



north lake tahoe

Chamber | CVB | Resort Association

MEMORANDUM

Date: 6/02/20

TO: NLTRA Board of Directors
CC: Jeffrey Hentz, CEO

FROM: Bonnie Bavetta, CFO

RE: Proposed 2020/21 NLTRA Budget

Action Requested:

Staff requests Board approval of the 2020/21 NLTRA Budget.

Background:

Placer County has increased the 2020/21 TOT funding of NLTRA by \$129,184 to \$4,043,877, a 3.3% CPI increase. The notable changes from the prior 2019/20 budget were as follows:

- The budgeted NLTRA contribution to the North Lake Tahoe Marketing Cooperative (NLTMC) was decreased by \$504,000 due to a proportionally similar reduction in contribution from the Incline Village Crystal Bay Visitors Bureau as a result of projected reductions in TOT collection, and an anticipated NLTMC unspent fund balance from 2019/20 that will provide adequate additional funding for the 2020/21 fiscal year.
- Non-Coop Marketing and Opportunistic expenses were increased (\$204,000 and \$69,000 respectively) to allow flexibility in funding tourism industry reopening initiatives and programs as we move out of the Covid-19 pandemic situation.
- Budgeted Conference/Group commission revenues were eliminated as we have transitioned out of the past commission program to be more aligned with other DMO's and industry practices.
- The Tourism Master Plan Implementation budget was increased by \$130,419 to provide for education and implementation of alternate NLTRA funding sources, specifically the TBID formation effort. Budgeted expenses include consulting services from CIVITAS and start-up costs as estimated by the County for their systems development.
- The Visitor Information Center budget was increased by \$57,221 from prior year to primarily fund visitor information and education materials and initiatives throughout the reopening process.
- Employee wages and payroll related expenses, including Administration and Membership, have increased approximately 5% due to cost of living increases, a full year of the now filled CEO position, and some minor restructuring. Individual annual average wage increases have been estimated at 3%.

Fiscal Impact:

Both revenue (TOT funding) and expenses in the TOT supported departments have increased equally for a net neutral fiscal effect. Membership is anticipated to realize a net improvement over the 2019/20 budget of \$7,539.

Attachments:

NLTRA Proposed 2020/21 Budget Summary
NLTRA Proposed 2020/21 Budget Detail by Department

NLTRA Proposed Budget 2020/21 Summary
TOT Funded Departments

	2019/20 Budget	Proposed 2020/21 Budget	Change 20/21 v 19/20 (\$)	Change 20/21 v 19/20 (%)
Department *				
Marketing	3,044,269	2,983,682	(60,587)	-2%
Conference	383,252	384,054	802	0%
VIC	398,306	457,721	59,415	15%
TMPI/TBID	88,866	218,420	129,554	146%
	<hr/> 3,914,693	<hr/> 4,043,877	<hr/> 129,184	<hr/> 3.3%
	3,914,693	4,043,877	129,184	3.3%

* Department expenses include a proportional share of the Administration department expenses.

Administration expenses	623,078	748,202	125,124	20%
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NLTRA Proposed 2020/21 Budget
Detail by Department

	2019/20 Budget (rounded)			2020/21 Proposed		
	70 Admin	70 Admin	Change (\$)	60 Membership/ Chamber	60 Membership/ Chamber	Change (\$)
Income						
Conference/Group Commissions			-			-
Member Dues			-	130,000	125,000	(5,000)
Member Events & Other			-	69,000	75,000	6,000
Merchandise Sales			-			-
Cost of Good Sold			-			-
Income	-	-	-	199,000	200,000	1,000
Expenses						
Wages & Related	421,000	487,552	66,552	78,000	80,000	2,000
Rent & Utilities	48,000	40,120	(7,880)	10,000	10,300	300
Insurance	10,000	20,300	10,300		-	-
Supplies & Equip	41,000	42,230	1,230	5,000	4,200	(800)
Training	5,000	8,000	3,000			-
Professional Fees	53,000	53,000	-	1,000	1,000	-
Research & Planning	4,000	15,000	11,000			-
Special Event Partnerships			-			-
Business Assoc grants			-			-
Events			-	52,000	42,000	(10,000)
BACC Marketing Programs			-			-
Non-Coop Marketing			-			-
Coop Funding			-			-
Additional Opportunities	6,000	25,000	19,000			-
Travel	3,000	15,000	12,000			-
Board Functions	6,000	7,000	1,000			-
Licenses/Dues/Meals/Auto	23,000	35,000	12,000	6,000	3,000	(3,000)
Total Expense	620,000	748,202	128,202	152,000	140,500	(11,500)
Admin Allocation	(620,000)	(748,202)	(128,202)	25,000	29,961	4,961
Net Results	-	-	-	22,000	29,539	7,539
3%						