenged in booking convention and meeting business. This is despite increased sales outreach as measured by distributed sales leads. Price and facilities are the chief objections among buyers. While the CVB cannot control price or product quality, we have an opportunity to increase advocacy efforts in development of new and remodeled conference facilities. We will also continue to pursue opportunities in the sports market as outlined in the Strategic Plan by working with tournament organizers and venue managers at IC, CU, etc. This effort will focus on shoulder seasons, with awareness that team events often outstrip our hotel capacity, resulting in high room rates.

Group Sales/Motor Coach Sales

The CVB will continue its increased sales efforts to take advantage of opportunities in the group/motor coach market, using targeted group itineraries (culinary, gardening, wine, waterfalls, birding) and direct outreach to tour operators. In addition, we will continue our coordination with ILNY in its pursuit of international groups (China, Europe and Australia in 2016) by pursuing NYC-based operators who cater to the growing international market.

Technical Assistance to Tourism Partners

This has become a major behind-the-scenes activity at CVB. To help the larger Tourism Program, CVB staff is increasingly devoting hours to technical assistance in areas of hospitality training (Hospitality Stars), web marketing and, increasingly, in social media (assistance with TripAdvisor, Yelp, FourSquare, Google Maps, etc. In addition, CVB provides support for STPB task forces including ag & culinary, heritage, higher ed, etc., and community efforts like wayfinding, blueway trail, priority trails development, discovery trail site improvements, etc. and aligning these with marketing investments where practical, as outlined in the Strategic Plan.

IV. BUDGET NARRATIVE

CVB staff has worked diligently over the past several years to gain operational efficiency. Our entrepreneurial moves to a smaller, cost-effective travel guide; increased use of digital advertising; enhanced integration with other STPB-funded marketing programs, increased non-county revenue (grants, advertising and retail sales), reduced admin costs and cost containment in wages & salary have allowed us to improve measurable performance while maintaining essentially flat budgets for three years. In 2016 we request a budget increase of 2.8% (\$26,000) to continue the work. Budget Highlights:

Wages, Salary and Bonus

Roughly 60% of our requested budget increase (\$15,296) is staff-related. This includes average 3% across the board wage/salary increase to help retain our high-performing staff, an additional \$3,000 in bonus pool money to further incentivize & reward top performance (in all departments), and an increase in part-time visitor services staff hours (details below).

Administration

We're still striving for operational efficiency and believe we can cut admin costs by another \$1,100 in 2016. This will be our third consecutive year of admin cost reductions.

Marketing

Our request includes a \$6,000 (1.4%) overall increase in marketing spending spread through multiple line items. The most notable changes:

- A \$10,000 request to renew the Winter Recess teachers festival, in conjunction with DIA and Tompkins Chamber.
- A \$10,000 request to support the County Visitor Profile Study (in addition to funds provided in 2015). The CVB views the Visitor Profile study as the single most important tool we have in benchmarking and targeting our marketing efforts. A reduced CVB budget in 2015 only allowed us to support the study with unbudgeted funds (approx. \$5,000) and in-kind contributions including staff and management. In 2016, we can budget \$10,000 to support the study.

Visitor Services

- We request an additional \$11,000 for visitor services payroll. This will fund additional hourly visitor services staffing to handle increasing use of the Downtown Visitor Center, increasing demand for online chat help, dispersed offsite visitor services (campus events, sports events and conferences) and the opening of a seasonal visitor center at

Taughnnock Falls. Finger Lakes State Parks is developing the facility and barring delays, it will be operational in fall 2016. The site gives us opportunity to reach tens of thousands of visitors. Operation will require additional staffing costs, which are included in this request. We anticipate other operational costs to be insignificant.

- Continued funding for the mobile tech initiative: \$30,000 from NYS REDC grant with a \$10,000 local match.

Group Sales

In our effort to maintain operational efficiency, we hold the line on Group Sales spending while still offering a robust program to attract group business.

Notable Line Item Details

Income:

The 2.8 % funding increase is below the 3% threshold requested by STPB.

Matching Funds—We expect a Matching Funds grant of approx. \$61,000 in 2016, flat funded from 2015. Our award from NYS needs to be matched dollar-for-dollar at the County level. Approximately 75% of the total is used for marketing and advertising programs exclusive to Tompkins County. The remaining 25% is mandated for regional programs (Finger Lakes Regional Tourism Council, Cayuga Lake Scenic Byway, Finger Lakes Regional PR program, etc.) Final local/regional amounts are unknown until the grant is awarded.

Carryover—This is the unspent budgetary “cushion” from the prior year. We aim to leave a 2% (\$20,000) cushion in 2016 year to avoid year-end over budget surprises. Unusually high carryover in 2014 was due to extremely conservative spending during the transition in CVB directors; the higher than anticipated carryover in 2015 was due to budgetary inexperience of the new director.

Advertising Revenue—We continue to have success selling advertising in our Travel Guide and websites. In 2016, we anticipate gains in ad revenue the guide and new websites.

Retail Revenue—We view sales of “Ithaca is Gorges” branded items as a growth area and continue to investing in inventory, online sales, POS and fixtures. Revenue growth will be modest in 2016 as we ramp up this growth area.

Expenses:

Administration—This budget holds the line on administrative costs. As mentioned earlier, this is our third consecutive year of admin cost reductions.

Marketing—Our 2016 budget request reflects minor changes from 2015. We are comfortable with the performance of our shift to digital advertising and marketing. Departmental detail:

Websites/Online/Mobile: This covers updates to our desktop/mobile websites and social media sites (VisitIthaca, IthacaIsGorges, IthacaMeetings, IthacaEvents, Facebook, Instagram,

Pinterest, Twitter) and includes paid SEO for VisitIthaca.com, subscription fees for bulk email services, digital reader response lead generators and other online projects.

Radio/TV: A slight increase from 2015 with plans to add additional programming with WXPB in Philly, continuing a longstanding relationship.

Advertising: We continue the web-based midweek campaign begun in 2014, refining audience and message for maximum result. Target markets remain unchanged from those identified by Chmura. The bulk of our ad messaging is doing dual duty—reinforcing core brand attributes (gorges, waterfalls, dining, downtown, arts, etc) with a midweek call to action. Unfortunately, it's still not generating a significant amount of new midweek business. This advertising supports the visitor services "upselling" program (below).

Local Matching Funds: Roughly \$30,000 of this line will cover production of the annual travel guide. The remainder will be used to support the midweek ad campaign outlined above. Note: all items funded from this budget line carry the "I Love NY" mark.

Regional Matching Funds: This is a pass through of state money to regional programs. In 2015 it will fund FLRTC, CLSB and the regional PR program.

Winter Recess 2016: As previously noted, we plan to work with DIA and TC Chamber to produce a shared Winter Recess in 2016. This is a popular local event, CVB will support it financially at a level consistent with its impact as driver of day-trip business.

Visitor Services—Visitor Services is a "Foundation Focus Area" in the Strategic Tourism Plan and as such it requires critical attention.

Payroll: As outlined elsewhere, we are budgeting an increase in staff cost for increasing demand from the Downtown Visitor Center, Chat, offsite events (campus, sports, conferences) and a seasonal Taughannock Falls Visitor Center. This additional staffing is important to increase our contact with travelers and provide opportunities for upselling (additional overnights and related spending).

Special Projects: As mentioned earlier, we're planning on a \$30,000 REDC grant and \$10,000 budget match to fund phase 2 of our Visitor Center Technology Initiative, with 2016 being a beta-test year on a new technology platform.

DVC Rent: We've budgeted \$14,000 for shared Visitor Center space with CAP and DIA. We might be scrambling for new space in 2016 but we don't want rent costs to exceed current levels.

Group Sales—The 2016 budget reflects a continued emphasis on the group tour market with robust funding for site inspection and FAM trips. Central to our group sales effort is our continued attendance at appointment-based tradeshow (Connect, ABA Marketplace, PBA,

OMCA, Active America China, NAJ, ESSAE) to continue to build relationships with decision makers.

V. PROGRAM GOALS

At the suggestion of STPB, the CVB contracted with Cornell Cooperative Extension on an evaluation and goal-setting program in 2014. While final evaluation criteria are awaiting approval, CVB is operating under the following, which were presented in our 2014 Annual Report.

Goal 1 Group Sales:

- Emphasize midweek group tours to meet or exceed the 13 tour companies that included Ithaca itineraries in their catalogs in 2014.
- To increase local service and maximize potential conference bookings, conduct 24 biweekly sales blitzes on campus at Cornell, Ithaca College, TC3 and in the community.

Strategic Plan Foundation Focus: Groups, Marketing & Advertising, Town Gown. Critical Actions: 24-28.

Goal 2 Visitors Services:

- Encourage longer stays and increased visitor spending (upselling) by instituting an incentivized sales program.
- Expand its reach by attending more local events and by using new outreach technology.

Strategic Plan Foundation Focus: Downtown Ithaca, Town Gown, Visitor Services, Festivals. Critical Actions: 8, 30, 31, 33, 35, 36, 37

Goal 3 Marketing:

- Report individual ad campaigns, click-through rates, share rates and web visits to increase consumer engagement and effectiveness.
- Continue to promote midweek room sales to surpass the \$300,000 generated in 2014.
- Increase impressions of web impressions, social media impact, and public relations exposure.

Strategic Plan Foundation Focus: Festivals, Marketing & Advertising, Town Gown. Critical Actions: 2, 5, 6, 8, 16, 23, 27, 28, 33, 35

VI. ACHIEVEMENTS

There are many notable achievements in 2014. These are detailed in our annual report (attached).

Similarly we have many notable achievements in early 2015. These are detailed in our Q1 2015 report (also attached.)

VII. IMPACT OF LOSS OF FUNDING

While we may be able to wring more efficiencies out of the program, we're getting pretty lean. Additional cuts would

1. Challenge our ability to retain staff.
2. Begin to compromise programming in marketing, sales and visitor services.
Specifically:

Visitor Services:

We would reduce staff hours and operations hours (also impacting chat service and offsite outreach). Every 10% decrease in hours would save \$7,500 to \$9,000.

Marketing:

We would cut (in order) travel/trade shows, advertising, websites and online (paid search, banner, SEO, email). This could provide flexible savings from \$5,000 to \$50,000.

Group Sales

We would cut travel and trade shows. Though this would seriously damage our group/meeting sales effort, it would save up to \$19,000.

VIII. COLLABORATION

We have worked closely with the following organizations also funded by room-tax:

- Community Arts Partnership – The CVB has provided funding in the form of additional rent payments to aid CAP in the transition out of the Ticket Center. We are working together on a complete rebuild of IthacaEvents.com which will be funded and administered through the CVB to enhance its use in tourism, as outlined in the 2020 Strategic Plan. We also share services and space at our shared visitor information space on the Commons.
- Downtown Ithaca Alliance – shared visitor center (above), ongoing partnerships and collaborative ventures relating to Visitor Services, festival promotion and general vitality of downtown Ithaca
- Cayuga Lake Wine Trail – cooperative advertising and grant consulting
- Cayuga Lake Scenic Byway – cooperative advertising, grant consulting and board service
- State Theatre – several promotions / contests we've sponsored have featured the State Theatre
- Kitchen Theatre – cross promotion, marketing
- Hangar Theatre – cross promotions, marketing programs and the ways we can facilitate group tour block and midweek ticket purchases.
- Discovery Trail – consulting re. marketing and advertising programs
- Cayuga Lake Triathlon – visitor information services and welcome information athletes, marketing grant consultation.
- Finger Lakes Dragon Boat Festival – visitor information services and welcome information for teams

- Cayuga SUP Cup—grant consulting, marketing, cross promotion
- Grassroots Festival – cross promotion, marketing, co-promotion and market analysis / demographic analysis
- Museum of the Earth/Cayuga Nature Center – consulting re. grant applications
- Cayuga Trails 50 Race – grant consulting
- Gorges Half Marathon—Cooperative advertising, consulting re: marketing
- International Fantastic Film Festival – grant consulting, PR consulting, marketing and promotion consulting.
- New York State Parks – Path through History, ice climbing grant partnership
- NETMA! – monthly meetings were created to facilitate dialog and information sharing between our industry partners
- TC3.biz - / Workforce NY – Collaboration and hosting annual Hospitality Star training, annual FAM Tour for regional and local tourism offices, joint hospitality training with downtown merchants, City of Ithaca Parking.
- County Agritourism, Heritage, Convention, Visitor Profile Study, and Trails Committees: Marketing consultation, planning, event operations.

ITHACA-TOMPKINS COUNTY CVB

2016 Budget Request - Tompkins County Tourism Program

For previous years budgets, used modified budget amounts.

CATEGORY	Adopted 3/13 2013 Budget	Adopted 3/14 2014 Budget	Unaudited 2014 Actuals	Adopted 3/15 2015 Budget	2016 Request	Notes
REVENUE/INCOME - CVB						
Room Tax	859,671	895,273	895,273	862,459	889,000	
County Room Tax for NYS Matching Funds:						
Local Matching Funds - 75% (Travel Guide, ILNY Ads)	49,578	46,670	46,670	45,000	45,750	
Regional Matching Funds 25% (CLSB, FLRTC, Reg. PR)	4,527	15,557	15,557	16,541	15,250	
Finger Lakes Tourism Alliance	12,000					
Total Room Tax Support	925,776	957,500	957,500	924,000	950,000	2.8% increase, STPB Guidance is 3%
Deferred Matching Funds			9,504			
NYS Matching Funds	66,105	62,227	62,227	61,541	61,000	
Def. from Prev Year	26,480	57,726	57,726	38,603	20,000	anticipated carryover from 2015, 2% "safety cushion"
Ad Revenue Travel Guide	34,000	37,000	30,524	29,790	30,000	
Ad Revenue Websites	3,000	6,000	1,877	18,000	20,000	
Retail Sales	7,500	8,700	8,999	7,500	10,000	
Misc/Cooperative Advertising	20,000		990		-	
Grant Income	54,030	67,515	42,136	30,000	30,000	continuation of visitor center tech initiative
Interest Income	80	11	104	120	11	
Total Income	1,136,971	1,196,679	1,171,587	1,109,554	1,121,011	
TOTAL TCTP*	979,806	957,500	957,500	924,000	950,000	
TCTP Share	86.2%	80.0%	81.7%	83.3%	84.7%	
EXPENSE - CVB						
ADMINISTRATION						
Payroll	66,240	66,866	51,754	68,064	70,600	Total CVB payroll is \$424,061 , up 3% (ave.) from \$411,765 in 2015--retention enhanced bonus program -- incentivize performance
Incentives/Bonuses	5,000	5,000	8,000	7,000	8,000	
Payroll Taxes	34,629	31,496	34,395	35,500	37,069	
Retirement	16,920	15,750	17,775	17,191	17,500	
Health Insurance	20,000	23,000	15,923	15,000	13,500	low usage, continued savings from insurance exchange
Travel	5,500	6,250	1,128	6,000	3,750	more reflective of actual costs
Insurance	5,000	5,000	5,291	6,000	2,700	new policy with anticipated cost savings
Rent Utils and Maint (East Shore Dr.)	88,843	90,619	90,619	86,700	88,900	2.5% increase
Chamber Admin: SR Mgt, HR, Accounting , building mgt, etc.	36,785	39,426	39,426	39,340	42,596	
Computer Maintenance	10,000	9,500	9,299	10,000	9,000	
Telephone	7,000	6,000	5,048	5,250	5,250	
Equipment	13,500	8,500	8,447	8,700	8,500	depreciable goods, computers, printers, furniture, etc.
Software	5,000	5,500	2,571	6,500	3,750	more reflective of actual costs
Meetings & Conferences	4,000	3,000	1,493	3,000	2,000	
Office Expense	13,050	14,750	14,008	13,000	13,000	
Dues & Subscriptions	6,000	5,500	7,646	4,750	6,000	STR Report, NYSDMO, NYSHTA/TIC, NYSTPA, USTA, DMAI
Audit	4,075	6,250	3,550	3,750	2,500	
Staff Development	1,750	2,250	2,922	2,250	2,250	
Subtotal	343,292	344,657	319,295	337,995	336,865	(1,130)

MARKETING & PR							
Payroll	105,205	106,837	122,322	103,526	113,152		2015 should be 109,362
Travel	4,250	7,000	1,860	3,000	5,000		
Website/On-Line/Mobile	44,000	45,000	58,470	49,000	44,000		Updates/maintenance VisitIthaca, IthacaEvents, social sites
Postage	33,411	34,000	24,810	25,000	15,500		Continued savings from smaller Travel Guide
Workshops for Partners	1,000	1,500		1,500	1,500		
Misc. Marketing Expenses	2,500	2,000	3,756	14,512	5,000		
Tradeshows	6,000	8,000	11,639	12,000	8,000		
Staff Development	1,500	2,250	2,866	3,000	3,000		
Radio/TV	48,250	43,000	2,000	3,000	10,000		WXPB Philly. No other broadcast media.
Advertising	46,250	78,500	68,431	67,750	66,444		Digital ads, social media ads
Comm. Photographer/Video	1,750	1,000		4,000	4,000		
Misc. PR Expenses	1,500	1,000	793	1,200	1,500		
Local Matching Funds (75%) Travel Guide, Collateral, Misc ILNY ads	99,158	93,341	93,341	78,000	91,500		Approx \$40k to travel guide, remainder for ILNY ads
Regional Matching Funds (25%) FLRTC, CLSB, Reg PR	33,053	31,114	31,114	45,000	30,500		FLRTC, CLSB, Regional PR Program
Deferred Matching Funds				9,504			
Winter Recess	25,000	19,000	28,963		10,000		
Beer Trail Grant Expenses							
Culinary Grant Expenses	54,030	27,015					
Special Projects -- Travel Guide			6,047	2,700			
Special Events/Projects (County Visitor Profile)	2,000	8,000			10,000		Cash support for research study
Subtotal	508,856	549,056	516,817	413,188	419,096	5,908	
VISITOR SERVICES							
Payroll	120,791	120,614	138,725	127,045	138,308		Additional staff for DVC, Chat & Taughannock Falls VC (fall)
DVC Rent	11,670	12,020	13,792	14,000	14,000		
Travel	2,000	2,200	3,763	4,000	3,500		
Staff Development	750	700	1,624	3,000	2,300		
Furnishing		400		2,000	2,000		Retail fixtures, POS system
Cost of Goods Sold	6,000	11,720	10,345	8,700	9,000		Inventory, and related cost of sales
Advertising	750	500	3,158	5,100	5,400		Ads for retail, visitation
Special Projects	1,200	1,200	2,314	10,000	10,000		local match on digital visitor services grant
Special Projects (2015 & 2016 REDC Grant Funded VC Tech Initiative)		16,500		30,000	30,000		
Subtotal	143,161	165,854	173,721	203,845	214,508	10,663	
GROUP SALES							
Payroll	97,412	99,382	88,196	103,526	102,542		
Online Marketing	1,500	2,000	2,000	2,000	2,000		
Misc. Sales Expenses	5,500	1,480	1,345	5,000	4,000		
Tradeshows	12,000	12,000	9,145	12,000	11,000		Conference sales and group tour sales including ABA, Heartland, ESSAE, NAJ, OMCA, DONYS, PBA
Travel	7,000	7,000	10,264	12,000	10,000		
Staff Development	750	750	774	1,500	1,100		
Hosting/Site Inspection			2,199	3,000	3,000		
Promotional Items	1,500	1,500	6,902	500	2,400		Restocking for trade shows and fam trips
Advertising	4,500	3,000	5,229	5,000	5,000		
Motor Coach FAM Tour	7,000	5,000		8,000	8,000		
Dues & Subs	4,500			2,000	1,500		ABA, PBA, ESSAE
Albany / ROC FAM		5,000			-		
Subtotal	141,662	137,112	126,054	154,526	150,542	(3,984)	
TOTAL EXPENSE	1,136,971	1,196,679	1,135,887	1,109,554	1,121,011		
TOTAL TCTP*	979,806	957,500	957,500	924,000	950,000		
TCTP share	86.2%	80.0%	84.3%	83.3%	84.7%		
P/L REVENUE LESS EXPENSE	\$ -	\$ -	\$ 35,700.00	\$ -	\$ 0		

*TCTP-Tompkins County Tourism Program

**Compensable Support to CVB by Tompkins County Chamber of Commerce
2016 Budget**

<u>Administrative Costs</u>	<u>Total Salary</u>	<u>Fringe</u>	<u>Total</u>	<u>CVB Share</u>	<u>Allocated to CVB</u>
Total Shared Administrative <i>Management, administration, bookkeeping, and human resources</i>	\$147,000	\$34,200	\$182,280	<i>See note below</i>	\$41,418
<i>Calculation includes 16% of President's salary & benefits (a), and 35% of Director of Finance & HR salary & benefits (b)</i>					

<u>Building Costs</u>	<u>Square Feet</u>			<u>CVB Share</u>	<u>Cost (at \$23.76 psf)</u>		
	<u>CVB</u>	<u>Chamber</u>	<u>Total</u>		<u>CVB</u>	<u>Chamber</u>	<u>Total</u>
1st Floor Programmed Space	2,281	0	2,311	99%	\$54,196	\$725	\$54,921
<u>1st Floor Common Space</u>	<u>448</u>	<u>393</u>	<u>841</u>	53%	<u>\$10,644</u>	<u>\$9,338</u>	<u>\$19,982</u>
Subtotal 1st Floor	2,729	393	3,152	87%	\$64,840	\$10,063	\$74,903
2nd Floor Programmed Space	0	970	970		\$0	\$23,047	\$23,047
2nd Floor Common Space	<u>1,013</u>	<u>1,101</u>	<u>2,114</u>	48% c	<u>\$24,069</u>	<u>\$26,160</u>	<u>\$50,229</u>
Subtotal 2nd Floor	1,013	2,071	3,084	33%	\$24,069	\$49,207	\$73,276
Grand Total	3,742	2,464	6,236	60% d	\$88,909	\$59,270	\$148,179
					60%	40%	
					rounded down to \$88,900		

Notes:

a) Share of cost based on 2012 Time Study for president; new time study planned for 2015

b) Based on 2013 Time Study.

c) Interior square footage. Note that this makes SF cost look higher. Commercial sf rates go to outside walls.

Reasonable adjustment measured to exterior walls would be to adjust by 1.025%, making per square foot cost = \$24.35

d) Costs are based on 2015-2016 projections that are based on actual cost trends for the period 2003-2015 (see summary sheet, which highlights last three years). In 2016, we anticipate repainting of public and office spaces in the CVB, conference room, and the staff kitchen; the replacement of tile flooring in the staff bathroom; and landscape improvements. We have allocated funding towards energy efficiency upgrades, TBD based on recommendations by an updated energy audit. In 2015, the major building repairs will include repaving & line striping the parking lot, replacing the conference room carpet, and repair of a metal front door frame and related concrete heaving issue.

Tompkins County Chamber of Commerce
5/14/2015

	2013 budget	2013 actual costs (not audited)	2014 budget	2014 actual costs (not audited)	2015 proposed budget	2015 est & act (as of 5/15)	2016 proposed budget
Debt Service on mortgage	\$33,000	\$ 29,045	\$ 27,822	\$ 27,822	\$ 26,528	\$ 26,528	\$ 25,235
Principal	\$19,342	\$ 21,384	\$ 22,608	\$ 22,608	\$ 23,901	\$ 23,901	\$ 25,194
Property Taxes	\$26,000	\$ 26,092	\$ 27,000	\$ 26,666	\$ 27,500	\$ 27,522	\$ 28,750
Utilities	\$11,000	\$ 12,380	\$ 11,000	\$ 12,035	\$ 13,500	\$ 12,601	\$ 13,000
Maintenance/trash	\$24,000	\$ 20,538	\$ 22,000	\$ 21,793	\$ 21,500	\$ 15,000	\$ 17,500
Insurance--Bldg & flood	\$7,230	\$ 6,085	\$ 6,000	\$ 6,362	\$ 6,300	\$ 5,300	\$ 6,000
Building Admin (@20%)	\$6,500	\$ 6,219	\$ 6,600	\$ 7,600	\$ 6,375	\$ 7,717	\$ 8,000
Restricted Building Maintenance							
carpeting/flooring	\$8,000	\$ 8,016	\$ 5,000	\$ 10,500	\$ 5,000	\$ 6,000	\$ 2,500
HVAC/air duct cleaning	\$1,500		\$ 6,000		\$ 4,000	\$ 2,000	\$ 4,000
Parking lot repairs/line stripe						\$ 10,000	\$ -
windows	\$1,500				\$ 2,750		\$ 1,500
<i>water main break</i>				\$ 17,222			
<i>theft issue</i>				\$ 3,570			
exterior cleaning						\$ 1,000	\$ 1,000
exterior painting	\$8,000	\$ 11,139	\$ 200		\$ 2,300	\$ 1,000	\$ 1,000
interior painting	\$4,000		\$ 4,000		\$ 2,500	\$ 2,500	\$ 2,500
general repairs	\$2,000		\$ 5,000	\$ 760	\$ 2,000	\$ 4,000	\$ 2,500
gutters							\$ 1,500
exterior lighting			\$ 12,000	\$ 1,622			\$ 2,500
energy efficiency improv.							\$ 5,500
Total	\$ 152,072	\$ 140,899	\$ 155,230	\$ 158,559	\$ 144,154	\$ 145,069	\$ 148,179
CVB space	60%	60%	60%	60%	60%	60%	60%
Actual/Projected space cost	\$ 91,243	\$ 84,539	\$ 93,138	\$ 95,135	\$ 86,492	\$ 87,041	\$ 88,907
Rent	\$88,843	\$88,843	\$90,620	\$90,619	\$86,700	\$86,700	\$ 88,907
Difference between actual costs and rental charge; NOTE that this also covers depreciation	\$ (2,400)	\$ 4,304	\$ (2,518)	(\$4,516)	\$ 208	(\$341)	
Square footage cost	\$23.74	\$24.74	\$24.22	\$24.61	\$23.17	\$23.17	\$23.76

est 4% increase

*est based on 1st 5 mos.

*est based on 1st 5 mos. plus landscape work (2016)

kitchen, conference room; bathroom 2016

maintenance contract/annual

needs to be done annually

tower windows OK, other replace/rpr.

trim work on metal and doors

CVB public areas, conf. room, kitchen

front door needs repair

parking lot, repairs, service, bulbs

per recommendations from audit TBD

2.5% increase, remains pre-2014 funding level

Year in Review: Four Things to Know

- 
A record year in tourism → Best ever: 356,000 room-nights and \$53.6 million in hotel revenue.
- 
Redesigned Travel Guides saves \$30,000 → Efficient mini format is a hit with travelers, 100,000 copies distributed, second printing required.
- 
Group Sales brings \$2m in visitor spending → Motor coach sales and hard-won Food Security Conference lead to 73% increase in booked business.
- 
Online chat pays dividends for Visitors Center → New service doubles customer outreach, generating 861 bookings worth \$166,000 in room revenue.

2015 Outlook: Here's What's Ahead

Another record breaker on tap for local tourism

Cornell 150th, busy IC Events Center, multiple conferences and strong economy point to a banner year.

Digital, social and tightly targeted

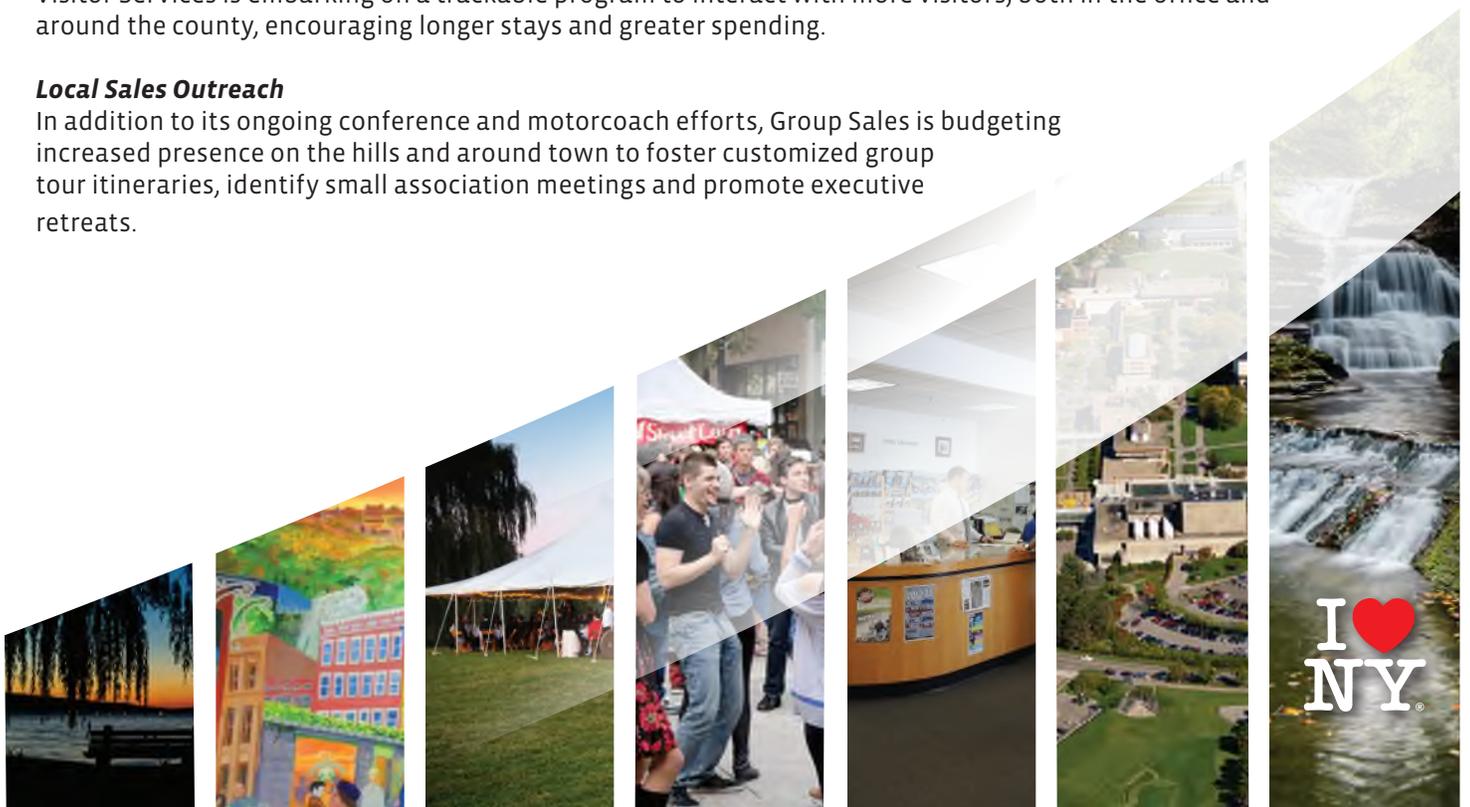
A new adaptive website, targeted social media and an increasing emphasis on digital advertising will allow the Marketing Department to deliver messaging more efficiently than ever before—including in-market advertising to support tourism events.

Upselling for ROI

Visitor Services is embarking on a trackable program to interact with more visitors, both in the office and around the county, encouraging longer stays and greater spending.

Local Sales Outreach

In addition to its ongoing conference and motorcoach efforts, Group Sales is budgeting increased presence on the hills and around town to foster customized group tour itineraries, identify small association meetings and promote executive retreats.



Visitors Bureau Leads the Community to a Record Year in Tourism

- CVB Generates Minimum \$2.6m in Tourism Spending
- 73% Increase in Group Business Booked
- Visitors Spend \$177m in Tompkins County



A Message from Bruce Stoff, Ithaca/Tompkins County Convention & Visitors Bureau Director

Your CVB is proud to report that Tompkins County enjoyed a record tourism season in 2014 with 356,000 overnight hotel stays generating \$53.6 million dollars in room revenue. Combined with dining, shopping and activities, total tourism spending will exceed \$177 million (when reported later this spring).

CVB staff took a leadership role in the effort, implementing efficient new ways to market the community, finding new digital tools to enhance visitor services and selling hard to close the deal on 73% more conference, motorcoach and wedding group leads.

While we can't track total visits generated by our \$1.1 million 2014 budget, we did count 8,628 overnight stays booked or contracted directly through CVB programs. Using these sales as the most conservative possible measure of performance, we can confidently say the CVB's work led to a minimum of \$2.6 million in total tourism spending. Bottom line: Tompkins County saw a minimum return of \$2.36 for every dollar invested in its CVB.

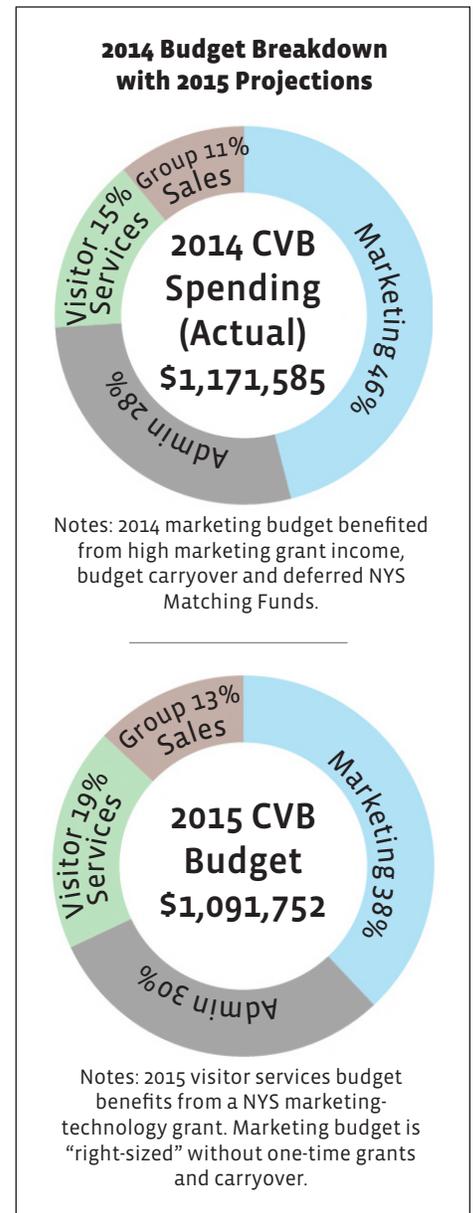
Clearly the CVB's impact extended beyond this simple measurement and if we tracked conversions on the millions of consumer impressions generated through web, PR, print, email, and individual contacts, the ROI would be higher still. But for now, we're good reporting \$2.36. We only wish our retirement accounts performed as strongly.

Bruce Stoff, Director
Ithaca/Tompkins County
Convention & Visitors Bureau

2014 Lodging Market Performance (STR)

	Ithaca-Tompkins	NYS Ex NYC	USA
OCC Rate*	58.9%	-0.4%	60.1%
Avg Daily Rate**	\$150	4.5%	\$112
RevPar	\$89	4.1%	\$67
Supply	604,290	3.9%	0.8%
Demand	356,062	3.5%	2.1%
Revenue	\$53.6mil	8.1%	3.8%

*Occupancy Rate **Revenue per available room





Supporting the County's Strategic Tourism Plan

- ✓ Data-Driven Evaluation Program Completed
- ✓ Established Tourism Types Promoted
- ✓ Downtown Supported as a Tourism Hub

The Tompkins County Strategic Tourism Plan guides the county's tourism efforts. In 2014, your CVB actively supported the plan through:



360-Degree Evaluation

Data-driven evaluation is a core policy of the Tourism Plan. The CVB supported this with a year-long internal and external evaluation program coordinated by Cornell's Office for Research Evaluation. The process has refined the CVB's operations and is influencing its goals and reporting, in this report and beyond.



Advancing Culinary Tourism

With promotion and management of the IthacaFork.com website and more than 100 hours of staff support for the county's Agri-Culinary Tourism workgroup, the CVB took a major role in advancing this tourism priority in 2014.



Supporting Emerging Tourism Markets

The CVB actively promoted birding, gardening, sustainability, heritage, LGBT and sports tourism options through marketing and group sales efforts. Success came with bookings of gardening and birding tours, along with multiple room blocks for sports groups.



Tourism Foundation

Efficient marketing and strong visitor services are foundations of the county tourism plan. The CVB supported this with: marketing coordination and consultation for 10 organizations funded through county tourism marketing grants, a 29% increase in year-over-year web traffic, a three-year 81% decrease in travel guide costs and a two-fold increase in offsite visitor outreach via a new online chat service.



Promoting Outdoor Recreation

The tourism plan lists expanding outdoor recreation as a primary goal. Focusing tourism efforts on lakes, trails, parks and gorges was a year-round PR effort in 2014, with the CVB earning Ithaca the title of Outdoor Magazine's #4 "Best Town," and Travel + Leisure's title of "America's Best Swimming Holes."



Downtown Ithaca Support

Enhancing Downtown as a tourism hub is a goal of the plan and with Commons construction spanning all of 2014, the Ithaca CVB team focused on supporting downtown with media attention. Nicole Alper of Yahoo! Travel, Jim Byers of the Toronto Star, and David Atlanta of The Rainbow Times all shopped, dined, stayed and reported on downtown.



2014 Marketing Roundup: Striving for Multi-Platform Efficiency & Impact



Visit Ithaca Web Traffic Up 29% YoY



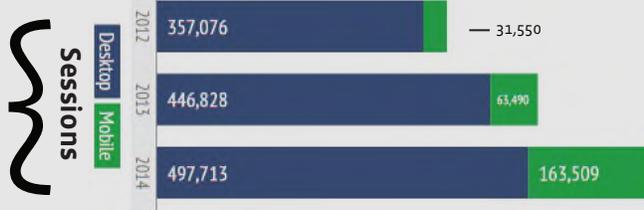
Digital Advertising Brings 50k+ Web Hits



2,640,000 Desktop & Mobile Page Views

2015: A Year of Digital Growth

While desktop traffic consistently grows, mobile traffic has spiked—the shift to mobile now accounts for 33% of all traffic. Digital ad campaigns yielded over \$50k web hits.

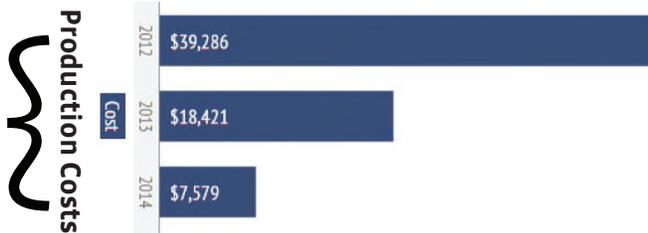


+157.5%
Mobile Traffic

+11.3%
Desktop Traffic

Seeking a No-Cost Travel Guide

The Travel Guide is celebrated annually as the #1 tourism marketing piece. We can now celebrate an 81% decrease in cost over a three-year period.



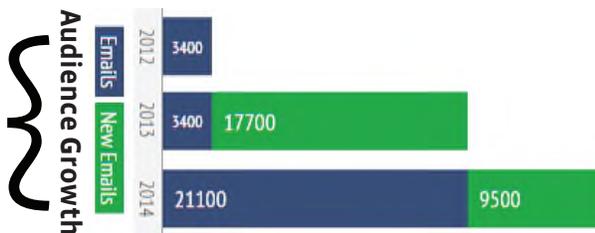
Midweek Advertising Success

In an effort to promote off-peak room sales, the CVB invested in midweek travel banners. With 1,800 click-throughs to purchase, the campaign ROI was as much as \$300,000.*



Maximizing Email Marketing

After a banner year of trade show marketing and contesting, the active email list grew to 19,800 recipients, with open rates 45.4% higher than industry average.**

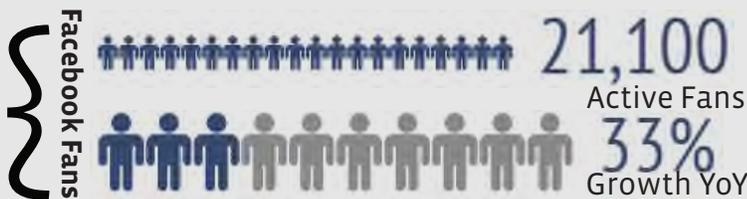


30%
Open Rate

12%
Click-Through Rate

Amazing Facebook Growth

Reaching 21,100 fans, Facebook is a powerful outlet for social influence. With 88% of fans outside Ithaca and 76% women, it reaches a prime tourism audience.



*based on \$150 ADR from Smith Travel Research Study **based on Constant Contact Industry Open Rate Study



A Year of Top Tens: Major Success in Public Relations & Media



14 Journalists Hosted



460 Million Impressions



62 National Ithaca Press Stories

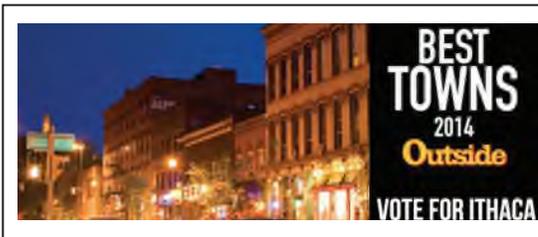


Notable 2014 Stories Include:



Ithaca Locavore and Craft Cider Scene Hits the New York Times

"Ithaca was a decadent couple of days...a spectacular three-course cider pairing dinner at Hazelnut Kitchen...might alone have been worth the five-hour drive from the city." **Market - Nationwide | Impressions - 57,395,455**



CVB PR Pushes Ithaca to #4 in Outside Magazine "Best Town" Competition

"Many move to Ithaca to get an education...but they stay because they're smart enough not to leave."

Market - Nationwide | Impressions - 3,087,091



Hosted: Toronto Star Lead Editor Delivers Major PR Hit

"The tourism folks put me up at the Argos Inn . It's a smack-dab fabulous property...The downtown is terrific, with cool brewpubs, restaurants and nice shops in carefully crafted, older buildings of solid brick." —Jim Byers, Editor, Toronto Star

Market - Toronto + Canada | Impressions - 3,814,968

Welcome! Visitor Services Innovates to Reach More Travelers

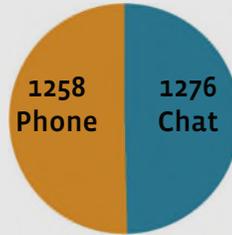


- Walk-In Traffic Rebounds to 17,000 Visitors
- Online Chat Doubles Travel Inquiries
- +35% Travel Guide Distribution

New Online Chat Service Doubles Visitor Inquiries

Implementation of a new chat feature doubles the number of visitor inquiries since implementation. Aug-Dec inquiries shown.

Phone vs Chat Inquiries



2014 Overnight Gross Sales from Chat Inquiries (Based on \$150* ADR)

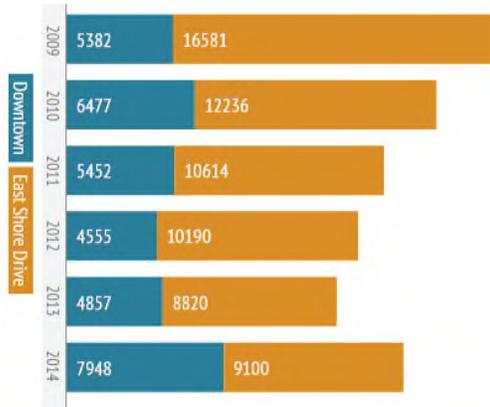
\$129,150
Short-Term Stays

\$36,450
Long-Term Stays

Visitor Center Walk-In Traffic At All-Time High on Commons

The Downtown Visitor Center saw it's highest foot traffic ever. This bodes well for the future with Commons construction wrapping up in 2015.

Downtown & ESD Traffic



+39%
Downtown Visitor Traffic

+3%
East Shore Visitor Traffic

17,000
Total 2014 Walk-in Visitors

Visitors Services Outreach Grows

The team takes it on the road with increased Visitor Services booth presence at college graduation, student return and major tourism events.

Outreach Increase

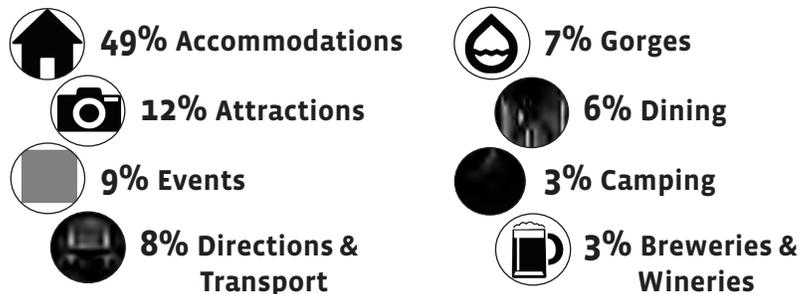


Knowing What Visitors Want

Transcripts from the newly implemented chat service allow the Visitors Services Team to identify top visitor questions with statistical precision.

Here's what visitors ask us:

Top Visitor Questions



*based on \$150 ADR from Smith Travel Research Study

Booked! Group Sales Succeeds with Large Conferences & Diverse Itineraries

- ✓ Group Sales Team Meets with 111 Tour Operators
- ✓ Food Security Conference Brings \$500k Impact
- ✓ +75% Leads Distributed
+25% Leads Contracted

The Ithaca CVB Group Sales Department exceeded expectations in 2014 in the following areas:



Motorcoach group midweek business

The Sales team attended six appointment-based trade shows and met with 111 tour company owners and decision makers.



Tour Company Bookings

Thirteen tour companies booked tours to Ithaca for 2014-2015 as a direct result of this activity.



International Marketing Efforts

Group sales continues pursuing the inbound Chinese tourist market and business leadership groups. We are presently coordinating programs with Shanghai University and Cornell Business School to bring business groups here twice annually.



Global Food Security Conference Booked

The 2nd International Conference on Global Food Security will bring 700 scientists to Ithaca during Cornell fall break in October, 2015. Group Sales worked hard to land the conference for its local economic impact (\$500,000) and for its international prestige.



Shoulder-Season Athletic Events

Large athletic events play a key role in filling hotel rooms during shoulder season (November-March). The group sales department works closely with organizers of large meets like the Speedo Swim Championships and Turkey Shoot Lacrosse Tournament to ensure these groups will return to Ithaca each year.

In 2014, 96 leads were sent from the sales department to our hotel partners with 64 of those leads resulting in booked business. This is more than a 25% increase over 2013.





Looking Forward: 2015 Goals

- More Local Outreach
- More Efficient Marketing
- More ROI from Visitors Services

Group Sales:

- * Emphasize midweek group tours to meet or exceed the 13 tour companies that included Ithaca itineraries in their catalogs in 2014.
- * To increase local service and maximize potential conference bookings, conduct 24 biweekly sales blitzes on campus at Cornell, Ithaca College, TC3 and in the community.

Visitors Services:

- * Encourage longer stays and increased visitor spending (upselling) by instituting an incentivized sales program.
- * Expand its reach by attending more local events and by using new outreach technology.

Marketing:

- * Report individual ad campaigns, click-through rates, share rates and web visits to increase consumer engagement and effectiveness.
- * Continue to promote midweek room sales to surpass the \$300,000 generated in 2014.
- * Increase impressions of web impressions, social media impact, and public relations exposure.

Ithaca/Tompkins County Convention & Visitor's Bureau Staff

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Rachael Atkins • Asst. Visitor's Services Manager
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Visit ITHACA

Ithaca/Tompkins County Convention & Visitors Bureau

Q1 2015 Report

From the Director, Bruce Stoff --

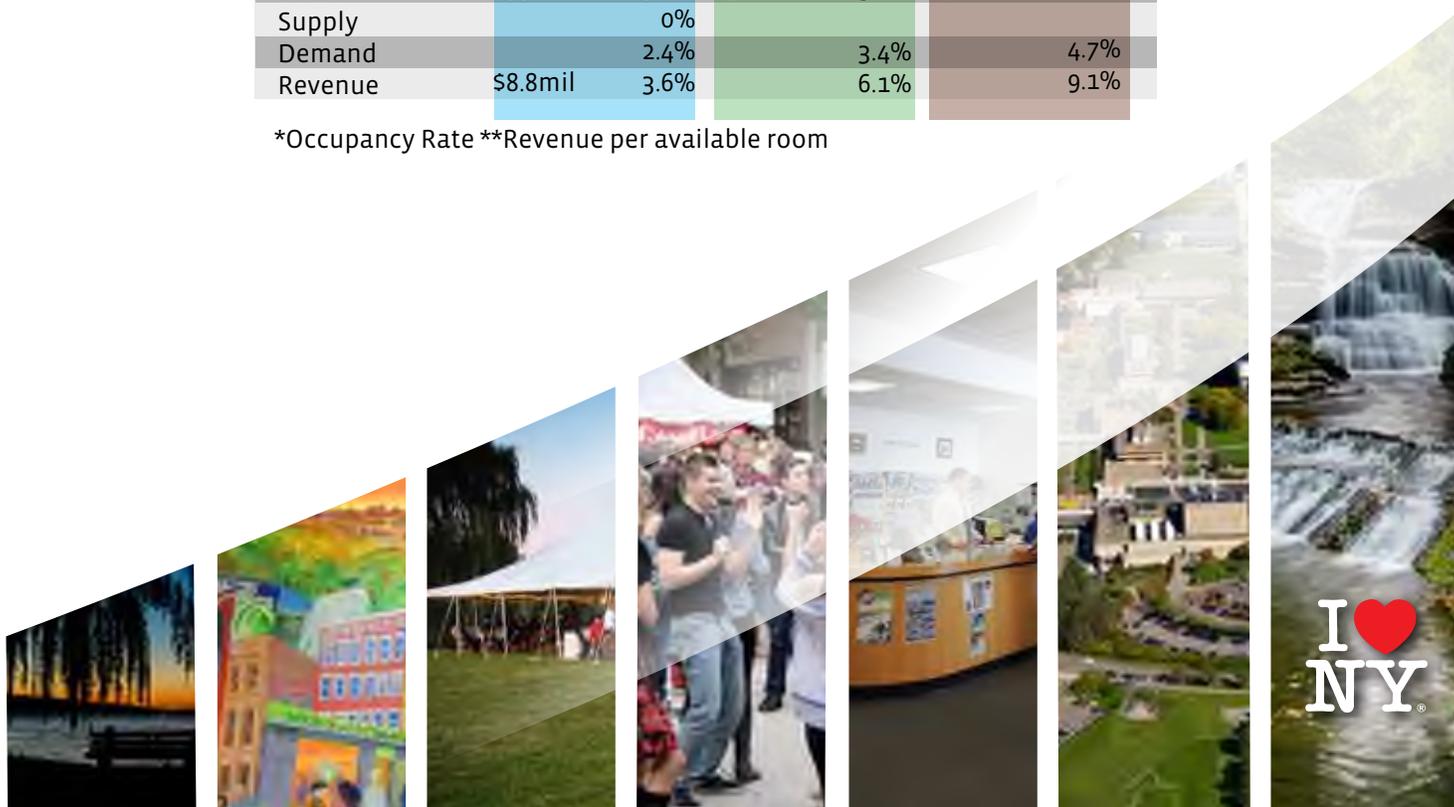
In what is traditionally known as a slow quarter of the year for tourism, the CVB took the spotlight nationwide with a carefully planned PR campaign that **might** have told people to go to Key West. Millions of impressions later, Ithaca is top of mind with potential travelers that have been exposed to the areas waterfalls, wine, higher ed opportunities, and vibrant downtown scene.

Not only is PR breaking records, but YTD occupancy rate is in the green. Up 2.3% YoY, it's the combined result of a stellar effort from all three CVB departments, Group Sales, Marketing and Visitors Services. Overall county numbers from Smith Travel Research confirm – 2015 is on track to be a record-breaking year for tourism.

Q1 2015 Lodging Market Performance (STR)

	Ithaca-Tompkins		NY Ex. NYC		USA	
OCC Rate*	45.9%	2.3%	48.3%	3.1%	61.1%	3.1%
Avg Daily Rate**	\$129	1.2%	\$103	2.6%	\$117	4.7%
RevPar	\$59	3.6%	\$50	5.0%	\$71	7.9%
Supply		0%				
Demand		2.4%		3.4%		4.7%
Revenue	\$8.8mil	3.6%		6.1%		9.1%

*Occupancy Rate **Revenue per available room



Q1 2015 CVB Marketing Roundup: The Time We Broke the Internet

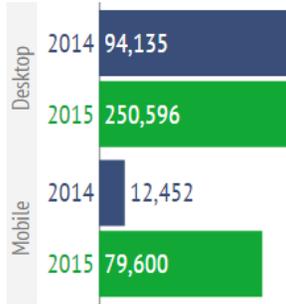
Q1 Top Highlights:

- ✓ Visit Ithaca Desktop Traffic Up 166% YoY
- ✓ Visit Ithaca Mobile Traffic Up 539% YoY
- ✓ 330,196 Desktop & Mobile Page Views

Key West PR Crashes Visit Ithaca

But only for a few minutes. Our web servers were overloaded with hits. The 7 days following the web pop-up that launched on Feb 15 yielded nearly 200,000 hits on desktop and mobile.

2014 vs 2015 Q1 Hits



+166%
Desktop Traffic

+539%
Mobile Traffic

Record PR Impressions Result

Good Morning America, CNN, The Weather Channel - every media outlet nationwide (and beyond) was buzzing about Ithaca, resulting in over \$3.8 million in earned media value.

Web & Broadcast Hits



430
Broadcast
Outlets



55,000,000
Nielsen Audience



649
Online
Outlets



591,000,000
Impressions

Lake House Campaign Success

It takes the same amount of time to send an email to 10 people as it does to send to 10million. The lake house sweepstakes drove our e-marketing list up with over 18,000 entries.

Campaign ROI



85%
Contact Increase



48,377
Resulting Web Hits

16,842
New Q1 Contacts

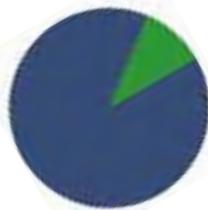


10million
Impressions • 4.8 paid • 5.2 PR

Social Media Growth

Reaching 23,560 fans including 88% outside Ithaca and 77% women, Facebook reaches a prime tourism audience. Q1 growth is so strong it is set to outpace 2014 growth by 33%.

Facebook Fans



2,442
Q1 Growth

23,560
Total Likes



12%
In-Market Fans

88%
Out-Of-Market

Niche Marketing: Focus on LGBTQ

In alignment with the county strategic plan, the CVB has taken steps toward LGBTQ tourism marketing. A focus group provided insight for a 2015 campaign promoting Ithaca as an "LGBTQ-Friendly" destination.

Focus Group Highlights



LGBTQ front-line sensitivity training



Group destination for LGBTQ audience



Website to reinforce LGBTQ-friendly lodging, attractions, dining



Traditional marketing to incorporate more same-sex couples

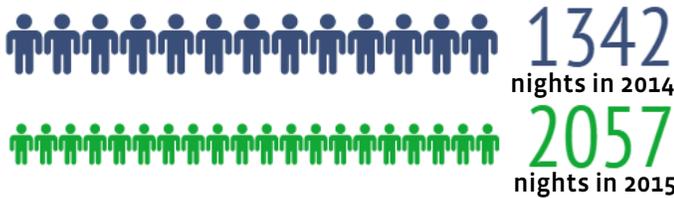
Q1 2015 CVB Sales Roundup: More Outreach, More Bookings!

- ✓ 26 Conference/Groups Leads Booked in Q1
- ✓ Conferences & Groups Bring 2,057 Room Nights
- ✓ +20% Leads Distributed
+18% Leads Contracted
+53% Rooms Booked

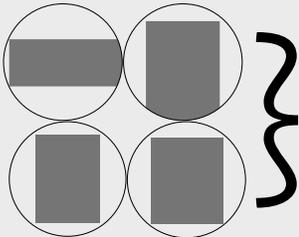
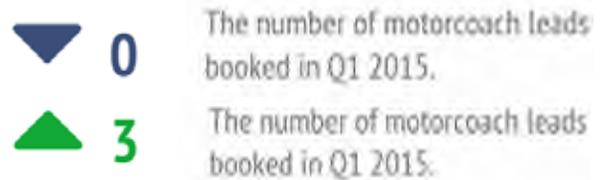
The Ithaca CVB Group Sales Department had the most successful Q1 to date, with increased leads, bookings, and room nights:



The increase in conference and group leads sent and booked led to a 53% increase in room nights booked in 2015.



Not only has attention been focused on group business, but the team has also increased the demand for motorcoaches.



The Heartland Travel Marketplace (March) and the American Bus Association Conference (Jan) yielded over 50 sales appointments for the CVB team.

As outlined in the 2015 work plan, the CVB sales team also began outreach calls to the hills. Cornell Human Ecology was the first call, resulting in a faculty retreat secured for La Tourelle.

Problems with a Sports Group

A major athletic tournament in March led to a near sold-out weekend for the community, a number of hotels had damage to their guest rooms and public areas from misbehaving parents and a smaller number of misbehaving athletes. We spoke with hotel Directors of Sales who worked with the group to gauge damage, cost of room refunds and interest in working with the group again when it is scheduled to return in 2016. We spoke with:

- Best Western Inn
- Comfort Inn
- Country Inn and Suites
- Fairfield Inn
- Hampton Inn
- Hilton Garden Inn
- Homewood Suites
- Hotel Ithaca

In summary, the Directors of Sales said that tournament participants will see room rate increase next year. A number of hotels indicated that they will welcome individual room reservations but will not be inclined to offer a group room block because guests behave differently as individuals vs. groups. We invited tournament organizers to discuss any concerns directly with the individual Directors of Sales.



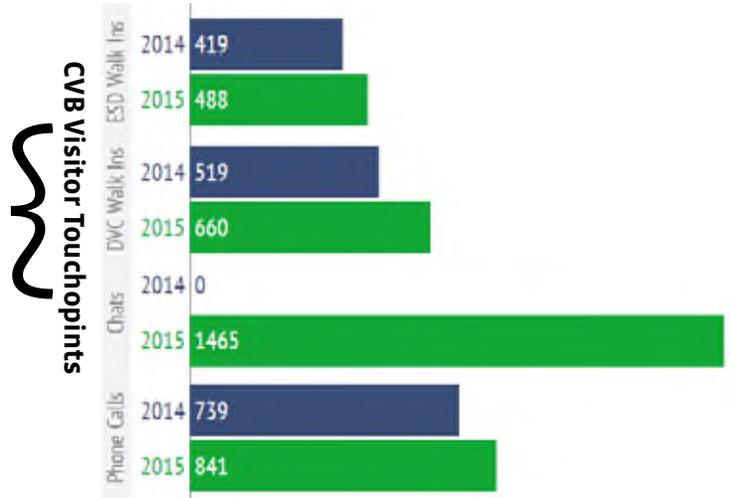
Q1 CVB Visitors Services Roundup: Chat is Where it's At

- ✓ Online Chat Serves 1,465 Inquiries
- ✓ YoY Foot Traffic Increase: DVC: 28% - ESD: 17%
- ✓ 106% Increase in Interactions YoY

Chat Becomes the #1 Consumer Touchpoint

All 2015 numbers in the Visitors Services department are up YoY, including East Shore Dr. walk-in traffic up 17%. Phone calls are also up 14% YoY.

The largest spike was seen in chat - 1,465 inquiries made it the number one communication in 2015.



Chat Inquiries Result in 1,452 Consumer Touchpoints in Q1 Alone

Transcripts from the newly implemented chat service allow the Visitors Services Team to identify top visitor questions with statistical precision. **Here's what visitors ask:**

Top Visitor Questions



255 Accommodation Requests for 911 nights



198 Restaurant Recommendations



150 Direction Requests



12 Wedding Requests



70 Event Requests



503 Florida Keys Mentions

Visitor Services Outreach

As outlined in our 2015 workplan, Visitor Services staff is expanding its offsite efforts to encourage additional tourism spending. In Q1, we staffed pop-up visitor centers at the IC Speedo Swim Tournament (serving 285 customers) and the Cornell Grad Fair (140 customers).



CVB Mobile Technology Initiative is Underway



Visit Ithaca was awarded a 2014 CFA grant for a Mobile Technology initiative that includes researching and implementing visitor services outreach via the technology travelers use most: their cell phones. Currently a vendor has been selected for project management and is seeking a technology research and design firm to begin the technical design of the project. It is likely that a round 2 funding application will be a 2015 initiative.