



SPECIAL BOARD OF DIRECTORS MEETING
Bahia Resort Hotel: DEL MAR ROOM
998 West Mission Bay Drive, San Diego CA 92109
Friday: June 7, 2013
11:00 a.m.

Call to Order / Introductions:

Chairman C.Terry Brown

Public Comment:

Public comment for ALL items on or not otherwise on the Agenda

Brown

Information Item:

FY2014 City Review / Approval Timeline

Brown

Action Items:

Brown

01) Approval of Minutes:

May 31, 2013 SDTMD open meeting minutes will be reviewed, discussed and considered for approval.

02) FY2014 SDTA Proposed Budget Allocation Review:

FY2014 Proposed Budget Line Items from the San Diego Tourism Authority (previously known as ConVis) will be reviewed and discussed further. Any clarifications of TMD funding will be considered for approval.

Adjournment of Board Meeting:

Brown

BROWN ACT:

Government Code 54950 (The Brown Act) requires that a brief description of each item to be transacted or discussed be posted at least 72 hours prior to a regular meeting. Action may not be taken on items not posted on the agenda.

Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify Lorin Stewart at (619) 209-6108 at least 48 hours prior to the meeting.

NOTICE TO PUBLIC:

You are welcomed and encouraged to participate in this meeting. Public comment is taken (3 minutes maximum per person) on items listed on the agenda when they are called. Public Comment on items not listed on the agenda will be heard at the meeting as noted on the agenda. Comments on controversial items may be limited and large groups are encouraged to select one or two speakers to represent the opinion of the group. The order of Agenda items is listed for reference and may be taken in any order deemed appropriate by the Board of Directors. The Agenda provides a general description and staff recommendations; however, the Board of Directors may take action other than what is recommended.

SAN DIEGO TOURISM MARKETING DISTRICT - EXHIBIT B
PROPOSED TOTAL BUDGET (60% WAIVERS SIGNED) YEAR ENDING JUNE 30, 2014

ORGANIZATION NAME: SAN DIEGO TOURISM AUTHORITY

	BENEFIT CATEGORY A						Total Benefit Category A	CATEGORY B	Total TMD Funding Request	Funded by Private Sources	Total Budgeted Expenditures
	Hotel Meeting Sales A.1.1	Event Mgmt & Group Sales Devel A1.2	Tourism Development A1.3	Group Meeting Direct Mktg A1.4	Consumer Direct Programs A1.5	DMO Sub Regional Marketing A3		Destination Marketing			
Salaries and Wages	1,594,995	1,361,640	333,044	185,223	405,004	0	3,879,906	185,127	4,065,033	731,046	4,796,079
Taxes & Employee Benefits	477,396	296,992	126,711	59,644	131,445	0	1,092,188	58,743	1,150,931	238,924	1,389,855
Bank & Credit Card Processing Fees	0	0	0	0	0	0	0	0	0	56,000	56,000
Distribution	0	0	11,400	0	0	0	11,400	0	11,400	110,092	121,492
Dues & Subscriptions	13,056	13,955	3,326	2,383	25,879	0	58,599	2,082	60,681	6,363	67,044
Equipment Rent	26,470	20,129	8,497	3,841	8,381	0	67,318	3,725	71,043	18,345	89,388
Events & Sponsorships	6,555	201,475	51,491	1,264	23,118	0	283,903	1,628	285,531	46,712	332,243
Media	0	0	0	130,000	1,684,000	0	1,814,000	2,952,381	4,766,381	355,119	5,121,500
Outside Services	113,430	0	174,102	46,620	327,230	0	661,382	479,708	1,141,090	164,260	1,305,350
Printing & Production	0	9	390	260	160,455	0	161,114	228,757	389,871	121,829	511,700
Promotional Items	0	0	14,435	8,055	1,665	0	24,155	370	24,525	5,275	29,800
Rent & Utilities	158,337	139,206	61,069	27,607	60,232	0	446,451	26,770	473,221	132,809	606,030
Research	0	0	36,049	54,032	82,057	0	172,138	47,166	219,304	2,858	222,162
Software Maintenance & Hosting	72,094	0	0	65,450	65,450	0	202,994	46,748	249,742	13,146	262,888
Cost of Attraction Tickets	0	0	0	0	0	0	0	0	0	1,183,664	1,183,664
Travel & Entertainment	16,864	127,000	39,278	3,584	12,664	0	199,390	2,424	201,814	34,303	236,117
Allocation of Indirect Costs	932,809	781,775	214,868	119,499	261,295	0	2,310,247	119,438	2,429,684	467,636	2,897,320
TMD Unallowable Costs	0	0	0	0	0	0	0	0	0	576,113	576,113
SUBTOTAL	3,412,006	2,942,181	1,074,660	707,462	3,248,875	0	11,385,185	4,155,067	15,540,251	4,264,494	19,804,745
Less: SDCCC Services Contract		(1,900,000)					(1,900,000)		(1,900,000)		(1,900,000)
Less: City & County Grants			(41,000)				(41,000)		(41,000)		(41,000)
Less: Co-op Partnership Contributions				(65,000)	(425,000)		(490,000)	(1,365,000)	(1,855,000)		(1,855,000)
NET TMD FUNDING REQUEST	3,412,006	1,042,181	1,033,660	642,462	2,823,875	0	8,954,185	2,790,067	11,744,251	4,264,494	16,008,745
Estimated TMD Assessment Collections Available for Disbursement (11,950,000 x 90%)									10,755,000		
Estimated Carryover Available from FY13									1,000,000		
Total Estimated Funding Available									<u>11,755,000</u>		

SAN DIEGO TOURISM MARKETING DISTRICT - EXHIBIT B
PROPOSED LINE ITEM BUDGET (60% WAIVERS SIGNED) - YEAR ENDING JUNE 30, 2014

ORGANIZATION NAME: SAN DIEGO TOURISM AUTHORITY

	CATEGORY A					CATEGORY B			TOTAL		
	Total Costs Budget Category A (A1.1 to A2)	Less: SDCCC Srvs Contract Allocation	Less: City & County Grants	Less: Co-op Partnership Contrib	TMD Funding Budget by Line Item Category A	Destination Marketing	Less: Co-op Partnership Contrib	TMD Funding Budget by Line Item Category B	Total TMD Funded Budgeted Expenditures	Expenditures Funded by Private Sources	Total Organizational Budgeted Expenditures
Salaries and Wages	3,879,906	(1,293,145)	0	0	2,586,761	185,127	0	185,127	2,771,888	731,046	3,502,934
Taxes & Employee Benefits	1,092,188	(270,493)	0	0	821,695	58,743	0	58,743	880,438	238,924	1,119,362
Bank & Credit Card Processing Fees	0	0	0	0	0	0	0	0	0	56,000	56,000
Distribution	11,400	0	0	0	11,400	0	0	0	11,400	110,092	121,492
Dues & Subscriptions	58,599	(13,630)	0	0	44,969	2,082	0	2,082	47,051	6,363	53,414
Equipment Rent	67,318	(17,801)	0	0	49,517	3,725	0	3,725	53,242	18,345	71,587
Events & Sponsorships	283,903	0	0	0	283,903	1,628	0	1,628	285,531	46,712	332,243
Media	1,814,000	0	0	(490,000)	1,324,000	2,952,381	(1,365,000)	1,587,381	2,911,381	355,119	3,266,500
Outside Services	661,382	0	(41,000)	0	620,382	479,708	0	479,708	1,100,090	164,260	1,264,350
Printing & Production	161,114	(9)	0	0	161,105	228,757	0	228,757	389,862	121,829	511,691
Promotional Items	24,155	0	0	0	24,155	370	0	370	24,525	5,275	29,800
Rent & Utilities	446,451	(122,475)	0	0	323,976	26,770	0	26,770	350,746	132,809	483,555
Research	172,138	0	0	0	172,138	47,166	0	47,166	219,304	2,858	222,162
Software Maintenance & Hosting	202,994	0	0	0	202,994	46,748	0	46,748	249,742	13,146	262,888
Cost of Attraction Tickets	0	0	0	0	0	0	0	0	0	1,183,664	1,183,664
Travel & Entertainment	199,390	(182,447)	0	0	16,943	2,424	0	2,424	19,367	34,303	53,670
Allocation of Indirect Costs	2,310,247	0	0	0	2,310,247	119,438	0	119,438	2,429,684	467,636	2,897,320
TMD Unallowable Costs	0	0	0	0	0	0	0	0	0	576,113	576,113
TOTAL	11,385,185	(1,900,000)	(41,000)	(490,000)	8,954,185	4,155,067	(1,365,000)	2,790,067	11,744,251	4,264,494	16,008,745

**SAN DIEGO TOURISM MARKETING DISTRICT - EXHIBIT B
PROPOSED BUDGET (60% WAIVERS SIGNED)- YEAR ENDING JUNE 30, 2014
SAN DIEGO TOURISM AUTHORITY**

INDIRECT COST ALLOCATION

	Budget Category	Allocation Base (1)			Indirect Rate	Allocated	
		Total Salaries	Less: Incentives	Allocation Base (1)		Indirect Costs	Percentage
Budget Category A							
Hotel Meeting Sales	A1.1	1,594,995	149,150	1,445,845	0.645	932,809	32.2%
Event Management & Group Sales Development	A1.2	1,361,640	149,896	1,211,744	0.645	781,775	27.0%
Tourism Development	A1.3	333,044	-	333,044	0.645	214,868	7.4%
Group Meeting Direct Marketing	A1.4	185,223	-	185,223	0.645	119,499	4.1%
Consumer Direct Programs	A1.5	405,004	-	405,004	0.645	261,295	9.0%
DMO Sub-Regional Marketing	A2	-	-	-	0.645	-	0.0%
SUBTOTAL		3,879,906	299,046	3,580,860		2,310,246	79.7%
Budget Category B							
Destination Marketing	B	185,127	-	185,127	0.645	119,438	4.1%
TOTAL BUDGET CATEGORIES A & B		4,065,033	299,046	3,765,987		2,429,684	83.9%
Funded by Private Sources							
Portion of Programs Benefiting Non-TMD Entities		149,420	6,215	143,205	0.645	92,391	3.2%
Private Commercial Activities		581,626	-	581,626	0.645	375,245	13.0%
		731,046	6,215	724,831		467,636	16.1%
TOTAL		4,796,079	305,261	4,490,818		2,897,320	100.0%

(1) Allocation Base = Payroll costs (excluding incentives)
directly allocated to each budget category

Indirect Rate Calculation:

$$\text{Total Indirect Costs} / \text{Allocation Base} = 2,897,320 / 4,490,818 = .645$$

SAN DIEGO TOURISM MARKETING DISTRICT - EXHIBIT B
PROPOSED BUDGET (60% WAIVERS SIGNED) - YEAR ENDING JUNE 30, 2014
SAN DIEGO TOURISM AUTHORITY

INDIRECT COSTS	Total General & Administrative Costs	Less: Costs Allocable Directly	Less: Non-TMD Allowable Costs	Allowable General & Admin Indirect Costs
Salaries and Wages	1,398,242	-	63,483	1,334,759
Taxes and Benefits	282,163	-	-	282,163
Staff Education	24,600	-	19,950	4,650
Defined Benefit Plan	315,000	256,589	-	58,411
Outside Services	140,400	110,400	-	30,000
Event Registration	12,200	-	-	12,200
Sponsorships	7,400	-	3,700	3,700
Travel & Entertainment	44,400	-	22,200	22,200
Dues & Subscriptions	33,604	25,000	-	8,604
Office Supplies	46,952	-	-	46,952
Duplicating	39,816	-	-	39,816
Repair & Maintenance - Facility	7,320	-	-	7,320
Bank & Credit Card Processing	84,080	56,000	-	28,080
Rent	684,269	567,150	-	117,119
Equipment Rent	113,588	89,388	-	24,200
Telecommunications	120,900	-	-	120,900
Postage	36,000	-	-	36,000
Legal Fees	10,000	-	-	10,000
Audit and Tax Consulting	56,500	-	-	56,500
Insurance	73,000	-	-	73,000
Taxes & Fees	9,000	-	-	9,000
Depreciation	242,400	-	-	242,400
Interest Expense	5,527	-	5,527	-
Software Maintenance & Hosting	420,328	262,888	-	157,440
Equipment & Software Licenses	83,035	-	-	83,035
Non-Capital Equipment	8,040	-	8,040	-
Professional Services - IT Support	88,871	-	-	88,871
TOTAL	4,387,635	1,367,415	122,900	2,897,320

SDTMD - EXHBIT F
PERSONNEL SCHEDULE (BUDGET 60% WAIVERS SIGNED)- YEAR ENDING JUNE 30, 2014
SAN DIEGO TOURISM AUTHORITY

HEAD COUNT	POSITION TITLES	JOB CLASSIFICATION	HOURLY EMPLOYEES AVERAGE HRS PER MONTH (TMD FUNDS)	AVERAGE AMOUNT PAID PER MONTH (TMD FUNDS)	SALARIED EMPLOYEES BASE PAY FOR YEAR (TMD FUNDS)	BONUSES AND COMMISSIONS (TMD FUNDS)	AMOUNT FUNDED WITH TMD FUNDS DURING PERIOD	
DIRECT COSTS - SALES								
1.00	Director of Military Defense	Hotel Meeting Sales - Western			94,939	12,817	107,756	
1.00	VP of Sales	Hotel Meeting Sales - Western			100,800	13,608	114,408	
1.00	Director of Site Inspections	Hotel Meeting Sales - Western			79,380	10,716	90,096	
5.00	National Sales Director	Hotel Meeting Sales - Western			364,435	49,199	413,634	
1.00	Sales Manager	Hotel Meeting Sales - Western			59,958	8,094	68,052	
1.00	Sr VP of Sales	Hotel Meeting Sales - Western			182,895	-	182,895	
3.00	Conference Services Coordinator	Hotel Meeting Sales - Western	450	9,728		-	116,736	
1.00	Sales Administrative Coordinator	Hotel Meeting Sales - Western	150	3,559		-	42,709	
3.00	National Sales Director	Hotel Meeting Sales - Eastern			258,147	34,850	292,997	
1.00	Sales Coordinator	Hotel Meeting Sales - Eastern			37,082	-	37,082	
2.50	National Sales Director	Hotel Meeting Sales - Midwest			205,863	27,792	233,655	
0.25	VP of Sales and Services	Hotel Meeting Sales - Midwest			36,240	4,892	41,132	
1.00	Director of Event Management	Sales - Event Management			68,495	-	68,495	
1.00	Events Manager	Sales - Event Management			50,996	-	50,996	
(3.00)	Staff Reductions	Sales / Events			-	-	(197,152)	
19.75	SUBTOTAL - SALES						161,968	1,663,491
DIRECT COSTS - MARKETING								
0.50	Research Services Manager	Marketing - Planning & Research			30,204	-	30,204	
1.00	Sr Dir of Relational Marketing	Marketing - Planning & Research			103,146	-	103,146	
1.00	Research Analyst	Marketing - Planning & Research	150	4,991		-	59,897	
1.00	Creative Services Manager	Marketing - Marketing Services			75,937	-	75,937	
1.00	Interactive Marketing Manager	Marketing - Marketing Services			69,218	-	69,218	
1.00	Marketing Comm Writer	Marketing - Marketing Services			69,335	-	69,335	
1.00	Search Engine Marketing Magr	Marketing - Marketing Services			78,002	-	78,002	
1.00	Sr Dir of Marketing Services	Marketing - Marketing Services			125,033	-	125,033	
1.00	Interactive Editor	Marketing - Marketing Services	150	3,996		-	47,955	
1.00	Sr VP of Marketing & Strategic Ptr	Marketing - Advertising & Promo			182,985	-	182,985	
1.00	Marketing Admin Coordinator	Marketing - Advertising & Promo	150	4,107		-	49,285	
1.00	Mktng Promotions Coordinator	Marketing - Advertising & Promo	150	3,286		-	39,428	
1.00	Director of Earned Media	Marketing - Earned Media			72,332	-	72,332	
2.00	Earned Media Manager	Marketing - Earned Media			89,888	-	89,888	
1.00	Earned Media Coordinator	Marketing - Earned Media	150	2,730		-	32,760	
1.00	Director of Travel Trade Development	Marketing - Travel Trade Devel			71,598	-	71,598	
1.00	Travel Trade Manager	Marketing - Travel Trade Devel			57,000	-	57,000	

SDTMD - EXHBIT F
PERSONNEL SCHEDULE (BUDGET 60% WAIVERS SIGNED)- YEAR ENDING JUNE 30, 2014
SAN DIEGO TOURISM AUTHORITY

HEAD COUNT	POSITION TITLES	JOB CLASSIFICATION	HOURLY EMPLOYEES AVERAGE HRS PER MONTH (TMD FUNDS)	AVERAGE AMOUNT PAID PER MONTH (TMD FUNDS)	SALARIED EMPLOYEES BASE PAY FOR YEAR (TMD FUNDS)	BONUSES AND COMMISSIONS (TMD FUNDS)	AMOUNT FUNDED WITH TMD FUNDS DURING PERIOD	
1.00	Fam Trip Coordinator	Marketing - Travel Trade Devel	150	2,238		-	26,858	
1.00	Travel Trade Coordinator	Marketing - Travel Trade Devel	150	2,898		-	34,770	
(3.00)	Staff Reductions	Marketing				-	(207,234)	
16.50	SUBTOTAL - MARKETING						-	1,108,397
DIRECT COST - CITYWIDE SALES								
3.00	National Sales Director	Citywide Sales - Western			258,600	41,376	299,976	
0.50	Research Services Manager	Citywide Sales - Western			30,420	-	30,420	
2.00	Sales Coordinator	Citywide Sales - Western	300	7,751		-	90,979	
1.00	Sr VP of Sales	Citywide Sales - Western			180,000	28,800	208,800	
0.50	National Sales Director	Citywide Sales - Midwest			55,000	8,800	63,800	
1.00	Sales Coordinator	Citywide Sales - Midwest	150	3,467		-	40,000	
0.75	VP of Sales and Services	Citywide Sales - Midwest			113,250	18,120	131,370	
2.00	National Sales Director	Citywide Sales - Eastern			195,000	31,200	226,200	
1.00	Sales Coordinator	Citywide Sales - Eastern	150	3,796		-	45,000	
1.00	VP of Sales	Citywide Sales - Eastern			135,000	21,600	156,600	
12.75	SUBTOTAL - CITYWIDE SALES						149,896	1,293,145
DIRECT COSTS - OTHER (FTE)								
1.00	Marketing Partnerships Manager	Marketing - Marketing Partnerships				-	-	
2.00	Account Executive	Marketing - Marketing Partnerships				-	-	
1.00	Director of Marketing Partnerships	Marketing - Marketing Partnerships				-	-	
1.00	Membership Coordinator	Marketing - Marketing Partnerships				-	-	
1.00	Director of Visitor Services	Marketing - Visitor Services				-	-	
1.00	Visitor Services Manager	Marketing - Visitor Services				-	-	
1.00	Visitor Services Supervisor	Marketing - Visitor Services				-	-	
0.50	Sr Visitor Services Specialist	Marketing - Visitor Services				-	-	
1.75	Visitor Service Specialist	Marketing - Visitor Services				-	-	
1.00	Visitors Services Manager	Marketing - Visitor Services East Co				-	-	
1.60	Visitor Services Specialist	Marketing - Visitor Services East Co				-	-	
1.00	Director of Film Promotion	Film Promotion				-	-	
1.00	Associate Director of Film Promotion	Film Promotion				-	-	
1.00	Film Promotion Coordinator	Film Promotion				-	-	
(4.00)	Staff Reductions	Other Direct				-	-	
11.85	SUBTOTAL - OTHER						-	-
60.85	TOTAL DIRECT COSTS						311,864	4,065,033

SDTMD - EXHIBIT F
PERSONNEL SCHEDULE (BUDGET 60% WAIVERS SIGNED)- YEAR ENDING JUNE 30, 2014
SAN DIEGO TOURISM AUTHORITY

HEAD COUNT	POSITION TITLES	JOB CLASSIFICATION	HOURLY EMPLOYEES AVERAGE HRS PER MONTH (TMD FUNDS)	AVERAGE AMOUNT PAID PER MONTH (TMD FUNDS)	SALARIED EMPLOYEES BASE PAY FOR YEAR (TMD FUNDS)	BONUSES AND COMMISSIONS (TMD FUNDS)	AMOUNT FUNDED WITH TMD FUNDS DURING PERIOD
INDIRECT COSTS (Allocated)							
1.00	Accounting Manager	Administrative - Indirect Cost			54,945	-	54,945
1.00	VP Human Resources	Administrative - Indirect Cost			109,018	-	109,018
1.00	Executive Assistant	Administrative - Indirect Cost			54,928	-	54,928
1.00	VP Communications and Public Affairs	Administrative - Indirect Cost			125,790	-	125,790
1.00	President and CEO	Administrative - Indirect Cost			310,643	-	310,643
1.00	Receptionist	Administrative - Indirect Cost	150	2,898		-	34,771
1.00	Vice President and CFO	Administrative - Indirect Cost			149,518	-	149,518
1.00	Revenue Analyst	Administrative - Indirect Cost	150	3,285		-	39,414
1.00	Accounting Associate	Administrative - Indirect Cost	150	3,215		-	38,576
1.00	Contract Auditor	Administrative - Indirect Cost	150	3,215		-	38,576
1.00	Support Manager	Administrative - Indirect Cost			42,297	-	42,297
1.00	Vice President - IT & Operations	Administrative - Indirect Cost			122,447	-	122,447
1.00	Project Manager	Administrative - Indirect Cost			41,930	-	41,930
(1.00)	Staff Reductions	Administrative - Indirect Cost				-	(43,528)
12.00	TOTAL - INDIRECT SALARIES ALLOCATED					-	1,119,325

Indirect Salaries Allocation Summary
(Total indirect salaries for allocation = \$1,334,759)

Budget Category A

A1.1 Hotel Meeting Sales

A1.2 Event Management & Group Sales Development

A1.3 Tourism Development

A1.4 Group Meeting Direct Marketing

A1.5 Consumer Direct Programs

A2 DMO Sub-Regional Marketing

SUBTOTAL

Budget Category B - Destination Marketing

TOTAL ALLOCATION TO BUDGET CATEGORIES A & B

Funded by Private Sources

Portion of Programs Benefiting Non-TMD Entities

Private Commercial Activities

TOTAL

Allocation Base (1)	Percentage of Base	Allocation of Indirect Salaries (% x \$1,334,759)
1,445,845	32.2%	429,733
1,211,744	27.0%	360,154
333,044	7.4%	98,987
185,223	4.1%	55,052
405,004	9.0%	120,375
-	0.0%	-
3,580,860	79.7%	1,064,302
185,127	4.1%	55,023
3,765,987	83.8597%	1,119,325
143,205	3.2%	42,563
581,626	13.0%	172,871
724,831	16.1%	215,434
4,490,818	100.0%	1,334,759

(1) Allocation Base = Payroll costs (excluding incentives) directly allocated to each budget category

**SAN DIEGO TOURISM MARKETING DISTRICT - EXHIBIT B
PROPOSED TOTAL BUDGET - YEAR ENDING JUNE 30, 2014**

ORGANIZATION NAME: SAN DIEGO TOURISM AUTHORITY

	BENEFIT CATEGORY A						Total Benefit Category A	CATEGORY B	Total TMD Funding Request	Funded by Private Sources	Total Budgeted Expenditures
	Hotel Meeting Sales A.1.1	Event Mgmt & Group Sales Devel (1) A1.2	Tourism Development A1.3	Group Meeting Direct Mktg A1.4	Consumer Direct Programs A1.5	DMO Sub Regional Marketing A3		Destination Marketing			
Salaries and Wages	2,106,981	1,473,174	501,603	297,523	687,548	69,742	5,136,571	263,765	5,400,336	805,584	6,205,920
Taxes & Employee Benefits	585,705	316,240	162,396	91,719	209,211	20,788	1,386,059	78,495	1,464,554	267,170	1,731,724
Bank & Credit Card Processing Fees	0	0	0	0	0	0	0	0	0	56,000	56,000
Distribution	0	0	11,400	0	0	0	11,400	0	11,400	110,092	121,492
Dues & Subscriptions	48,494	14,405	6,057	3,482	40,549	896	113,883	3,083	116,966	8,403	125,369
Equipment Rent	25,442	19,461	8,167	4,251	14,869	895	73,085	3,580	76,665	21,649	98,314
Events & Sponsorships	149,089	206,125	71,913	2,889	34,009	735	464,760	5,532	470,292	54,686	524,978
Media	0	0	0	200,000	4,712,500	762,525	5,675,025	5,287,159	10,962,184	471,841	11,434,025
Outside Services	293,930	0	374,452	117,480	548,870	125,225	1,459,957	686,526	2,146,483	197,367	2,343,850
Printing & Production	0	9	390	75,260	200,390	65	276,114	285,910	562,024	124,676	686,700
Promotional Items	39,140	0	19,238	15,713	1,900	238	76,229	473	76,702	11,848	88,550
Rent & Utilities	158,337	139,206	61,069	31,789	75,046	6,692	472,139	26,770	498,909	126,708	625,617
Research	0	0	64,399	102,932	134,399	20,733	322,463	90,666	413,129	3,533	416,662
Software Maintenance & Hosting	72,094	0	0	81,704	81,704	0	235,502	58,358	293,860	15,468	309,328
Cost of Attraction Tickets	0	0	0	0	0	0	0	0	0	1,183,664	1,183,664
Travel & Entertainment	137,276	164,945	59,308	7,046	34,317	2,235	405,127	4,882	410,009	64,191	474,200
Allocation of Indirect Costs	1,098,946	756,749	281,484	167,481	388,295	39,231	2,732,187	148,790	2,880,977	451,849	3,332,826
TMD Unallowable Costs	0	0	0	0	0	0	0	0	0	1,109,285	1,109,285
SUBTOTAL	4,715,434	3,090,314	1,621,876	1,199,269	7,163,607	1,050,000	18,840,501	6,943,989	25,784,490	5,084,014	30,868,504
Less: SDCCC Services Contract		(1,900,000)					(1,900,000)		(1,900,000)		(1,900,000)
Less: City & County Grants			(41,000)				(41,000)		(41,000)		(41,000)
Less: Co-op Partnership Contributions				(65,000)	(425,000)		(490,000)	(1,365,000)	(1,855,000)		(1,855,000)
NET TMD FUNDING REQUEST	4,715,434	1,190,314	1,580,876	1,134,269	6,738,607	1,050,000	16,409,501	5,578,989	21,988,490	5,084,014	27,072,504
Estimated TMD Assessment Collections Available for Disbursement (23,350,000 x 90%)									21,015,000		
Estimated Carryover Available from FY13									1,000,000		
Total Estimated Funding Available									<u>22,015,000</u>		

**SAN DIEGO TOURISM MARKETING DISTRICT - EXHIBIT B
PROPOSED LINE ITEM BUDGET - YEAR ENDING JUNE 30, 2014**

ORGANIZATION NAME: SAN DIEGO TOURISM AUTHORITY

	CATEGORY A				TMD Funding Budget by Line Item Category A	CATEGORY B			TOTAL		
	Total Costs Budget Category A (A1.1 to A2)	Less: SDCCC Srvs Contract Allocation	Less: City & County Grants	Less: Co-op Partnership Contrib		Destination Marketing	Less: Co-op Partnership Contrib	TMD Funding Budget by Line Item Category B	Total TMD Funded Budgeted Expenditures	Expenditures Funded by Private Sources	Total Organizational Budgeted Expenditures
Salaries and Wages	5,136,571	(1,343,498)	0	0	3,793,073	263,765	0	263,765	4,056,838	805,584	4,862,422
Taxes & Employee Benefits	1,386,059	(274,631)	0	0	1,111,428	78,495	0	78,495	1,189,923	267,170	1,457,093
Bank & Credit Card Processing Fees	0	0	0	0	0	0	0	0	0	56,000	56,000
Distribution	11,400	0	0	0	11,400	0	0	0	11,400	110,092	121,492
Dues & Subscriptions	113,883	(14,080)	0	0	99,803	3,083	0	3,083	102,886	8,403	111,289
Equipment Rent	73,085	(17,223)	0	0	55,862	3,580	0	3,580	59,442	21,649	81,091
Events & Sponsorships	464,760	0	0	0	464,760	5,532	0	5,532	470,292	54,686	524,978
Media	5,675,025	0	0	(490,000)	5,185,025	5,287,159	(1,365,000)	3,922,159	9,107,184	471,841	9,579,025
Outside Services	1,459,957	0	(41,000)	0	1,418,957	686,526	0	686,526	2,105,483	197,367	2,302,850
Printing & Production	276,114	(9)	0	0	276,105	285,910	0	285,910	562,015	124,676	686,691
Promotional Items	76,229	0	0	0	76,229	473	0	473	76,702	11,848	88,550
Rent & Utilities	472,139	(122,475)	0	0	349,664	26,770	0	26,770	376,434	126,708	503,142
Research	322,463	0	0	0	322,463	90,666	0	90,666	413,129	3,533	416,662
Software Maintenance & Hosting	235,502	0	0	0	235,502	58,358	0	58,358	293,860	15,468	309,328
Cost of Attraction Tickets	0	0	0	0	0	0	0	0	0	1,183,664	1,183,664
Travel & Entertainment	405,127	(128,084)	0	0	277,043	4,882	0	4,882	281,925	64,191	346,116
Allocation of Indirect Costs	2,732,187	0	0	0	2,732,187	148,790	0	148,790	2,880,977	451,849	3,332,826
TMD Unallowable Costs	0	0	0	0	0	0	0	0	0	1,109,285	1,109,285
TOTAL	18,840,501	(1,900,000)	(41,000)	(490,000)	16,409,501	6,943,989	(1,365,000)	5,578,989	21,988,490	5,084,014	27,072,504

SAN DIEGO TOURISM MARKETING DISTRICT - EXHIBIT B
PROPOSED BUDGET - YEAR ENDING JUNE 30, 2014
SAN DIEGO TOURISM AUTHORITY

INDIRECT COST ALLOCATION

	Budget Category	Allocation Base (1)			Indirect Rate	Allocated	
		Total Salaries	Less: Incentives	Allocation Base (1)		Indirect Costs	Percentage
Budget Category A							
	A1.1	2,106,981	203,522	1,903,459	0.577	1,098,946	33.0%
	A1.2	1,473,174	162,426	1,310,748	0.577	756,749	22.7%
	A1.3	501,603	14,051	487,552	0.577	281,484	8.4%
	A1.4	297,523	7,433	290,090	0.577	167,481	5.0%
	A1.5	687,548	14,991	672,557	0.577	388,295	11.7%
	A2	69,742	1,791	67,951	0.577	39,232	1.2%
	SUBTOTAL	5,136,571	404,214	4,732,357		2,732,187	82.0%
Budget Category B							
	B	263,765	6,049	257,716	0.577	148,790	4.5%
	TOTAL BUDGET CATEGORIES A & B	5,400,336	410,263	4,990,073		2,880,977	86.4%
Funded by Private Sources							
		305,523	12,142	293,381	0.577	169,381	5.1%
		500,061	10,805	489,256	0.577	282,468	8.5%
		805,584	22,947	782,637		451,849	13.6%
	TOTAL	6,205,920	433,210	5,772,710		3,332,826	100.0%

(1) Allocation Base = Payroll costs (excluding incentives) directly allocated to each budget category

Indirect Rate Calculation:

$$\text{Total Indirect Costs} / \text{Allocation Base} = 3,332,826 / 5,772,710 = .577$$

SAN DIEGO TOURISM MARKETING DISTRICT - EXHIBIT B
PROPOSED BUDGET - YEAR ENDING JUNE 30, 2014
SAN DIEGO TOURISM AUTHORITY

INDIRECT COSTS	Total General & Administrative Costs	Less: Costs Allocable Directly	Less: Non-TMD Allowable Costs	Allowable General & Admin Indirect Costs
Salaries and Wages	1,821,617	-	286,960	1,534,657
Taxes and Benefits	316,139	-	-	316,139
Staff Education	47,600	-	42,950	4,650
Defined Benefit Plan	475,000	386,921	-	88,079
Outside Services	379,400	319,400	-	60,000
Event Registration	1,200	-	-	1,200
Sponsorships	43,400	-	21,700	21,700
Travel & Entertainment	51,400	-	25,700	25,700
Dues & Subscriptions	58,604	50,000	-	8,604
Office Supplies	47,876	-	-	47,876
Duplicating	39,816	-	-	39,816
Repair & Maintenance - Facility	7,320	-	-	7,320
Bank & Credit Card Processing	84,080	56,000	-	28,080
Rent	718,736	601,617	-	117,119
Equipment Rent	122,514	98,314	-	24,200
Telecommunications	126,414	-	-	126,414
Postage	39,188	-	-	39,188
Legal Fees	10,000	-	-	10,000
Audit and Tax Consulting	56,500	-	-	56,500
Insurance	73,000	-	-	73,000
Taxes & Fees	9,000	-	-	9,000
Depreciation	242,400	-	-	242,400
Interest Expense	5,527	-	5,527	-
Software Maintenance & Hosting	466,768	309,328	-	157,440
Equipment & Software Licenses	103,035	-	-	103,035
Non-Capital Equipment	8,040	-	8,040	-
Professional Services - IT Support	190,709	-	-	190,709
TOTAL	5,545,283	1,821,580	390,877	3,332,826

SDTMD - EXHIBIT F
PERSONNEL SCHEDULE - YEAR ENDING JUNE 30, 2014
SAN DIEGO TOURISM AUTHORITY

HEAD COUNT	POSITION TITLES	JOB CLASSIFICATION	HOURLY EMPLOYEES AVERAGE HRS PER MONTH (TMD FUNDS)	AVERAGE AMOUNT PAID PER MONTH (TMD FUNDS)	SALARIED EMPLOYEES BASE PAY FOR YEAR (TMD FUNDS)	BONUSES AND COMMISSIONS (TMD FUNDS)	AMOUNT FUNDED WITH TMD FUNDS DURING PERIOD
DIRECT COSTS - SALES							
1.00	Director of Military Defense	Hotel Meeting Sales - Western			98,737	13,330	112,067
1.00	VP of Sales	Hotel Meeting Sales - Western			100,800	13,608	114,408
1.00	Director of Site Inspections	Hotel Meeting Sales - Western			82,555	11,145	93,700
5.00	National Sales Director	Hotel Meeting Sales - Western			379,013	51,168	430,181
1.00	Sales Manager	Hotel Meeting Sales - Western			62,357	8,418	70,775
1.00	Sr VP of Sales	Hotel Meeting Sales - Western			190,212	-	190,212
3.00	Conference Services Coordinator	Hotel Meeting Sales - Western	450	10,250		-	123,002
1.00	Sales Administrative Coordinator	Hotel Meeting Sales - Western	150	3,668		-	44,011
5.00	National Sales Director	Hotel Meeting Sales - Eastern			426,162	57,464	483,626
1.00	Sales Coordinator	Hotel Meeting Sales - Eastern			39,078	-	39,078
1.00	VP of Sales	Hotel Meeting Sales - Eastern			105,932	14,301	120,233
2.50	National Sales Director	Hotel Meeting Sales - Midwest			213,909	28,057	241,966
0.25	VP of Sales and Services	Hotel Meeting Sales - Midwest			37,690	6,031	43,721
1.00	Director of Event Management	Sales - Event Management			70,309	6,328	76,637
1.00	Events Manager	Sales - Event Management			53,039	-	53,039
25.75	SUBTOTAL - SALES					209,850	2,236,656
DIRECT COSTS - MARKETING							
1.00	Associate Director of Film Promotion	Marketing - Film Promotion			25,996	-	25,996
1.00	Director of Film Promotion	Marketing - Film Promotion			41,594	-	41,594
1.00	Film Promotion Coordinator	Marketing - Film Promotion	75	1,733		-	20,797
0.50	Research Services Manager	Marketing - Planning & Research			31,412	-	31,412
1.00	Sr Dir of Relational Marketing	Marketing - Planning & Research			107,272	9,654	116,926
1.00	Research Analyst	Marketing - Planning & Research	150	5,191		-	62,293
1.00	Creative Services Manager	Marketing - Marketing Services			78,975	-	78,975
1.00	Interactive Marketing Manager	Marketing - Marketing Services			71,987	-	71,987
1.00	Marketing Comm Writer	Marketing - Marketing Services			71,594	-	71,594
1.00	Search Engine Marketing Magr	Marketing - Marketing Services			81,122	-	81,122
1.00	Sr Dir of Marketing Services	Marketing - Marketing Services			130,034	11,703	141,737
2.00	Interactive Editor	Marketing - Marketing Services	300	8,448		-	101,380
1.00	Director of Advertising	Marketing - Advertising & Promo			57,571	5,182	62,753
1.00	Sr VP of Marketing & Strategic Ptr	Marketing - Advertising & Promo			190,305	-	190,305
1.00	Marketing Admin Coordinator	Marketing - Advertising & Promo	150	4,272		-	51,259
1.00	Mktng Promotions Coordinator	Marketing - Advertising & Promo	150	3,494		-	41,933
1.00	Director of Earned Media	Marketing - Earned Media			75,225	6,770	81,995
2.00	Earned Media Manager	Marketing - Earned Media			93,483	-	93,483
1.00	Earned Media Coordinator	Marketing - Earned Media	150	2,839		-	34,070

SDTMD - EXHIBIT F
PERSONNEL SCHEDULE - YEAR ENDING JUNE 30, 2014
SAN DIEGO TOURISM AUTHORITY

HEAD COUNT	POSITION TITLES	JOB CLASSIFICATION	HOURLY EMPLOYEES AVERAGE HRS PER MONTH (TMD FUNDS)	AVERAGE AMOUNT PAID PER MONTH (TMD FUNDS)	SALARIED EMPLOYEES BASE PAY FOR YEAR (TMD FUNDS)	BONUSES AND COMMISSIONS (TMD FUNDS)	AMOUNT FUNDED WITH TMD FUNDS DURING PERIOD	
1.00	Director of Travel Trade Development	Marketing - Travel Trade Devel			90,251	8,123	98,374	
2.00	Travel Trade Manager	Marketing - Travel Trade Devel			123,500	-	123,500	
1.00	Fam Trip Coordinator	Marketing - Travel Trade Devel	150	2,385		-	28,618	
1.00	Travel Trade Coordinator	Marketing - Travel Trade Devel	150	3,167		-	38,000	
1.00	Marketing Partnerships Manager	Marketing - Marketing Partnerships			24,772	-	24,772	
2.00	Account Executive	Marketing - Marketing Partnerships			48,368	-	48,368	
1.00	Director of Marketing Partnerships	Marketing - Marketing Partnerships			32,000	2,880	34,880	
1.00	Membership Coordinator	Marketing - Marketing Partnerships	150	1,838		-	22,059	
30.50	SUBTOTAL - MARKETING					44,312		1,820,182
DIRECT COST - CITYWIDE SALES								
3.00	National Sales Director	Citywide Sales - Western			275,037	44,006	319,043	
0.50	Research Services Manager	Citywide Sales - Western			31,637	-	31,637	
2.00	Sales Coordinator	Citywide Sales - Western	300	7,751		-	93,010	
1.00	Sr VP of Sales	Citywide Sales - Western			185,771	29,723	215,494	
0.50	National Sales Director	Citywide Sales - Midwest			57,004	9,121	66,125	
1.00	Sales Coordinator	Citywide Sales - Midwest	150	3,467		-	41,600	
0.75	VP of Sales and Services	Citywide Sales - Midwest			117,780	18,845	136,625	
2.00	National Sales Director	Citywide Sales - Eastern			199,638	31,942	231,580	
1.00	Sales Coordinator	Citywide Sales - Eastern	150	3,796		-	45,546	
1.00	VP of Sales	Citywide Sales - Eastern			140,378	22,460	162,838	
12.75	SUBTOTAL - CITYWIDE SALES					156,097		1,343,498
DIRECT COSTS - OTHER (FTE)								
1.00	Director of Visitor Services	Marketing - Visitor Services				-	-	
1.00	Visitor Services Manager	Marketing - Visitor Services				-	-	
1.00	Visitor Services Supervisor	Marketing - Visitor Services				-	-	
0.50	Sr Visitor Services Specialist	Marketing - Visitor Services				-	-	
1.75	Visitor Service Specialist	Marketing - Visitor Services				-	-	
1.00	Visitors Services Manager	Marketing - Visitor Services East Co				-	-	
1.60	Visitor Services Specialist	Marketing - Visitor Services East Co				-	-	
7.85	SUBTOTAL - OTHER							
76.85	TOTAL DIRECT COSTS					410,259		5,400,336

SDTMD - EXHIBIT F
PERSONNEL SCHEDULE - YEAR ENDING JUNE 30, 2014
SAN DIEGO TOURISM AUTHORITY

HEAD COUNT	POSITION TITLES	JOB CLASSIFICATION	HOURLY EMPLOYEES AVERAGE HRS PER MONTH (TMD FUNDS)	AVERAGE AMOUNT PAID PER MONTH (TMD FUNDS)	SALARIED EMPLOYEES BASE PAY FOR YEAR (TMD FUNDS)	BONUSES AND COMMISSIONS (TMD FUNDS)	AMOUNT FUNDED WITH TMD FUNDS DURING PERIOD
INDIRECT COSTS (Allocated)							
1.00	Accounting Manager	Administrative - Indirect Cost			58,903	5,302	64,205
1.00	VP Human Resources	Administrative - Indirect Cost			112,375	-	112,375
1.00	Executive Assistant	Administrative - Indirect Cost			56,620	-	56,620
1.00	VP Communications and Public Affairs	Administrative - Indirect Cost			130,441	-	130,441
1.00	President and CEO	Administrative - Indirect Cost			333,017	-	333,017
1.00	Receptionist	Administrative - Indirect Cost	150	2,881		-	34,577
1.00	Vice President and CFO	Administrative - Indirect Cost			160,288	-	160,288
1.00	Revenue Analyst	Administrative - Indirect Cost	150	3,386		-	40,628
1.00	Accounting Associate	Administrative - Indirect Cost	150	3,314		-	39,764
1.00	Contract Auditor	Administrative - Indirect Cost	150	3,314		-	39,764
1.00	Support Manager	Administrative - Indirect Cost			45,343	-	45,343
1.00	Vice President - IT & Operations	Administrative - Indirect Cost			131,267	-	131,267
1.00	Developer	Administrative - Indirect Cost			95,087	-	95,087
1.00	Project Manager	Administrative - Indirect Cost			43,219	-	43,219
14.00	TOTAL - INDIRECT SALARIES ALLOCATED					5,302	1,326,595

Indirect Salaries Allocation Summary

(Total indirect salaries for allocation = \$1,534,657)

Budget Category A

A1.1 Hotel Meeting Sales

A1.2 Event Management & Group Sales Development

A1.3 Tourism Development

A1.4 Group Meeting Direct Marketing

A1.5 Consumer Direct Programs

A2 DMO Sub-Regional Marketing

SUBTOTAL

Budget Category B

Destination Marketing

TOTAL ALLOCATION TO BUDGET CATEGORIES A & B

Funded by Private Sources

Portion of Programs Benefiting Non-TMD Entities

Private Commercial Activities

TOTAL

	Allocation Base (1)	Percentage of Base	Allocation of Indirect Salaries (% x \$1,534,657)
A1.1 Hotel Meeting Sales	1,903,459	33.0%	506,029
A1.2 Event Management & Group Sales Development	1,310,748	22.7%	348,458
A1.3 Tourism Development	487,552	8.4%	129,614
A1.4 Group Meeting Direct Marketing	290,090	5.0%	77,120
A1.5 Consumer Direct Programs	672,557	11.7%	178,797
A2 DMO Sub-Regional Marketing	67,951	1.2%	18,065
SUBTOTAL	4,732,357	82.0%	1,258,082
Budget Category B			
Destination Marketing	257,716	4.5%	68,513
TOTAL ALLOCATION TO BUDGET CATEGORIES A & B	4,990,073	86.4425%	1,326,595
Funded by Private Sources			
Portion of Programs Benefiting Non-TMD Entities	293,381	5.1%	77,994
Private Commercial Activities	489,256	8.5%	130,067
	782,637	13.6%	208,062
TOTAL	5,772,710	100.0%	1,534,657

(1) Allocation Base = Payroll costs (excluding incentives) directly allocated to each budget category

SDTMD
FY2013-2014 EXHIBIT B
BUDGET NARRATIVE BY CATEGORY:

ORGANIZATION NAME: San Diego Tourism Authority
TMD Funds: CATEGORY A: \$ 16,409,501
TMD Funds: CATEGORY B: \$ 5,578,989
TOTAL TMD FUNDS A + B: \$ 21,988,490

ORGANIZATION'S TOTAL ANNUAL BUDGET (TMD + PRIVATE SOURCE): \$ 27,072,504

CATEGORY A
BUDGET NARRATIVE BY SUB-CATEGORY:

A1.1 Hotel Meeting Sales: **TMD FUNDS: \$ 4,715,434**
NARRATIVE (of budget line items):

The hotel meeting sales effort consists of deployment of a direct sales force tasked with influencing clients to book their meetings in San Diego TMD hotels over competitor cities. Included in this effort is the continuous prospecting for new clients, educating potential clients in the advantages of booking in San Diego and participation in industry associations and tradeshow to ensure awareness of the San Diego market. We encourage customers to see firsthand how San Diego is a perfect match for their meeting objectives through our robust site inspection program. TMD hotels actively participate in the process through the use of our iLead system that efficiently communicates qualified leads to hotels and facilitates hotel responses to the potential client.

A1.2 Event Mgmt. / Group Sales Development: **TMD FUNDS: \$ 1,190,314**
NARRATIVE (of budget line items):

Event management and group sales development is dedicated to production of leads and demand through affinity group conferences, tradeshow and in-market customer events. Included in this category are the direct sales activities of the citywide sales force tasked with booking convention groups into the convention center, generating significant room nights for TMD hotels. The cost of this activity is offset by the funding received from the San Diego Convention Center Corporation.

A1.3 Tourism Development/Travel Trade: TMD FUNDS: \$1,580,876
NARRATIVE (of budget line items):

The costs incurred in this category are designed to promote leisure tourism to San Diego through education and partnering with third party agents including Wholesalers, Group Tour Operators, Online Travel Agencies and Travel Agents. The tourism development effort includes partnering with Visit California on international sales missions and the contracted use of local representation in several international markets. The Travel Trade Development team ensures critical exposure for San Diego at the leading industry tradeshow and conferences and facilitates FAM trips for qualified international and domestic clients.

A1.4 Group Meeting Direct Marketing: TMD FUNDS: \$ 1,134,269
NARRATIVE (of budget line items):

This category consists of advertising placements aimed directly at affinity group organizations through the use of trade publications, direct mail campaigns, and targeted email distribution. This activity also includes market research to identify groups for targeting and production of advertising materials to be distributed to the market.

A1.5 Consumer Direct Sales & Marketing: TMD FUNDS: \$ 6,738,607
NARRATIVE (of budget line items):

Consumer direct sales and marketing campaigns are designed to target potential travelers with specific affinities and interests or those who may have expressed an interest in traveling to San Diego. Included in this category is consumer media (print, cable, digital) targeting specific affinity groups and online digital campaigns including pay per click banner advertising and promotions through online travel agencies such as Expedia, Orbitz and Travelocity.

**CATEGORY B
BUDGET NARRATIVE:**

B: General TV / Radio Broadcast & Outdoor Media: TMD FUNDS*: \$ 5,578,989

***EXPENSE BREAKDOWN:**

• ADVERTISING FUNDS:	\$ 5,287,159
• PRODUCTION:	\$ 285,910
• ADVERTISING AGENCY FEES:	\$ 610,227
• OTHER OUTSIDE SERVICES:	\$ 76,299
• RESEARCH:	\$ 90,666
• PERSONNEL WAGES & BENEFITS:	\$ 342,260
• ALLOCATION OF INDIRECT COSTS:	\$ 148,790
• OTHER COSTS:	\$ 102,678
• CO-OP PARTNERSHIP CONTRIBUTIONS:	\$(1,365,000)

NARRATIVE (of budget line items):

Television, radio and out of home media channels are used to strengthen brand affinity and achieve top of mind awareness in potential leisure travelers. The strategy will focus market prioritization on those key mature, build and emerging markets with the greatest potential to generate visitation and room nights to TMD hotels. Build markets of Las Vegas, Sacramento, San Francisco and Salt Lake City along with emerging markets of Denver and Seattle will be the focus of both fall and spring campaigns. Mature markets of Los Angeles and Phoenix will be the focus of a summer/fall campaign. The spring co-op campaign with SeaWorld and other attractions will focus on feeder markets of Los Angeles, Phoenix, San Francisco and Las Vegas.