



AGENDA REPORT

Meeting Date: June 30, 2015
Item Number: E-13
To: Honorable Mayor & City Council
From: Megan Roach, Marketing & Economic Sustainability Manager (MR)
Cheryl Friedling, Deputy City Manager for Public Affairs
Subject: APPROVAL OF AN INTERIM FUNDING AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND THE BEVERLY HILLS CONFERENCE AND VISITORS BUREAU FOR PROMOTION OF THE CITY FOR FISCAL YEAR 2015-2016; AND APPROVAL OF A PURCHASE ORDER IN A NOT-TO-EXCEED AMOUNT OF \$1,003,536 TO THE BEVERLY HILLS CONFERENCE AND VISITORS BUREAU FOR THESE SERVICES

Attachments: 1. Interim Funding Agreement

RECOMMENDATION

It is recommended that the City Council approve an interim funding agreement between the City of Beverly Hills and the Beverly Hills Conference and Visitors Bureau for promotion of the City for Fiscal Year 2015-2016 and approve a purchase order in a not-to-exceed amount of \$1,003,536 for these services.

INTRODUCTION

This item requests City Council approve an interim funding agreement with the Beverly Hills Conference and Visitors Bureau for \$1,003,536 for visitor marketing and attraction services for the months of July through September 2015.

DISCUSSION

The Beverly Hills Conference and Visitors Bureau ("CVB") is contracted by the City to conduct a variety of tourism and marketing programs promoting Beverly Hills.

On April 29, 2015, the CVB/Marketing Committee (Mayor Gold and Councilmember Bosse) met with CVB representatives to review their proposed Fiscal Year 2015-16 scope of work and corresponding funding request of \$3,929,202. Of this amount, \$893,050 (23%) is for new programming, \$1,183,832 (30%) is for operational costs and \$1,852,320 (47%) is for recurring programming that has proven successful in prior years.

On June 16, 2015, the City Council reviewed the CVB/Marketing Committee's recommendation and CVB representatives provided a presentation outlining the proposed scope of work and corresponding funding request. Several questions were raised about the proposed work program and Council requested that the CVB return at the July 21st meeting with more detail on new programs, unsuccessful programs, metrics, travel budget, and CVB staff and salaries.

The CVB's current fiscal year will end on June 30, 2015. The interim funding agreement provides the CVB with funding to meet ongoing expenses through September 2015. The agreement will provide funding to bridge the funding gap until the CVB's work plan is approved by the City.

FISCAL IMPACT

The City's Finance Department projects \$39,140,000 in TOT revenue for the 2015-2016 Fiscal Year, which results in a Tourism and Marketing budget of \$6,282,737. This amount includes \$691,308 in budgetary carryover from Fiscal Year 2014-2015. The funding is budgeted in the Tourism and Marketing Program account 0101311. The CVB interim funding agreement in the amount of \$1,003,536 is for tourism and marketing programs and operational expenses for July through September 2015.

Don Rhoads 
Finance Approval

Cheryl Friedling 
Approved By

Attachment 1

INTERIM FUNDING AGREEMENT BETWEEN THE CITY
OF BEVERLY HILLS AND THE BEVERLY HILLS
CONFERENCE AND VISITORS BUREAU FOR
PROMOTION OF THE CITY FOR FISCAL YEAR 2015-2016

THIS INTERIM FUNDING AGREEMENT is made and entered into in the City of Beverly Hills by and between the City of Beverly Hills, a municipal corporation (“City”) and the Beverly Hills Conference and Visitors Bureau (“CVB”), a non-profit corporation.

RECITALS

A. CVB is located in the City of Beverly Hills and has special knowledge and experience to conduct or participate in promotional, publicity, and advertising activities for the benefit of City.

B. The existing funding agreement between the City and CVB is set to terminate on June 30, 2015.

C. City desires to continue to engage the services of the CVB for promotional activities for an interim period while the CVB and City conclude its negotiations for promotional and other services for fiscal year 2015-2016.

D. Section 37110 of the State Government Code authorizes the expenditure of monies for promotion.

NOW, THEREFORE, in consideration of the mutual covenants of the parties hereto, the parties hereby agree as follows:

Section 1. Fund Authorization/Use of Funds.

a. For the interim period of July 1, 2015 through September 30, 2015 (“Interim Period”), City shall provide the CVB with interim funding in an amount not to exceed \$1,003,536 for expenditures in support of the City and CVB’s visitor and marketing programs as detailed in Exhibit A, attached hereto and incorporated herein.

b. CVB shall use such funds for the visitor and marketing programs set forth in Exhibit A to be performed during the Interim Period.

c. In connection with CVB’s marketing and promotional programs, CVB may, on behalf of and at the sole discretion of City, use the funds to produce, purchase, install and de-install light pole banners or other displays in the public-right-of-way. All such light pole banners shall comply with the City’s adopted Banner Policy, copies of which are available from the Office of Communications and Marketing, and shall be approved in writing in advance by City prior to installation. City shall have sole discretion over the design, placement, and duration of display and shall retain ownership of all banners funded under this Agreement.

Section 2. Payments. CVB shall submit written requests for advanced payments for expenditures based on the CVB's adopted budgets for the various projects as set forth in Exhibit A. City shall provide payment to the CVB upon approval of the request by the City's Chief Financial Officer. City shall use its best efforts to make payment to CVB within 15-days of receipt of request. Any monies not expended in the Interim Period may be carried over to the remainder of fiscal year 2015-2016 at the discretion of the City. If not carried over, any excess monies not expended shall be returned to the City.

Section 3. Reports.

a. Prior to the conclusion of the Interim Period, the CVB shall submit a report to City and shall be in a form and content acceptable to the City Manager or his designee. The reports shall include, without limitation, information on overall project management and achievement of goals in relation to CVB's work plan and budget as set forth in Exhibit A, including the percentage of services completed and defined measurements of goal achievement for the Interim Period. If the City and CVB enter into an agreement for funding for the remainder of Fiscal Year 2015-2016, the CVB shall be relieved of compliance with this paragraph (a) and is not required to provide the report set forth herein.

b. CVB shall also supply the City with an Audited Annual Financial report prepared by a Certified Public Accountant for the Interim Period. Such report shall provide consolidated financial reporting for CVB as a whole, and separately detailed accounts for each program funded by City. The report shall be due within six months of the end of CVB's 2015-2016 fiscal year. At City's sole discretion, consolidated annual accounts may be substituted for full audited accounts. This provision shall survive termination of this Agreement. Notwithstanding, if the City and CVB enter into an agreement for funding for the remainder of Fiscal Year 2015-2016, the CVB shall be relieved of compliance with this paragraph (b) and is not required to provide the Audited Annual Financial report required herein.

c. With reasonable notice from City, CVB shall provide to City copies of any and all work product, documents reports, property and books produced by CVB in fulfillment of this Agreement ("Documents"). This shall be solely for the purpose of confirming and evaluating the execution of the programs described in this Agreement and shall not include records and documents unrelated to the execution of such programs (e.g., personnel records). CVB's obligation to maintain such Documents shall continue for three years after the termination of this Agreement. If the City and CVB enter into an agreement for funding for the remainder of Fiscal Year 2015-2016, the CVB shall be relieved of compliance with this paragraph (c).

d. CVB shall establish and maintain an accounting system in accordance with generally accepted accounting principles and standards. The system shall detail all costs chargeable to City under this Agreement and shall substantiate all such costs, and comply with any applicable State and Federal standards.

e. CVB shall endeavor to develop, in consultation with City, a program-based budget for all City-funded programs. Implementation of a program-based budget is not intended

to affect the requirements outlined in paragraph (d) of this Section relating to generally accepted accounting principles.

Section 5. Ownership of Work Product.

a. Unless otherwise agreed upon in writing, all reports, documents, or other written or visual material or any other material in any media, including any images, taglines, logos, or other media created or developed by CVB or any third party contracted by the CVB, in the performance of this Agreement, whether or not paid in whole or in part by the funding provided by this Agreement (“Work Product”) shall be and remain the property of City without restriction or limitation upon its use or dissemination by City. All Work Product shall be considered to be “works made for hire”, and all such Work Product and any and all intellectual property rights arising from their creation, including, but not limited to, all copyrights and other proprietary rights, shall be and remain the property of City without restriction or limitation upon their use, duplication or dissemination by City. CVB shall not obtain or attempt to obtain copyright protection as to any of the Work Products.

b. CVB hereby irrevocably assigns exclusively to City, all right, title and interest in such trademarks and/or copyrights or other intellectual property rights in the Work Products. CVB shall take all acts requested by the City in order to enforce City’s rights under this Section.

c. CVB shall not retain ownership of or any right, title or interest in any of the Work Products, including, but not limited to, in any related trademarks, copyrights, or other proprietary rights. The City and CVB agree that the Work Product and all such rights, title and interest in or to the Work Products belong to and are being sold and assigned in their entirety to City for whatever use it desires, and that City does and shall at all times own, solely and exclusively, complete and unencumbered, all right, title and interest in and to all of the Work Product worldwide, any modifications thereto and any derivative works based thereon (including, but not limited to, all patent, copyright, trademark, service mark and trade secret rights). Nothing contained herein shall be deemed to constitute a mere license or franchise in City. The parties further agree that City will be free to use, modify, distribute, sell, license or otherwise exploit all such Work Products and any modifications to or derivative works based thereon without any restrictions or limitations or any obligations or payments to CVB and that CVB shall have no such rights.

d. From time to time the CVB will engage photographers to take photographs or will purchase images for use in CVB’s marketing campaigns, collateral or other uses. As to those third party photographs or images whereby the CVB negotiates to purchase not only the photograph or image but also the copyright or other intellectual property rights, the provisions of this Section 5 will apply. As to those third party photographs or images whereby the CVB negotiates to purchase only the use of the photograph or image and the copyright is maintained with the photographer, the provisions of this Section 5 will not apply.

e. This section shall survive termination of this Agreement.

Section 6. Assignment. This Agreement shall not be assigned by CVB without the written consent of City.

Section 7. Independent Contractor. At all times during the term of this Agreement CVB shall be independent contractors and CVB, their officers, employees and agents shall not be employees of City.

Section 8. Term. This Agreement shall remain in full force and effect from July 1, 2015 until September 30, 2015 unless terminated earlier as provided in Section 9 of this Agreement.

Section 9. Termination of Agreement. City may terminate this Agreement at any time, with or without cause, upon fifteen days (15) days written notice to CVB. In the event of such termination, City shall pay CVB for all costs and obligations reasonably incurred by CVB for Visitors Bureau activities in performing its services under this Agreement prior to the date of termination and such payment shall be in full satisfaction of City's obligations hereunder. City shall not be obligated to pay additional funds after issuance or receipt of such notice.

Section 10. Notice. Whenever it shall be necessary for any party to serve notice on another respecting this Agreement, such notice shall be served by certified mail addressed to the City Clerk of the City of Beverly Hills, 455 North Rexford Drive, Beverly Hills, California 90210; or to Beverly Hills Conference and Visitors Bureau, 9400 Santa Monica Blvd., Beverly Hills, California 90210, unless and until a different address may be furnished in writing by any party, and such notice shall be deemed to have been served within seventy-two (72) hours after the same has been deposited in the United States Post Office by certified mail. This shall be valid and sufficient service of notice for all purposes.

Section 11. Indemnification and Insurance.

a. CVB agree to indemnify, hold harmless and defend City, its City Council and each member thereof and every officer and employee of City from any and all claims, liability or financial loss resulting from any suits, claims, losses or actions, and from all cost and expenses of litigation, brought against City, its City Council and each member thereof and any officer or employee of City which results directly or indirectly from the actions or omissions of CVB or their officers, employees, agents or others employed by CVB in the conduct of the projects funded by this Agreement.

b. CVB shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, a policy or policies of Comprehensive General Liability Insurance with minimum limits of Two Million Dollars (\$2,000,000) for each occurrence, combined single limit, against any personal injury, death, loss or damage resulting from the wrongful or negligent acts by CVB.

c. CVB shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, a policy or policies of Comprehensive Vehicle Liability insurance covering personal injury and property damage, with minimum limits of One Million Dollars

(\$1,000,000) per occurrence combined single limit, covering any vehicle utilized by Contractor in performing the services required by this Agreement.

d. CVB agrees to maintain in force at all times during the performance of work under this Agreement workers' compensation and employer's liability insurance as required by law.

e. CVB shall require each of its sub-consultants or sub-contractors to maintain insurance coverage which meets all of the requirements of this Agreement unless otherwise determined by the City's Risk Manager.

f. The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least a B+;VII in the latest edition of Best's Insurance Guide.

g. If CVB fails to keep the aforesaid insurance in full force and effect, City shall notify CVB that it is in breach of the Agreement and CVB has three (3) days to cure such breach. If such breach is not cured by CVB as required in this paragraph, City may terminate the Agreement or, if insurance is available at a reasonable cost, City may take out the necessary insurance and pay, at CVB's expense, the premium thereon.

h. At all times during the term of this Agreement, CVB shall maintain on file with the City Clerk a certificate or certificates of insurance on the form required by the City, showing that the aforesaid policies are in effect in the required amounts. CVB shall, prior to commencement of work under this Agreement, file with the City Clerk such certificate or certificates. The policies of insurance required by this Agreement shall contain an endorsement naming the CITY as an additional insured. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days prior written notice to CITY, and specifically stating that the coverage contained in the policies affords insurance pursuant to the terms and conditions as set forth in this Agreement.

i. The insurance provided by CVB shall be primary to any coverage available to City. The policies of insurance required by this Agreement shall include provisions for waiver of subrogation.

j. Any deductibles or self-insured retentions must be declared to and approved by City prior to commencing work under this Agreement.

Section 12. Extent of Agreement This Agreement represents the entire and integrated Agreement between the parties on the matters included herein and supersedes any and all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by all parties to the Agreement.

Section 13. City Not Obligated to Third Parties. The City shall not be obligated or liable under this Agreement to any party other than CVB.

Section 14. Severability. Invalidation of any provision contained herein or the application thereof to any person or entity by judgment or court order shall in no way affect any of the other covenants, conditions, restrictions, or provisions hereof, or the application thereof to any other person or entity, and the same shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the ___ day of _____ 2015, at Beverly Hills, California.

CITY OF BEVERLY HILLS,
A municipal corporation

JULIAN A. GOLD
Mayor of the City of Beverly Hills

ATTEST:

_____(SEAL)
BYRON POPE
City Clerk

BEVERLY HILLS CONFERENCE AND
VISITORS BUREAU

JULIE WAGNER
Chief Executive Officer

SAL ABAUNZA
Board President

APPROVED AS TO FORM:

LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

MAHDI ALUZRI
Interim City Manager

CHERYL FRIEDLING
Deputy City Manager for Public Affairs

KARL KIRKMAN
Risk Manager

EXHIBIT A

SCOPE OF SERVICES

The City shall provide funding in the amount of \$1,003,536.00 to support the activities and programs outlined below during the period of July 1, 2015 through September 30, 2015. Interim funding shall cover operating and marketing expenses forecasted for July, August and September 2015 and expenses include but are not limited to salaries, taxes and benefits; rent and utilities; and marketing initiatives targeted to domestic and international consumers and trade. The CVB shall conduct the following activities (which activities are part of the CVB's overall marketing plan) during the term of this Agreement:

BHCVB Interim Funding – based on FY 2014-15 budget

	<u>July 14</u>	<u>Aug 14</u>	<u>Sept 14</u>	<u>12-month Total</u>	<u>Budget</u>
EXPENSES					3,300,000
1. LOCAL MARKETING					
Stay/Shop/Dine	-	-	25,000	25,000	90,000
Holiday & Event Marketing	-	-	50,000	50,000	150,000
LOCAL MARKETING TOTAL	-	-	75,000	75,000	240,000
2. DOMESTIC MARKETING					
A. New York Sales Missions	39,500	24,000	50,950	114,450	150,000
Subtotal	39,500	24,000	50,950	114,450	150,000
B. Domestic PR/ Media Missions					
New York		-	-	-	3,000
Los Angeles	-	-	1,500	1,500	1,500
San Francisco	-	-	-	-	1,500
Fams/PR	500	500	500	1,500	8,000
Subtotal	500	500	2,000	3,000	14,000
C. Destination Marketing					
Fall Initiative	-	20,000	90,000	110,000	200,000
Spring Initiative	-	-	-	-	190,000
Subtotal	-	20,000	90,000	110,000	390,000
D. MICE Marketing					
salesforce	-	-	-	-	9,000
Group Sales Manager	5,833	5,833	5,833	17,500	70,000
Subtotal	5,833	5,833	5,833	17,500	79,000

E. Partnership Marketing

Other CVB's (LATCB website, Westside Coalition)	10,000	-	-	10,000	25,000
DOMESTIC MARKETING TOTAL	55,833	50,333	148,783	254,950	658,000

3. INTERNATIONAL MARKETING**A. Sales Mission (Visit CA/ LA Tourism)**

China/Taiwan	20,000	-	-	20,000	20,000
Japan/Korea	-	-	-	-	10,500
UK/ Europe	-	-	-	-	9,000
Mexico	-	-	-	-	7,100
Australia	-	-	-	-	-
Int'l Fams (trade)	500	500	900	1,900	10,000
Subtotal	20,500	500	900	21,900	56,600

B. Trade Shows - Pow Wow, ITB, WTM, ILTM, MPI

Booth Costs	500	500	500	1,500	6,000
World Travel Market	6,400	500	-	6,900	13,650
Luxperience	20,000	-	2,500	22,500	32,500
<u>Registration/ Expenses</u>					
IMEX	8,000	3,200	13,000	24,200	34,200
ILTM Asia	-	-	-	-	37,500
ILTM America	9,600	-	2,000	11,600	11,600
ILTM Europe	9,000	1,950	-	10,950	20,900
ATM	-	-	-	-	35,000
Subtotal	53,500	6,150	18,000	77,650	191,350

C. Media - Missions & Fams

Torronto Media Mission	-	-	-	-	2,000
Vancouver Media Mission	-	-	-	-	2,000
Fams (media)	250	250	1,000	1,500	9,500
Subtotal	250	250	1,000	1,500	13,500

D. In-Country Representation

China	-	10,000	-	10,000	40,000
UK/ Europe	-	7,500	-	7,500	30,000
Australia	-	7,500	-	7,500	30,000
Subtotal	-	25,000	-	25,000	100,000

E. Bus. Dev Emerging Mkts

India	8,750	-	4,500	13,250	13,250
China Bus. Dev	-	-	4,000	4,000	16,000
China Sales Mission	-	-	-	-	110,000
Brazil	-	19,000	-	19,000	32,000
Subtotal	8,750	19,000	8,500	36,250	171,250

F. Incentive Programs

Tour Bus/Operator/ Guerilla Mktng	500	500	1,000	2,000	14,500
MICE (Milken/ Oxford/ Assurian, etc)	-	-	-	-	24,500
Subtotal	500	500	1,000	2,000	39,000

INTERNATIONAL MARKETING TOTAL	83,500	51,400	29,400	164,300	571,700
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4. INTERACTIVE**A. Content Strategy/ Site Refresh**

Content/Photo Shoot	-	25,000	25,000	50,000	50,000
Video Integration	-	-	-	-	15,000
Wedding	-	-	-	-	10,000
Subtotal	-	25,000	25,000	50,000	75,000

B. International

China Website	13,700	-	-	13,700	27,400
China SEM	13,800	-	-	13,800	13,800
China Social Media	18,100	-	-	18,100	36,200
Subtotal	45,600	-	-	45,600	77,400

C. SEM/ SEO

SEM/SEO Domestic	7,080	7,080	7,080	21,240	84,960
Subtotal	7,080	7,080	7,080	21,240	84,960

D. Acquisition

Social Domestic	-	-	9,400	9,400	38,200
Subtotal	-	-	9,400	9,400	38,200

E. Domestic Website

Server Maintenance/Website Hosting	175	175	175	525	2,100
Analytics	425	425	425	1,275	5,100
Web maintenance	625	625	625	1,875	7,500
Contingency Hours	1,000	-	600	1,600	5,000
Domain Renewals/ online brochures	-	-	-	-	540
Subtotal	2,225	1,225	1,825	5,275	20,240

F. Database/Email

Deployment	150	150	150	450	1,800
Maintenance	600	-	-	600	2,400
Acquisition	7,500	-	-	7,500	30,000
Subtotal	8,250	150	150	8,550	34,200

INTERACTIVE TOTAL	63,155	33,455	43,455	140,065	330,000
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5. COLLATERAL STRATEGY

Revised visitor guide	-	-	-	-	20,000
Infox distribution	410	410	410	1,230	5,000
Premiums/ Giveaways (VIPs, fams, Sales Missions, Int'l Offices)	-	-	5,000	5,000	20,000
COLLATERAL STRATEGY TOTAL	410	410	5,410	6,230	45,000

6. SPECIAL PROGRAMS

Adhoc./City/ Board Requests/ Partnerships, etc.					
City Requests, adhoc programs from stakeholders, Board Requests	-	-	20,000	20,000	55,000
SPECIAL PROGRAMS TOTAL	-	-	20,000	20,000	55,000

7. RESEARCH

Amex/ Visa Vue	-	-	-	-	22,000
STR	-	-	-	-	3,000
Strategic Plan Research	-	-	-	-	-
Cision/PR	-	-	-	-	6,000
Clippings	400	400	400	1,200	5,000
RESEARCH TOTAL	400	400	400	1,200	36,000
MARKETING & TOURISM TOTAL	203,298	135,998	322,448	661,745	1,935,700

8. EVENTS

Chinese New Year	-	-	-	-	135,000
EVENTS TOTAL	-	-	-	-	135,000

9. VISITOR SERVICES

Visitor Staff	-	-	-	-	-
Merchandising/ Display (artwork, costumes, signage)	-	2,500	-	2,500	25,000
Collateral (tips, universal brochures)	-	10,000	-	10,000	25,000
Communications (advertising/incentives)	-	-	6,000	6,000	25,000
Subtotal	-	12,500	6,000	18,500	75,000
VISITOR EXPERIENCE TOTAL	-	12,500	6,000	18,500	75,000
VISITOR SERVICES TOTAL	-	12,500	6,000	18,500	210,000

10. FIXED COSTS**A. Salaries, Taxes, Benefits**

Salaries	67,864	49,651	49,651	167,166	614,026
P/T Salary	2,040	1,360	1,360	4,760	17,680
Taxes	9,882	7,121	7,121	24,123	88,210
Benefits	9,685	8,956	8,956	27,597	108,202
Subtotal	89,471	67,088	67,088	223,647	828,119

B. Rent					
9400 S. Santa Monica Blvd (City of BH)	9,405	9,405	9,687	28,497	115,680
Subtotal	9,405	9,405	9,687	28,497	115,680
C. Telephone/ Lease					
(phone lines, repairs, etc)	800	800	800	2,400	9,600
voice/data reimb	-	-	-	-	1,700
Tel. Main./Repairs	-	-	500	500	2,000
Subtotal	800	800	1,300	2,900	13,300
D. Utilities (City)					
Janitorial	577	577	577	1,730	6,918
Electricity (Socal Edison)	500	500	500	1,500	6,000
Maintenance	167	167	167	500	2,000
Alarm System - ADT	-	397	-	397	793
HVAC	-	-	2,100	2,100	8,400
Subtotal	1,243	1,640	3,343	6,226	24,111
E. Equip Usage, Copier. Printers					
B&W/ color copies	150	150	150	450	1,800
Subtotal	150	150	150	450	1,800
F. Computer Services/Maintenance					
**services/ maintenance	1,000	1,000	1,000	3,000	12,000
Subtotal	1,000	1,000	1,000	3,000	12,000
G. Postage/ Delivery					
postage	25	25	25	75	300
Subtotal	25	25	25	75	300
H. Prof Dev/ Training (7,500)					
Training	-	1,875	-	1,875	7,500
Conference	-	1,250	-	1,250	5,000
Subtotal	-	3,125	-	3,125	12,500
I. Dues					
WACVB	1,000	-	-	1,000	1,000
BH Chamber	-	480	-	480	675
CalTravel	860	-	-	860	860
US Travel Assoc.	-	-	-	-	1,540
MPI	-	-	-	-	485
Shop America Alliance	-	-	-	-	-
Dun & Bradstreet	-	-	-	-	449
My Dream Vacation	-	500	-	500	500
PRSA	-	-	-	-	475
Conference/Staff reimb.	-	-	-	-	-
Destination Marketing Assoc.	-	1,714	-	1,714	1,714
Subtotal	1,860	2,694	-	4,554	7,698
J. Community Relations/ Corp Exp					
Staff Expenses (3k)					
Birthdays	-	75	-	75	300
Holidays	-	-	-	-	1,500

Team Building	-	200	-	200	800
Corp Expenses (3k)	-	-	-	-	-
Corp Breakfast/Luncheons/Dinners & Expenses / Business Mtgs	375	375	375	1,125	4,500
Subtotal	375	650	375	1,400	7,100
K. Professional Services					
Payroll Service fee (Paychex)	-	-	-	-	-
TriNet Service fee (payroll, hr, 401k)	1,535	1,535	1,535	4,605	18,420
NSBN Accounting Consulting Fees	-	-	-	-	-
Legal Fees (\$7,000)	-	1,250	-	1,250	5,000
Chamber Accounting Services	2,000	-	10,300	12,300	43,700
Misc. (Sanford)	-	-	-	-	-
CA SUI Adm. Fee (Trinet)	70	70	70	210	840
401k Fees (Paychex)	-	-	-	-	-
Subtotal	3,605	2,855	11,905	18,365	67,960
L. Temporary Services (\$1k)					
Project Assistance	-	-	-	-	1,000
Subtotal	-	-	-	-	1,000
M. Insurance					
Kaercher Campbell Foreign Policy	-	-	-	-	3,000
Travelers (D&O)	-	702	-	702	2,809
TriNet Workers Comp	499	499	499	1,496	5,982
The Hartford (Workman's Comp)	-	-	-	-	-
The Hartford (Employer Liab & Casualty)	-	-	-	-	2,714
Subtotal	499	1,201	499	2,198	14,505
N. Audit					
MGO audit fee	7,000	-	-	7,000	14,000
Subtotal	7,000	-	-	7,000	14,000
O. Office Supplies					
CVB office supplies	933	933	933	2,800	11,200
Subtotal	933	933	933	2,800	11,200
P. Contingency (\$4k)					
	1,000	-	-	1,000	4,000
Subtotal	1,000	-	-	1,000	4,000
Q. Board of Directors					
Board meeting costs	167	167	167	500	2,000
Subtotal	167	167	167	500	2,000

R. Taxes						
	MGO tax filing service	-	-	-	-	3,000
	Property Taxes (supplemental & annual)	-	-	-	-	10,825
	Board of Equalization	363	-	-	363	363
	Possessory Interest Tax (LA County)	-	-	-	-	600
	Subtotal	363	-	-	363	14,788
S. License & Permits						
	National Registered Agents	200	-	-	200	200
	Franchise Tax Board	-	-	-	-	10
	City of Beverly Hills - Business Tax	-	-	-	-	300
	Misc. permits	-	-	35	35	140
	Subtotal	200	-	35	235	650
T. Misc. Expenses						
		42	42	42	125	500
	Subtotal	42	42	42	125	500
U. Interest Expense						
	Dell computer assets	111	108	104	323	1,090
	Subtotal	111	108	104	323	1,090
FIXED COSTS TOTAL		118,248	91,882	96,652	306,783	1,154,300
TOTAL CASH BUDGET		321,547	240,380	425,101	987,028	3,300,000
OTHER EXPENSES						
Depreciation/ Amortization						
	Furniture, computer, telephone assets	3,039	3,039	3,039	9,116	36,464
	Subtotal	3,039	3,039	3,039	9,116	36,464
Leasehold Improvements						
	9400 Space	2,464	2,464	2,464	7,393	29,570
	Subtotal	2,464	2,464	2,464	7,393	29,570
REVISED BUDGET TOTAL		327,050	245,883	430,604	1,003,536	3,366,034