
MEMORANDUM

To: Mayor and City Council

From: Christopher Pike, Finance Director

Date: 12/12/2011

Subject: **Approval of the 2012 Annual CVBD Budget**

ITEM DESCRIPTION

Approval of the 2012 Annual CVBD Budget

BACKGROUND

During the November 14, 2011 Council Meeting, CVBD staff presented their recommended budget for the 2012 operating year. Per section 4.2 of the contract with the CVBD, the annual budget must be approved by City Council no later than sixty (60) days prior to the commencement of the fiscal year which begins on January 1 and runs through December 31. Though the 60-day window has lapsed, Council still needs to approve a budget for the operations.

Based on the presentation from the CVBD, the proposed budget includes the hiring of one additional employee. Approving the funding would effectively allow the hiring of an additional employee.

RECOMMENDED ACTION

It is respectfully requested that Council approve the 2012 CVBD Budget as presented at the November 14, 2011 Council meeting

**Convention and Visitors Bureau of Dunwoody
FY 2012 Budget**

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL			
SOURCES																
Revenues																
Carryover from 2011	\$35,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$35,000			
Tax Revenue	\$52,900.00	\$57,700.00	\$58,100.00	\$68,000.00	\$62,800.00	\$59,000.00	\$64,600.00	\$68,300.00	\$58,900.00	\$64,000.00	\$65,700.00	\$58,000.00	\$738,000			
Interest Income	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$2,400			
Total Revenue	\$88,100.00	\$57,900.00	\$58,300.00	\$68,200.00	\$63,000.00	\$59,200.00	\$64,800.00	\$68,500.00	\$59,100.00	\$64,200.00	\$65,900.00	\$58,200.00	\$775,400			
TOTAL SOURCES	\$88,100.00	\$57,900.00	\$58,300.00	\$68,200.00	\$63,000.00	\$59,200.00	\$64,800.00	\$68,500.00	\$59,100.00	\$64,200.00	\$65,900.00	\$58,200.00	\$775,400			
USES																
Personnel																
Salaries	\$14,508.33	\$14,508.33	\$14,508.33	\$14,716.67	\$15,033.33	\$15,033.33	\$15,033.33	\$15,033.33	\$15,033.33	\$15,033.33	\$15,033.33	\$15,033.33	\$15,033.33	\$178,508		
Employee Benefits	\$2,176.25	\$2,176.25	\$2,176.25	\$2,207.50	\$2,255.00	\$2,255.00	\$2,255.00	\$2,255.00	\$2,255.00	\$2,255.00	\$2,255.00	\$2,255.00	\$2,255.00	\$26,776		
Payroll Taxes	\$1,456.76	\$1,456.75	\$1,456.75	\$1,477.59	\$1,509.25	\$1,509.25	\$1,509.25	\$1,509.25	\$1,509.25	\$1,509.25	\$1,509.25	\$1,509.25	\$17,922			
Total Personnel	\$18,141.34	\$18,141.33	\$18,141.33	\$18,401.76	\$18,797.58	\$18,797.58	\$18,797.58	\$18,797.58	\$18,797.58	\$18,797.58	\$18,797.58	\$18,797.58	\$223,206	28.8%	44.3%	
Administrative																
Furniture & Equipment	\$3,000.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$8,500			
Insurance	\$2,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,500			
Legal and Professional Fees	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$14,400			
Licenses and Fees	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$15,000			
Miscellaneous	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$2,400			
Office Expense	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$3,000			
Postage/Courier/Overnight	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$2,400			
Rent	\$1,629.17	\$1,629.17	\$1,629.17	\$1,629.17	\$1,629.17	\$1,629.17	\$1,629.17	\$3,258.33	\$3,258.33	\$3,258.33	\$3,258.33	\$3,356.08	\$27,794			
Telephone/Internet	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$3,600			
Vehicle Expenses	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$1,800			
Total Administrative	\$10,679.17	\$5,679.17	\$5,679.17	\$5,679.17	\$5,679.17	\$5,679.17	\$5,679.17	\$7,308.33	\$7,308.33	\$7,308.33	\$7,308.33	\$7,406.08	\$81,394	10.5%	13.2%	
Marketing																
Advertising	\$15,250.00	\$15,250.00	\$15,250.00	\$15,250.00	\$15,250.00	\$15,250.00	\$15,250.00	\$15,250.00	\$15,250.00	\$15,250.00	\$15,250.00	\$15,250.00	\$183,000			
Dues and Subscriptions	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$8,800.00	\$300.00	\$300.00	\$12,100			
Graphic Design	\$10,000.00	\$10,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$40,000			
Meals & Entertainment	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$1,800			
Memberships	\$2,000.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$5,500.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$10,000			
Miscellaneous	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$6,000			
Photography			\$5,000.00			\$500.00			\$500.00		\$500.00		\$6,500			
Printing	\$1,500.00	\$5,000.00	\$5,000.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$25,000			
Public Relations	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$12,000			
Travel	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$12,000			
Web Site	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$60,000			
Total Marketing	\$36,700.00	\$38,450.00	\$35,450.00	\$26,950.00	\$26,950.00	\$27,450.00	\$32,200.00	\$26,950.00	\$27,450.00	\$35,450.00	\$26,950.00	\$27,450.00	\$368,400			
Promotional																
Community Development	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$14,400			
Conventions/Trade Shows	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$24,000			
Event Hosting/Site Visits	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$15,000			
Promotional Materials	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$15,000			
Promotions	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$24,000			
Sponsorships			\$2,500.00			\$2,500.00			\$2,500.00		\$2,500.00		\$10,000			
Total Promotional	\$7,700.00	\$7,700.00	\$10,200.00	\$7,700.00	\$7,700.00	\$10,200.00	\$7,700.00	\$7,700.00	\$10,200.00	\$7,700.00	\$7,700.00	\$10,200.00	\$102,400			
Total Marketing/Promotional	\$44,400.00	\$46,150.00	\$45,650.00	\$34,650.00	\$34,650.00	\$37,650.00	\$39,900.00	\$34,650.00	\$37,650.00	\$43,150.00	\$34,650.00	\$37,650.00	\$470,800	60.7%	42.4%	
TOTAL USES	\$73,220.51	\$69,970.50	\$69,470.50	\$58,730.93	\$59,126.75	\$62,126.75	\$64,376.75	\$60,755.91	\$63,755.91	\$69,255.91	\$60,755.91	\$63,853.66	\$775,400			
NET SURPLUS (SHORTFALL)	\$14,879.49	-\$12,070.50	-\$11,170.50	\$9,469.07	\$3,873.25	-\$2,926.75	\$423.25	\$7,744.09	-\$4,655.91	-\$5,055.91	\$5,144.09	-\$5,653.66	\$0			

Convention and Visitors Bureau of Dunwoody

FY 2012 Budget

EXPENSE CATEGORY DESCRIPTIONS

SOURCES

Carryover from 2011	Represents surplus funds brought forth from 2011 to balance budget.
Tax Revenue	Reflects approximately 2.5% increase above projected 2011 revenue. Adjusted to reflect monthly variations based on 2010 and YTD 2011 history.
Interest Income	Estimated at \$200 per month.

USES

Personnel	
Salaries	Exec. Director and Sales Manager salaries, one part-time person, plus addition of Marketing Coordinator as of January 1.
Employee Benefits	Projected at 15% of Salaries.
Payroll Taxes	Projected at 10% of Salaries.
Administrative	
Furniture & Equipment	Projected \$500 per month. For miscellaneous purchases. Plus \$2,500 in January for additional new computer equipment for Marketing Coordinator.
Insurance	Based on expanded coverage. Current premium = \$1,383 for D&O coverage.
Legal and Professional Fees	Legal/Accounting/Auditing/Payroll/HR
Licenses and Fees	\$1,000 monthly license for SimpleView CRM system, plus other licenses and fees.
Miscellaneous	Other miscellaneous, unanticipated administrative costs.
Office Expense	Office supplies, other office expenses.
Postage/Courier/Overnight	Postage, courier, and overnight package costs.
Rent	Based on new lease commencing 12/1/2011, starting at \$3,258.33 per month, with 50% rent abatement through July, increasing 3% on 12/1/2012.
Telephone/Internet	Connection charges.
Vehicle Expenses	Mileage reimbursements.
Marketing	
Advertising	A combination of print and online advertising aimed at the target audiences for both meetings & groups and leisure tourism
Dues and Subscriptions	Primarily the Smith Travel Research Report, plus other miscellaneous subscriptions.
Graphic Design	New creative campaign (partnered with the City); fees for graphic design for annual brochure, map, and meeting planner guide.
Meals & Entertainment	Meals or entertainment meetings with clients and industry partners; excludes event hosting.
Memberships	Membership fees for industry associations.
Miscellaneous	Other marketing opportunities that are presented throughout the year.
Photography	Video project with the City of Dunwoody; fees for professional photography services.
Printing	Printing costs for projects, materials, etc. Additional costs in February/March for annual printing of Visitors Guide.
Public Relations	Special Projects with CVB-specialized PR Agency, Laurie Rowe Communications; FAM tours for Travel Media
Travel	Travel to meetings, tradeshows and industry events; includes any gas, air or hotel costs.
Web Site	Monthly SimpleView web site maintenance costs; pay-per-click advertising; search engine optimization
Promotional	
Community Development	Marketing efforts for local special events to attract visitors from outside of Dunwoody and Metro Atlanta.
Conventions/Trade Shows	Costs to attend tradeshows and industry education events.
Event Hosting/Site Visits	Special events that the CVB will host, including reunion/wedding planning workshops, meeting planner events, familiarization tours, etc.
Promotional Materials	Producing branded items to distribute to potential clients, use in group welcome bags, and giveaways at special events.
Promotions	Seasonal promotional campaigns incorporating sweepstakes, photo contests, scavenger hunts, etc.
Sponsorships	Sponsorship of industry tradeshows, events, conferences, etc. to market to potential clients and visitors.

** **DMAI Averages** *Represent budget category averages for DMOs with annual budgets ranging from \$500,000 to \$999,999.
Source: Destination Marketing Association International - 2011 DMO Organizational & Financial Profile Study.*