

## **VSC Finance Committee Minutes**

August 5, 2020, 1:00 p.m.

**Attendees:** Board members – Stephen High, Pat Moreo, Lorrie Laing, Gil Reyes  
Staff – Virginia Haley, Andrea Hunt, Erin Duggan

Andrea and Virginia presented the fiscal 2021 Operational budget to the committee.

Andrea explained the budget being presented is based on current information available and best estimates. In the event of changes, VSC will reissue a revised budget as soon as possible. VSC is currently seeking funds from the County Cares Act revenue.

The revenue section will be significantly reduced vs. prior year. Management fee reduction from the County contract was \$185,000. Partner dues and digital advertising are expected to significantly drop. VSC is not planning to produce a visitor guide in FY 21 as a result of the economic strain on partners. VSC is currently offering payment plans for any partners and will continue to work with them to ensure cash is collected. Board is concerned partnership revenue may even drop further than projected and are expecting a slow 4<sup>th</sup> quarter of 2020 and 1<sup>st</sup> quarter of 2021. VSC will monitor and adjust expenses as necessary. Virginia explained VSC does have reserves in place if necessary and the County holds TDT reserves that are designated to promotion only. In the event the County has overestimated the TDT collections, there are reserves in place to help offset the balance.

The most significant expenses for FY 21 are the lease and salaries/benefits. VSC has removed many expenses from the budget such as meetings, meals, dues and subscriptions, staff development etc. VSC discussed temporarily freezing IRA match for employees. Board members would like to see that be added back into the budget and determine the possibility of other deductions instead. No new positions are proposed to be hired for FY 2021 based on budget restrictions.

Lorrie Laing asked how the balance sheet would be impacted based on the budget presented. Andrea noted there would be nominal change to the equity section based on the projected budget.

For budgeting purposes, health insurance was projected at a 8% increase over prior year to be conservative. VSC will discuss options with insurance agent and determine if these expenses can be reduced.

Board member Pat Moreo moved to approved the budget with modification to IRA match, Stephen High 2<sup>nd</sup> and all in favor of FY 2021 OPS budget.

The meeting was adjourned at 1:46 p.m.