

**RESOLUTION NO. 49/2016**

**RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF CORTE MADERA REAFFIRMING ITS POLICY OF REVIEWING THE CORTE MADERA CHAMBER OF COMMERCE ANNUAL BUDGET, APPROVING THE 2017 BUDGET, AND APPROVING THE FINANCIAL STATEMENTS FOR THE YEARS ENDING DECEMBER 31, 2015 AND 2014**

WHEREAS, on November 7, 1989, the voters of Corte Madera, California (hereinafter called "TOWN") authorized an increase in the amount of two percent (2%) for the Transient Occupancy Tax (hereinafter called "TOT") charged on the gross receipts of temporary occupancy charges made pursuant to Measure E Section 3.08.030, of the Corte Madera Municipal Code; and

WHEREAS, amongst other provisions, the funds generated by said two percent increase in the TOT may be used for the support of the annual Fourth of July Celebration and to promote the many qualities of the businesses and people of the TOWN; and

WHEREAS, it is specifically required that the Town Council of the TOWN shall annually approve said expenditures in support of the efforts made by the Chamber of Commerce of Corte Madera and approval of the financial statements,

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

**SECTION I**

The policy of the Town Council of the TOWN requiring annual review and adoption of the budget of the Chamber of Commerce of Corte Madera, is reaffirmed.

**SECTION II**

That the document attached hereto and made a part hereof by this reference, entitled "Exhibit A", be, and the same hereby is, approved.

**SECTION III**

That the policy of the Town Council of the TOWN requiring approval of the financial statements is affirmed.

**SECTION IV**

That the document attached hereto and made a part hereof by this reference, entitled "Exhibit B", be, and the same hereby is, approved.

**SECTION V**

The Town Manager, or the Manager's duly authorized officers and agents, are hereby authorized and directed to carry out the purposes and intent of the resolution.

\* \* \* \* \*

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Corte Madera on December 6, 2016, by the following vote:

AYES: Councilmembers ANDREWS, BAILEY, CONDON, FURST, LAPPERT  
NOES: Councilmembers - NONE -  
ABSENT: Councilmembers - NONE -

  
DIANE FURST  
MAYOR

ATTEST:

  
REBECCA VAUGHN  
TOWN CLERK





# Corte Madera Chamber of Commerce

## Board of Directors

### President

**Jim Parrott**

*Calif. Auto Reg. Service*

### Vice President

**Gary Stymus**

*Corte Madera Inn*

### Secretary

**Margaret Deedy**

*Coldwell Banker*

### Treasurer

**Keith Passaretti**

### Directors

**Bill Blackburn**

*Blackburn Hospitality  
Consulting*

**Christine Bohlke**

*Marin County Visitors Bureau*

**Paige Casamento**

*Marin Luxury Cars*

**Bill Hester**

**Kevin Jones**

*Laser Center of Marin*

**Dr. Richard**

**Klussman**

**Stan Hoffman**

*The Village*

**Dr. Greg Orcutt**

*Orcutt Chiropractic*

**Tori Puliz**

*Nothing Bundt Cakes*

**Adam Wiatrak**

*Western Securities Int'l*

**Julie Kritzberger**

*Executive Director*

November 29, 2016

Mayor and Town Council  
Town of Corte Madera  
300 Tamalpais Drive  
Corte Madera, CA 94925

Re: Corte Madera Chamber of Commerce 2017 Budget

Dear Mayor and Town Council,

In connection with your receipt and review of the 2017 Corte Madera Chamber of Commerce annual budget, we would like to take this opportunity to share with you the work and accomplishments of our Chamber as well as some historical information that you may find of interest.

The Mission Statement of the Corte Madera Chamber of Commerce is:

"To provide a leadership role for economic and community development in the Town of Corte Madera. We support and represent the well-being of the business community as well as the promotion of the cultural, educational and economic health of the entire community."

The Corte Madera Chamber of Commerce offers its members opportunities to broaden their business contacts, network with a broad range of community leaders, and invest in community improvements which strengthen the market where they do business. The sales tax revenue generated by our business community is instrumental for our Town's success. With sales tax accounting for over half of the Town of Corte Madera's annual revenue income the Chamber stays committed in continuing to promote business within Corte Madera.

Through Chamber involvement, many businesses as well as residents also become aware of and active in Town issues. We are fortunate to live and work in a community where high levels of service are the norm and our quality of life is beyond compare.

Each year the Chamber organizes several events including mixers and luncheons. These events take place in Corte Madera as well as in neighboring communities allowing enhanced contact with our neighbors.

129 Corte Madera Town Center, Corte Madera, CA 94925

PHONE: 415-924-0441 Fax: 415-924-1839

Julie Kritzberger, Director

As we reflect back on 2016, are very proud of what the Chamber has accomplished. Some of the notable achievements include hosting mixers at our great local businesses, planning and executing one of the most successful 4<sup>th</sup> of July Parades in recent history, co-hosting the Centennial Chili cook-off and Old Time Baseball Game, keeping members up to date through our Facebook page, newsletter and website, continuing to promote Corte Madera through our "Shop, Play, Eat & Stay Corte Madera" campaign and welcoming new members to our Chamber.

In 2016 we held our successful annual golf tournament fundraiser, published a quarterly newsletter containing articles about our businesses as well as other items of community interest, and sponsored and participated in many of the Centennial activities. We held our annual State of the Town luncheon, as well as a joint no cost luncheon with San Anselmo. We hosted joint mixers, one with Mill Valley and the other with the Marin County Council of Chambers. We also participated in the Spirit of Marin Awards.

We are proud of our successful 2016 Twin Cities Independence Day Parade and celebration in Town Park. As always, this event brought tremendous enjoyment and prestige to our community. We would also like to note that we received over 4,500 hits to our website during July 1 to July 4 regarding the 4<sup>th</sup> of July festivities. Finally, we just want to add that the Chamber is committed to doing all we can to work with the Town of Corte Madera.

We are requesting that the 2017 budget be approved at the December 6, 2016 Town Council meeting, in order to allow us to properly plan and implement the 2017 Independence Day parade and festivities. We have made a conservative estimate of TOT's for 2017, based on input from the large TOT generators and the Convention and Visitor's Bureau.

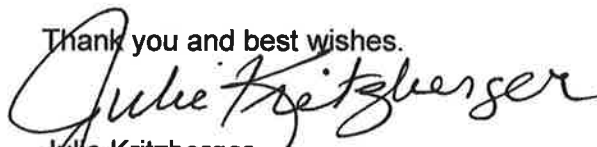
In anticipation of the possible renovation of the Best Western Corte Madera Inn (that is a significant contributor to the Town's TOT funds), we are planning on receiving a substantial reduction of TOT income during the time that the hotel is closed and under construction. As indicated in the attached budget, the Corte Madera Chamber plans to continue to build up our reserves for the time that our TOT income is reduced. In doing so, the Chamber will be able to conduct our business as usual, while operating on the reserves during the renovation.

In order to facilitate the budget review and approval process, we request that you provide us with a list of questions and concerns prior to the Council meeting that will act on the budget. This will allow us to research your questions and provide you with thoughtful and timely responses.

We hope that you are in agreement that the Chamber has been responsible and conscientious in our handling of the 4<sup>th</sup> of July celebration, as well as the numerous other ways that we have supported and enhanced our community.

We look forward to our continued mutually rewarding relationship.

Thank you and best wishes.

A handwritten signature in black ink that reads "Julie Kritzberger". The signature is fluid and cursive, with the first name "Julie" being larger and more prominent than the last name "Kritzberger".

Julie Kritzberger  
Executive Director

**ATTACHMENT 4**

**Chamber 2017 Proposed Budget**

2017 Budget  
Chamber's Financial Position

	Golf Tourn	Lunch & Mixers	4th July	Mgmt & Gen	Grand Total
Est. Opening Balance				208193	208193
<b>Income</b>					
Bank Acct Int.				20	20
Int. Income CD				75	75
Dues-New				1500	1500
Dues-Renewal				12000	12000
Lunch & Mixers		2500			2500
Misc. Revenue				300	300
TOT Revenue				190000	190000
Silent Auction				5000	5000
Golf	5500				5500
July 4th			22000		22000
Raffle				200	200
Newsletter				1000	1000
Total Revenue	5500	2500	22000	210095	240095
<b>Expenses</b>					
Website				1500	1500
Acct. Fees				1000	1000
Audit				3000	3000
Computer Equip				500	500
Equipment Exp & Maint				500	500
Gifts & Awards				850	850
Insurance				2950	2950
Misc Expense				500	500
Office Supplies				3500	3500
Outside Services				1000	1000
Payroll/Taxes				100000	100000
Personnel Benef				12500	12500
Workers Comp				1000	1000
Postage				1800	1800
Rent				22691	22691
Seminars				650	650
Telephone				2950	2950
Utilities				1300	1300
July 4th			50000		50000
Meetings		3500			3500
advertising				1000	1000
Brochures				0	0
Newsletter				5700	5700
Membership Drive				1000	1000
Contributions				1650	1650
Centennial				0	0
Community/Member Benefits				7000	7000
Deferment for Potential Hotel Closure				150000	150000
Total Expenses	0	3500	50000	324541	378041
Est. Closing Balance	5500	-1000	-28000	93747	70247

2017 Budget  
Chamber's Financial Position

Reallocation of rev						
TOT				28000	-28000	0
General		-5500	1000		4500	
		0	0	0	70247	70247

2017 Budget with actuals.xls

Estimated Opening Balance	157674	157674	208193	
<b>Income</b>	Budget 2016	Actual 2016	Budget 2017	
Bank Account Interest	16	20	20	
Interest Income-CD	55	75	75	
Dues- New member	3000	785	1500	New members important focus for 2017
Dues-Renewal	16000	10450	12000	
Luncheons & Mixers	2500	2000	2500	
Misc. Income	1000	230	300	
TOT Revenue	180000	197000	190000	Travel Business est. to be down
Silent Auction/Fundrasier	5500	5000	5000	
Golf/Fundrasier	7000	5500	5500	
July 4 Income	23000	20550	22000	
Newsletter	1500	1000	1000	
Raffle	200	200	200	
<b>Total Revenue</b>	<b>239771</b>	<b>242810</b>	<b>240095</b>	
<b>Administrative Expenses</b>				
Website & updating	3000	500	1500	
Accounting Fees	1000	1000	1000	
Audit Expense	3000	3000	3000	
Computer Equipment	1200	500	500	
Equipment Expense & Maint	800	150	500	
Gifts & Awards	750	802	850	
Insurance	2950	2933	2950	
Misc. Expense	500	259	500	
Office Supplies	3500	3500	3500	
Outside Services	900	805	1000	
Payroll & Payroll Taxes	100000	80331	100000	
Personnel Benefits	11500	12476	12500	
Workers Comp	1000	740	1000	
Postage	1800	1726	1800	
Rent	22125	22039	22691	
Seminars & Subscription	650	437	650	
Telephone	2800	2906	2950	
Utilities	1300	1169	1300	
Newsletter	5700	5403	5700	
<b>Event Expenses</b>				
July 4 Expense	50000	50400	50000	
Membership Drives	1000	0	1000	
Meetings, Mixers	3200	3322	3500	
<b>Marketing Expenses</b>				
Brochures/Direct Mail				
Trade Shows				
Advertising	1000	0	1000	
<b>Contributions Expenses</b>				
Santa on Firetruck	150	150	150	



2017 Budget with actuals.xls

Community Donation	1500	1000	1500	
Centennial 2016	8000	7270	0	Centennial Expenses for 2016
Member benefits/Community Outreach			7000	Community Outreach & Member Benefits
<b>Reserved Expenses</b>				
Deferment for Hotel Closure	125,000	25000	150,000	Increasing deferment
<b>Total Expenses</b>	<b>354325</b>	<b>227818</b>	<b>378041</b>	
Net Income or Loss	-114554	14992	-137946	
Estimated Closing Balance	43120	172666	70247	

ATTACHMENT 5

Financial Statements  
for the Year Ended December 31, 2015 and 2014



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**CORTE MADERA CHAMBER OF COMMERCE**

**FINANCIAL STATEMENTS**

**(MODIFIED CASH BASIS)**

**FOR THE YEARS ENDED DECEMBER 31, 2015 and 2014**

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*office location*  
2700 Ygnacio Valley Road, Ste 270  
Walnut Creek, CA 94598  
(925) 932-3860 tel

*mailing address*  
2977 Ygnacio Valley Rd, PMB 460  
Walnut Creek, CA 94598  
(925) 476-9930 efax

[www.cropperaccountancy.com](http://www.cropperaccountancy.com)

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Corte Madera Chamber of Commerce  
Corte Madera, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Corte Madera Chamber of Commerce (the "Chamber"), which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified-cash basis of accounting described in Note 2; this includes determining that the modified-cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Chamber as of December 31, 2015 and 2014, and the changes in their financial position for the years then ended in accordance with the modified-cash basis of accounting as described in Note 2.

***Basis of Accounting***

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified-cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is modified with respect to this matter.

***Restricted Use***

This report is intended solely for the information and use of the board of directors and management, and is not intended to be and should not be used by anyone other than these specified parties.

  
CROPPER ACCOUNTANCY CORPORATION

Walnut Creek, California  
October 13, 2016

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CORTE MADERA CHAMBER OF COMMERCE  
 Statements of Financial Position-Modified Cash Basis  
 December 31, 2015 and 2014

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ASSETS

	<u>2015</u>	<u>2014</u>
Cash and cash equivalents		
Petty cash	\$ 300	\$ 300
Cash in bank	168,728	102,739
Certificate of deposit, 0.095% due January 16, 2016	<u>23,412</u>	<u>23,395</u>
Total cash and cash equivalents	192,440	126,434
Other assets	<u>761</u>	<u>1,114</u>
Total assets	<u>\$ 193,201</u>	<u>\$ 127,548</u>

LIABILITIES AND NET ASSETS

Liabilities	\$ -	\$ -
Net assets		
Unrestricted	<u>193,201</u>	<u>127,548</u>
Total liabilities and net assets	<u>\$ 193,201</u>	<u>\$ 127,548</u>

The accompanying auditors' report and notes are an integral part of these financial statements.



CORTE MADERA CHAMBER OF COMMERCE  
Statement of Activities-Modified Cash Basis  
For the Years Ended December 31, 2015 and 2014

	2015	2014
Revenues and support		
Transient occupancy tax - Town of Corte Madera	\$ 196,132	\$ 181,394
Fourth of July	29,601	17,787
Dues	18,176	16,876
Golf tournament	14,273	13,177
Auction income	4,793	3,581
Newsletter income	500	950
Luncheons and mixers	994	2,129
Interest income	73	56
Other	954	1,520
Total revenues and support	265,496	237,470
Expenses		
Programs/Events		
Fourth of July event	46,304	43,500
Golf tournament	7,147	7,028
Luncheons and mixers	5,013	3,924
Computer Expenses	-	-
Management and general	141,379	137,152
Total expenses	199,843	191,604
Change in net position	65,653	45,866
Net assets, beginning of year	127,548	81,682
Net assets, end of year	\$ 193,201	\$ 127,548

The accompanying auditors' report and notes are an integral part of these financial statements.

CORTE MADERA CHAMBER OF COMMERCE  
Notes to Financial Statements – Modified Cash Basis  
December 31, 2015 and 2014

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1. Organization and Purpose

As a leader in the community, the specific and primary purposes of the Corte Madera Chamber of Commerce (the "Chamber") are to advance the commercial, industrial, civic and general welfare of the Town of Corte Madera and its trade area.

The Chamber takes a leading role in supporting the Town's charitable organizations, businesses as well as the Town of Corte Madera's 4th of July celebration, which is a major community function.

The Chamber was organized in 1964 as a not-for-profit organization and is exempt from federal income tax under Section 501 (c) of the Internal Revenue Code.

2. Summary of Significant Accounting Policies

Basis of Accounting

The Chamber presents its financial statements on the modified cash basis of accounting. The modified cash basis differs from generally accepted accounting principles accepted in the United States of America because revenues are recognized when received rather than when earned and expenses are recognized when paid rather than when incurred. In addition, the Chamber records office equipment assets and the related depreciation on the books which is not done on the cash basis of accounting.

Based on the preceding paragraph, the accompanying financial statements are not intended to present the financial position and results of operations in conformity with accounting principles generally accepted in the United States of America.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board Accounting Standards Codification (ASC) 958, Not-For-Profit Entities. Under ASC 958, the Chamber is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. To date, all contributions of revenue are unrestricted.

Use of Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make certain estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ.

Property and equipment, depreciation

The Chamber capitalizes acquisitions of property and equipment in excess of \$500. Property and equipment are stated at cost. Depreciation is provided on the straight-line method over the estimated useful lives of the assets. At December 31, 2015 the office equipment had a historical cost of \$5,552 and accumulated depreciation of \$4,791, or a net book value of \$761; current year depreciation was \$353.

CORTE MADERA CHAMBER OF COMMERCE  
Notes to Financial Statements – Modified Cash Basis  
December 31, 2015 and 2014

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2. Summary of Significant Accounting Policies (continued)

Lease commitment

Rent expense is recorded monthly as checks are disbursed. Rent expense was \$21,479 and \$21,193 for the years 2015 and 2014, respectively. The Chamber signed a new lease agreement in November 2011 which began March 2012, and will expire February 2017, and includes a landlord termination option. The base minimum rent increased from \$1,358 to \$1,398 per month in March 2015. In the year 2015, total payments also include common area maintenance and real estate taxes, which averaged approximately \$1,790 per month.

3. Transient Occupancy Tax

The Chamber receives 20% of transient occupancy tax (“TOT”) collected by the Town of Corte Madera, which represented 74% and 76% of its total revenues and support in years 2015 and 2014, respectively. The 2015 TOT amount consisted of 14 payments.

On November 7, 1989 Ordinance No. 761 passed in a Municipal Election. This ordinance increased transient occupancy tax from 8% to 10% effective January 1, 1990. The additional 2% tax is collected by the Town of Corte Madera and paid to the Corte Madera Chamber of Commerce.

4. Donated Services

The Chamber does receive some contributions of time by unpaid board members and various other individuals. The value of this contributed time is not reflected in the accompanying financial statements since the volunteers’ time do not meet the criteria for recognition under FASB ASC Topic 958.

5. Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the Schedule of Functional Revenues and Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

6. Subsequent Events

Management has evaluated subsequent events through October 13, 2016, the date on which the financial statements were available to be issued.

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SUPPLEMENTARY INFORMATION

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CORTE MADERA CHAMBER OF COMMERCE  
Revenues, Expenses, and Changes in Unrestricted Net Position  
Actual and Budget  
For the Year Ended December 31, 2015

Schedule 1

	<u>Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable)</u>
Direct program revenues			
Program-4th of July	\$ 29,601	\$ 26,000	\$ 3,601
Program-Luncheons and mixers	994	2,500	(1,506)
Program-Golf tournament*	14,273	4,500	9,773
Other revenues			
Interest	73	47	26
Auction	4,793	5,000	(207)
Newsletter	500	2,500	(2,000)
Dues	18,176	19,000	(824)
Transient occupancy tax	196,132	164,000	32,132
Donations and other income	954	1,200	(246)
	<u>265,496</u>	<u>224,747</u>	<u>40,749</u>
Expenditures			
Program-4th of July	46,304	48,000	1,696
Program-Luncheons and mixers	5,013	3,200	(1,813)
Program-Golf tournament	7,147	-	(7,147)
Program - Membership drives	-	1,000	1,000
Accounting and auditing	3,910	3,945	35
Insurance	2,926	2,950	24
Donations	1,073	1,650	577
Salary expense, benefits and payroll tax	88,527	101,500	12,973
Gifts, awards etc.	2,631	750	(1,881)
Office expense and supplies	5,245	3,000	(2,245)
Postage and printing	1,273	1,800	527
Website and newsletter	6,450	7,700	1,250
Rent	21,479	21,825	346
Telephone	2,687	2,800	113
Utilities	1,137	1,300	163
Advertising	380	1,000	620
Contingency	-	2,000	2,000
Depreciation on office equipment	353	-	(353)
Other	3,308	5,550	2,242
	<u>199,843</u>	<u>209,970</u>	<u>10,127</u>
Revenues over (under) expenditures	65,653	14,777	50,876
Unrestricted net assets - December 31, 2014	<u>127,548</u>	<u>127,548</u>	-
Unrestricted net assets - December 31, 2015	<u>\$ 193,201</u>	<u>\$ 142,325</u>	<u>\$ 50,876</u>

\* Golf tournament budget of \$4,500 reflects revenues, net of associated expenditures. The net variance for the golf tournament when expenditures are included is \$2,626 favorable.