

Williamsburg Area Destination Marketing Committee

Financial Statements and Supplementary Information
For the Year Ended December 31, 2017



America Counts on CPAs

Brigham & Calhoun, PC

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Williamsburg Area Destination Marketing Committee

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To the Committee Members of
Williamsburg Area Destination Marketing Committee (“WADMC”)
Williamsburg, VA

Management is responsible for the accompanying financial statements of WADMC (an exempt organization), which comprise the statement of financial position – cash basis as of December 31, 2017, and the related statement of activities – cash basis and statement of functional expenses – cash basis for the year then ended. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in the financial statements prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user’s conclusions about the Organization’s assets, liabilities, net assets, revenues, expenses, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The supplementary information contained in Schedule I is presented for purposes of additional analysis and is not a required part of the financial statements. The information is the representation of management. The information was subject to our compilation engagement; however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such supplementary information.



Brigham & Calhoun, PC
Williamsburg, VA

January 25, 2018

Williamsburg Area Destination Marketing Committee
Statement of Financial Position - Cash Basis
As of December 31, 2017

Assets

Current Assets

| | |
|-------------------------------------|------------------|
| Unrestricted Cash - Chesapeake Bank | \$ 1,262,349 |
| Total Current Assets | <u>1,262,349</u> |

| | |
|--------------|----------------------------|
| Total Assets | <u><u>\$ 1,262,349</u></u> |
|--------------|----------------------------|

Net Assets

Net Assets

| | |
|-------------------------------|------------------|
| Unrestricted Net Assets | \$ 1,262,349 |
| Total Unrestricted Net Assets | <u>1,262,349</u> |

| | |
|------------------|----------------------------|
| Total Net Assets | <u><u>\$ 1,262,349</u></u> |
|------------------|----------------------------|

Williamsburg Area Destination Marketing Committee
Statement of Activities - Cash Basis
For the Year Ended December 31, 2017

Unrestricted Revenue and Support

| | | |
|---------------------------|----|------------------|
| City of Williamsburg | \$ | 1,126,032 |
| James City County | | 869,720 |
| York County | | 1,169,329 |
| Private Investors | | 151,500 |
| VTC Co-op | | 10,963 |
| ARES Commission | | 4,092 |
| Interest Income | | 1,577 |
| Total Revenue and Support | \$ | <u>3,333,213</u> |

Expenses

| | | |
|----------------------------|----|------------------|
| Working | \$ | 2,340,303 |
| Support | | 719,867 |
| General and Administrative | | 222,831 |
| Total Expenses | \$ | <u>3,283,001</u> |

Change in Net Assets \$ 50,212

Net Assets - Beginning of Period \$ 1,212,137

Net Assets - End of Period \$ 1,262,349

Williamsburg Area Destination Marketing Committee
Statement of Functional Expenses - Cash Basis
For the Year Ended December 31, 2017

Working Expenses

| | |
|-------------------------------|---------------------|
| Printed Visitor Guides | \$ 24,000 |
| Postage for Mailings | 16,917 |
| Agency Fee | 141,000 |
| Staff Travel | 11,887 |
| Journalist Travel / Fam Tours | 8,861 |
| Influencer Partnerships | 9,890 |
| Promotional Prizing | 1,042 |
| Domain Names | 161 |
| Hosting | 10,200 |
| Design | 10,000 |
| Development | 28,740 |
| Annual Maintenance | 31,200 |
| Agency Relationship Travel | 1,200 |
| Strategy and Content Calendar | 19,200 |
| Content Management | 36,000 |
| Asset Development | 5,014 |
| Monitoring | 1,019 |
| Television Cable | 420,090 |
| Streaming Video | 163,551 |
| Cross Platform / SMP | 553,383 |
| Digital Display | 258,259 |
| Online Video / TV | 113,250 |
| Ad Serving / Trafficking | 18,342 |
| Search Engine Marketing / SEO | 403,197 |
| Social Ads | 24,287 |
| Email | 5,666 |
| Virginia Travel Guide | 14,123 |
| Special Themed Programs | 9,824 |
| Total Working Expenses | <u>\$ 2,340,303</u> |

Support Expenses

| | |
|---------------------------------|------------|
| Account Management | \$ 116,100 |
| Media Planning / Buying | 151,575 |
| Creative | 177,375 |
| Strategy | 18,060 |
| Analytics & Reporting | 41,925 |
| Production Services | 70,950 |
| Print | 222 |
| Broadcast/ Video | 87,990 |
| Morans Family Story (Post Prod) | 5,451 |
| Fayes & Settles Music Licensing | 1,500 |
| Brand Tracking | 14,600 |
| Visitor Research | 18,270 |

Williamsburg Area Destination Marketing Committee
Statement of Functional Expenses - Cash Basis
For the Year Ended December 31, 2017

| | |
|------------------------|------------|
| Web Research | 649 |
| Arrivalist | 15,200 |
| Total Support Expenses | \$ 719,867 |

General and Administrative

| | |
|----------------------------------|--------------|
| Wages / Benefits | \$ 187,306 |
| Computers & Software | 5,297 |
| Legal & Accounting | 19,765 |
| Meeting Expenses | 730 |
| Office Supplies | 659 |
| Parking | 1,634 |
| Phone | 1,193 |
| Postage | 44 |
| Professional Training | 4,316 |
| Miscellaneous | 858 |
| Expense Allowances | 1,029 |
| Total General and Administrative | \$ 222,831 |
| Total Expenses | \$ 3,283,001 |

SUPPLEMENTARY INFORMATION

Williamsburg Area Destination Marketing Committee
Schedule I - Actual Comparison to Budget Revenue and Expense - Cash Basis
For the Year Ended December 31, 2017

| Revenue | Actual | Budget | Variance |
|--------------------------------|---------------------|---------------------|------------------|
| Williamsburg - \$2.00 Tax | \$ 1,126,032 | \$ 1,100,000 | \$ 26,032 |
| James City County - \$2.00 Tax | 869,720 | 830,000 | 39,720 |
| York County - \$2.00 Tax | 1,169,329 | 1,145,000 | 24,329 |
| Private Investors | 151,500 | 155,000 | (3,500) |
| VTC Co - Op | 10,963 | 11,500 | (537) |
| ARES Commission | 4,092 | 2,000 | 2,092 |
| Interest Income | 1,577 | 1,500 | 77 |
| Total Revenue | \$ 3,333,213 | \$ 3,245,000 | \$ 88,213 |

Working Expenses

Fulfillment:

| | | | |
|------------------------|-----------|-----------|-------|
| Printed Visitor Guides | \$ 24,000 | \$ 24,000 | \$ - |
| Envelopes for Mailings | - | 2,000 | 2,000 |
| Postage for Mailings | 16,917 | 20,000 | 3,083 |

Public Relations:

| | | | |
|-------------------------------|---------|---------|---------|
| Agency Fee | 141,000 | 141,000 | - |
| Staff Travel | 11,887 | 10,000 | (1,887) |
| Journalist Travel / Fam Tours | 8,861 | 10,000 | 1,139 |
| Influencer Partnerships | 9,890 | 13,000 | 3,110 |
| Promotional Prizing | 1,042 | - | (1,042) |

Website:

| | | | |
|----------------------------|--------|--------|-------|
| Domain Names | 161 | 250 | 89 |
| Hosting | 10,200 | 10,200 | - |
| Design | 10,000 | 10,000 | - |
| Development | 28,740 | 30,800 | 2,060 |
| Annual Maintenance | 31,200 | 31,200 | - |
| Agency Relationship Travel | 1,200 | 1,200 | - |

Social Media Content:

| | | | |
|-------------------------------|--------|--------|------|
| Strategy and Content Calendar | 19,200 | 19,200 | - |
| Content Management | 36,000 | 36,000 | - |
| Asset Development | 5,014 | 5,000 | (14) |
| Monitoring | 1,019 | 2,000 | 981 |

Paid Media:

| | | | |
|-------------------------------|---------|---------|----------|
| Television Cable | 420,090 | 425,000 | 4,910 |
| Streaming Video | 163,551 | 165,000 | 1,449 |
| Cross Platform / SMP | 553,383 | 553,382 | (1) |
| Digital Display | 258,259 | 277,500 | 19,241 |
| Online Video / TV | 113,250 | 112,500 | (750) |
| Ad Serving / Trafficking | 18,342 | 35,003 | 16,661 |
| Search Engine Marketing / SEO | 403,197 | 389,000 | (14,197) |
| Social Ads | 24,287 | 30,000 | 5,713 |
| Email | 5,666 | 4,000 | (1,666) |

Williamsburg Area Destination Marketing Committee
Schedule I - Actual Comparison to Budget Revenue and Expense - Cash Basis
For the Year Ended December 31, 2017

| | | | |
|--------------------------------------|---------------------|---------------------|-------------------|
| Virginia Travel Guide | 14,123 | 16,620 | 2,497 |
| Special Themed Programs | 9,824 | 10,000 | 176 |
| Total Working Expenses | \$ 2,340,303 | \$ 2,383,855 | \$ 43,552 |
| Support Expenses | Actual | Budget | Variance |
| Ad Agency: | | | |
| Account Management | \$ 116,100 | \$ 116,100 | \$ - |
| Media Planning / Buying | 151,575 | 151,575 | - |
| Creative | 177,375 | 177,375 | - |
| Strategy | 18,060 | 18,060 | - |
| Analytics & Reporting | 41,925 | 41,925 | - |
| Production Services | 70,950 | 70,950 | - |
| Production: | | | |
| Print | 222 | 5,000 | 4,778 |
| Broadcast/ Video | 87,990 | 86,345 | (1,645) |
| Morans Family Story (Post Prod) | 5,451 | 6,000 | 549 |
| Fayes & Settles Music Licensing | 1,500 | 2,500 | 1,000 |
| Research: | | | |
| Brand Tracking | 14,600 | 16,000 | 1,400 |
| Visitor Research | 18,270 | 31,000 | 12,730 |
| Web Research | 649 | 1,965 | 1,316 |
| Arrivalist | 15,200 | 22,000 | 6,800 |
| Total Support Expenses | \$ 719,867 | \$ 746,795 | \$ 26,928 |
| Administration Expenses | | | |
| Wages / Benefits | \$ 187,306 | \$ 190,000 | \$ 2,694 |
| Computers & Software | 5,297 | 3,000 | (2,297) |
| Equipment - Repairs | - | 100 | 100 |
| Legal & Accounting | 19,765 | 11,350 | (8,415) |
| Meeting Expenses | 730 | 1,600 | 870 |
| Office Supplies | 659 | 1,000 | 341 |
| Parking | 1,634 | 1,600 | (34) |
| Phone | 1,193 | 1,300 | 107 |
| Postage | 44 | 100 | 56 |
| Professional Training | 4,316 | 4,300 | (16) |
| Miscellaneous | 858 | - | (858) |
| Expense Allowances | 1,029 | - | (1,029) |
| Total Administration Expenses | \$ 222,831 | \$ 214,350 | \$ (8,481) |
| Total Expenses | \$ 3,283,001 | \$ 3,345,000 | \$ 61,999 |