



**CITY OF BEVERLY HILLS
STAFF REPORT**

Meeting Date: June 17, 2008
To: Honorable Mayor & City Council
From: Alison Maxwell, Director Economic Development and Marketing
Subject: 2008-2009 Funding for Beverly Hills Chamber of Commerce Conference and Visitors Bureau (CVB) and Economic Development Division (EDD)
Attachments: A. Funding Request and Report - Chamber ED Division
B. Funding Request and Report - Chamber – CVB

INTRODUCTION

This report outlines the funding requests from two departments of the Chamber of Commerce – the Economic Development Division (EDD) and the Conference and Visitors Bureau (CVB). Program funding requests with current year highlights for both programs are attached.

DISCUSSION

For many years, the City has chosen to contract out for tourism marketing and economic development functions through the Beverly Hills Chamber of Commerce. The two divisions of the Chamber of Commerce that receive funding are the Conference and Visitors Bureau (CVB) and the Economic Development Division (EDD).

Together, these organizations provide the City with tourism marketing and business development programs to help achieve some of the City's principal goals - such as, to ensure that:

"Beverly Hills is known internationally for its alluring and distinctive hotels, retail stores, restaurants, entertainment industry, and unique headquarter businesses"

In 2004-2005 the City and its economic development partners embarked on a three-year budget planning process. This was in recognition of the need for better planning and program focus and to provide an element of security to key programs that needed long lead times, such as media buys and special event preparation.

In July 2007, the City Council approved a new three-year commitment to support these programs and provide stable core funding. Outlined below is a history of funding over

the last four years; 2004 representing the first year that Council committed to consolidating and planning funding over a three year period.

Review of 2004-2008 Core Funding

Base funding refers to the annual funding committed to support core programs and projects. On occasion, the City has contracted for certain specific projects such as hiring a consultant to undertake a particular study – these amounts are not added to the annual base and funding ends upon completion of the consultant or other task.

Chamber Economic Development Division – Core Funding

2004 - 2005	Year 1	\$380,000	
2005 - 2006	Year 2	\$389,000	2.4% increase
2006 - 2007	Year 3	\$402,615	3.5% increase
2007- 2008	Year 1	\$426,772	6% increase
2008-2009	Year 2	Pending	

Conference and Visitor Bureau – Core Funding

2004 - 2005	Year 1	\$1,741,359	
2005 - 2006	Year 2	\$1,856,434	6.6% increase
2006 - 2007	Year 3	\$1,921,409	3.5% increase
2007- 2008	Year 1	\$2,036,000	6% increase
2008-2009	Year 2	Pending	

Funding for the Chamber EDD and CVB programs comes from two sources:

- 1) The Marketing 2% of Transient Occupancy Tax (in the City’s budget under the Tourism and Marketing program) which the Council has committed to tourism and marketing programs such as the CVB visitor marketing program; the City’s holiday programs; and sponsorship of Rodeo Drive Walk of Style and other programs;
- 2) A general fund commitment to support the Economic Development Division of the Chamber (the City’s budget under the Business Development program).

2008-2009 Funding and Council Committee Recommendations

The consideration of the Beverly Hills Chamber of Commerce funding proposal for 2008-2009 needs to be undertaken within the context of the on-going performance audit.

Earlier in 2008 the City Council directed staff to commission an extensive management and performance audit of marketing and economic development programs provided by the Chamber of Commerce. This audit is scheduled to be presented to City Council for consideration and direction in July 2008.

Council is being asked to review the Chamber of Commerce’s 2008-2009 funding request in the knowledge that the findings from the audit may result in Council making changes to the 2008-2009 program of work or funding structure part way through the fiscal year. This parallel effort is necessary as the program costs of the CVB and the EDD will continue on July 1, 2008 and it would be imprudent to suspend funding to these programs until deliberations of the audit and an implementation plan for any changes have been properly considered and adopted.

The Chamber Committee met on May 6, 2008 to review the Chamber's program, budgets and funding proposals and made the following recommendations:

1. That City Council support an amendment to the Beverly Hills Chamber CVB and EDD 2007-2008 contracts to cover necessary first quarter 2008-2009 expenditures and encumbrances, such as advertising buys and trade mission commitments.
2. That an item be placed on the June 17, 2008 Formal Council Agenda authorizing the City Manager to execute agreements and approve purchase orders in the combined amount of \$807,380 representing expenditures required for the first quarter operation of the Chamber CVB (\$654,462) and EDD (\$152,918).
3. And, that final determination of full-year funding levels be undertaken following consideration of the final report of the Chamber performance audit later in July 2008.

Attached to this staff report is the Chamber EDD and CVB full budget request and presentation, which provides a synopsis of 2007-2008, an outline of the proposed 2007-2008 work program and budget. Also outlined are some desired projects that the Chamber recommends for funding in addition to its core program. Staff from the Chamber will make a full presentation of their programs at the Council meeting.

FISCAL IMPACT

Funding for the Chamber EDD program in the amount of \$152,918 has been budgeted from General Funds in the Business Development program.

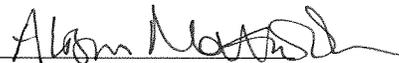
Funding for the CVB in the amount of \$654,462 has been budgeted in the Tourism and Marketing program funded from the 2% TOT.

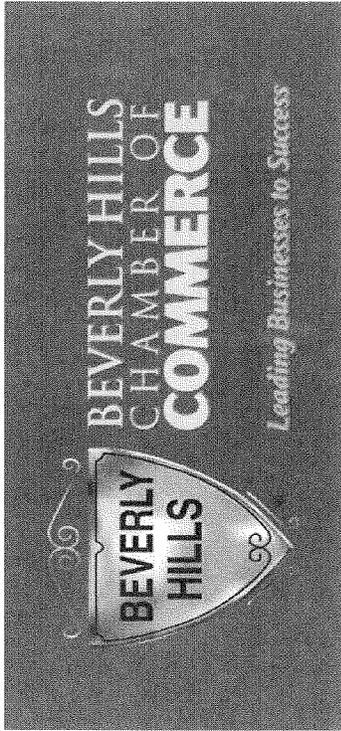
RECOMMENDATION

Staff recommends that City Council approve the Subcommittee recommendations as outlined above.

Alison Maxwell

Approved By

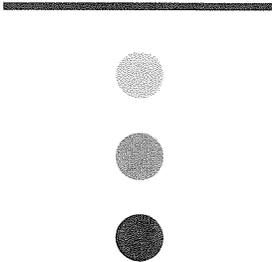




2008 – 2009 BUDGET FOR:

ECONOMIC DEVELOPMENT DIVISION

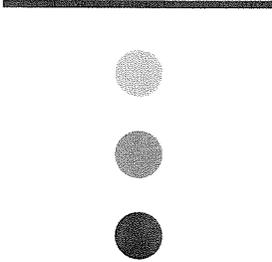
June 17, 2008



Economic Development Division

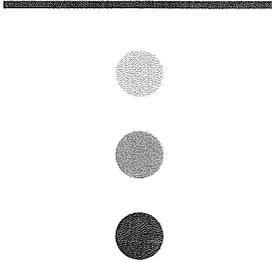
Mission

- o Support, promote and advocate businesses in the City of Beverly Hills
- o Attract new businesses to Beverly Hills
- o Retain existing businesses in Beverly Hills
- o Assist businesses in overcoming obstacles which impede their ability to succeed



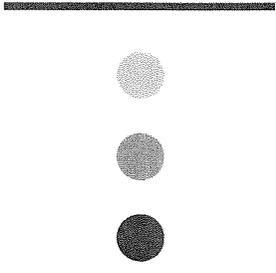
● ● ● | Scope of Work - EDD

- Economic Development
- Advocacy
- Research, Education & Information Exchange



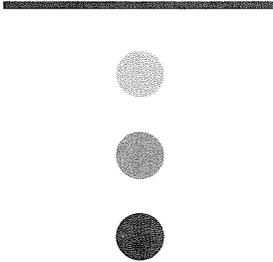
07/08 Accomplishments

- o Retention-focused mission to New York in October 2007 included 11 individual visits and close to 30 senior executives at the annual Mayoral Executive Luncheon
- o Completion of Buyer Behavioral Study with presentation to City Council, New York executives, Rodeo Drive Committee, local merchants and general media – generating local media coverage and requests for study data
- o Presented first-ever Beverly Hills Luxury Summit, positioning Beverly Hills as source of economic data and luxury trend information
- o Business Retention Strategy in development



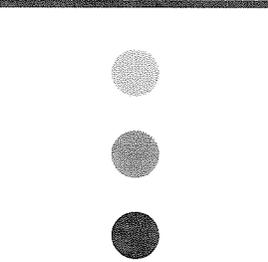
07/08 Accomplishments (cont'd)

- o Facilitated and promoted business involvement in the General Plan review
- o Advocacy on behalf of the business community: two Chamber-wide surveys on parking and potential nightlife
- o Launched Everyscape Virtual Tour in May 2008, allowing Web visitors to “tour” the streets of Beverly Hills
- o SoBev participated on the City-wide Holiday Committee; EDD conducted numerous merchant association meetings and other efforts promoting creation of a Business Improvement District
- o “Opening a Business Guide” posted on website



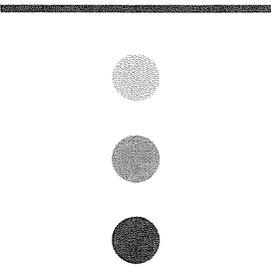
Goals – EDD

1. Promote, retain and attract business in Beverly Hills, with particular emphasis on retail and restaurant segments, as well as entertainment companies/talent agencies, and focus on attracting appropriate nightlife
2. Maintain and improve the pro business climate in the City
3. Advocate for business on legislative issues that impact them



08-09 Major Initiatives

- o Completion and implementation of Business Attraction Strategy
- o Consensus/approval of Business Improvement District Strategy
- o Focus on nightlife/entertainment attraction efforts
- o Contribute to completion of General Plan review and revision



Unfunded Programs 08/09

- o Update of Buyer Behavioral Survey
(survey to take place in 2009)
- o Business Attraction Strategy Plan
- o Business Improvement District Plan



Economic Development Division Budget

EDD		07-08 Budget	08-09 Budget	% Change
Income				
	EDC Membership (new and renewals)	\$ 100,000.00	\$ 105,000.00	5%
	City Contract	\$ 426,772.00	\$ 444,673.00	3% + \$3500
	TOTAL REVENUE	\$ 526,772.00	\$ 549,673.00	4%
Expenses				
Marketing/Programming				
1	Website Upgrade/Maintenance	\$ 17,158.67	\$ 8,750.00	-49%
2	Marketing expenses	\$ 4,500.00	\$ 3,000.00	-33%
3	Sacramento Legislative Trip	\$ 1,500.00	\$ -	-100%
4	Economic Summit	\$ 5,000.00	\$ 12,500.00	150%
5	SoBev Coalition (Trademarking)	\$ 1,000.00	\$ 2,500.00	150%
6	Business Attraction Strategy Plan		\$ -	unfunded
7	Business Improvement District		\$ -	unfunded
Sales/Advertising/Public Relations				
8	New York Retail Outreach Mission	\$ 25,000.00	\$ 26,000.00	4%
Training/Education/Research				
9	Staff Training/Education		\$ 500.00	N/A
10	Dues/Subscriptions	\$ 2,000.00	\$ 800.00	-60%
11	Buyer Behavioral /Retail Study Update		\$ -	unfunded
Publications/Collateral				
12	Publications/Brochures/Pamphlets/Printing	\$ 1,000.00	\$ -	-100%
Miscellaneous				
13	Committee Meeting Expense	\$ 18,350.00	\$ 45,000.00	145%
14	Contingency	\$ 1,000.00	\$ 750.00	-25%
	TOTAL PROGRAMMING EXPENSES	\$ 76,508.67	\$ 91,050.00	19%
Operations				
15	EDD Compensation, Taxes & Benefits	\$ 188,751.40	\$ 200,931.44	6%
16	Temporary Service	\$ 6,735.00	\$ 5,000.00	-26%
17	Chamber Crossover, Taxes & Benefits	\$ 163,951.41	\$ 168,869.95	3%
18	Liability Insurance	\$ 5,400.00	\$ 5,562.00	3%
19	Rent	\$ 30,000.00	\$ 30,900.00	3%
20	Telephone	\$ 7,500.00	\$ 7,725.00	3%
21	Utilities	\$ 5,000.00	\$ 5,150.00	3%
22	Equipment Lease	\$ 4,000.00	\$ 4,120.00	3%
23	Audit	\$ 5,700.00	\$ 800.00	-86%
24	Office Supplies	\$ 3,500.00	\$ 3,605.00	3%
25	Computer/Telephone Lease	\$ 11,000.00	\$ 11,330.00	3%
26	Postage and Delivery	\$ 10,000.00	\$ 7,300.00	-27%
27	Business Review newsletter	\$ 3,450.00	\$ 1,880.00	-46%
28	Stationary	\$ 2,275.00	\$ 2,343.25	3%
29	Membership Database software	\$ 3,000.00	\$ 3,090.00	3%
	TOTAL OPERATIONS EXPENSE	\$ 450,262.81	\$ 458,606.64	2%
	TOTAL EXPENSE	\$ 526,771.48	\$ 549,656.64	4%

**Reflects 100% of salaries , taxes, and benefits for Director of Economic Development and Economic Development Associate. Also includes 18% of Communication Dept., Events Manager, Controller, Receptionist, and office management salaries. Includes 30% of Chamber CEO salary.



ECONOMIC DEVELOPMENT DIVISION
BUDGET 2008-2009

ITEM		DESCRIPTION OF EXPENSES
Marketing/Programming		
1	Website Upgrade/ Maintenance	There was a major upgrade to the website undertaken in 2007-08. The reduced amount in the 2008-09 budget will be used for general hosting fees and maintenance.
2	Marketing Account	Marketing includes outreach for EDC membership, building and promoting business relationships with companies in Beverly Hills, business attraction marketing and other general expenses for staff related to the EDD program of work.
3	Sacramento Legislative Trip	UNFUNDED - Annual two-day legislative trip to advocate and gather information on behalf of the Chamber and the City. Expenses associated with airfare, accommodations, transportation and incidentals.
4	Economic Summit	Luncheon conference dedicated to a candid and informative discussion of economic trends and forecasts. Top economists and industry leaders are assembled through a partnership between the Chamber and The Milken Institute to offer insight and commentary on the current state of the local, national and global economy, financial predictions and business and retail trends. Budgeted amount has increased in 2008-09 to cover increased fee for panel moderator (first increase in 6 years) and payment to Chamber to cover event management services.
5	SoBev Coalition	To support the SoBev merchants through marketing and promotional activities with the intention of upgrading the value of the South Beverly area as a retail location, thereby increasing collection of retail sales tax. Efforts are intended to create a "SoBev" brand to heighten the profile and awareness of the area to the local residents, shoppers and the media. Additional money has been allocated in the 2008-09 budget to cover legal expenses which may be incurred for trademarking and utilizing the SoBev name and logo.
6	Business Attraction Strategy	UNFUNDED - City staff has requested that EDD formulate a more formal plan and strategy for retail and business attraction in Beverly Hills. Utilizing outside expertise would allow us to benefit from an objective perspective, specialized knowledge and information, and additional contacts in the retail and business world for outreach to desirable retailers.
7	Business Improvement District	UNFUNDED - The City has indicated an interest in exploring creation of a Business Improvement District in order to provide a vehicle for coordinating marketing and promotional efforts for the retail community. Creating and managing the process for the formulation of this legal entity will require incremental resources and staff support.
Sales/Advertising/Public Relations		
8	New York Retail Outreach Mission	Airfare, accommodations, transportation and incidentals for EDD Director to plan, coordinate, conduct and attend business recruitment and retention mission in conjunction with planned Conference and Visitors Bureau sale trip. The trip's mission is to express the City's and Chamber's commitment to the retail community in Beverly Hills and to introduce and promote the benefits of doing business in Beverly Hills to New York based companies. Activities also



ECONOMIC DEVELOPMENT DIVISION
BUDGET 2008-2009

		include business attraction efforts. The 2008-09 main trip is planned to be shorter than in previous years, with commensurate reduced costs. Budget includes mid-year follow up trip to address and resolve issues brought up during the primary mission. 2008-09 budget also includes an additional amount of \$3500 City funding to reimburse specific City expenses such as ground transportation for the Mayor and meeting expenses, traditionally paid as additional costs by the City. There may also be an additional, brief trip to another location to visit significant retailer(s) headquartered in a location other than New York.
		Training/Education/Research
9	Staff Training/ Education	Business Recruitment/Retention training, which may include Economic Development Institute, Institute for Organizational Management, Western Association of Chamber Executives, Urban Land Institute, Westside Urban Forum, computer software training
10	Dues/Subscriptions	Subscriptions/Archives include the Los Angeles Business Journal, The Planning Report, WWD.com and other publications related to the work of the EDD.
11	Buyer Behavioral Study/ Retail Study	UNFUNDED - When the initial Buyer Behavioral Survey was conducted in 2006, it was intended that it would be updated every three years (as is the case with the CVB's Visitor Impact Study). Under this schedule, data for the updated survey would begin to be collected in early 2009. The updated survey would provide information about shopping and spending behavior by Beverly Hills shoppers and the impact of that spending on the local economy. This information would be helpful to the City, business community and prospective Beverly Hills retailers and companies.
		Publications/Collateral
12	Publications/ Brochures/ Pamphlets/Printing	Printing of EDD reports, brochures and pamphlets. It is not expected that EDD will be printing any brochures in 2008-09.
		Miscellaneous
13	Committee Meeting Expense	Costs associated with committee, workshop and Town Hall related expenses, e.g. food, programs, audio/visual equipment, table/chair rentals (Economic Development Council, Government Affairs Committee, SoBev Merchants Association, etc.) The increase over the prior year's budget reflects an increased EDC membership and additional EDC meetings over the previous year.
14	Contingency	For unexpected costs associated with Economic Development Division programs, committees, activities and events.
		Operations
15	Compensation, Taxes and Benefits	Budget reflects the salaries for a full-time Director of Economic Development and Government Affairs and a full-time Economic Development Associate. Represents 30% of salary for employee benefits and payroll taxes.



ECONOMIC DEVELOPMENT DIVISION
BUDGET 2008-2009

16	Temp/Extra Staff	Reflects costs associated with temporary administrative support staff. EDD often uses temporary staff for assistance with SoBev programming and other activities.
17	Chamber Crossover, Taxes and Benefits	Accounts for 18% of salary, payroll costs and benefits of Communications Director, Events Manager, Controller, Receptionist, and office management salaries. Accounts for 30% of salary for Chamber CEO.
18	Liability Insurance	Reflects liability insurance costs associated with travel and off-site work related activities.
19	Office Rent	Costs of overall office space provided for EDD (\$2.50 per sq.ft.)
20	Telephone	Reflects monthly telephone expense, including some reimbursement for cell phone and email service
21	Utilities	Reflects shared utility costs with Chamber.
22	Office Equipment Lease and purchase	Portion of office equipment lease and purchase costs, including postage meter, copier and fax machine.
23	Audit	Costs to be covered by City's financial audit, which will replace EDD's annual review.
24	Office Supplies	Reflects normal usage for office supplies to support ongoing programs.
25	Computer/Telephone Lease	Accommodates portion of equipment lease, repair and maintenance charges related to computer and telephone equipment
26	Postage & Delivery	Costs associated with mailing of EDD materials along with delivery services. The Chamber intends to lower its total expenditures on postage.
27	Business Review	Reflects 25% of total cost of printing and distribution of Chamber's Business Review newsletter. Newsletter publication will be reduced from monthly to quarterly in 2008-09.
28	Stationary	Reflects cost of envelopes, stationery, business cards, etc. for EDD
29	Membership Database software	Portion of cost of maintenance of software used to manage and manipulate membership lists and information.

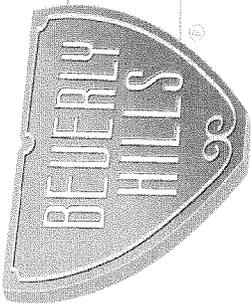


FIRST QUARTER REQUEST 2008-09
ECONOMIC DEVELOPMENT DIVISION

FIRST QUARTER PROGRAMS:	\$16,263*
FIRST QUARTER ENCUMBRANCES:	\$24,000
(not included above)	
▪ New York Mission	\$24,000
FIRST QUARTER OPERATIONS:	\$89,652**
TOTAL REQUEST:	\$152,918

* First quarter request equates to ¼ of total budget for Programming with the exception of one encumbrance (New York Mission).

** First quarter operations request equates to ¼ of total budget for operations minus ¼ of EDD generated funding (\$25,000)



Beverly Hills Conference & Visitors Bureau

City Council Presentation

June 17, 2008

Conference & Visitors Bureau

Mission

- Enhance the economic vitality of Beverly Hills through destination marketing, targeting consumers, trade and media in key markets throughout the US and internationally.
- Primary marketing efforts focus on incremental business requiring an overnight stay.
- Enhance the overall visitor experience for both hotel guests and day visitors.

Scope of Work - CVB

- Product Development
- Branding
- Consumer Programs
 - Advertising, Website, Collateral & Fulfillment, Visitor Services
- Trade Programs
 - Sales Missions, Trade Shows, Local Sales Calls & Outreach, Familiarization Trips
- Media Relations
- Research
- Special Programs
 - Holidays, Westside CVB Alliance
- WACVB Board of Directors
- Committees

07/08 Accomplishments*

- Continuation of CVB's *Love, Beverly Hills* campaign including advertising, public relations, web/online efforts, collateral and promotional items
- Public Relations efforts equating to 36,341,951 impressions and ad equivalency of \$290,990
- Successful CVB Sales Missions to New York and Mexico City including travel trade reception, media events and joint sales calls
- Expanded international presence through participation in California Tourism Missions to Japan, Australia and UK

*through April

07/08 Accomplishments

- Familiarization Trips – 12 media, 5 trade – resulting in media coverage and expansion of product
- Starline Tours Hop-On/Hop-Off Service which allows visitors to experience more of Beverly Hills and extend their stay
- Management of the 2007 Visitor Impact Study
- Launch of Everyescape virtual tour on CVB website
- Continued oversight of year two of the “Deck the Hills” three-year holiday program
- Hotel rate and occupancy at all time high
- 2007 Pinnacle Award recipient for excellence from *Successful Meetings* magazine

Goals - CVB

1. Brand Beverly Hills
2. Drive tourism revenue in Beverly Hills
 - Visitor Arrivals
 - Length of Stay
3. Maintain visitor satisfaction

08-09 Major Initiatives

- Website/Online Strategy
 - Redevelopment of Website
 - Search Engine Optimization
 - E-Communications
- International Marketing
 - Expansion of International Representation
 - UK
 - Japan
 - Australia
 - China
 - Public Relations
 - State Tourism Sales Missions
 - Australia – October
 - China – October
 - Japan – February
 - UK - April
- Visitor Services
 - Visitor Center



Beverly Hills Conference & Visitors Bureau

Budget 08-09

CVB		07-08 Budget	08-09 Budget	Percentage Change
City Funding		\$2,036,000	\$2,158,160	6%
Holidays		\$100,000	\$0	-100%
Expenses				
	Marketing Programs			
1	Advertising	\$599,512	\$566,878	-5%
2	Public Relations	\$125,000	\$100,000	-20%
3	Domestic Marketing	\$100,000	\$110,000	10%
4	International Marketing	\$150,000	\$200,000	33%
5	Familiarizations	\$3,500	\$7,000	100%
6	Website	\$27,762	\$75,000	170%
7	Special Programs	\$15,000	\$21,200	41%
	Marketing Support			
8	Library/Visual Aids	\$1,000	\$1,000	0%
9	Fulfillment (Infox)	\$20,000	\$21,000	5%
10	Collateral	\$75,000	\$56,000	-25%
11	Chamber Newsletter	\$3,450	\$1,880	-46%
12	Promotional Items	\$5,000	\$5,150	3%
13	Research	\$27,500	\$5,000	-82%
	In-Market Services			
14	Ambassador	\$49,061	\$50,533	3%
15	Holiday Programs	\$101,000	\$1,000	-99%
16	Visitor Center	\$0	\$3,500	N/A
	Other			
17	Prof Dev/Industry Confs	\$2,500	\$5,000	100%
18	Legal Fees/Licensing	\$1,000	\$1,500	50%
19	Dues	\$6,000	\$6,180	3%
20	Corp Expense Acct	\$3,500	\$5,000	43%
21	Contingency	\$500	\$515	3%
	Operations			1.03
22	Compensation	\$388,291	\$479,739	24%
23	Chamber Crossover	\$303,625	\$312,733	3%
24	Temporary Service	\$1,000	\$1,030	3%
25	Liability Insurance	\$9,600	\$9,888	3%
26	Rent	\$36,000	\$37,080	3%
27	Telephone	\$12,000	\$12,360	3%
28	Utilities	\$8,000	\$8,240	3%
29	Equipment Lease	\$7,000	\$7,210	3%
30	Audit	\$9,700	\$800	-92%
31	Office Supplies	\$6,000	\$6,180	3%
32	Division Supplies	\$5,000	\$5,150	3%
33	Computer/Tel Lease	\$18,700	\$19,261	3%
34	Postage and Delivery	\$10,000	\$10,300	3%
35	Shipping	\$1,800	\$1,854	3%
36	Database	\$3,000	\$3,000	0%
TOTAL		\$2,136,001	\$2,158,160	1%

BHCVB Budget Line Items

	ITEM	DESCRIPTION
1	Advertising	Advertising costs associated with <i>Love, Beverly Hills</i> campaign including agency fees and media buy. Reduced in 08/09 to cover website. Should incremental funding from 07/08 become available, advertising budget will be restored.
2	Public Relations	All expenses associated with PR programs. Reduced for 08/09 as Weber Shandwick will become project based and CVB Communications Manager will be hired for day-to-day PR activity.
3	Domestic Marketing	Annual New York Sales Mission along with sales calls and promotions within the US.
4	International Marketing	Participation in Pow Wow; representation in the UK, Australia and Japan through Tourism California (new for 08/09); representation in China through LA Inc (new for 08/09).; BHCVB Sales Mission to Mexico City; CTC Sales Missions to UK, Australia and Japan; outreach to US-based divisions of international trade partners.
5	Familiarizations	Costs associated with hosting top trade and media to showcase Beverly Hills. Since media and trade visits have risen significantly, budget increased in 08/09 to supplement in-kind contributions from business partners.
6	Website	Redesign and relaunch of CVB website; search engine optimization; monthly maintenance fees; e-communications. The website will be a major focus in 08/09.
7	Special Programs	Westside CVB Partnership initiatives and other ad hoc special programs. Budget increased in 08/09 to cover CVB's share of Chamber/CVB/EDD reorganization/rebranding.
8	Library/Visual Aids	Maintenance of images, publications, CDs.
9	Fulfillment/Database	Fulfillment house and consumer database costs.
10	Collateral	Costs associated with collateral including Beverly's "little brown book", VIP Insider Advantage brochure, walking maps, and market specific one-sheets. Continue strategy of reducing collateral and driving consumers to website.
11	Chamber Newsletter	CVB's share of expenses associated with Chamber's monthly newsletter. Newsletter will be produced quarterly instead of monthly in 08/09.
12	Promotional Items	BH promotional items for sales missions, fairs, VIP groups, etc.
13	Research	Visitor profile data through partnership with LA Inc. and area CVBs. Reduction in budget reflects last year's expense of Tourism Impact Study.
14	Ambassador	Salary, payroll taxes/benefits, and expenses for City Greeter.
15	Holiday Programs	Miscellaneous holiday marketing costs. Reduction in budget reflects last year's funding from City for holiday programming.
16	Visitor Center	Funding to develop business plan for Beverly Hills Visitor Center.
17	Professional Development	Conferences/training in conjunction with IACVB and/or WACVB. Increased to cover additional staff and costs associated with

		WACVB Board of Directors.
18	Legal Fees/Advocacy	Primarily expenses associated with the licensing of <i>Love, Beverly Hills</i> .
19	Dues	Association Dues: TIA, CaITIA, IACVB, WACVB, PROST
20	Corporate Expense Account	Expenses related to client entertainment along with monthly expenses (parking, mileage, etc.) for CVB staff. Increased to cover committee and task force expenses as well as additional staff.
21	Contingency	Unanticipated costs associated with CVB programs.
22	Compensation	Salaries for CVB Executive Director, Business Development Director, Communications Manager (new position for 08/09 reflected in increase), Marketing Coordinator and independently contracted Project Coordinator. Also includes payroll taxes and benefits and for CVB staff.
23	Crossover	58% of salary for Chamber CEO along with 32% of salaries and payroll taxes/employee benefits for Controller, Communications Department, Special Events Manager, Receptionist and flat fee for Office Manager.
24	Temporary Service	Temporary administrative support staff.
25	Liability Insurance	Liability insurance costs associated with travel and off-site work related activities.
26	Office Rent	Portion of overall office space provided for CVB (\$2.50 per sq. ft. for 1,200 feet)
27	Telephone	800 number, on hold messaging, and 32% of overall monthly telephone expense.
28	Utilities	32% of utility costs.
29	Equipment Lease	32% of office equipment leases.
30	Audit	Costs to be covered by city financial audit, which will replace CVB's annual review.
31	Office Supplies	32% of overall office supplies.
32	Division Supplies	CVB-only materials to support programming.
33	Computer/Telephone Lease	32% of computer maintenance and costs associated with the telephone lease.
34	Postage & Delivery	32% of overall mailing costs.
35	Shipping	Costs for shipping of CVB materials.
36	Database	The CVB's portion of database expenses.



Beverly Hills Conference & Visitors Bureau

FIRST QUARTER REQUEST

FIRST QUARTER PROGRAMS:	\$75,000*
FIRST QUARTER MARKETING SUPPORT:	\$21,220*
FIRST QUARTER IN-MARKET SERVICES:	\$13,758*
FIRST QUARTER ENCUMBRANCES:	\$420,000
(not included above)	
• Advertising (1/2 of Media Buy)	\$250,000
• Domestic Marketing (NY Sales Mission)	\$100,000
• Website	\$50,000
• Familiarization Visits	\$5,000
• Special Programs (International Westside Ads)	\$10,000
• Promotional Items	\$5,000
FIRST QUARTER OPERATIONS:	\$124,484*
TOTAL REQUEST:	\$654,462

*First quarter request equates to ¼ of total budget for category with exception of encumbrances

Note: ¼ of annual budget equals \$539,540