



To: NMTA Board of Trustees
From: George Harris *GH*
Date: June 17, 2022
Re: **NMTA 2022/2023 Budget**

1900 N. Northlake Way, Suite 233
Seattle, WA 98103-9087

Phone: (206) 634-0911
Fax: (206) 632-0078

www.nmta.net
www.seattleboatshow.com

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*Promoting the
Recreational Boating
Industry in the
Pacific Northwest*

Attached is Budget Draft #3 for the 2022/2023 NMTA budget, an updated version of the Budget Change Menu, the 2021/2022 Projected Year End and some three graphs to illustrate SBS participation from 2008 to 2022. I greatly appreciate the extra work and time from Alex Sutter, Paul Sorensen, Mike Kirshenbaum and J. Mark Barrett to attend the Budget Lunch meetings and take a deep dive into the budget with me, Jennifer Higgins and Katie McPhail.

Looking ahead for the 2022/2023 year our discussions focused on understanding and addressing these five questions.

1. What will 2023 Seattle Boat Show requested space be and what can NMTA do to ensure a strong return to the show by all exhibitor types? See attached graphs of requested and assigned space from 2008 -2022 and exhibitor participation from 2008 – 2022.
2. How does NMTA plan and budget for increasing Seattle Boat Show expenses, in particular the 30% increase in decorating expense to NMTA and exhibitors from GES (carpeting, pipe & drape, signage, labor, freight handling) and likely 8% or more for many expenses.
3. What areas can NMTA confidently and significantly reduce expense or increase revenue?
4. How and when can NMTA begin to rebuild its reserves?
5. How can NMTA grow membership?

Budget Draft #3 shows a consolidated net income where revenue exceeds expenses by \$30,773. Alex Sutter and I recommend the board approve this budget at the June board meeting. Board members with questions between now and the board meeting should contact me or Alex.

Following are the Key Assumptions for the budget.

- NMTA is budgeting for 200,000 sq. ft rented at SBS23. This is 20,000 fewer sq. ft. than SBS20 at ~ \$150k less revenue. SBS22 had ~ 187,000 sq. ft. rented
- 14.5% rate increase to SBS23 indoor rate per square foot (\$9.05/sf)
- SBS23 attendance will be ~ 10,000 attendees less than SBS20, 4,000 more than SBS22
- Health Trust maintains current enrollment with 2,200 EE's
- Maintain staffing at current level, 7 FTE with option to add Membership Director.
- Increasing Anacortes show net income will be difficult
- NW Paddling Festival will not return with significant net income in 2023

**Northwest Marine Trade Association
2022-2023 Budget**

Draft#3

	Association	Seattle Boat Show (Feb)	Bell Harbor Marina	Anacortes Boat & Yacht Show	Grow Boating	Marina Conf	Kayak Try & Buy	2022-2023 Budget
REVENUE								
Health Ins. Participation Fee	\$ 310,500							\$ 310,500
Admissions		\$ 422,000		\$ 30,000				\$ 452,000
Advertising Income	\$ 500	\$ 12,500						\$ 13,000
Advertising Income Program		\$ 24,000		\$ 2,500				\$ 26,500
Badges		\$ 3,500						\$ 3,500
Dues Revenue	\$ 319,485							\$ 319,485
Interest Income - Portfolio	\$ 40							\$ 40
Dividend Income - Portfolio	\$ 55,398							\$ 55,398
Contributions								
Grow Boating					\$ 48,000			\$ 48,000
Meeting Income								
Misc. Income	\$ 1,500	\$ 25,000	\$ 8,500	\$ 4,500				\$ 39,500
Registration Fees								
Gain/Loss								
Parking		\$ 45,000						\$ 45,000
Seminar Income	\$ 500	\$ 70,000				\$ 28,500		\$ 99,000
Sponsorships	\$ 1,500	\$ 175,000	\$ 25,000	\$ 15,000		\$ 17,500		\$ 234,000
Space Rental		\$ 1,895,000	\$ 154,000	\$ 120,000				\$ 2,169,000
TOTAL REVENUE	\$ 689,423	\$ 2,672,000	\$ 187,500	\$ 172,000	\$ 48,000	\$ 46,000	\$ -	\$ 3,814,923
EXPENSES								
Advertising	\$ 200	\$ 325,000		\$ 55,000	\$ 7,000			\$ 387,200
Auto Expense	\$ 3,500	\$ 750		\$ 500	\$ 1,000	\$ 250		\$ 6,000
Bad Debt Expense	\$ 1,000							\$ 1,000
Bank Charge	\$ 9,500	\$ 28,000		\$ 250		\$ 850		\$ 38,600
Boat & Display Handling		\$ 70,000		\$ 1,000				\$ 71,000
Board & Committee Expense	\$ 2,500							\$ 2,500
Board Planning Session	\$ 1,500							\$ 1,500
Computer Support	\$ 12,000	\$ 1,200						\$ 13,200
Contract Services	\$ 7,500	\$ 455,000	\$ 19,000	\$ 9,500	\$ 15,000			\$ 506,000
Decorating		\$ 132,000	\$ 20,000	\$ 50,000				\$ 202,000
Depreciation	\$ 17,000							\$ 17,000
Disposal of Assets								
Donations	\$ 1,500							\$ 1,500
Dues	\$ 4,500							\$ 4,500
Employee Health Benefits	\$ 99,500							\$ 99,500
401 K Admin Fees/Contrib	\$ 39,500							\$ 39,500
Employee Recruitment								
Exhibitor Expense		\$ 80,000	\$ 3,000	\$ 1,500				\$ 84,500
Field Expense								
Food	\$ 7,500	\$ 2,500	\$ 2,000	\$ 2,000	\$ 1,000	\$ 16,500		\$ 31,500
Gifts								
PAC - Golf Tournament								
Grow Boating								
Grow Boating- Grant					\$ 10,000			\$ 10,000
In Kind Interest Expense								
Insurance	\$ 25,000	\$ 26,500		\$ 2,200	\$ 2,250			\$ 55,950
Legislative	\$ 110,000							\$ 110,000
Membership Services	\$ 3,500							\$ 3,500
Miscellaneous Expense	\$ 250	\$ 500	\$ 3,000	\$ 250	\$ 100	\$ 1,000		\$ 5,100
Office Expense	\$ 12,500	\$ 2,500			\$ 150			\$ 15,150
Photography		\$ 500						\$ 500
Postage	\$ 2,500	\$ 3,000		\$ 1,000	\$ 500			\$ 7,000
Printing	\$ 500	\$ 6,000		\$ 5,000	\$ 500	\$ 1,000		\$ 13,000
Printing Program		\$ 17,000						\$ 17,000
Professional Services	\$ 110,000	\$ 6,000		\$ 6,000				\$ 122,000
Promotion	\$ 2,500	\$ 95,000	\$ 35,000	\$ 7,500	\$ 7,500			\$ 147,500
Rent	\$ 42,000	\$ 403,845		\$ 2,500		\$ 4,500		\$ 452,845
Rent - Other	\$ 16,500	\$ 35,000	\$ 17,000	\$ 5,460				\$ 73,960
Repairs & Maint - Equipment								
Repairs & Maint - Facility	\$ 250	\$ 9,500						\$ 9,750
Repairs & Maint-Office Machin	\$ 9,750							\$ 9,750
Salaries	\$ 760,000							\$ 760,000
Site Expense		\$ 115,000	\$ 20,000	\$ 2,500				\$ 137,500
Speaker		\$ 21,000				\$ 1,500		\$ 22,500
VIP Event		\$ 55,000						\$ 55,000
Sponsorship Benefits		\$ 30,000	\$ 7,000					\$ 37,000
Subscriptions	\$ 1,500							\$ 1,500
Taxes - Payroll	\$ 65,000							\$ 65,000
Taxes & Licenses	\$ 8,500	\$ 75,000		\$ 500	\$ 1,500	\$ 800		\$ 86,300
Penalty & Interest	\$ 250							\$ 250
Prizes								
Telephone	\$ 12,500			\$ 250				\$ 12,750
Training/Conf/Seminars	\$ 2,500							\$ 2,500
Travel Expense	\$ 8,500	\$ 3,800		\$ 4,500	\$ 500	\$ 1,000		\$ 18,300
Website Maint	\$ 19,500	\$ 6,500		\$ 500	\$ 1,000			\$ 27,500
Contingency	\$ 1,000	\$ 10,000						\$ 11,000
TOTAL EXPENSES	\$ 1,421,700	\$ 2,016,095	\$ 126,000	\$ 157,910	\$ 48,000	\$ 27,400	\$ -	\$ 3,797,105
Split with Chamber				\$ 7,045				
NET INCOME/ (LOSS)	\$ (732,277)	\$ 655,905	\$ 61,500	\$ 27,045	\$ -	\$ 18,600	\$ -	\$ 30,773

June 17, 2022

FY 2022-2023 - Budget Change Menu

Green Highlighted Added to Budget

Key Assumptions

- 1. NMTA is budgeting for 200,000 sq. ft rented at SBS23. This is 20,000 fewer sq. ft. than SBS20 at ~ \$150k less revenue. SBS22 had ~ 187,000 sq. ft. rented Included in Draft Budget #1
- 2. 14.5% rate increase to SBS23 indoor rate per square foot (\$9.05/sf) Included in Draft Budget #2
- 3. SBS23 attendance will be ~ 10,000 attendees less than SBS20, 4,000 more than SBS22 Included in Draft Budget #1
- 4. Health Trust maintains current enrollment with 2,200 EE's
- 5. Maintain staffing at current level, 7 FTE with option to add Membership Director.
- 6. Increasing Anacortes show net income will be difficult
- 7. NW Paddling Festival will not return with significant net income in 2023

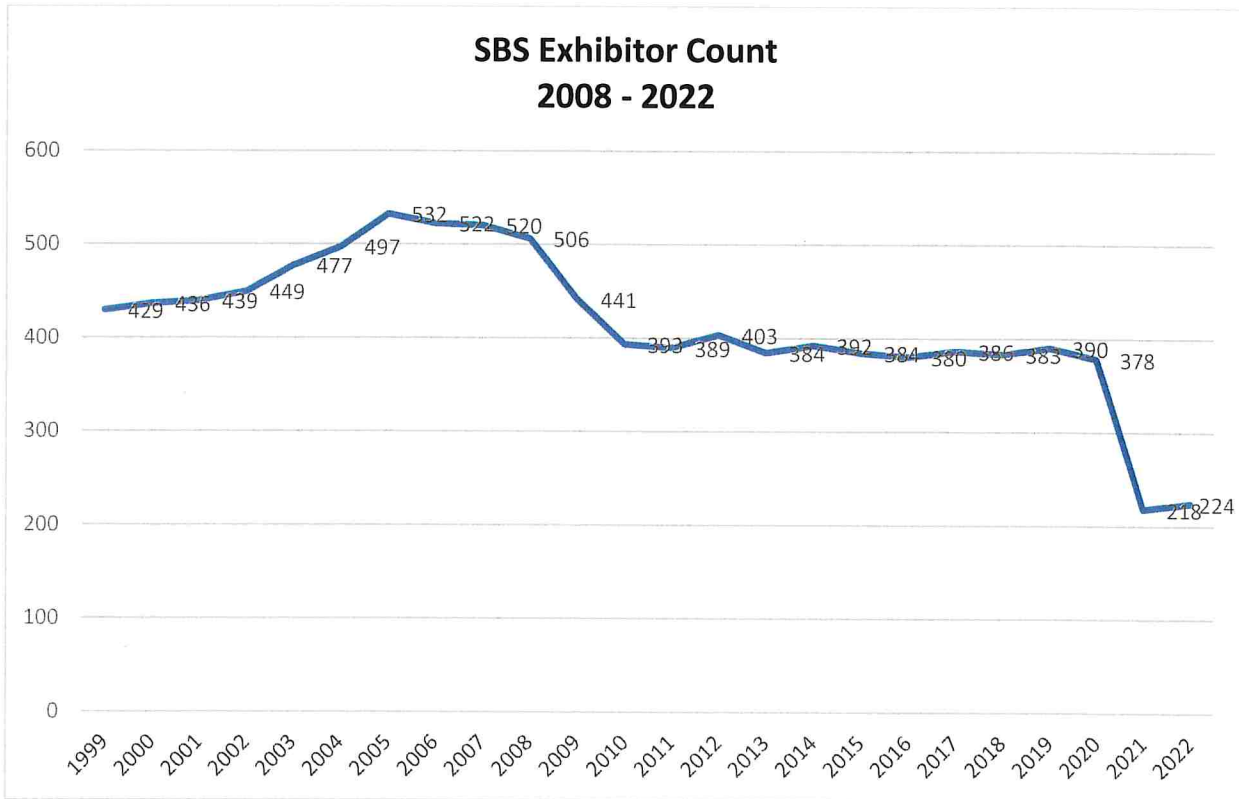
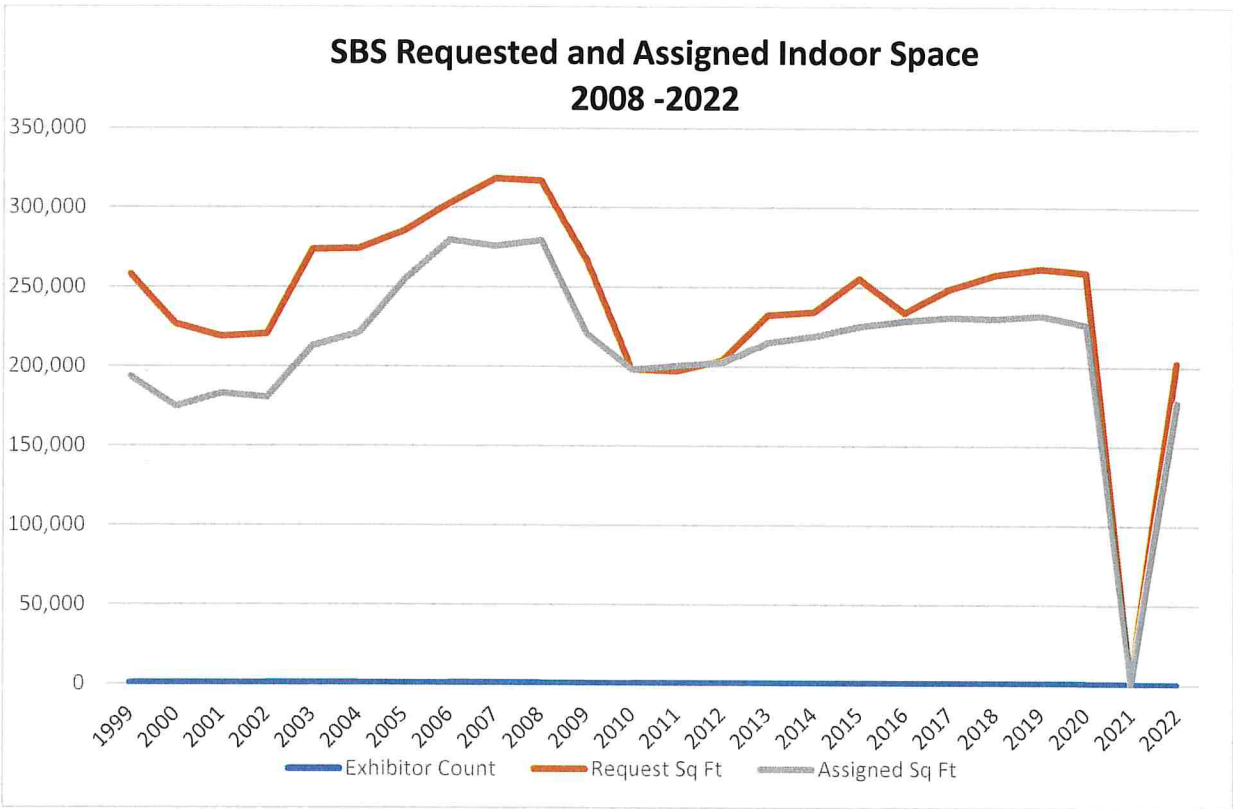
	Revenue Increase	Expense Decrease	Expense Increase	Note
Health Trust Participation Fee	\$40,000			Included in Draft Budget #2
+ Increase Participation Access Fee (PAF) from 1.5% to 2.0%				
+ Health Trust has important decision in Q4 on how to grow participation				
+ ~ \$16M annual premiums. Increase PAF by 0.1% = \$16,000 revenue				
Grow Boating Surcharge Temporary Reduction (\$0 - \$130,000)	\$0	\$0		Included in Draft Budget #1
+ Current budget has no Grow Boating funding/surcharge				
+ Basic GB funding ~ \$25,000 (grants & summer P/R) from GB reserves				
Continue Seminar Plan used at SBS22	\$0	\$0		Included in Draft Budget #1
+ Current budget assumes similar seminar sales and expenses as SBS22				
West Hall Premium	\$50,000			
+ 50-cent per sq ft sur charge for West Hall space				
+ Assumes 8% increase to space rental rate, plus 50-cent West Hall surcharge				
Bell Harbor Marina		-\$36,000		Included in Draft Budget #2
+ Renegotiate 50% rental rate decrease with Port of Seattle				
Adult Ticket \$2.00 Price Increase to \$20.00	\$24,000			Included in Draft Budget #2
+ Boat Show Committee recommended larger increase				
Guest Ticket price increase	\$5,000			
Uncorked Exhibitor price increase	\$3,000			
Adult Multi/9-day \$4.00 Price Increase to \$40	\$3,000			Included in Draft Budget #2
End Sunday Seattle Boat Show Move-In		-\$14,000		
New Member Educational Event	\$10,000			
+ Add third category to Marina & Boatyard Conference to attract more members				
Membership Renewal Rate Increase	\$25,000			Included in Draft Budget #1
+ Increase renewal rate by \$40 from \$475 to \$515				
+ 6% increase, largest since 2009				
Used Boat Display	\$20,000			
+ Contingency is space rental is low				
New Member Fee on SBS23 Application	\$75,000			
+ Add \$250 "new member" fee to SBS23 application				
+ \$250 is refunded when SBS applicant recruits new member at \$250 pro-rated rate				
NMTA Office Improvement			\$15,000	Fund with gain from 2021/2022
+ Storage cabinets				
+ Add third private office				

FY 2022-2023 Grants

- 1. WA State SVOG
- 2. MRAA Workforce Development Grant

Other Considerations

- 1. When and how to rebuild NMTA reserves?
- 2. SBS23 Advertising Budget



Seattle Boat Show Attendance 1986 - 2022

* Include un-redemmed Guest Tickets

