



**MOREHEAD**  
TOURISM

## **FISCAL YEAR 2019/2020 BUDGET REVIEW**

Attached you will find the Morehead Recreation, Tourism and Convention Commission budget **Fiscal Year 19/20 Review**.

If there are questions, please direct them to Executive Director Joy Brown at 780.4342 or [joy@moreheadtourism.com](mailto:joy@moreheadtourism.com).

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### **Morehead Tourism Commission**

Keith Kappes, Robin Mirus, Mona McClain, Dan Markwell,  
Dave Manner, Susette Redwine and Ed Powell

Thank you and we appreciate your consideration.

ORDINANCE NO. \_\_\_\_\_ :

**AN ORDINANCE OF THE CITY OF MOREHEAD AMENDING AN ANNUAL BUDGET FOR THE MOREHEAD  
TOURISM COMMISSION AND MOREHEAD CONFERENCE CENTER FOR FISCAL YEAR 2019/20**

**BE IT ORDAINED** by the City of Morehead, Kentucky, that the following budget is hereby adopted for the operation of the Morehead Recreation, Tourism and Convention Commission for Fiscal Year 2019-20.

COMMISSION REVENUES	2018/19 BUDGET	2019/20 BUDGET
TOURISM	\$588,229.23	\$628,570.43
MCC	\$1,181,634.16	\$1,181,725.27
RCAC	\$90,461.95	\$75,900.00
COMBINED TOTAL	\$1,860,325.34	\$1,886,195.70
COMMISSION REVENUES	2018/19 BUDGET	2019/20 BUDGET
TOURISM	\$588,229.23	\$593,252.28
MCC	\$1,181,634.16	\$1,164,260.27
RCAC	\$90,461.95	\$74,950.00
COMBINED TOTAL	\$1,860,325.34	\$1,832,462.55

**INTRODUCED, SECONDED AND GIVEN A FIRST READING** at a duly convened meeting of the Board of City Council of the City of Morehead, Kentucky held on this 13<sup>th</sup> day of May, 2019.

**INTRODUCED, SECONDED AND GIVEN SECOND READING** at a duly convened meeting of the Board of City Council of the City of Morehead, Kentucky held on this 10<sup>th</sup> day of June, 2019.

**APPROVED:**

**ATTESTED:**

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Laura White-Brown, Mayor

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Crissy Cunningham, City Clerk

## Budget Descriptions

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### Morehead Tourism Commission

#### **Income**

- **Gift Shop Sales** combined with reimbursements
- Increased **Hotel/Motel Tax** based on historical data trends from local tax
- **Outdoor Theatre Grant** removed as the grant will not be fulfilled by the state this year
- **Reimbursements** were increased as they are consolidated with **Gift Shop Sales**
- Increased **Restaurant Tax** based on historical data trends from local tax
- State Tourism has restructured the **matching funds** program. I project \$40,904 in matching funds with an expense of \$46,574 but will not have a definite until our submittal to the state on June 1 is approved.

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- Increased **Administrative Expenses – City of Morehead** based on percentage from restaurant tax and transient room tax collection
- **Administrative Expenses** changed to **Office Supplies/Copier Lease/Postage**
- **Benefits** increased by 9.81%
- Removed **Cell Phone Expense**
- Combined **Copier Lease** with **Office Supplies/Copier Lease/Postage**
- Increased **Grant Funding**
- Removed line itemed grants including:
  - 1<sup>st</sup> Annual Model Trail Show
  - Appalachian Classic
  - Big Turtle 50 Miler Trail Race
  - Bluegrass Kayak Anglers
  - Cave Run Symphony Orchestra
  - Crappie USA Tournament Trail
  - Echoes from the Halls of the Rowan County Courthouse
  - Friends of Cave Run Lake Memorial Bass Tournament
  - Haldeman-Hayes Crossing Gourd Festival and Reunion
  - Morehead Art Guild Art Show
  - Morehead Kentucky Proud Expo
  - Morehead Outdoor Theatre Festival
  - Morehead State University Appalachian Horse Revival
  - Morehead State University Concert Band Clinic
  - National Wild Turkey Federation
  - Rowan County Quilt Show
  - Rowan County 4-H Sharpshooters
  - Rudy Fest
  - Viking Tennis Challenge
- Increased **Insurance** as it relates to property, liability, public officials, workers compensation and bond
- Removed **Kentucky Folk Art Center Partnership Commitment** and combined with **Grant Funding**
- Removed **Laughlin Health Building Partnership Commitment** and used part of the proceeds in **Grant Funding**
- Increased **Legal** to include new legal team rates and any unforeseen expenses
- Lowered **Marketing/Travel/Education/Dues** to an even \$90,000
- **Moonlight Stage** lowered based on low expenses in 2018/19 fiscal year
- Removed **Outdoor Theatre Grant Expense** as the grant will not be fulfilled by the state this year
- Combined **Postage** with **Office Supplies/Copier Lease/Postage**
- Beginning to decrease annual **RCAC Building Assistants (Part-Time)**

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## Morehead Conference Center

### **Income**

- Lowered **Catering** as more events are allowing attendees to go out on their own to enjoy our local eateries
- Increased **Restaurant Tax** based on historical data trends from local tax

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- **Benefits** increased by 9.81%
- **Building Cleaning** combined with **Maintenance** for better efficiency
- **Depreciative Asset Reserve** lowered but will increase throughout the fiscal year as normal, goal to build back up the fund following the renovations
- **Garbage Pick Up** combined with **Utilities-Water/Sewer/Garbage/Recycling**
- **Insurance** will not be adjusted until final numbers are in from KLC
- **Interiors Improvements Loan** increased to allocate for 12 months of payments
- **Maintenance** increased as it was combined with **Building Cleaning**
- **Utilities -Electric** increased when it was combined with **Utilities-Electric Sign**
- Removed **Utilities – Electric Sign** and combined with **Utilities-Electric**
- Increased **Utilities – Phone/Internet/Cable** based on rate increases
- **Utilities – Water/Sewer/Garbage/Recycling** combined garbage and recycling
- **Vehicle Maintenance/Fuel** increased usage

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## Rowan County Arts Center

### **Income**

- **Facility Rentals** (previously Auditorium Rentals) was combined with **Other Rentals**
- Increased **Fundraisers and Donations** Dining with the Dead will return in 2019
- Increased **Gallery Sales** gift shop is showing progress
- **Grant/Reimbursement Income** combined with **Reimbursement Income**
- **Other Rentals** combined with **Facility Rentals**
- **Reimbursement Income** we combined with **Grants**

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- Decreased **Marketing/Travel/Education/Dues** to allow for increased **Maintenance** expense
- **Depreciative Asset Reserve** lowered but will increase throughout the fiscal year
- Increased **Fundraising Expense** covering expenses for Dining with the Dead
- **Insurance** will not be adjusted until final numbers are in from KLC
- **Maintenance** increased as we move forward on updating items on our punch list
- **Staff Travel Dues and Expense** combined with **Marketing/Travel/Education/Dues**
- **Utilities-Phone/Internet** based on rate increase

**Morehead Tourism Commission**  
**BUDGET FY 2019/20**

	FY 2018/19 BUDGET	FY 2019/20 BUDGET
<b>Morehead Tourism Commission</b>		
Carryover	\$ 42,445.53	\$ 19,165.04
<del>Gift Shop Sales</del>	\$ 5,000.00	\$ -
Hotel/Motel Tax	\$ 150,603.72	\$ 169,768.76
<del>Outdoor Theatre Grant</del>	\$ 19,500.00	\$ -
Reimbursements	\$ 10,000.00	\$ 12,000.00
Restaurant Tax	\$ 346,179.98	\$ 386,732.63
State Matching Funds	\$ 14,500.00	\$ 40,904.00
	<b>\$ 588,229.23</b>	<b>\$ 628,570.43</b>
Accountant Expenses	\$ 7,200.00	\$ 7,200.00
Administrative Expenses - City of Morehead	\$ 13,314.61	\$ 13,935.09
<del>Administrative Expenses—Office Supplies/Copier Lease/Postage</del>	\$ 5,000.00	\$ 12,776.20
Audit	\$ 7,500.00	\$ 7,500.00
Benefits	\$ 28,000.00	\$ 32,058.71
<del>Cell Phone Expense</del>	\$ 2,400.00	\$ -
City of Morehead-Recreation Property Purchase Loan	\$ 22,049.16	\$ 22,049.16
<del>Copier Lease</del>	\$ 7,200.00	\$ -
Executive Director	\$ 59,244.11	\$ 59,244.11
Grant Funding	\$ 30,160.21	\$ 125,000.00
<del>1st Annual Model Train Show</del>	\$ -	\$ -
16th Region Basketball Tournaments	\$ 7,500.00	\$ 7,500.00
<del>Appalachian Classic</del>	\$ 4,500.00	\$ -
<del>Big Turtle 50 Miler Trail Race</del>	\$ 4,500.00	\$ -
<del>Bluegrass Kayak Anglers - PMTT - Cave Run Spring Shootout</del>	\$ 4,000.00	\$ -
Cave Run Storytelling Festival	\$ 3,500.00	\$ 3,500.00
<del>Cave Run Symphony Orchestra</del>	\$ 4,000.00	\$ -
<del>Crappie USA Tournament Trail</del>	\$ 4,000.00	\$ -
<del>Echoes from the Halls of the Rowan County Courthouse</del>	\$ -	\$ -
<del>Friends of Cave Run Lake Memorial Bass Tournament</del>	\$ 4,000.00	\$ -
<del>Haldeman-Hayes Crossing Gourd Festival and Reunion</del>	\$ 500.00	\$ -
Morehead Hometown Holiday & CRSO Holiday Concert	\$ 3,000.00	\$ 3,000.00
Morehead Arts and Eats Festival	\$ 14,000.00	\$ 11,000.00
<del>Morehead Art Guild Art Show</del>	\$ 500.00	\$ -
Morehead Freedom Fest	\$ 20,000.00	\$ 20,000.00
<del>Morehead Kentucky Proud Expo</del>	\$ 2,500.00	\$ -
<del>Morehead Outdoor Theatre Festival</del>	\$ 4,000.00	\$ -
Morehead-Rowan County EDC marketing	\$ 5,000.00	\$ 5,000.00
<del>Morehead State University Appalachian Horse Revival</del>	\$ -	\$ -
<del>Morehead State University Concert Band Clinic</del>	\$ 1,500.00	\$ -
Morehead Trail Town Support	\$ 5,000.00	\$ 2,500.00
<del>National Wild Turkey Federation</del>	\$ 500.00	\$ -
Rowan County Arts Center marketing	\$ 5,000.00	\$ 2,500.00
<del>Rowan County Quilt Show</del>	\$ -	\$ -
<del>Rowan County 4-H Sharpshooters</del>	\$ -	\$ -
<del>Rudy Fest</del>	\$ -	\$ -
<del>Viking Tennis Challenge</del>	\$ -	\$ -
Insurance	\$ 12,019.79	\$ 12,019.79
Kentucky Folk Art Center Partnership Commitment	\$ 12,500.00	\$ -
<del>Laughlin Health Building Partnership Commitment</del>	\$ 35,000.00	\$ -
Legal	\$ 2,000.00	\$ 3,200.00
Marketing/Travel/Education/Dues	\$ 137,635.62	\$ 90,000.00
Moonlight Stage	\$ 2,000.00	\$ 1,500.00
Morehead Visitor Center	\$ 15,100.00	\$ 15,100.00
<del>Outdoor Theatre Grant Expense</del>	\$ 19,500.00	\$ -
Payroll Tax Expense	\$ 12,000.00	\$ 11,695.42
<del>Postage</del>	\$ 2,500.00	\$ -
RCAC Building Assistants (Part-Time)	\$ 5,000.00	\$ 4,000.00
RCAC Director	\$ 50,367.29	\$ 50,367.29
Retirement	\$ 41,538.54	\$ 31,865.99
Visitor Center Program Specialist	\$ 38,740.52	\$ 38,740.52
	<b>\$ 665,469.85</b>	<b>\$ 593,252.28</b>
	<b>VARIANCE</b>	<b>\$ 35,318.15</b>

**Morehead Conference Center**  
**BUDGET FY 2019/20**

	FY 2018/19 BUDGET	FY 2019/20 BUDGET
<b>Morehead Conference Center</b>		
Carryover	\$ 26,039.88	\$ 36,797.62
Catering	\$ 64,840.48	\$ 45,000.00
Facility Room Rental	\$ 100,000.00	\$ 100,000.00
Facility Services Income	\$ 5,000.00	\$ 5,000.00
Interest Income	\$ 472.32	\$ 472.32
Loan Proceeds		
Restaurant Tax	\$ 985,281.48	\$ 994,455.33
	<b>\$ 1,181,634.16</b>	<b>\$ 1,181,725.27</b>
Benefits	\$ 11,000.00	\$ 12,386.24
Building Assistant (Part-Time)	\$ 47,000.00	\$ 47,000.00
<del>Building Cleaning</del>	\$ 25,000.00	
Depreciative Asset Reserve	\$ 80,000.00	\$ 50,000.00
Event Supplies/Expense	\$ 60,000.00	\$ 60,000.00
Facilities Operator/Staff Supervisor	\$ 48,900.28	\$ 48,900.28
<del>Garbage Pick Up</del>	\$ 720.00	\$ -
Insurance	\$ 16,730.37	\$ 16,730.37
Interior Improvements Loan	\$ 16,206.12	\$ 21,608.16
Jefferstown Pool	\$ 99,900.00	\$ 99,900.00
Maintenance	\$ 70,000.00	\$ 90,000.00
Marketing/Travel/Education/Dues	\$ 50,000.00	\$ 50,000.00
MCC Director	\$ 54,290.18	\$ 54,290.18
Morehead Pool	\$ 102,000.00	\$ 102,000.00
Newport Pool	\$ 295,000.00	\$ 295,000.00
Parking Lot Lease	\$ 7,200.00	\$ 7,200.00
Payroll Tax Expense	\$ 8,000.00	\$ 8,059.73
Retirement	\$ 28,893.33	\$ 22,165.31
Richmond Pool	\$ 85,000.00	\$ 85,000.00
Utilities-Electric	\$ 71,500.00	\$ 73,000.00
<del>Utilities-Electric Sign</del>	\$ 1,500.00	\$ -
Utilities-Gas	\$ 7,000.00	\$ 7,000.00
Utilities-Phone/Internet/Cable	\$ 8,000.00	\$ 8,500.00
Utilities-Water/Sewer/Garbage/Recycling	\$ 3,000.00	\$ 3,720.00
Vehicle Maintenance/Fuel	\$ 1,000.00	\$ 1,800.00
	<b>\$ 1,197,840.28</b>	<b>\$ 1,164,260.27</b>
	<b>VARIANCE</b>	<b>\$ 17,465.00</b>

**Rowan County Arts Center**  
**BUDGET FY 2019/20**

	<b>FY 2018/19 BUDGET</b>	<b>FY 2019/20 BUDGET</b>
<b>Rowan County Arts Center</b>		
Carryover	\$ 28,561.95	\$ 12,500.00
Art Classes	\$ 2,500.00	\$ 2,500.00
<del>Auditorium</del> Facility Rentals	\$ 9,500.00	\$ 11,000.00
Fundraisers and Donations	\$ 14,000.00	\$ 16,000.00
Gallery Sales	\$ 2,000.00	\$ 2,500.00
Grant/Reimbursement Income	\$ 13,000.00	\$ 14,000.00
<del>Other Rentals</del>	\$ 1,500.00	\$ -
<del>Reimbursement Income</del>	\$ 2,000.00	\$ -
Studio Rentals	\$ 17,400.00	\$ 17,400.00
	<b>\$ 90,461.95</b>	<b>\$ 75,900.00</b>
Accountant Expense	\$ 1,800.00	\$ 1,800.00
<del>Advertising</del> Marketing/Travel/Education/Dues	\$ 18,000.00	\$ 10,000.00
Art Supplies	\$ 2,500.00	\$ 2,500.00
Building Assistants (Part-Time)	\$ 6,000.00	\$ 6,000.00
Depreciative Asset Reserve	\$ 24,950.00	\$ 12,500.00
Exhibit Expense	\$ 600.00	\$ 600.00
Fundraising Expense	\$ 5,000.00	\$ 7,000.00
Gallery Sales Expense	\$ 2,500.00	\$ 2,500.00
Garbage/Recycling Pick Up	\$ 550.00	\$ 550.00
Instructor Expense	\$ 2,000.00	\$ 2,000.00
Insurance	\$ 461.95	\$ 500.00
Maintenance	\$ 8,000.00	\$ 12,000.00
Offices Supplies/Postage Fees	\$ 2,000.00	\$ 2,000.00
Rent to County	\$ 12,000.00	\$ 12,000.00
<del>Staff Travel Dues and Expense</del>	\$ 1,500.00	\$ -
Utilities-Outdoor Utility Box	\$ 400.00	\$ 400.00
Utilities-Phone/Internet	\$ 2,200.00	\$ 2,600.00
	<b>\$ 90,461.95</b>	<b>\$ 74,950.00</b>
	<b>VARIANCE</b>	<b>\$ 950.00</b>

**Morehead Tourism Commission, Morehead Conference Center, Rowan County Arts  
Center**

**BUDGET FY 2018/19**

	<b>FY 2018/19 BUDGET</b>	<b>FY 2019/20 BUDGET</b>
<b>REVENUES</b>		
Morehead Tourism Commission	\$ 588,229.23	\$ 628,570.43
Morehead Conference Center	\$ 1,181,634.16	\$ 1,181,725.27
Rowan County Arts Center	\$ 90,461.95	\$ 75,900.00
<b>TOTAL</b>	<b>\$ 1,860,325.34</b>	<b>\$ 1,886,195.70</b>
<b>EXPENSES</b>		
Morehead Tourism Commission	\$ 665,469.85	\$ 593,252.28
Morehead Conference Center	\$ 1,197,840.28	\$ 1,164,260.27
Rowan County Arts Center	\$ 90,461.95	\$ 74,950.00
<b>TOTAL</b>	<b>\$ 1,953,772.08</b>	<b>\$ 1,832,462.55</b>
<b>MOREHEAD TOURISM COMMISSION SUMMARY</b>		
REVENUES	\$ 588,229.23	\$ 628,570.43
EXPENSES	\$ 665,469.85	\$ 593,252.28
	\$ -	\$ 35,318.15
<b>MOREHEAD CONFERENCE CENTER SUMMARY</b>		
REVENUES	\$ 1,181,634.16	\$ 1,181,725.27
EXPENSES	\$ 1,197,840.28	\$ 1,164,260.27
	\$ -	\$ 17,465.00
<b>ROWAN COUNTY ARTS CENTER SUMMARY</b>		
REVENUES	\$ 90,461.95	\$ 75,900.00
EXPENSES	\$ 90,461.95	\$ 74,950.00
	\$ -	\$ 950.00