

**NEWPORT COUNTY CONVENTION & VISITORS BUREAU
BOARD OF DIRECTORS
FINANCE COMMITTEE MEETING
MONDAY, FEBRUARY 14, 2005**

MEETING MINUTES:

Councilperson Jeanne-Marie Napolitano called the meeting to order at 9:05 a.m.

FINANCE COMMITTEE MEMBERS PRESENT:

Councilperson Jeanne-Marie Napolitano, Mark Stenning, Don Desrosiers

STAFF PRESENT:

Evan Smith, Debbie Gatta, Cathy Morrison, Martha Sheridan, Mary Ann Kelly

FINANCE COMMITTEE MEETING:

The first item discussed was a projected \$128,000.00 surplus for this fiscal year which ends March 31st, due to a 5% growth in bed tax. Evan Smith explained that the proposed allocation of the bed tax

revenue would include the following:

1. New ASP Program Language for the CVB web site. The introduction of this program will create a more state of the art data management system that will assist both the staff administrator and the web site user. \$18,000.00

2. Advertising to be dedicated to help fund a new image brochure (done in six languages) and, if there is any money left over, our video which was done twelve years ago and is outdated. \$40,000.00

3. Re-instate the Staff Incentive Plan. The management staff would review each employee's goals and complete an incentive worksheet to determine incentive payments based on individual performance. Martha Sheridan explained the incentive worksheet to the Finance Committee. \$40,000.00

4. New mural walls for the Visitors Center. The old walls are out dated and no longer accurately represent the city and county geography. \$15,000.00

5. New computer hardware for the downstairs' phone room. The computers used in the phone room are old and very limited in the services they can perform. Updated equipment is needed to keep our consumer database complete and accessible to more network users. \$15,000.00

Cathy Morrison, Vice President of Operations, told the Finance Committee that there will not be money available for a new HVAC system from the RIPTA grant to expand the bathrooms on the first floor of the center. The HVAC is not expected to make it through the summer. She did say that RIPTA's money finder is working to find available money for the HVAC system and that RIPTA has become an incredible partner with the NCCVB in the past two years.

Mark Stenning made a motion to pass the request for allocation of anticipated surplus bed tax funds and to move the money by March 31st. It was seconded by Councilperson Jeanne-Marie Napolitano and passed unanimously. It will now be taken to the full board.

Councilperson Jeanne-Marie Napolitano praised the NCCVB staff for all of their hard work and said she feels strongly about the incentive program.

Evan Smith gave each Finance Committee member a color draft of our "Program of Work." This is the blueprint that helps us with our fiscal budget.

Before reviewing the 2005-2006 budget with the Finance Committee, Evan Smith commended the entire staff for crunching the numbers, especially Debbie Gatta, our Finance Director, who has been working on the budget for the last eight weeks. The 2005-2006 budget is

based on a 4% increase in bed tax over last year's budget. Each department gave an overview of their budget.

1. **Operations:** The operation budget shows a large increase in worker's comp, liability insurance and utilities. Councilperson Jeanne-Marie Napolitano noted that insurance companies are very competitive and we should consider getting quotes from other companies. We will also have to install two more sprinklers in the Visitors Center. Evan asked the board to review our legal counsel at the next board meeting.

2. **Marketing:** Advertising and PR has been increased 4% to match our projected revenue. A new item introduced into the budget is a professional clipping service. The staff will be making a suggestion to the full board that we withhold membership to RI Hospitality pending legislation introduced.

3. **Sales:** There is an increase in sales and service for the Summer FAM. Site inspections had a small increase. Chicago has been added to sales missions. The UK Mission is now UK Mission/Germany. Tradeshow had the most movement in the sales budget.

4. **Personnel:** There has been a 12% increase in expenses related to medical benefits over last year. The incentive plan has been reintroduced into the budget. Salary expense has increased 4%.

Program Market Support needs to be revisited by the full board to have criteria in place.

Councilperson Jeanne-Marie Napolitano made a motion to adopt the 2005-2006 budget pending any changes by the full board at the next regular board meeting. It was seconded by Mark Stenning and passed unanimously.

Councilperson Jeanne-Marie Napolitano adjourned the meeting at 10:20 a.m.