

A LOUISVILLE LANDMARK

## The Belle is a cherished symbol of our city.

For many Louisvillians, the Belle is also their first and, perhaps, only experience on the water.

If we lose this beloved steamboat, Louisville loses an icon and community-wide access to the river that no one else can provide.

**BELLE** OF LOUISVILLE  
RIVERBOATS



## OUR ASK

**BELLE OF LOUISVILLE**  
RIVERBOATS

Louisville is home to the only and oldest steamboat of her kind left in the world, the legendary lady herself, the Belle of Louisville. At 106 years old and counting, she's a miracle, a functioning artifact and living museum that still operates with 19<sup>th</sup> century technology. You can't find anything like her *anywhere* in the world. We take that for granted here in Louisville, like so many aspects of our beautiful city.

To be clear, it's not just her age that makes her so special- it's her stories. Her decks and engine room and pilot house are soaked in history and adventure and all the people and places she's seen as the most widely traveled excursion boat in existence.

As Louisville's Belle for the past 60 years, the city has leveraged her to welcome millions to enjoy such iconic events as the Great Steamboat Race, Thunder Over Louisville and Forecastle, not to mention countless field trips, high school dances, weddings and special events hosting tourists and dignitaries from around the globe, all here to enjoy "the River City."

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## OUR ASK, CONT.

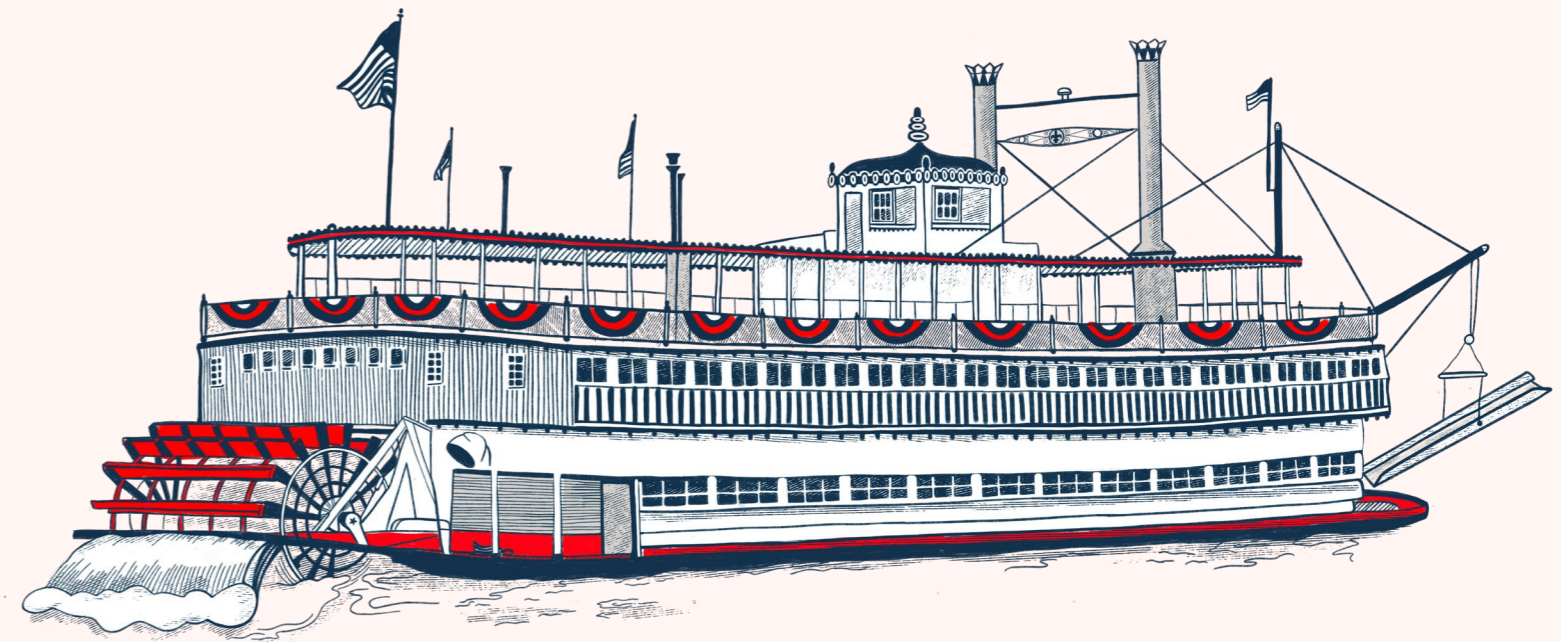
Her image has been splashed on thousands of ads, media stories, murals, magazines, souvenirs, paintings and books as a symbol of the laid-back charm, whimsy and authenticity to be found here in our unique town. The Belle is no doubt one of Louisville's most recognizable icons.

Though Belle of Louisville Riverboats functions much like an independent organization, it's in fact an agency of Metro Government and, as such, not eligible to receive COVID stimulus funds that have been a lifeline to other non-profit and for-profit organizations alike. If we hope to stay afloat, to continue to be a top tourist attraction and to reach our full potential as a historical, cultural and educational asset to the city, we need Louisville Metro Government's help.



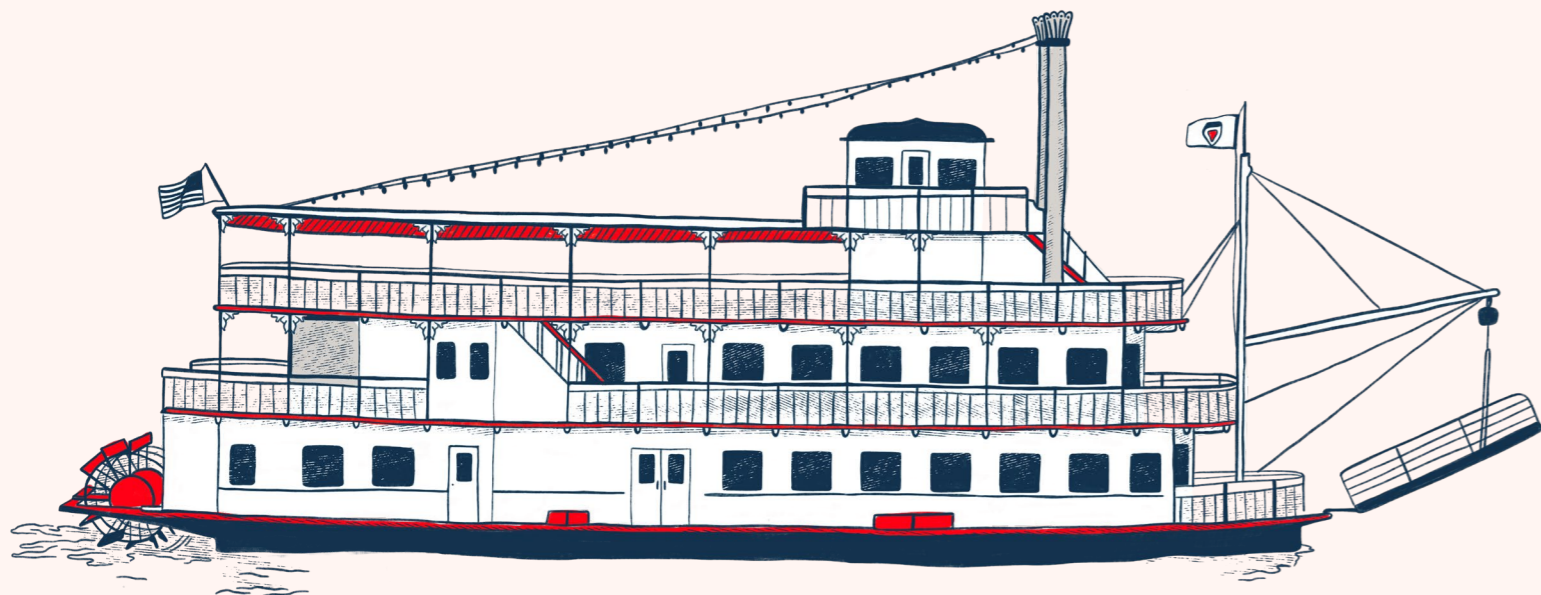
# OUR MISSION

Transforming from “party boat” to educational & cultural organization



To provide community access to the river and to Louisville’s history by providing meaningful and engaging experiences on the water, like no one else can.

We further commit to providing programming that allows passengers to explore history, the arts and cultural heritage in a way that represents diverse histories and honest experiences.



# TWO YEAR PLAN

Our most urgent priorities in support of this mission include:

## **PROFESSIONALIZE**

Build structure and processes consistent with a modern \$3MM non-profit organization

## **ENHANCE THE EXPERIENCE**

Create a meaningful passenger experience that appeals to diverse audiences

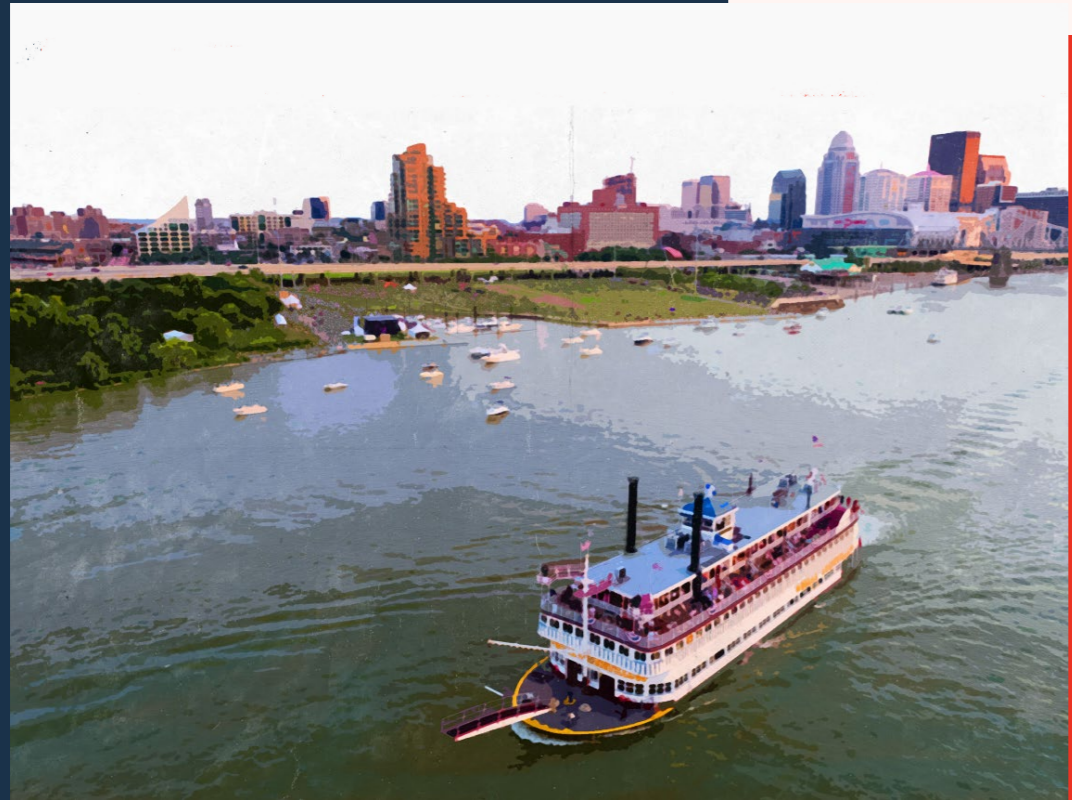
## **GROW SUPPORT**

Expand audiences and grow our support base to become more self-sustaining

## **BUILD A BRAND**

Create a well-defined brand based on our authenticity and uniqueness that Louisvillians

# COMMUNITY OUTREACH



Ways that we will support our community include:

## HIGH SCHOOL STUDENTS

- Work-based learning program and career pathways partnership

## ELEMENTARY & MIDDLE SCHOOL STUDENTS

- Dockside “Homeport Adventure” onboard the Belle of Louisville = free/low-cost programs in partnership with community centers, Boys & Girls Club, YMCA, etc.
- Expanded field trip programming, including virtual and on-site content

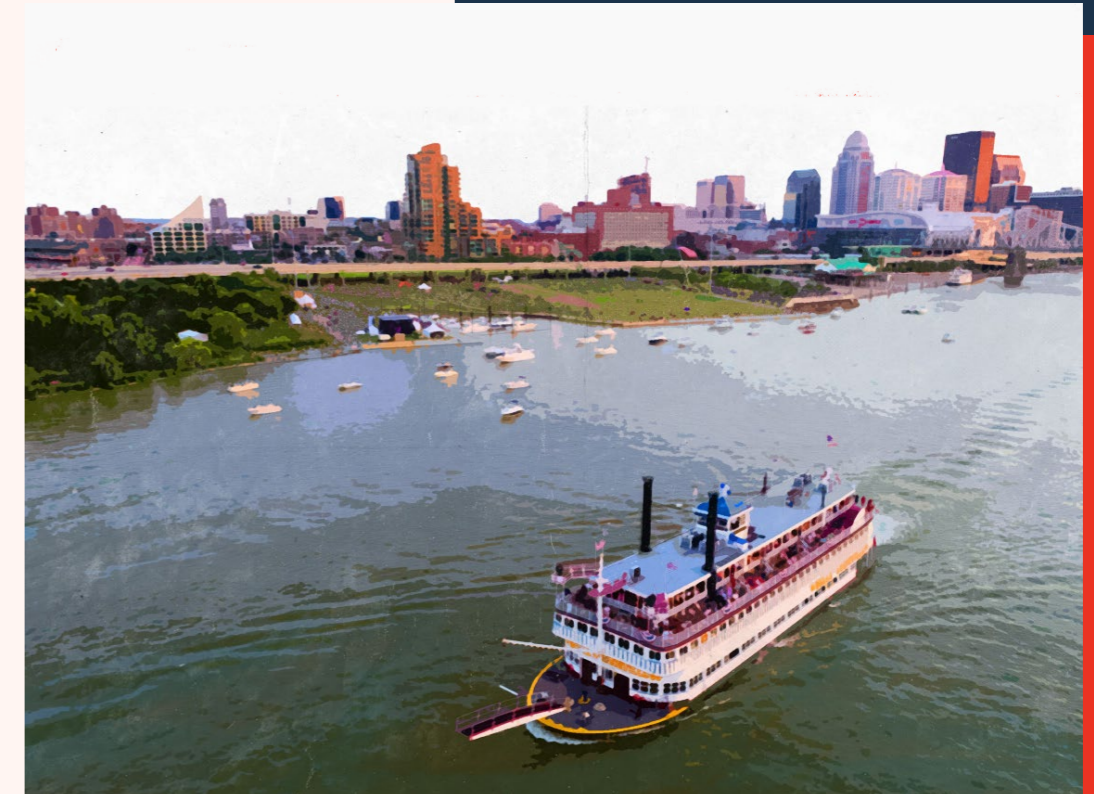
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# COMMUNITY OUTREACH CONT.



## GENERAL PUBLIC

- Spring Break Staycation Week  
\$5 Harbor History & free dockside museum experiences, “Homeport Adventure”
- “Vintage pricing” days  
Charge ticket prices 1960s, 70s, 80s, i.e. \$2
- Non-profit charter rates  
To be more supportive of churches & community organizations
- Two-tier pricing  
Jefferson County residents get less expensive tickets, including on “District Days on the Belle” where each Metro Council district can host their own constituents
- Arts & Cultural Alliance’s “Cultural Pass”  
Louisville Library card gets families free sightseeing passes
- “Pay What You Can Days”  
Sliding scale. If you can pay more, it subsidizes others’ experiences





DRAFT: Feb. 18, 2021

	2018-19 Actual	2019-20 Actual	2020-21 Budget	2020-21 YE Forecast Operating both boats	2020-21 YE Forecast Not operating March-June	12/31/2020 YTD Q2 2020-21	12/31/2019 YTD Q2 2019-20	% change
METRO FUNDING	\$ 328,000	\$ 28,000	\$ 528,000	\$ 528,000	\$ 528,000	\$ 264,000	\$ -	-100%
TOURISM GRANT		\$ 500,000	\$ -				\$ -	
OPERATING REVENUE	\$ 2,741,243	\$ 1,879,088	\$ 3,210,652	\$ 799,398	\$ 246,478	\$ 393,756	\$ 1,812,385	-78%
	<b>\$ 3,069,243</b>	<b>\$ 2,407,088</b>	<b>\$ 3,738,652</b>	<b>\$ 1,327,398</b>	<b>\$ 774,478</b>	<b>\$ 657,756</b>	<b>\$ 1,812,385</b>	<b>-64%</b>
COST OF SALES	\$ 753,223	\$ 491,455	\$ 853,442	\$ 207,843	\$ 103,175	\$ 103,175	\$ 473,659	-78%
GROSS MARGIN	\$ 2,316,020	\$ 1,915,633	\$ 2,885,210	\$ 1,119,555	\$ 671,303	\$ 554,581	\$ 1,338,726	-59%
Total Employee Costs	\$ 1,852,592	\$ 1,720,285	\$ 2,009,177	\$ 1,498,136	\$ 1,229,451	\$ 852,517	\$ 975,560	-13%
Vehicle & Indemnity Insurance	\$ 4,681	\$ 5,534	\$ 4,477	\$ 4,432	\$ 4,432	\$ 4,432	\$ 3,022	47%
Office Operations	\$ 23,109	\$ 26,937	\$ 26,291	\$ 26,448	\$ 26,448	\$ 18,448	\$ 15,801	17%
Other G & A	\$ 157,056	\$ 86,627	\$ 126,751	\$ 79,456	\$ 79,456	\$ 46,456	\$ 62,721	-26%
Wharf Maintenance	\$ 1,188	\$ 947	\$ 8,300	\$ 1,000	\$ 1,000	\$ -	\$ 342	-100%
Marketing	\$ 47,042	\$ 62,131	\$ 219,785	\$ 114,323	\$ 79,323	\$ 79,323	\$ 27,318	190%
Food & Beverage Related	\$ 9,968	\$ 3,024	\$ 16,408	\$ 3,195	\$ 1,850	\$ 1,850	\$ 1,498	23%
Concessions	\$ 11,727	\$ 7,656	\$ 9,200	\$ 2,834	\$ 1,641	\$ 1,641	\$ 6,715	-76%
Beverage	\$ 20,794	\$ 16,104	\$ 16,615	\$ 5,427	\$ 3,142	\$ 3,142	\$ 10,071	-69%
VOPs Training & Safety	\$ 11,713	\$ 14,246	\$ 17,920	\$ 1,000	\$ 348	\$ 348	\$ 7,838	-96%
Boat Fuel & Oil	\$ 222,021	\$ 131,265	\$ 247,690	\$ 45,000	\$ 35,000	\$ 19,972	\$ 110,617	-82%
Vessel Ops R & M	\$ 51,247	\$ 70,633	\$ 72,157	\$ 15,100	\$ 15,100	\$ 7,550	\$ 19,635	-62%
Operational Supplies	\$ 59,265	\$ 34,703	\$ 78,600	\$ 12,780	\$ 12,780	\$ 6,780	\$ 20,022	-66%
USCG	\$ 16,268	\$ 4,823	\$ 7,140	\$ 5,700	\$ 5,700	\$ 100	\$ 95	5%
Other Vessel Operations	\$ 10,672	\$ 17,050	\$ 24,700	\$ 25,000	\$ 25,000	\$ 19,252	\$ 7,176	168%
OPERATING EXPENSES	\$ 2,499,343	\$ 2,201,965	\$ 2,885,210	\$ 1,839,831	\$ 1,520,671	\$ 1,061,811	\$ 1,268,431	-16%
NET INCOME	<b>\$ (183,323)</b>	<b>\$ (286,332)</b>	<b>\$ (0)</b>	<b>\$ (720,276)</b>	<b>\$ (849,368)</b>	<b>\$ (507,230)</b>	<b>\$ 70,295</b>	<b>-822%</b>

Had a \$233K surplus for FY18, so subsidy was decreased by \$200K

Effects of COVID felt in Q4, which was down 77%

There is \$201,309 in employees costs in FY20-21 related directly to the Belle's shipyard project. The original assumption was this would book to the capital budget for the shipyard.



## **ASSUMPTIONS FOR FY21 FORECASTS**

The 2021-21 year-end forecast in yellow assumes operating both boats starting on a typical schedule, meaning...

The Mary M. Miller starts cruising in March, as weather & water conditions allow.

The Belle starts cruising in April.

The 2020-21 year-end forecast in orange assumes neither boat will cruise for the remainder of fiscal year 2021.

All shipyard related expenses have been backed out of Vessel Ops Repair & Maintenance line items for all three FY21-related columns.

Operating Revenue in the orange column assumes refunds of over \$257,000 to customers already booked for the 2021 season.

Both forecast scenarios assume maintaining the certification of both vessels.



DRAFT: Feb. 4, 2021

Fiscal Year 2021-22	BELLE & BROADDUS		MARY M. MILLER	CRUISING ONLY MARY WHILE MAINTAINING BELLE & BROADDUS	CRUISING ONLY BELLE
METRO FUNDING	\$ 975,000	\$ 975,000	\$ -	\$ 975,000	\$ 975,000
OPERATING REVENUE	\$ 1,485,000	\$ 1,039,500	\$ 445,500	\$ 788,535	\$ 1,039,500
	\$ 2,460,000	\$ 2,014,500	\$ 445,500	\$ 1,763,535	\$ 2,014,500
COST OF SALES	\$ 400,950	\$ 280,665	\$ 120,285	\$ 212,904	\$ 280,665
GROSS MARGIN	\$ 2,059,050	\$ 1,733,835	\$ 325,215	\$ 1,550,631	\$ 1,733,835
Total Employee Costs	\$ 1,625,000	\$ 1,625,000	\$ -	\$ 1,200,000	\$ 1,550,000
Vehicle Insurance	\$ 5,000	\$ 2,500	\$ 2,500	\$ 5,000	\$ 2,500
Office Operations	\$ 15,000	\$ 10,500	\$ 4,500	\$ 15,000	\$ 10,500
Other G & A	\$ 70,000	\$ 49,000	\$ 21,000	\$ 70,000	\$ 49,000
Wharf Maintenance	\$ 1,000	\$ 700	\$ 300	\$ 1,000	\$ 700
Marketing	\$ 115,000	\$ 103,500	\$ 11,500	\$ 80,000	\$ 103,500
Food & Beverage Related	\$ 3,000	\$ 2,100	\$ 900	\$ 900	\$ 2,100
Concessions	\$ 6,000	\$ 4,200	\$ 1,800	\$ 1,800	\$ 4,200
Beverage	\$ 15,000	\$ 10,500	\$ 4,500	\$ 4,500	\$ 10,500
VOPs Training & Safety	\$ 3,000	\$ 2,100	\$ 900	\$ 900	\$ 2,100
Boat Fuel & Oil	\$ 110,000	\$ 99,000	\$ 11,000	\$ 85,000	\$ 99,000
Vessel Ops R & M	\$ 31,500	\$ 25,200	\$ 6,300	\$ 25,000	\$ 25,200
Operational Supplies	\$ 30,000	\$ 22,500	\$ 7,500	\$ 30,000	\$ 22,500
USCG	\$ 5,700	\$ 4,200	\$ 1,500	\$ 5,700	\$ 4,200
Other Vessel Operations	\$ 16,000	\$ 11,200	\$ 4,800	\$ 25,000	\$ 11,200
		\$ -			
OPERATING EXPENSES	\$ 2,051,200	\$ 1,972,200	\$ 79,000	\$ 1,549,800	\$ 1,897,200
NET INCOME	\$ 7,850	\$ (238,365)	\$ 246,215	\$ 831	\$ (163,365)



DRAFT: Feb. 18, 2021

When we begin to return to pre-COVID ticket sales

	FY21*	FY22	FY23	FY24	FY25	FY26
<b>TOTAL REQUESTED METRO FUNDING</b>	\$ 1,253,000	\$ 975,000	\$ 710,000	\$ 475,000	\$ 370,000	\$ 425,000
Decreasing each year by		<b>22%</b>	<b>27%</b>	<b>33%</b>	<b>22%</b>	<b>-15%</b>
OPERATING REVENUE	\$ 799,398	\$ 1,421,334	\$ 2,272,748	\$ 2,824,181	\$ 3,074,060	\$ 3,202,020
<b>TOTAL REVENUE</b>	\$ 2,052,398	\$ 2,396,334	\$ 2,982,748	\$ 3,299,181	\$ 3,444,060	\$ 3,627,020
COST OF SALES	\$ 207,843	\$ 383,760	\$ 613,642	\$ 762,529	\$ 829,996	\$ 864,546
GROSS MARGIN	\$ 1,844,555	\$ 2,012,574	\$ 2,369,106	\$ 2,536,652	\$ 2,614,064	\$ 2,762,475
<b>OPERATING EXPENSES</b>	\$ 1,839,831	\$ 2,050,200	\$ 2,357,730	\$ 2,525,617	\$ 2,601,385	\$ 2,751,385
<b>NET INCOME</b>	\$ <b>4,724</b>	\$ <b>8,850</b>	\$ <b>11,376</b>	\$ <b>11,036</b>	\$ <b>12,679</b>	\$ <b>11,090</b>
<b>CAPITAL EXPENSES</b>	\$ 700,000			\$ 100,000		\$ 350,000
for sending boats to USCG mandated drydock	<b>Belle of Louisville</b>			<b>Mary M. Miller</b> Shipyard-related labor costs have been added to operational budget		<b>Belle of Louisville</b> Shipyard-related labor costs have been added to operational budget

\*  
\$528,000 was previously appropriated in FY 2020-21. We are requesting \$725,000 in additional emergency funding for FY 2020-21. \$201,000 is due to shipyard-related labor costs not being able to book to the capital budget. \$525,000 is due to COVID -related shortfall.

Revenue projection details

	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>
Ticket Sales, Onboard	\$ 1,311,334	\$ 2,137,748	<b>\$ 2,657,241</b>	<b>\$ 2,874,286</b>	<b>\$ 2,992,269</b>
Memberships	\$ 30,000	\$ 34,500	\$ 39,675	\$ 43,643	\$ 55,103
Donations	\$ 30,000	\$ 34,500	\$ 39,675	\$ 43,643	\$ 54,648
Sponsorships & Grants	\$ 50,000	\$ 57,500	\$ 71,875	\$ 79,063	\$ 100,000
	<b>\$ 1,421,334</b>	<b>\$ 2,264,248</b>	<b>\$ 2,808,466</b>	<b>\$ 3,040,633</b>	<b>\$ 3,202,020</b>

Projections are based on benchmarks, tourism industry statistics and best guess-timates. The environment post-COVID continues to change and projections will be updated as new information is available.

# SUMMARY

## **Operating with a “normal” season for 2021**

= \$725,000 in additional assistance for FY20-21

= \$975,000 for FY22

## **Total additional assistance needed through FY26** (estimated)

= \$4,130,000 TOTAL

- Operational subsidy = \$3,680,000
- Capital for Mary’s & Belle’s next drydock projects = \$450,000

**Deferred maintenance project costs not included.**



## FREQUENTLY ASKED QUESTIONS: FAQs for 2020-2021

1. **Have you or will you apply for Federal CARES Act funding?**

Because Belle of Louisville Riverboats is an agency of Louisville Metro Government and not an independent 501c3, we are not eligible for the Paycheck Protection Program or other federal stimulus funding. Had we been eligible, we could have received over \$538,000 for payroll and utilities assistance. If not for shipyard-related labor costs of ~\$200,000, we would be asking for a very similar amount, \$525,000, to make budget for FY21.

2. **What have you done to mitigate the losses in FY20 and FY21?**

We implemented a spending freeze for all non-essential expenses in April 2020 that remains in effect. Additionally, we implemented furloughs and partial furloughs during Spring 2020 when we were not cruising and again in late Fall 2020 that remain in effect currently. During the 2020 cruising season, we began passing along sales tax and credit card fees to customers rather than covering those costs ourselves. In a typical year, these new measures will save us between \$100,000 - \$150,000. We also executed more strategic and aggressive marketing and communications efforts than ever before, which yielded a return on investment.

3. **How does COVID's impact on Belle of Louisville Riverboats compare to how other attractions were impacted?**

From the 2019 season to the 2020 season, we saw an 88% decrease in the number of passengers, an 84% decrease in revenues and a 77% decrease in the number of cruises. Unfortunately, we were not alone in these dismal numbers. According to the Passenger Vessel Association (PVA), most organizations similar to ours saw business decrease between 80% and 90%. Other popular Louisville attractions also faced similar numbers, with attendance down 76% for the Louisville Slugger Museum, 70% for the Evan Williams Bourbon Experience and 76% for the Kentucky Derby Museum. If bats, bourbon and horses are down in Louisville, Ky., you know it's bad!

4. **Why do you call it "Belle of Louisville Riverboats" (plural)?**

Our agency consists of three vessels owned by Louisville Metro Government. Those are the Belle of Louisville, the only boat of her kind in the world, the Mary M. Miller, named after a Louisvillian who was the first licensed steamboat captain in the U.S., and our ticket office, the Mayor Andrew Broaddus. Both the Belle and the Broaddus, also known as Life-saving Station #10, are National Historic Landmarks.

5. **What are you doing to reach underserved communities?**

This is a top organizational priority, so we are actively developing and seeking more ways to meet this important goal. That said, here's a summary of what we're already implementing for the 2021 season:

To more effectively reach broader, more diverse audiences, including underserved communities, we are creating more engaging, themed experiences that allow passengers to explore history and cultural heritage in a way that represents diverse histories and honest experiences. Among other efforts, this includes new narration content on regular cruises as well as new educational programs. We look forward to creating closer relationships with area schools, particularly JCPS.

As part of Louisville Tourism's Black Heritage "Unfiltered Truth Collection" itineraries, our new public programming will feature content recognizing the symbolic and geographic role the Ohio River played as a gateway to the "free North" for enslaved African Americans prior to and during the Civil War, as well as the contributions of African Americans in the steamboat industry and to river commerce. We look forward to partnering with Roots 101 Museum and others to produce events and programming in this regard. We are proud to partner with IDEAS xLab for Floating Reconciliation experiences onboard the Belle as part of the (Un)known Project.

While Belle of Louisville Riverboats passengers represent residents of every Metro Council district on a regular basis, we are also (re)launching "Home Port Adventure Tours" in 2021, a *free* "floating museum" experience that will take place dockside onboard the Belle in order to be even more accessible to all Louisvillians. We designed tours, materials and programming for these last year, but reduced staffing levels and limited downtown traffic kept us from getting traction.

For the first time in 2020, we also participated in the Arts & Cultural Alliance's Cultural Pass program, which provides families in Louisville with children ages 0-21 access to participate in arts and cultural activities provided by more than 60 venues, free of charge. We will participate again in 2021.

Also this year, as part of our "Belle Memories" campaign, we will offer "vintage pricing days," where we price tickets exactly as they were in 60s, 70s and 80s, making sightseeing cruises accessible to all income levels. We're also going to introduce a two-tier pricing structure where local residents receive discounted tickets on a regular basis, as well as a non-profit rate for charters.

**6. What is Belle of Louisville Riverboats' typical "season?"**

Our typical cruising season is March through December. The season usually begins in March on the Mary M. Miller, as weather and water conditions allow. The Belle begins cruising in April. Both boats typically cruise multiple times a week April through October. In early November, the Belle is winterized to keep her massive antique boilers and pipe system from freezing. The Mary cruises in November and December. Our last cruise for the season is usually a New Years Eve event onboard the Mary. The Mary enables us to have a 10-month cruising season instead of a 7-month season.

**7. Why are costs still so high even when the boats are not operating?**

A significant ongoing investment is required to keep our vessels minimally staffed to conduct the Homeland Security-mandated 24-hour watches and maintain U.S. Coast Guard certifications, as well as to conduct year-round maintenance on the two historic boats. What's more, the boats must be staffed 24/7 for the safety of the boats and the public, particularly during high water conditions, which tend to coincide with when we're not cruising.

**8. How many crew does it take to operate the Belle versus the Mary M. Miller?**

The U.S. Coast Guard has manning requirements for passenger vessels based on the size of the boat. Additionally, based on the different layouts and sizes, the Belle requires more staff for bar/concessions than the Mary. On a typical cruise, the Belle requires 17 crew versus 7 total crew members required onboard the Mary. That's an average of 41% more staff necessary to run the Belle than her sister vessel.

**9. In a typical year, how many passengers do you have? Where are they from?**

In calendar year 2019, a typical year, we had 79,451 passengers. Of these, 20% were from Louisville and immediately surrounding areas, 12% were from the state of Kentucky, while the remaining 68% were from outside Kentucky. Of 2019 passengers, 48% were individuals, 19% were groups and 33% were onboard charters. From a revenue standpoint, 68% of revenue was earned from public cruises (including groups), 21% was earned from private charters, while the remaining 11% was from the Metro subsidy and other sources.

**10. How do these 2019 cruise statistics compare to 2020?**

In calendar year 2020, we had 9,819 passengers, an 88% decrease from what we see in a typical year. Of 2020 passengers, 28% were from Louisville and immediately surrounding areas, 17% were from the state of Kentucky, while the remaining 55% were from outside the state of Kentucky. From a revenue standpoint, 49% of revenue was earned from public cruises (including groups) 6% from private charters, 11% from donations and memberships (new!), with the remaining 34% in the form of the Metro subsidy.

In 2019, we had 415 cruises. In 2020, we had a total of 95 cruises from mid-June, once we could reopen, to mid-November, when we closed again amid tighter COVID restrictions and rising infection rates. (Typically, we cruise from March through December.) It's also worth noting that, in 2020, we cruised with capacity limits due to COVID that ranged between 25% to 33% of Coast-Guard approved capacity.

**11. Why is marketing higher in 2020-21?**

Historically, Belle of Louisville Riverboats has invested very little in marketing the attraction to individuals and locals. What's more, prior to the 2020 season, we did not have a defined brand, marketing & communications plan or strategies regarding audience expansion. 2020 was originally designed, as evidenced from the FY 2020-21 budget, to be a year of growth. When COVID struck, we felt it was just as important, if not more so, to launch the new branding work that had just been completed, to share our new offerings and new website and to engage locals who haven't visited the boats for many years (if ever). It's worth noting that there was a return on the marketing investment in both years. In 2020, we also had earned media valued at \$786,570 and marked growth in our social media presence. Our new offerings include providing a higher quality, more authentic riverboat experience with more delicious food, more live music and unique special events designed to engage new audiences, especially families with children and people ages 20-40. To produce these experiences, we prioritize working with local caterers, local musicians and vendors to stimulate our hometown's economy.