

Attachment A

**North Lake Tahoe Resort Association
CONFERENCE EQUITY ANALYSIS 2018/19
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CONFERENCE EQUITY ANALYSIS SUMMARY SHEET

Analysis of Conferences Expenses As a Percent of Revenue By County (1)

Conference Expense to Room Revenue by County	2015-2016	2016-2017	2017-2018	2018-2019	4YR Average
Total Net Placer County Conference Expense (2)	\$392,442	\$402,824	\$403,327	\$455,221	\$413,454
Total Net Placer County Room Revenue (4)	\$2,101,795	\$3,205,061	\$1,354,725	\$1,838,627	\$2,125,052
Placer Conference Expense to Room Revenue %	19%	13%	30%	25%	21%
Total Washoe County Conference Expense (3)	\$171,656	\$219,382	\$208,075	\$238,985	\$209,524
Total Washoe County Room Revenue (4)	\$139,002	\$664,654	\$704,266	\$314,610	\$455,633
Washoe Conference Expense to Room Revenue %	123%	33%	30%	76%	47%

Analysis of Conference Expenses relative to the percentage of Revenue Realized by County

Conference Expense to Conference Revenue Percentage by County	2015-2016	2016-2017	2017-2018	2018-2019	4YR Average
Total Placer County Conference Expense %	70%	65%	66%	66%	66%
Total Placer County Room Revenue % (4)	91%	83%	64%	85%	81%
Total Washoe County Conference Expense %	30%	35%	34%	34%	34%
Total Washoe County Room Revenue % (4)	6%	17%	33%	15%	18%

(1) Attachment 1 supports the summary information presented in these charts and is cross referenced to the financial statements in Attachments 2 and 2.1

(2) Expense data source: audited financial statements (Attachment 2 Co-Op Statement of Activities, Attachment 2.1 NLTRA Statement of Activities)

(3) Washoe County Conference expense is comprised of two elements, the prorata share based on the funding split and an administrative burden (Attachment 3)

(4) Room revenue and groups arrived source data: monthly NLTRA 'ACT' Reports (Attachment 4)

ATTACHMENT 1

NLTRA/IVCBVB Funding Split	Ref to Attach	2015/2016	2016/2017	2017/2018	2018/2019	4 Year
<i>(funding and expense data supported by NLTRA financial statements)</i>	2 and 2.1	Actual	Actual	Actual	Preliminary	Average
Funding Split (See Attachment 2)						
NLTRA	a	63%	59%	60%	61%	61%
IVCBVCB	b	37%	41%	40%	39%	39%
Total Conference Expense (See Attachment 2.1)	c	\$391,426	\$403,422	\$396,820	\$407,285	\$399,738
Less:						
Marketing Co-op (See Attachment 2.1)	d	\$119,505	\$110,000	\$110,000	\$123,219	\$115,681
Programs/Conf PUD (See Attachment 2.1)	e	\$0	\$0	\$0	\$0	\$0
Total Placer Conference Operating Expense	c-d-e=f	\$271,921	\$293,422	\$286,820	\$284,066	\$284,057
Conference Expense from Co-op						
Conference Expense from Co-op (See Attachment 2)	g	\$102,550	\$126,538	\$122,964	\$171,241	\$130,823
Conference Trade Shows (See Attachment 2)	h	\$96,002	\$104,787	\$80,213	\$114,904	\$98,976
Co-op Conf Expense to be Alloc Between Placer and Washoe	g+h=i	\$198,552	\$231,325	\$203,176	\$286,145	\$229,800
Allocated Conference Expense by County						
Washoe	i*b=j	\$73,065	\$94,566	\$80,687	\$111,597	\$89,979.
Placer	i*a=k	\$125,487	\$136,759	\$122,489	\$174,548	\$139,821
Gross Total Placer County Conference Expense	f+k=l	\$397,407	\$430,181	\$409,309	\$458,614	\$423,878
Less Non-Placer County Commissions (Washoe only)	m	\$4,965	\$27,357	\$5,982	\$3,393	\$10,424
Total Net Placer County Conference Expense	l-m=n	\$392,442	\$402,824	\$403,327	\$455,221	\$413,454
Total Washoe Conference Marketing Expense	j	\$73,065	\$94,566	\$80,687	\$111,597	\$89,979
Total Washoe Conference Operations Expense (see Attachment 3)	o	\$98,591	\$124,816	\$127,388	\$127,388	\$119,546
Total Washoe County Conference	j+o=p	\$171,656	\$219,382	\$208,075	\$238,985	\$209,524
Total Conference Expenses	n+p=q	\$564,099	\$622,206	\$611,402	\$694,206	\$622,978
Total Placer Conference Expense %	n/q	70%	65%	66%	66%	66%
Total Washoe Conference Expense %	p/q	30%	35%	34%	34%	34%

Conference Sales by Category (See Attachment 4)	2015/2016	2016/2017	2017/2018	2018/19	4YR Average
Groups					
Placer	80%	78%	73%	75%	77%
Washoe	12%	18%	23%	25%	19%
Room Nights					
Placer	96%	76%	64%	86%	81%
Washoe	1%	23%	33%	14%	18%
Room Revenue					
Placer	91%	83%	64%	85%	81%
Washoe	6%	17%	33%	15%	18%

Conference Expense to Conference Revenue Percentage by County	2015/2016	2016/2017	2017/2018	2018/19	4YR Average
Total Placer County Conference Expense %	70%	65%	66%	66%	66%
Total Placer County Room Revenue %	91%	83%	64%	85%	81%
Total Washoe County Conference Expense %	30%	35%	34%	34%	34%
Total Washoe County Room Revenue %	6%	17%	33%	15%	18%

Conference Expense to Room Revenue by County	2015/2016	2016/2017	2017/2018	2018/19	4YR Average
Total Net Placer County Conference Expense	\$392,442	\$402,824	\$403,327	\$455,221	\$413,454
Total Net Placer County Room Revenue	\$2,101,795	\$3,205,061	\$1,354,725	\$1,838,627	\$2,181,827
Placer Conference Expense to Room Revenue %	19%	13%	30%	25%	19%
Total Washoe County Conference Expense	\$171,656	\$219,382	\$208,075	\$238,985	\$209,524
Total Washoe County Room Revenue	\$139,002	\$664,654	\$704,266	\$314,610	\$448,712
Washoe Conference Expense to Room Revenue %	123%	33%	30%	76%	47%

Conference Expense to Groups Arrived Percentage by County	2015/2016	2016/2017	2017/2018	2018/19	4YR Average
Total Placer County Conference Expense %	70%	65%	66%	66%	66%
Total Placer County Groups Arrived %	80%	78%	73%	75%	77%
Total Washoe County Conference Expense %	30%	35%	34%	34%	34%
Total Washoe County Groups Arrived %	12%	18%	23%	25%	19%

ATTACHMENT 2
North Lake Tahoe Marketing Cooperative
Statement of Activities
For the Twelve Months Ending June 30

	Attach 1 Ref	2015/2016 Actual	2016/2017 Actual	2017/2018 Actual
Revenues				
IVCBVCB Funding		\$ 630,000	\$ 877,000	\$ 922,000
IVCBVCB Entertainment Funding			\$ 8,000	\$ 8,000
NLTRA Funding		\$ 1,082,000	\$ 1,279,871	\$ 1,411,821
Partner Contributions				
Total Revenues		\$ 1,712,000	\$ 2,164,871	\$ 2,341,821
NLTRA Funding Percentage	a	63%	59%	60%
IVCBVCB Funding Percentage	b	37%	41%	40%
Expenses				
Marketing		\$ 805,750	\$ 1,048,866	\$ 1,163,359
Leisure Sales/Tour & Travel		\$ 135,105	\$ 174,278	\$ 209,898
Public Relations		\$ 130,653	\$ 213,983	\$ 298,974
Conference	g	\$ 102,550	\$ 126,538	\$ 122,964
Conference Trade Shows		\$ 96,002	\$ 104,787	\$ 80,213
Web Manager		\$ 79,783	\$ 57,194	\$ 60,261
Committed and Administration		\$ 299,009	\$ 322,344	\$ 392,988
Total Expenses		\$ 1,648,852	\$ 2,047,991	\$ 2,328,656
Net Income/Loss		\$ 63,148	\$ 116,880	\$ 13,165

ATTACHMENT 2.1

North Lake Tahoe Resort Association Conference Department Statement of Activities For the Twelve Months Ending June 30

Attach 1 Ref	2014/2015 Actual Conference	2015/2016 Actual Conference	2016/2017 Actual Conference	2017/18 Actual Conference	2017/18 Preliminary Conference
Revenue and Other Support					
Member Dues	\$ 4,675	\$ 8,412	\$ 7,700	\$ 11,000	\$ 6,829
Special Events & Functions					
Miscellaneous					
Commissions & Booking Fees	118,287	188,358	109,912	65,176	74,858
Retail Sales & Other					
Interest & Investment Income					
Placer County Funding	320,580	312,083	269,435	320,644	358,243
Total Revenue and Other Support	\$ 443,542	\$ 508,853	\$ 387,047	\$ 396,820	\$ 439,930
Expenses					
Salaries and Benefits	\$ 248,388	\$ 196,324	\$ 222,553	\$ 199,294	\$ 205,198
Rent & Utilities	11,265	12,070	13,816	13,741	15,520
Telephone Services	2,467	2,816	2,876	2,407	2,923
Internet Services					
Mail & Courier	483	654	329	260	213
Insurance & Bonding	3,856	1,367	1,310	1,310	213
Supplies	1,768	577	393	728	1,009
Equipment Sup. & Maint.	1,029	649	761	1,101	240
Taxes, Licenses & Fees	243	136	53	13	
Equip. Rental / Leasing	1,992	1,608	1,500	1,709	1,595
Training & Seminars					38
Commission Refund			(4,610)	765	
Professional Fees Legal/Accounting					
Special Events		256			
Autumn Food & Wine Costs					
Membership Events/Newsletter					
Cost of Goods Sold					
Promotional/ Giveaways		2,681			
Marketing Cooperative/Media	d 110,000	119,505	110,000	110,000	123,219
Marketing Other - PUD	8,000				
Programs	e				
Associate Relations	351	142		720	46
Board Functions					
Credit Card Fees		90		90	
Automobile Expenses	2,156	116	148		
Local Meals & Entertainment	275		110		20
Dues & Subscriptions	855	435	815	475	
Travel					
Allocated	46,069	51,198	53,211	56,738	57,051
Total Expense Before Depreciation/Reserves	\$ 439,197	\$ 390,624	\$ 403,265	\$ 389,351	\$ 407,285
Depreciation	\$ 932	\$ 801	\$ 156	\$ 89	\$ -
Bad Debt				\$ 7,380	\$ 733
Total Expense	\$ 440,129	\$ 391,426	\$ 403,422	\$ 396,820	\$ 407,285
Changes in Unrestricted Net Assets	\$ 3,413	\$ 117,427	\$ (16,374)	\$ (0)	\$ 32,645

ATTACHMENT 3
IVCBVB Conference Sales Statement of Expenses

	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18
Operations Staff Expense (1)	58,380	54,811	46,119	49,141
Remote Office (2)	24,468	24,000	42,000	42,000
Operations Expense (3)	8,974	9,780	9,956	9,506
Sales Staff Expense			26,741	26,741
Meeting Expense (4)		10,000		
Totals	91,822	98,591	124,816	127,388

- (1) Operations Staff expense = 15% of total payroll cost
- (2) Remote office = total Spinaker expense
- (3) Operations expense = 10% of of total operation cost as related to Conference sales
- (4) Meeting Expense = additional meeting effort such as Thunderbird Lodge/Hyatt meeting
- (5) Sales Staff Expense = 1/3 of Bart Peterson salary++

ATTACHMENT 4

NLTRA/IVCBVB Conference Sales Equity

June 30, 2019

FY 2018/18 Arrived		# Groups		Room Nights		Room Revenue
Placer County	75%	36	86%	10,521	85%	\$ 1,838,627
Washoe County	25%	12	14%	1,645	15%	\$ 314,610
Nevada County	0%	0	0%	-	0%	\$ -

FY 2017/18 Arrived		# Groups		Room Nights		Room Revenue
Placer County	73%	32	64%	6,660	64%	\$ 1,354,725
Washoe County	23%	10	33%	3,459	33%	\$ 704,266
Nevada County	5%	2	3%	291	2%	\$ 50,288

FY 2016/17 Arrived		# Groups		Room Nights		Room Revenue
Placer County	78%	39	76%	13,784	83%	\$ 3,205,061
Washoe County	18%	9	23%	4,152	17%	\$ 664,654
Nevada County	4%	2	0%	90	0%	\$ 12,118

FY 2015/16 Arrived		# Groups		Room Nights		Room Revenue
Placer County	80%	41	96%	10,666	91%	\$ 2,101,795
Washoe County	12%	6	1%	77	6%	\$ 139,002
Nevada County	8%	4	4%	396	3%	\$ 69,825

4 Year Totals Arrived		# Groups		Room Nights		Room Revenue
Placer County	80%	148	82%	41631	82%	\$ 8,500,208
Washoe County	20%	37	18%	9333	18%	\$ 1,822,532
Nevada County	18%	8	8%	777	7%	\$ 132,231

4 Year Averages Arrived		# Groups		Room Nights		Room Revenue
Placer County	80%	37	82%	10,407.75	82%	\$ 2,125,052
Washoe County	20%	9	18%	2,333.25	18%	\$ 455,633
Nevada County	18%	2	8%	194.25	7%	\$ 33,058