

HILTON HEAD ISLAND - BLUFFTON  
CHAMBER OF COMMERCE, INC.

FINANCIAL STATEMENTS  
WITH ADDITIONAL INFORMATION  
YEARS ENDED JUNE 30, 2009 AND 2008  
AND  
INDEPENDENT AUDITORS' REPORT



HILTON HEAD ISLAND - BLUFFTON  
CHAMBER OF COMMERCE, INC.

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Members  
of Hilton Head Island - Bluffton  
Chamber of Commerce, Inc.

We have audited the accompanying statements of financial position of Hilton Head Island - Bluffton Chamber of Commerce, Inc., as of June 30, 2009 and 2008, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hilton Head Island - Bluffton Chamber of Commerce, Inc., as of June 30, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*J.W. Hunt and Company, LLP*

Columbia, South Carolina  
September 18, 2009

HILTON HEAD ISLAND - BLUFFTON  
CHAMBER OF COMMERCE, INC.

STATEMENTS OF FINANCIAL POSITION AS OF JUNE 30, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Current assets:		
Cash	\$ 1,053,645	\$ 273,949
Accounts receivable	110,886	311,174
Less, allowance for uncollectible accounts	(3,021)	(2,585)
Unconditional promises to give	625	20,625
Prepaid expenses	21,194	19,121
Other	4,525	5,855
Total current assets	1,187,854	628,139
Property and equipment - net	1,252,525	1,342,162
Other assets:		
Investment in Welcome Center joint venture	6,129	405,664
Total assets	\$ 2,446,508	\$ 2,375,965
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accounts payable	\$ 141,680	\$ 284,965
Deferred revenue	438,144	789,045
Current portion of long-term debt	35,847	1,042,307
Other liabilities	153,059	154,496
Total current liabilities	768,730	2,270,813
Long-term liabilities:		
Long-term debt	826,457	-
Total long-term liabilities	826,457	-
Unrestricted net assets	851,321	105,152
Total liabilities and net assets	\$ 2,446,508	\$ 2,375,965

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

HILTON HEAD ISLAND - BLUFFTON  
CHAMBER OF COMMERCE, INC.

STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED JUNE 30, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
Unrestricted revenues and other support:		
Visitor and Convention Bureau projects	\$ 4,061,281	\$ 4,702,993
Membership dues	759,021	793,338
Regional Partnership Fund	-	6,836
Membership projects	980,047	1,295,500
Brochure advertising	194,497	232,063
Building rent and common share	107,757	103,362
Income (loss) from Welcome Center joint venture	685,521	(55,276)
Interest income	25,620	5,639
	6,813,744	7,084,455
Expenses:		
Visitor and Convention Bureau	3,123,011	3,951,468
Salaries and related benefits	1,968,441	1,833,195
General and administrative	318,348	314,883
Membership projects	321,159	623,398
Bluffton Office	26,581	25,490
Depreciation	145,221	140,571
Building	102,952	91,918
Interest	61,862	67,731
	6,067,575	7,048,654
Change in unrestricted net assets	746,169	35,801
Unrestricted net assets at beginning of year	105,152	69,351
Unrestricted net assets at end of year	\$ 851,321	\$ 105,152

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

HILTON HEAD ISLAND - BLUFFTON  
CHAMBER OF COMMERCE, INC.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED JUNE 30, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
Cash flows from operating activities:		
Change in unrestricted net assets	\$ 746,169	\$ 35,801
Adjustments to reconcile change in unrestricted net assets to net cash provided by operating activities:		
Depreciation	145,221	140,571
Gain (loss) from Welcome Center joint venture	(685,521)	55,276
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	200,724	(76,309)
Decrease in unconditional promises to give	20,000	19,038
(Increase) decrease in prepaid expenses and other assets	(743)	39,545
Increase (decrease) in accounts payable	(143,285)	41,241
Increase (decrease) in other liabilities	(1,437)	35,071
Increase (decrease) in deferred revenue	(350,901)	168,953
Net cash provided (used) by operating activities	<u>(69,773)</u>	<u>459,187</u>
Cash flows from investing activities:		
Distributions from Welcome Center joint venture	1,120,456	-
Investment in Welcome Center joint venture	(35,400)	(45,690)
Purchase of property and equipment	(55,584)	(32,630)
Net cash provided (used) by investing activities	<u>1,029,472</u>	<u>(78,320)</u>
Cash flows from financing activities:		
Principal payments on notes payable	(1,054,003)	(615,193)
Proceeds from issuance of notes payable	874,000	230,000
Net cash used for financing activities	<u>(180,003)</u>	<u>(385,193)</u>
Net increase (decrease) in cash	779,696	(4,326)
Cash at beginning year	<u>273,949</u>	<u>278,275</u>
Cash at end of year	<u>\$ 1,053,645</u>	<u>\$ 273,949</u>
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	<u>\$ 61,862</u>	<u>\$ 67,731</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

HILTON HEAD ISLAND - BLUFFTON  
CHAMBER OF COMMERCE, INC.

NOTES TO FINANCIAL STATEMENTS, JUNE 30, 2009 AND 2008

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NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES:

The Hilton Head Island - Bluffton Chamber of Commerce, Inc. (the “Chamber”), formerly the Hilton Head Island Chamber of Commerce, Inc. is a not-for-profit organization established February 5, 1957, to represent, serve and promote the common interests of its membership and the business community and to contribute to the preservation and prudent economic growth of southern Beaufort County of South Carolina area as a healthy place to live and do business.

The Chamber maintains its accounting records on the accrual basis of accounting. Significant accounting policies are as follows:

Contributions and method of presentation:

The Chamber follows Statements of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Made and Contributions Received*, and SFAS No. 117, *Financial Statements of Not-for-Profit Organizations*. SFAS No. 116 requires that pledges receivable be recorded at fair value at the time the donor makes an unconditional pledge. SFAS No. 116 defines a contribution as an unconditional transfer of cash or other assets to an entity or a settlement or cancellation of its liabilities in a voluntary nonreciprocal transfer by another entity acting other than as an owner. Donor restricted contributions whose restrictions are met in the same reporting periods are reported as unrestricted support.

SFAS No. 117 establishes standards for general-purpose external financial statements by all not-for-profit organizations. SFAS No. 117 requires that all not-for-profit organizations provide a statement of financial position, a statement of activities, and a statement of cash flows. It requires reporting amounts for the organization’s total assets, liabilities, and net assets in a statement of financial position; reporting the change in an organization’s net assets in a statement of activities; and reporting the change in its cash and cash equivalents in a statement of cash flows. SFAS No. 117 also requires that organizations classify net assets and its revenues, expenses, gains, and losses based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of three classes of net assets - permanently restricted, temporarily restricted, and unrestricted be displayed in a statement of financial position and that amounts of change in each of those classes of net assets be displayed in a statement of activities.



NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (CONTINUED):

Promises to give:

Contributions are recognized when the donor makes a promise to give to the Chamber that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. The Chamber uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on collection rates of similar fund raising activities as well as management estimates.

Cash and cash equivalents:

For purposes of the Statement of Cash Flows, the Chamber considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Welcome Center Joint Venture:

Investment in the Welcome Center joint venture (see Note 9) is accounted for under the equity method.

Property and equipment:

Land donated to the Chamber is recorded at fair value on the date of donation. All other property and equipment is recorded at cost, less accumulated depreciation, computed by the straight-line method. Estimated useful lives range from three to ten years for furniture, equipment, and capital improvements, three to five years for computer software, and twenty-five years for the building.

The Chamber generally capitalizes all expenditures for property and equipment in excess of \$1,000.

Membership dues:

Membership dues are recognized as revenue ratably over the periods which members are entitled to services.

Visitor and Convention Bureau (V&CB):

The V&CB is a division of the Chamber. Funding for the V&CB is provided by the state of South Carolina and the Town of Hilton Head Island and Town of Bluffton through accommodations taxes (ATAX) and the Department of Parks, Recreation and Tourism (PRT) funds. Revenue is recognized as services are performed.

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (CONTINUED):

Membership Projects:

The Chamber conducts various training, educational seminars and promotions for its members. Tickets and sponsorships are sold to cover the expenses of conducting these functions. Project revenue is recognized on an accrual basis as earned.

Advertising Revenue:

Advertising revenue is collected in advance and is deferred and recognized over the period the advertisement runs.

Regional Partnership Fund:

During the year ended June 30, 2000, the Chamber conducted a capital campaign to raise funds for the renovation of Chamber's facilities, workforce development and marketing initiatives, government relations, education and leadership, improvements to the Welcome Center and the establishment of an office in Bluffton-Okatie.

Income taxes:

The Chamber is a not-for-profit corporation organized under Section 501(c)(6) of the Internal Revenue Code and is not subject to federal or state income taxes.

Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - BANK DEPOSITS:

During the year, the Chamber's bank balances were in excess of federal depository insurance coverage. Management believes the credit risk associated with exceeding the insurance coverage is balanced by the stability of the financial institution involved.

NOTE 3 - PROPERTY AND EQUIPMENT:

Components of property and equipment were as follows:

	JUNE 30,	
	<u>2009</u>	<u>2008</u>
Land	\$ 364,230	\$ 364,230
Building	1,758,131	1,716,884
Furniture and equipment	637,331	631,844
Capital improvements	44,063	37,050
Computer software	63,092	61,255
Total	<u>2,866,847</u>	<u>2,811,263</u>
Less: Accumulated depreciation	<u>(1,614,322)</u>	<u>(1,469,101)</u>
Property and equipment, net	<u>\$ 1,252,525</u>	<u>\$ 1,342,162</u>

Depreciation expense for the year ended June 30, 2009 was \$145,221.

NOTE 4 - PROMISES TO GIVE:

Unconditional promises to give consist of the following:

	JUNE 30,	
	<u>2009</u>	<u>2008</u>
Unrestricted promises	\$ 9,587	\$ 29,587
Less: Unamortized discount		-
Less: Allowance for uncollectible promises receivable	<u>(8,962)</u>	<u>(8,962)</u>
Net unconditional promises to give	<u>\$ 625</u>	<u>\$ 20,625</u>
Amounts due in:		
Less than one year	\$ 9,587	\$ 29,587
One to five years	<u>-</u>	<u>-</u>
Total	<u>\$ 9,587</u>	<u>\$ 29,587</u>

NOTE 5 - DEFERRED REVENUE:

Components of deferred revenue were as follows:

	JUNE 30,	
	<u>2009</u>	<u>2008</u>
Membership dues	\$ 324,736	\$ 310,684
Visitor and Convention Bureau revenue	25,143	(10,801)
Chamber Champion program	11,250	17,700
Leadership Hilton Head revenue	15,954	15,474
Other	(48,979)	343,054
Internet sales	103,477	103,778
Welcome Center sales	6,563	9,156
	<u>          </u>	<u>          </u>
Totals	<u>\$ 438,144</u>	<u>\$ 789,045</u>

NOTE 6 - NOTES PAYABLE AND LONG-TERM DEBT:

Notes payable and long-term debt consists of the following:

	JUNE 30,	
	<u>2009</u>	<u>2008</u>
Operating line of credit, bank, collateralized by land and building, interest due monthly, interest rate is based on bank's prime rate (5% at June 30, 2009), and expires October 20, 2009. The line of credit is \$400,000.	\$ -	\$ 55,000
Mortgage note payable with an area bank, secured by land and building, 6.6%, interest and fixed principal payment of \$8,907 due monthly, note matures November 29, 2008.	-	987,307
Mortgage note payable, bank, secured by land and building, 6.6%, interest and fixed principal payment of \$7,706 due monthly, note matures February 20, 2024.	862,304	-
Total notes payable and long-term debt	<u>862,304</u>	<u>1,042,307</u>
Less, current portion	<u>35,847</u>	<u>1,042,307</u>
Total, long-term portion	<u>\$ 826,457</u>	<u>\$ -</u>

NOTE 6 - NOTES PAYABLE AND LONG-TERM DEBT (CONTINUED):

Maturities of long-term debt are as follows:

YEAR ENDING <u>JUNE 30,</u>	<u>AMOUNT</u>
2010	\$ 35,847
2011	40,824
2012	43,783
2013	46,805
2014	50,034
2015 and later	<u>645,011</u>
Total	<u>\$ 862,304</u>

Interest paid during the years ending June 30, 2009 and 2008 amounted to \$61,862 and \$67,731, respectively.

NOTE 7 - LEASE COMMITMENTS:

The Chamber leases certain office equipment under noncancelable operating lease agreements. Lease expense charged to operations under lease agreements was approximately \$5,280 and \$7,908 for the years ended June 30, 2009 and 2008, respectively. Future minimum lease payments under these leases are as follows:

YEAR ENDING <u>JUNE 30,</u>	<u>AMOUNT</u>
2010	\$ 5,280
2011	3,960
2012	-
2013	
2014	
Total	<u>\$ 9,240</u>

The Chamber is lessor under a rental agreement for office space in the Chamber's building. The lease expires on June 30, 2017. Future minimum lease payments receivable under the new lease agreement total approximately \$721,375. The lessee is responsible for its direct utilities and maintenance expenses.

NOTE 7 - LEASE COMMITMENTS (CONTINUED):

The Chamber has an operating lease on its Bluffton office space that expires effective February 28, 2010. The lease is for one year with an option for an additional year. Monthly rent is \$1,000. The Chamber will also be responsible for its pro-rata share of property taxes, insurance and common area maintenance charges. The lease is on a month to month basis.

Rent expense (including charges for operating expense, insurance and taxes of \$10,400) was \$22,400.

NOTE 8 - EMPLOYEE BENEFITS:

The Chamber is a participant in the American Chamber of Commerce 401(k) Retirement/Savings Plan (the Plan). The Chamber contributes a percentage of each eligible employee's salary and matches each employee's contribution to a fixed maximum percentage. The Plan covers employees who have one or more years of service with the Chamber. The Chamber contributed \$62,649 and \$56,706 to the Plan for the years ended June 30, 2009 and 2008, respectively.

NOTE 9 - WELCOME CENTER JOINT VENTURE:

During October 1993, the Chamber and the Environmental and Historical Museum of Hilton Head Island (the Museum), a not-for-profit organization, formed a joint venture for the purpose of acquiring, developing, and improving certain land and building located on Hilton Head Island. The intentions of the joint venture partners are that such use and occupancy of the building should be conducted in partnership form for the shared use as a Welcome Center of the Chamber and as an exhibition, retail and administrative center for the Museum with each party to share in operating and maintenance expenses and in the joint venture's gains/losses.

Unaudited financial information related to the joint venture is as follows:

	JUNE 30,	
	<u>2009</u>	<u>2008</u>
Property and equipment - net	\$ -	\$ 801,471
Other assets	15,312	13,956
Total assets	<u>15,312</u>	<u>815,427</u>
Debt and other liabilities	<u>(4,431)</u>	<u>(68,219)</u>
Net assets	<u>\$ 10,881</u>	<u>\$ 747,208</u>
Revenues	\$ 1,508,985	\$ 441
Expenses	<u>(78,919)</u>	<u>(110,964)</u>
Net gain (loss)	<u>\$ 1,430,066</u>	<u>\$ (110,523)</u>

**NOTE 10 - SALE OF THE CHAMBER/MUSEUM PARTNERSHIP PROPERTY:**

The Chamber/Museum Partnership sold 3.3 acres of land located at 100 William Hutto Parkway to the Town of Hilton Head Island for \$2,300,000. This transaction occurred on July 15, 2008 and closed on October 2, 2008. The Chamber will be able to occupy the site for a period of 50 years after which time the property and any building will revert to the Town.

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## INDEPENDENT AUDITORS' REPORT ON ADDITIONAL INFORMATION

To the Board of Directors and Members  
of Hilton Head Island - Bluffton  
Chamber of Commerce, Inc.

Our report on our audits of the basic financial statements of Hilton Head Island - Bluffton Chamber of Commerce, Inc., for the years ended June 30, 2009 and 2008 appears on page 2. These audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying additional information presented on pages 14 through 18 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*J.W. Hunt and Company, LLP*

Columbia, South Carolina  
September 18, 2009



HILTON HEAD ISLAND - BLUFFTON  
CHAMBER OF COMMERCE, INC.

HILTON HEAD ISLAND VISITOR AND CONVENTION BUREAU  
 SCHEDULE OF FUNCTIONAL REVENUES AND EXPENDITURES,  
 FOR THE YEAR ENDING JUNE 30, 2009

	ACCOMMODATIONS <u>TAX</u>
Revenues - Town of Hilton Head Island - DMO	\$ 1,199,380
Town of Hilton Head Island - Brand Grant	294,759
Town of Hilton Head Island - Crisis Recovery Plan	200,000
Total revenue	1,694,139
 Expenses:	
Direct marketing:	
Leisure:	
Print media	120,142
Fulfillment	75,936
Brand Grant	308,646
Seasonal arts promotions	11,447
800 Toll-free number	4,496
Sports Commission	2,135
Internet promotions	26,726
Calendar of events	8,445
History of HHI Brochure	3,856
Total leisure	561,829
Crisis Recovery Plan	200,000
Total Crisis Recovery Plan	200,000
 Public relations:	
Public relations firm	122,217
Contingency	19,110
Special project/photography	8,326
Total public relations	149,653
 Meetings and group:	
Trade shows	31,951
Sales Blitz and site inspections	1,032
Meetings internet	15,467
Trade sponsorships	25,691
Give-away items	7,226
Meetings and wedding collateral	6,089
Lead Prospecting Program	14,400
Total meetings and group	101,856

(Continued) - 1.

HILTON HEAD ISLAND - BLUFFTON CHAMBER OF COMMERCE, INC.  
HILTON HEAD ISLAND VISITOR AND CONVENTION BUREAU  
SCHEDULE OF FUNCTIONAL REVENUES AND EXPENDITURES,  
FOR THE YEAR ENDING JUNE 30, 2009

	ACCOMMODATIONS <u>TAX</u>
Expenses (continued):	
Direct marketing (continued):	
International:	
Coastal South Carolina	\$ 29,150
Coastal South Carolina-staff	4,556
POW WOW show	9,364
Total international	<u>43,070</u>
Market planning:	
Strategic planning	33,868
General contingency	22,406
Total market planning	<u>56,274</u>
Group Tour marketing:	
Group Tour trade shows	9,931
Group Tour co-op advertising	4,430
Total Group Tour marketing	<u>14,361</u>
Ad agency fees and expenses	70,066
Total ad agency fees and expenses	<u>70,066</u>
Total direct marketing expenses	<u>1,197,109</u>
Administrative:	
Salaries and payroll taxes	308,159
Operations	149,109
Employee benefits	39,762
Total administrative	<u>497,030</u>
Total expenses	<u>1,694,139</u>
Excess of revenues over expenses	<u><u>\$ -</u></u>

(Concluded) - 2.

HILTON HEAD ISLAND - BLUFFTON  
CHAMBER OF COMMERCE, INC.

DESTINATION MARKETING ORGANIZATION OF THE TOWN OF BLUFFTON

HILTON HEAD ISLAND VISITOR AND CONVENTION BUREAU  
SCHEDULE OF FUNCTIONAL REVENUES AND EXPENDITURES,  
FOR THE YEAR ENDING JUNE 30, 2009

	ACCOMMODATIONS TAX
Revenues - Town of Bluffton DMO	\$ 48,548
Town of Bluffton - Special Grant	10,500
Total revenue	<u>59,048</u>
Expenses:	
Direct marketing:	
Leisure:	
Media	21,341
Vacation planner	10,000
Ad design and production	2,832
Internet promotions	4,130
Arts Around Town and video promotion	10,600
Total leisure	<u>48,903</u>
Total direct marketing expenses	<u>48,903</u>
Administrative:	
Salaries and payroll taxes	6,290
Operations	3,044
Employee benefits	811
Total administrative	<u>10,145</u>
Total expenses	<u>59,048</u>
Excess of revenues over expenses	<u>\$ -</u>

HILTON HEAD ISLAND-BLUFFTON CHAMBER OF COMMERCE, INC.

HILTON HEAD ISLAND VISITOR AND CONVENTION BUREAU  
SCHEDULE OF FUNCTIONAL REVENUES AND EXPENDITURES,  
FOR THE YEAR ENDING JUNE 30, 2009

	<u>ACCOMMODATIONS TAX</u>		<u>PARKS, RECREATION AND TOURISM</u>	<u>MARKETING</u>	<u>MEMBERSHIP</u>	<u>TOTAL</u>
	<u>TOWN OF HHI</u>	<u>OTHER</u>				
Revenues:						
Town of Hilton Head Island DMO	\$ 1,199,380	\$ -	\$ -	\$ -	\$ -	\$ 1,199,380
Town of Hilton Head Island Brand Grant	294,759	-	-	-	-	294,759
Town of HHI - Crisis Recovery Plan	200,000	-	-	-	-	200,000
Beaufort County Grants	-	175,000	-	-	-	175,000
Town of Bluffton DMO & Arts Grant	-	59,049	-	-	-	59,049
SCPRT Grants	-	-	603,355	-	-	603,355
Member funding	-	-	-	1,784,235	2,497,966	4,282,201
Total revenues	1,694,139	234,049	603,355	1,784,235	2,497,966	6,813,744
Expenses:						
Leisure	561,829	-	235,716	-	-	797,545
Town of HHI - Crisis Recovery Plan	200,000	-	-	-	-	200,000
Town of Bluffton marketing	-	48,905	-	-	-	48,905
Beaufort County marketing - Bluffton	-	64,341	23,355	-	-	87,696
Beaufort County marketing - Daufuskie	-	17,627	-	-	-	17,627
Beaufort County - Welcome Center	-	60,000	-	-	-	60,000
Meetings and group	101,855	-	52,410	-	-	154,265
Public relations	149,653	-	-	-	-	149,653
International	43,070	-	4,999	-	-	48,069
Market planning	33,868	-	-	-	-	33,868
Group tour marketing	14,361	-	-	-	-	14,361
Ad agency fees and expenses	70,066	-	-	-	-	70,066
Membership related expenses	-	-	-	-	347,740	347,740
General contingency	22,406	-	-	-	-	22,406
Marketing alliance	-	-	40,000	1,438,548	-	1,478,548
Administrative	497,031	43,176	246,875	345,687	1,404,057	2,536,826
Total expenses	1,694,139	234,049	603,355	1,784,235	1,751,797	6,067,575
Excess of expenses over revenues	\$ -	\$ -	\$ -	\$ -	\$ 746,169	\$ 746,169

Note: The excess revenue of \$746,169 includes a one-time gain from the sale of the Welcome Center of \$722,309.

