

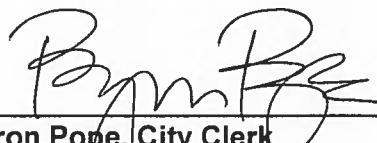


Beverly Hills City Council Liaison / CVB/Marketing Committee will conduct a Special Meeting, at the following time and place, and will address the agenda listed below:

**CITY HALL
455 North Rexford Drive
4th Floor Conference Room A
Beverly Hills, CA 90210
Wednesday, August 30, 2017
2:00 PM**

AGENDA

- 1) Public Comment
 - a. Members of the public will be given the opportunity to directly address the Committee on any item listed on the agenda.
- 2) FY 2016/17 Approval of Carryover Requests
- 3) Participation in the Beverly Hills Conference and Visitors Bureau Retreat



Byron Pope, City Clerk

Posted: August 29, 2017

A DETAILED LIAISON AGENDA PACKET IS AVAILABLE FOR REVIEW IN THE LIBRARY AND CITY CLERK'S OFFICE.



In accordance with the Americans with Disabilities Act, Conference Room A is wheelchair accessible. If you need special assistance to attend this meeting, please call the City Manager's Office at (310) 285-1014 or TTY (310) 285-6881. Please notify the City Manager's Office at least twenty-four (24) hours prior to the meeting if you require captioning service so that reasonable arrangements can be made.



FY 2016/17 Carryover Recommendations

Summer BOLD	<u>\$200,000</u>
Salaries	\$90,203
Advocacy	\$20,000
Hotel	\$30,234
Master Plan	\$55,000
Economic Development	<u>\$18,000</u>
TI Reserve	<u>\$10,000</u>
FY 16/17 CARRYOVER TOTAL	\$423,437

Salaries:

There was a misunderstanding about filling the Group Sales Executive position. As a result, this individual’s salary, taxes and benefits were not included in the FY 2017/18 Budget.

Advocacy:

In 2017, BHCVB developed an advocacy plan to increase awareness of the work we do and to increase local knowledge of the value that tourism brings to the community. This line item is for fees to accomplish the tactics outlined in the plan, including an outlook forum, advertising and meetings.

Hotel:

These funds will be used, in addition to funds budgeted for the spring, to promote our hotels and drive room nights to the city.

Master Plan:

With the approach of metro construction and the threat to our businesses due to online retail and Los Angeles area hotel development, it is more important than ever that Beverly Hills be focused on how to navigate to mitigate these challenges and be prepared for the next generation of luxury consumers. This plan will look at the next 10 years and help define goals for infrastructure, metro planning (both during and after) and economic development opportunities. BHCVB will ask (when the City Council agenda permits) that the city match funds as part of the city’s Economic Sustainability Plan refresh and that city staff work with BHCVB to complete this study by end of FY 2017/18.

Economic Development:

BHCVB has the opportunity to travel frequently outside of the United States to build awareness of the city and to help drive international traffic to our hotels. As part of those trips, BHCVB would like to meet with prospective brands who might be interested in opening businesses in Beverly Hills. These fees would cover any agency costs to set up the meetings and any travel incidentals for staff. The first planned trip of this nature is to Australia (during the Luxperience Travel Show) September 16-22.

BHCVB/TOT Liaisons Meeting
August 30, 2107
June 2017 YTD Expense Variance Explanations
Expense variances in excess of \$2,500

Domestic Marketing – 6030	Variance	(\$97,952)*
<ul style="list-style-type: none"> ○ Dallas Sales Mission under budget due to location change (venue fees were less than in San Francisco) and reduction of targeted attendees ○ Chicago Sales Mission costs less than originally ○ Destination Marketing PR portion of the campaign was charged in a different budget category ○ Group Sales most items were charged in carryover as approved by Liaisons in October 2016 		
International Marketing – 6040	Variance	(\$90,201)*
<ul style="list-style-type: none"> ○ Sales Mission/FAMs had less activity than budgeted ○ Trade Shows showed savings due to prepaid deposits and airfare savings ○ In-Country Representation activities outside of original contracts were charged to carryover ○ Bus. Dev. Emerging Mkts saw savings due to reformat of ILTM dinner to cocktail party and savings at Arabian Travel Market 		
Interactive – 6050	Variance	(\$14,176)
<ul style="list-style-type: none"> ○ SEM & SEO spend was slightly under budget ○ Less acquisition funds were used than anticipated ○ Database/Email budget was not entirely utilized as we did not switch vendors until the end of the year 		
Collateral/Materials – 6060	Variance	(\$9,411.04)
<ul style="list-style-type: none"> ○ Visitors guides were slightly less expensive than budgeted and savings on premium production due to economies of scale were realized 		
Special Programs – 6070	Variance	(\$8,298)
<ul style="list-style-type: none"> ○ We had less adhoc programs than budgeted 		
Compensation & Benefits – 6100 - 6110	Variance	(\$98,515.09)
<ul style="list-style-type: none"> ○ Salaries, taxes and benefits are less than budgeted due to Communications Manager departure and unfilled Group Sales Manager position, 		
*Rent – 6125	Variance	(\$14,738)
<ul style="list-style-type: none"> ○ Due to year end journal entry for Leasehold to record rent on straight line basis and an adjustment during the year due to change in the start of the lease date 		

HVAC – 6132-8 **Variance** **(\$2,666.82)**

- We have not needed as much service and maintenance as originally budgeted.

Visitor Center – 6230 **Variance** **(\$11,753.73)**

- Any purchases for inventory sold in the Visitors Center are reported on the balance sheet and not in this line item.

Below the Line Carryover Remaining

International Marketing Carryover **Variance** **(\$100,000)**

- \$80,000 for International In-Country Activities
 - Total Spent to Date: \$62,013.84
- \$20,000 for International Contingency
 - Total Spent to Date: \$18,987.66

Remaining Balance: \$18,998.50

Group Sales Carryover **(\$35,000)**

- Searchwide fees
 - Total Spent to Date: \$21,155.39
- Activities for new Sales Manager
 - Total Spent to Date: \$9,959.86

Remaining Balance: \$3,884.75

Interactive Carryover **(\$160,000)**

- \$28,500 for China SEM
 - Total Spent to Date: \$28,500.00
- \$71,500 for Content/Refresh
 - Total Spent to Date: \$59,011.78
- \$60,000 - Virtual Reality Fund

Remaining Balance: \$72,488.22

Collateral **(\$45,000)**

- Total Spent to Date: \$38,812.39

Remaining Balance: \$6,187.61

Spring Campaign **(\$44,928)**

- Total Spent to Date: \$52,489.04

Remaining Balance: (\$7,561.00)

Special Programs **(\$25,050.88)**

○ Total Spent to Date: \$21,973.10

Remaining Balance: \$3,077.78

BOLD **(\$0.00)**

○ Total Spent to Date: \$4,500.00 (Prepaid)

Remaining Balance: \$0.00

TI Reserve **(\$15,000)**

○ Total Spent to Date: \$15,000.00

Remaining Balance: \$0.00

Below the Line Carryover Summary:

- Below the line carryover budgeted for FY 16-17 \$424,978.88
- Carryover spent (\$332,403.06)
- Remaining Carryover not spent \$92,575.82
- Additional Carryover from FY 16/17 \$332,403.06*
- **Total Carryover from FY 16/17** **\$423,437.88**

*\$200,000 allocated for BOLD



CITY OF BEVERLY HILLS
POLICY AND MANAGEMENT

TO: CVB/Marketing Committee
FROM: Cindy Owens, Senior Management Analyst
DATE: August 29, 2017
SUBJECT: Participation in the Beverly Hills Conference and Visitors Bureau Retreat

Verbal information to be provided by Julie Wagner with the Beverly Hills Conference and Visitors Bureau.