



Visit Buffalo Niagara
Annual Members Meeting
Wednesday, February 27, 2025

PRESENT: C. Abbott-Letro, M. Alnutt, M. Brown, T. Beauford, D. Castle, A. Chase, M. Chiazza, M. Glasgow, P. Kaler, T. Long, K. Minkel, S. Ranalli, M. Roberts, D. Schutte, D. Spasiano, M. Urbanczyk

ABSENT: D. Gallagher, B. Karmazyn W. Paladino

STAFF: J. Bialek, J. Calkins, K. Fashana, J. Flood, D. Marzo, L. Mueller, H. Nowakowski, R. Toney

GUEST: D. Lorenz

CALL TO ORDER: The annual members meeting was called to order by Board Chair, Cindy Abbott-Letro at 3:59 p.m.

ELECTION OF DIRECTORS: Mr. Kaler reported that Don Spasiano will be terming off the Board. The Executive Committee is recommending Shannon Patch, Vice President, Government Affairs, with Delaware North to fill the open seat. And with the passing of Gail Wells, the Executive Committee is recommending Terry Alford, Executive Director of the Michigan Street African American Heritage Corridor to fill the open seat. Ms. Abbott-Letro presented the slate of directors proposed by the Executive Committee and asked for a motion to elect the slate for 2025:

Representatives of the Hotel Industry:

Matt Chiazza
Thomas Long
Bob Karmazyn

At-Large Directors

Terry Alford
Kimberley A. Minkel
Shannon Patch
Steven P. Ranalli
David Schutte
Michelle Urbanczyk

A motion was made by D. Spasiano and seconded by M. Alnutt to elect the slate of directors as presented for 2025. Motion carried.

ADJOURNMENT: A motion was made by D. Spasiano and seconded by S. Ranalli to adjourn the annual members meeting. Motion carried and meeting adjourned at 3:59 p.m.

Minutes prepared by J. Bialek

Approved: /s/ Cindy Abbott-Letro
Cindy Abbott-Letro, Chair



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Zoom Video Conference

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ABSENT: D. Gallagher, B. Karmazyn W. Paladino

STAFF: J. Bialek, J. Calkins, K. Fashana, J. Flood, D. Marzo, L. Mueller, H. Nowakowski, R. Toney

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CALL TO ORDER: Board Chair, Cindy Abbott-Letro, convened the meeting of the Visit Buffalo Niagara Board of Directors at 3:40 pm.

APPROVAL OF MINUTES: A motion was made by Ms. Minkel and seconded by Mr. Beauford to approve the November minutes as presented. Motion carried.

ELECTION OF OFFICERS: Ms. Cindy Abbott-Letro presented the slate of officers proposed by the Executive Committee and asked for a motion to elect the slate for 2025:

Chair – Cindy Abbott-Letro
Vice Chair – Kimberley A. Minkel
Treasurer – Thomas Long
Secretary – Thomas Beauford, Jr.
Immediate Past Chair – Mary F. Roberts

A motion was made by Mr. Spasiano and seconded by Ms. Urbanczyk to elect the 2025 slate of officers as presented. Motion carried.

FINANCIAL REPORT: Mr. Marzo reviewed the financial statements for the year ended December 31, 2024.

Balance Sheets: The balance sheet reflects a strong position, with Visit Buffalo Niagara finishing the year with approximately \$2.1 million in total assets. Cash and grants receivable account for the majority of the balance. Included in the cash balance is approximately \$20,000 in restricted funds related to an Erie County grant for the restaurant accessibility program. The program provides funding to improve accessibility in local restaurants, supporting the region's commitment to inclusivity and community development. On the liability side, accounts payable increased significantly due to substantial grant-related expenses incurred at the end of the year. The increase in payables corresponds with an increase in grants receivable, largely from New York State grants that were undertaken during 2024. These

expenses were not paid prior to year-end, resulting in the year-over-year difference in both payables and grants receivable.

Statement of Activities: Through December 31, 2024, Visit Buffalo Niagara realized a decrease in net assets of approximately \$317,000, which aligns with the budgeted expectations. The decrease is consistent with the organization's strategic decision to reinvest funds into key initiatives that support tourism growth and destination development.

Revenues: Total revenue was lower than budgeted by approximately \$100,000, primarily due to the delay of the Freedom Footsteps program, which highlights the African-American heritage corridor. The program's anticipated timeline was pushed back to 2025 due to logistical challenges and ongoing construction at several key sites. Grant revenue associated with the program is expected to be recognized in the coming year once the program is fully underway.

Other revenue variances were attributed to the timing of grant-funded projects and cooperative advertising agreements. The organization continued to seek out additional funding opportunities to support its mission, with several grant applications pending as of year-end.

Expenses: Total expenses were approximately \$100,000 lower than budgeted, largely attributable to the Freedom Footsteps program delay. Additionally, commitments for the African-American Travel Conference were deferred to 2025, contributing to the variance. Savings from these areas were reallocated to other budget line items deemed more critical to the organization's mission for 2024, including digital marketing initiatives and community partnership programs. Other notable expense variances included:

- Personnel Costs: Slightly below budget due to staff vacancies in the Convention Sales department.
- Marketing and Advertising: Higher than budgeted, reflecting increased investment in digital campaigns to promote the destination.
- Sales Bids and Promotions: Ahead of budget due to a higher volume of site inspections and promotional events.
- Research and Development: Increased spending on data analytics tools to better measure the impact of VBN's marketing efforts.

BNCVB Foundation: The Foundation activity is mostly related to the MVC operation, and activity for the Paul Murphy Scholarship Fund, through December of 2024. In 2024 we also ran various print projects, as well as the 2025 Visitor Guide costs through the Foundation.

Buffalo Niagara Sports Commission: For the Sports Commission, there is no significant activity to report.

A motion was made by Mr. Spasiano and seconded by Mr. Chase to approve the financial statements as presented. Motion carried.

2025 OPERATING BUDGET: Mr. Marzo reviewed the 2025 operating budget for Visit Buffalo Niagara. The budget was reviewed with the Finance Committee and approved prior to today's meeting.

Background: Mr. Marzo explained that the 2025 operating budget is notably larger than previous years, primarily due to the implementation of the new hotel tax legislation. This legislation allocates all hotel tax collections to Visit Buffalo Niagara and the Buffalo Convention Center, funding both operating expenses and capital improvements at the convention center. Based on projected tax collections, Visit

Buffalo Niagara expects to receive approximately \$7.5 million—about \$3 million more than the previous year.

While the long-term goal is to establish a reserve fund, Mr. Marzo emphasized that the immediate focus is to launch the ambitious sales and marketing initiatives outlined in the business plan and strategic plan. However, there is potential to begin funding the reserve with surplus funds from 2024's higher-than-anticipated hotel tax collections.

Revenue: Total revenue for 2025 is budgeted at approximately \$9 million, including:

- \$7.5 million from hotel tax collections.
- \$1 million from anticipated 2024 hotel tax overages, with the potential for additional funds as the final 2024 collections are reconciled.
- \$200,000 from Visitor Guide ad sales.
- \$70,000 from cooperative marketing programs.
- \$10,000 in New York State grants, including the Freedom's Footsteps program.

Expenses: Total expenses are budgeted at approximately \$9 million, with key investments including:

- Personnel Costs: A 4% average merit increase for existing staff, the addition of two new marketing positions, and staffing for the anticipated Canal Side Visitor Center.
- Advertising and Public Relations: Significant increases in media campaigns and public relations efforts to support the business plan's aggressive marketing objectives.
- Convention Commitments: Hosting large events such as the African American Travel Conference and Small Market Meetings, both of which require substantial financial commitments.
- Trade Shows: Attendance at approximately 45 trade shows across convention, sports, and leisure travel sectors—a record-high number of shows for the organization.
- Website Development: Major investments in website upgrades to support expanded digital marketing initiatives.
- Freelance Services: Hiring contractors to create neighborhood murals throughout Erie County as part of a community engagement initiative.

Mr. Marzo noted that while the budget does not allocate funds to a reserve account in 2025, any surplus from 2024 hotel tax collections may be used to seed the reserve. He also acknowledged the fluid situation with Canadian travel and tariffs, which will be closely monitored throughout the year to adjust marketing efforts as needed.

A motion was made by Mr. Spasiano and seconded by Mr. Alnutt to approve the 2025 Budget as presented. Motion carried.

STRATEGIC PLAN: The Strategic Plan for Visit Buffalo Niagara was reviewed at the beginning of the meeting.

A motion was made by Mr. Spasiano and seconded by Mr. Beauford to approve the Strategic Plan as presented. Motion carried.

2025 BUSINESS PLAN: Mr. Kaler reviewed highlights of the 2025 Business Plan, which is closely aligned with the strategic plan and the 2025 operating budget. The plan is divided into five key sections:

Administration, Marketing and Communications, Sales and Services, Destination Development, and Research and CRM Operations.

Administration: Mr. Kaler highlighted several administrative priorities for 2025. The organization will conduct a Social Inclusion Assessment to evaluate both internal operations and the destination's inclusivity. Additionally, VBN will explore AI best practices for marketing and operational efficiencies. The executive team will undergo Human Resource Training to ensure compliance with New York State regulations and best practices. VBN will also develop an Embassy Advocacy Toolkit to engage stakeholders and support tourism initiatives through advocacy efforts in partnership with U.S. Travel and the New York State Hospitality and Tourism Association.

Marketing and Communications: A significant portion of the business plan will focus on launching VBN's new destination brand in 2025. The brand rollout will be accompanied by a winter activation campaign to address seasonality challenges. VBN will also engage with a new PR agency to strengthen media relations and amplify the destination's visibility. Another priority is the 200th anniversary of the Erie Canal, which will be a key storytelling opportunity. VBN will also hire a Graphic Designer and Marketing Assistant to support the expanded marketing efforts.

Sales and Services: VBN will host two major conferences—African American Travel Conference and Small Market Meetings—both of which require significant financial commitments. Additionally, the organization will partner with the Religious Conference Management Association to host 20-25 planners for a familiarization tour in the summer. The organization plans to attend 35 trade shows across meetings, sports, and leisure sectors. The Customer Advisory Council will convene for its 12th annual meeting to provide industry feedback and insights.

Destination Development: The long-awaited Freedom's Footsteps Heritage Trail will officially launch in 2025 following the completion of capital improvement projects along the African American Heritage Corridor. VBN will also introduce the Certified Tourism Ambassador Program to certify frontline hospitality workers and community members as destination experts. The Canal Side Visitor Center will open this year, providing a dedicated visitor information hub along Buffalo's waterfront. Additionally, VBN will reintroduce the Tourism Awards Program—a pre-pandemic tradition—by combining it with the annual Tourism Summit to create a new Destination Celebration event.

Research and CRM Operations: To ensure a return on investment, VBN will conduct a Trade Show ROI Study to evaluate the impact of trade show participation. The organization will also complete a Hotel Market Analysis and Feasibility Study to support advocacy for new hotel development. As part of the strategic plan's evaluation process, VBN will overhaul its Key Performance Indicators and Objectives and Key Results to align with the new business plan and destination goals.

Mr. Kaler concluded by emphasizing the ambitious nature of the plan and the team's dedication to overcoming any obstacles, including potential impacts from Canadian tariffs. The plan's ultimate goal is to strengthen the destination's visibility, economic impact, and long-term sustainability.

A motion was made by Mr. Spasiano and seconded by Mr. Beauford to approve the 2025 Business Plan as presented. Motion carried.

Q4/PRESIDENT'S REPORT: Mr. Kaler reported that Visit Buffalo Niagara ended the year on a strong note, with key hotel performance indicators remaining positive. While overall hotel demand saw a slight decline, occupancy levels remained stable despite the reduction of approximately 1,100 hotel rooms

across the county, including 500 in downtown Buffalo. Average daily rates continued to climb, showing a 34% increase over 2019, ensuring strong overall bed tax collections to support the 2025 budget.

On the sales and bookings side, VBN generated more leads in 2024 compared to previous years, though overall definite bookings reflected the anticipated dip for the year. Mr. Kaler noted that 2024 was expected to be a transitional year, following the shift of pandemic-postponed events into 2022 and 2023. The outlook for 2025 is much stronger, with larger numbers of events and bookings already in place.

In marketing and media, the marketing team saw significant engagement in Q4. While total media placements and engagements were slightly lower than 2023—largely due to the previous year's high volume of coverage surrounding the reopening of the Buffalo AKG Art Museum—the team remains on track for increased activity in 2025. The number of hosted media visits is expected to rise again this year.

Strategic Partnerships & Advocacy: Mr. Kaler participated in a Buffalo Niagara Partnership roundtable discussion with Governor Hochul, addressing concerns related to the proposed Canadian tariffs and their potential impact on cross-border travel. He highlighted the challenges posed by a decline in Canadian visitation, including negative feedback from a digital marketing campaign launched in September. After the tariff announcement, the campaign saw a surge in negative comments, prompting VBN to temporarily pause efforts in that market.

VBN continued its winter tourism initiatives with the launch of the Buffalo Snow Sculpture Trail, a pilot program in collaboration with Erie County. The initiative featured installations at Chestnut Ridge, the Buffalo Botanical Gardens, and the Buffalo Zoo. Despite some initial weather challenges, the sculptures were well received by the community, leading to discussions about expanding the program in 2025 with up to 25 sculptures across the region.

Industry Engagement & Public Relations: VBN hosted a U.S. Travel Association Power Hour with Congressman Kennedy, bringing together business and tourism leaders from Erie and Niagara Counties to discuss key industry concerns. Canada was again a major topic of discussion.

Additionally, VBN officially onboarded MMGY, its new advertising agency, with a multi-day visit to Buffalo. MMGY staff met with the VBN team, including research and marketing leads, to discuss the upcoming brand launch in July. Similarly, VBN's new PR agency, Lou Hammond Group, will be visiting next week for their onboarding meetings. Mr. Kaler shared that initial conversations with Lou Hammond have already led to promising opportunities, including engagement with a Good Morning America producer during a January trip to New York City.

Upcoming Activities:

- Lou Hammond Group PR Onboarding – Next week, VBN will host Lou Hammond Group for in-person meetings to strategize media relations and PR opportunities.
- Launch of New Destination Brand – VBN will officially unveil its new branding in July, following months of strategic development in collaboration with MMGY.
- Expanded Snow Sculpture Trail Planning – Following the success of the 2024 pilot program, discussions are underway to expand the initiative with up to 25 sculptures across Erie County next winter.
- Media & PR Expansion – VBN is working with Lou Hammond Group to secure national media coverage, including a potential feature on Good Morning America.

Mr. Kaler recognized and thanked Don Spasiano, for his eight years of service on the Board. We will be making a donation in Mr. Spasiano's name to Sleep in Heavenly Peace.

OTHER BUSINESS/ADJOURNMENT: There being no further business, a motion was made by Mr. Spasiano and seconded by Mr. Beauford to adjourn the meeting. Motion carried. Meeting adjourned at 4:41 p.m.

Minutes prepared by J. Bialek

Approved: /s/ Cindy Abbott-Letro
Cindy Abbott-Letro, Chair