

AGREEMENT FOR LODGING TAX (CIVIC IMPROVEMENT) FUNDS

THIS AGREEMENT FOR LODGING TAX (CIVIC IMPROVEMENT) FUNDS (this "Agreement") is entered into the date last below written between the City of Bainbridge Island, a Washington state municipal corporation (the "City") and The Bloedel Reserve (the "Recipient").

WHEREAS, the Recipient submitted a proposal for Lodging Tax/Tourism funds (Civic Improvement Fund) for destination tourism marketing as described in Attachment A (the "Proposal"); and

WHEREAS, upon recommendation of the Lodging Tax Advisory Committee and approval by City Council at their December 1, 2015 meeting, the City has awarded a contract for the Proposal; and

WHEREAS, the Recipient has the expertise and experience to arrange for said services and is willing to do so in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, conditions, promises, and agreements set forth herein, it is agreed by and between the City and the Recipient as follows:

1. SERVICES BY RECIPIENT

The Recipient shall arrange for the services as specified in this Agreement and as necessary to accomplish the scope of work described in the Proposal. The Recipient shall arrange for all services, labor and related equipment to conduct and complete the work, except as specifically noted otherwise in this Agreement. The Recipient shall execute this Agreement by June 30, 2016 in order to receive funding, and all goods and services specified in this Agreement shall be provided during calendar year 2016.

The Recipient shall identify all Proposal activities in promotional and other business materials as having been funded by the City of Bainbridge Island.

2. PAYMENT

A. The City shall pay the Recipient Fourteen Thousand Six Hundred Thirty-Two Dollars (\$14,632) for all services performed and all approved expenses incurred for the sole and specific purpose of accomplishing the scope of work described in the Proposal, to be billed quarterly. Payment will be made by the City only when documentation of delivery of contracted services or products is provided to the City.

B. The Recipient shall submit quarterly invoices for services performed in a previous quarter in a format acceptable to the City. Each project and each task within a project shall be the subject of a separate invoice. The Recipient shall maintain time and expense records and provide them to the City upon request.

C. All invoices shall be paid by mailing a city check within sixty (60) days of receipt of a proper invoice.

D. If the services rendered do not meet the requirements of this Agreement, the Recipient shall correct or modify the work to comply with this Agreement. The City may withhold payment for such work until it meets the requirements of this Agreement.

3. REPORT ON EXECUTION OF SERVICES

The Recipient shall submit a report on services provided with the final invoice, no later than January 20, 2017. This report should be no longer than two pages long, excluding budget detail, and should follow the outline below:

- Summarize the activities undertaken in providing the work described in Attachment A.
- Reference the project objectives specified in Attachment A. Were those objectives achieved? Why or why not? Were there any unexpected positive outcomes or challenges?
- Reference the specific measurable results specified in Attachment A. Were they achieved? If not, what challenges prevented the achievement of the anticipated results?
- Describe involvement of any partners specified in Attachment A, as well as any unexpected cooperative relationships that developed through implementation of the project.
- Reference the project budget specified in the Attachment A. Provide an analysis of actual expenses and income in relation to the projected budget.
- Complete a Joint Legislative Audit and Review Committee (JLARC) report as directed by the City that will provide a good faith best-estimate of actual attendance generated by the Proposal in the three categories below:
 - a. Travelers staying overnight in paid accommodations away from their place of residence or business;
 - b. Travelers staying overnight in unpaid accommodations (e.g., with friends and family) and traveling more than 50 miles;
 - c. Travelers for the day only and traveling more than 50 miles.
- Describe the methodologies used to arrive at the good faith estimate of actual attendance numbers described above.

4. INSPECTION AND AUDIT

The Recipient shall maintain all books, records, documents and other evidence pertaining to the costs and expenses allowable under this Agreement in accordance with generally accepted accounting practices. All such books and records required to be maintained by this Agreement shall be subject to inspection and audit by representatives of the City and/or the Washington State Auditor at all reasonable times, and the Recipient shall afford the proper facilities for such inspection and audit. Representatives of the City and/or the Washington State Auditor may copy such books, accounts and records where necessary to conduct or document an audit. The Recipient shall preserve and make available all such books of account and records for a period of three (3) years after final payment under this Agreement. In the event that any audit or inspection identifies any discrepancy in such

financial records, the Recipient shall provide the city with appropriate clarification and/or financial adjustments within thirty (30) calendar days of notification of the discrepancy.

5. INDEPENDENT CONTRACTOR

A. The Recipient and the City understand and expressly agree that the Recipient is an independent contractor in the performance of each and every part of this Agreement. The Recipient expressly represents, warrants and agrees that his status as an independent contractor in the performance of the work and services required under this Agreement is consistent with and meets the six-part independent contractor test set forth in RCW 51.08.195. The Recipient, as an independent contractor, assumes the entire responsibility for carrying out and accomplishing the services required under this Agreement. The Recipient shall make no claim of City employment nor shall claim any related employment benefits, social security, and/or retirement benefits.

B. The Recipient shall be solely responsible for paying all taxes, deductions, and assessments, including but not limited to federal income tax, FICA, social security tax, assessments for unemployment and industrial injury, and other deductions from income which may be required by law or assessed against either party as a result of this Agreement. In the event the City is assessed a tax or assessment as a result of this Agreement, the Recipient shall pay the same before it becomes due.

C. The City may, during the term of this Agreement, engage other independent contractors to perform the same or similar work that the Recipient performs hereunder.

D. The Recipient and any subcontractors shall obtain a business license and, if applicable, pay business and occupation taxes pursuant to Title 5 of the Bainbridge Island Municipal Code.

6. DISCRIMINATION AND COMPLIANCE WITH LAWS

A. The Recipient agrees not to discriminate against any employee or applicant for employment or any other person in the performance of this Agreement because of race, creed, color, national origin, marital status, sex, sexual orientation, age, disability, or other circumstance prohibited by federal, state or local law or ordinance, except for a bona fide occupational qualification.

B. The Recipient shall comply with all federal, state and local laws and ordinances applicable to the work to be done under this Agreement.

C. Violation of this Section 6 shall be a material breach of this Agreement and grounds for cancellation, termination or suspension by the City, in whole or in part, and may result in ineligibility for further work for the City.

7. TERM AND TERMINATION OF AGREEMENT

A. This Agreement shall become effective upon execution by both parties and shall continue in full force until December 31, 2016, unless sooner terminated by either party as provided below.

B. This Agreement may be terminated by either party without cause upon thirty (30) days' written notice to the other party. In the event of termination, all finished or unfinished documents, reports, or other material or work of the Recipient pursuant to this Agreement shall be submitted to the City, and the Recipient shall be entitled to just and equitable compensation at the rate set forth in Section 2 for any satisfactory work completed prior to the date of termination.

8. OWNERSHIP OF WORK PRODUCT

All data, materials, reports, memoranda and other documents developed under this Agreement whether finished or not shall become the property of the City, shall be forwarded to the City in hard copy and in digital format that is compatible with the City's computer software programs.

9. GENERAL ADMINISTRATION AND MANAGEMENT

The City Manager of the City, or designee, shall be the City's representative, and shall oversee and approve all services to be performed, coordinate all communications, and review and approve all invoices, under this Agreement.

10. HOLD HARMLESS AND INDEMNIFICATION

A. The Recipient agrees to protect, defend, indemnify, and hold harmless the City, its elected officials, officers, employees and agents from any and all claims, demands, losses, liens, liabilities, penalties, fines, lawsuits, and other proceedings and all judgments, awards, costs and expenses (including reasonable attorneys' fees and disbursements) caused by or occurring by reason of any negligent act, error and/or omission of the Recipient, its officers, employees, and/or agents, arising out of or in connection with the performance or non-performance of the services, duties, and obligations required of the Recipient under this Agreement.

B. In the event that the Recipient and the City are both negligent, then the Recipient's liability for indemnification of the City shall be limited to the contributory negligence for any resulting suits, actions, claims, liability, damages, judgments, costs and expenses (including reasonable attorneys' fees and disbursements) that can be apportioned to the Recipient, its officers, employees and agents.

C. The foregoing indemnity is specifically and expressly intended to constitute a waiver of the immunity of the Recipient under Washington's Industrial Insurance Act, RCW Title 51, as respects the other parties only, and only to the extent necessary to provide the indemnified party with a full and complete indemnity of claims made by the employees of the Recipient. The parties acknowledge that these provisions were specifically negotiated and agreed upon by them.

D. The City's inspection or acceptance of any of the Recipient's work when completed shall not be grounds to void, nullify and/or invalidate any of these covenants of indemnification.

E. Nothing contained in this section of this Agreement shall be construed to create a liability or a right of indemnification in any third party.

F. The provisions of this section shall survive the expiration or termination of this Agreement with respect to any event occurring prior to such expiration or termination.

11. INSURANCE

The Recipient shall maintain insurance as follows:

- Commercial General Liability as described in Attachment B.
- Directors and Officers Liability as described in Attachment B.
- Automobile Liability as described in Attachment B.
- None.

12. SUBLETTING OR ASSIGNING CONTRACT

This Agreement, or any interest herein or claim hereunder, shall not be assigned or transferred in whole or in part by the Recipient to any other person or entity without the prior written consent of the City. In the event that such prior written consent to an assignment is granted, then the assignee shall assume all duties, obligations, and liabilities of the Recipient as stated herein.

13. EXTENT OF AGREEMENT/MODIFICATION

This Agreement, together with attachments or addenda, represents the entire and integrated Agreement between the parties and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended, modified or added to only by written instrument properly signed by both parties.

14. SEVERABILITY

A. If a court of competent jurisdiction holds any part, term or provision of this Agreement to be illegal or invalid, in whole or in part, the validity of the remaining provisions shall not be affected, and the parties' rights and obligations shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.

B. If any provision of this Agreement is in direct conflict with any statutory provision of the State of Washington, that provision which may conflict shall be deemed inoperative and null and void insofar as it may conflict, and shall be deemed modified to conform to such statutory provision.

15. FAIR MEANING

The terms of this Agreement shall be given their fair meaning and shall not be construed in favor of or against either party hereto because of authorship. This Agreement shall be deemed to have been drafted by both of the parties.

16. NON-WAIVER

A waiver by either party hereto of a breach by the other party hereto of any covenant or condition of this Agreement shall not impair the right of the party not in default to avail itself of any subsequent breach thereof. Leniency, delay or failure of either party to insist upon strict performance of any

IN WITNESS WHEREOF, the parties have executed this Agreement as of FEBRUARY 18, 2016.

THE BLOEDEL RESERVE

CITY OF BAINBRIDGE ISLAND

By Susan Fidelman

By Douglas Schulze
Douglas Schulze, City Manager

Name SUSAN FIDELMAN

Title CFO / ACTING EXECUTIVE DIRECTOR

Tax I.D. 91-6182786

ATTACHMENT A

**CITY OF BAINBRIDGE ISLAND
2016 LODGING/TOURISM FUND PROPOSAL
COVER SHEET**

Project Name: Destination Tourism Marketing at Bloedel Reserve

Name of Applicant Organization: Bloedel Reserve

Applicant Organization IRS Chapter 501(c)(3) or 501(c)(6) status and Tax ID Number:
501(c)(3), 91-6182786

Date of Incorporation as a Washington State Corporation and UBI Number:
1974, 601130563

Primary Contact: Sue Andresen, Director of Philanthropy

Mailing Address: 7571 NE Dolphin Dr. Bainbridge Island, WA 98110

Email(s): sandresen@bloedelreserve.org

Day phone: (206)842-7631 x 12 Cell phone: (206)313-0167

Please indicate the type of project described in your proposal:

<input checked="" type="checkbox"/>	Project Type
<input checked="" type="checkbox"/>	Tourism marketing
<input type="checkbox"/>	Marketing and operations of special events and festivals designed to attract tourists
<input type="checkbox"/>	Supporting the operations of a tourism-related facility owned or operated by a nonprofit organization*
<input type="checkbox"/>	Supporting the operations and/or capital expenditures of a tourism-related facility owned or operated by a municipality or a public facilities district*

*If the proposal requests funds for a tourism-related facility, please indicate the legal owner of that facility:

**LODGING/TOURISM FUND APPLICATION
NARRATIVE GUIDE**

Applicant Information

Please respond to each of these questions in the order listed. If the proposal includes multiple partners, please include the requested information for each organization.

- 1. Describe the applicant organization's mission, history and areas of expertise. Describe the applicant's experience in tourism promotion on Bainbridge Island and its demonstrated ability to complete the proposed project.**

The mission of the Bloedel Reserve is: To enrich people's lives through a premier public garden of natural and designed Pacific Northwest landscapes.

The Reserve's 150 acres are a unique blend of natural woodlands and beautifully landscaped gardens, including a Japanese Garden, a Moss Garden, and Reflection Pool, and the Bloedel's former estate. The Reserve has received recognition from national and international gardening experts as being one of the "Top Ten" gardens in the United States (e.g. U.S.A. Today rated the Reserve as such in May 2010).

The Bloedel Reserve has been cited as the top tourist attraction on Bainbridge Island for six years in a row (Bainbridge Review, 2010 to 2015). The Reserve was awarded the 2010 Tourism Promoter of the Year Award by the Kitsap Peninsula Visitor and Convention Bureau, recognizing both our current efforts and future potential to attract more visitors and tourists to Kitsap County.

In 2009 attendance was 25,000 and it's projected that attendance will reach 50,000 in 2015. This increase has come about through key strategies designed to increase visitation and make the Reserve a more open and welcoming facility. We have reached out to build partnerships on Bainbridge and within the wider Kitsap and Puget Sound communities through new programs and events. We have provided several free or discounted days to ensure all segments of the community can visit.

Extensive anecdotal feedback indicates that our new philosophy and attitude of openness and ease of accessibility is working, improving the reputation of the Reserve, and attracting more visitors. In 2013, with the help of LTAC and Kitsap Bank, the Reserve hosted its first ever temporary sculpture exhibit, which drew record attendance and extensive media coverage. In the Summer 2014 saw record single-day attendance for our new Out(side)rageous Family Day (911) funded by Bainbridge Community Foundation and Fletcher Bay Foundation. The 2015 Out(side)rageous Family Day broke the previous year's number by 26%! And though the year isn't yet over, in 2015 Bloedel has seen a 29% increase in attendance over 2014 numbers.

In 2015, LTAC funds helped the Reserve create, print and distribute an 8-panel brochure that was distributed to tourist locations throughout Puget Sound, including Washington State Ferries, Seattle hotels and Sea-Tac Airport. The brochures were a tremendous success. According to Certified Folder (brochure distribution company) the Reserve's brochure has been picked up by more than 35,600 potential visitors since hitting the racks in June 2015. The \$2-off coupon in the brochure was redeemed 312 times between June and September 2015. And our attendance records show that in September 2015, we welcomed guests from 19 different countries.

Kitsap Transit's B.I. Ride has been a tremendous asset by providing economical transportation to and from the Bainbridge Island ferry terminal to the Reserve. In September 2015 alone, 291 visitors

arrived to Bloedel via B.I. Ride. Bloedel's website, brochures and staff encourage visitors to travel to and from the Reserve by B.I. Ride.

Additionally, we have restored / upgraded key gardens and facilities at the Reserve. Between 2011 and 2015, with the help of significant grants from LTAC, the Seattle Garden Club, The Tateuchi Foundation, the Juniper Foundation, and the West Seattle Garden Tour, the Reserve completed a major restoration of its Japanese Garden and Guesthouse, as well as the Waterfall Valley Trail. These projects were leveraged for considerable public relations/marketing benefits.

Alternate question for event or facility funding:

Describe the event or facility proposed including its purpose, history, and budget. Include past attendance history if applicable, and estimate the number of tourists drawn to the event or facility/year. Please estimate total attendance and number of tourists estimated to attend for 2016. How has the activity been promoted in the past (if applicable) and what promotion is planned for 2016?

N/A

- 2. If appropriate, please identify the project partner(s) and briefly describe the involvement of each. Please note that the maximum award of \$80,000 will apply to any single project, even if proposed by a team of partners.**

The project will involve partnerships with Bainbridge Island businesses, including hotels, motels, bed and breakfasts, restaurants, shops, and B.I. Ride. The partnership includes highlighting such offerings on the brochure.

- 3. If appropriate, please list each project and amount of funding awarded and utilized from the Lodging Tax (Civic Improvement) Fund within the last five years (2010-2015).**

2011: Expanded general marketing: \$8,000

2012: Japanese Guest House restoration: \$57,500

2013: Marketing for Sculpture in the Landscape Exhibit: \$2,500

2014: Destination tourism marketing at Bloedel Reserve: \$11,496

2015: Destination tourism marketing at Bloedel Reserve: \$12,526

- 4. If any projects previously funded through the Lodging Tax (Civic Improvement) Fund were not completed and/or if reports were not submitted to the City as requested, please explain:**

N/A

Project Information

- 1. Describe the proposed project.**

The Bloedel Reserve proposes to produce and distribute 103,500 brochures (a 15% increase over 2015 numbers) which will encourage regional residents and out of town tourists to visit Bloedel Reserve, and, in the process, take advantage of all Bainbridge Island has to offer. Bloedel Reserve provides Bainbridge Island visitors with an activity and a destination, but to round out their experience, guests

often ask Bloedel staff members for recommendations for restaurants, breweries, wineries, parks and other attractions.

To coincide with the 2016 brochure, Bloedel will host a day for Seattle-area concierges and cruise line providers. The day would include riding the ferry over from Seattle, taking B.I. Ride to and from Bloedel, experiencing Bloedel and having lunch / presentation on Bloedel and Bainbridge Island offerings.

A. Identify the Project’s main objectives and how each will be achieved.

1. Create brand awareness: In spring 2015, Bloedel Reserve updated its brand identity to better reflect the warm and welcoming atmosphere of Bloedel. This new logo gives Bloedel the opportunity to engage new audiences and create consistent visual messages for the public. With the new logo came a comprehensive overhaul of company identity and marketing materials including new brochures, membership materials, maps, signs and a new look for advertising and business materials.
The new logo was a significant shift from our old look and the brochures created with LTAC funds will continue to get the new Bloedel brand out to the public.
2. Expand reach to regional, national, and international tourist markets not touched through current vehicles (Seattle and West Sound residents, out of town guests staying at hotels, etc.)
Achieved through an updated 8-panel brochure with wide distribution
3. Use Bloedel Reserve as an attraction to draw people to Bainbridge Island for a full day experience
Achieved by dedicating one panel of brochure to promoting opportunities to stay and eat during an Island visit.
4. Promote Bloedel Reserve and Bainbridge as a destination in all four seasons
 - i. Through the brochure
 - ii. Brochure will include a seasonal calendar of major events, such as Shakespeare in the Park (collaboration with BPA) in July, the Fall Squash Hunt, the Spring Poetry month and outdoor installation, the Holiday Village, and spring and winter lectures, readings, and concerts
5. Build closer business partnerships with Bainbridge Island restaurants and businesses and encourage visitors to experience more of Bainbridge Island, beyond downtown
 - i. Develop discount programs, packages, and cross promotional opportunities
 - ii. Continue promoting the use of B.I. Ride for transportation to the Reserve

B. Be as specific as possible about proposed services, if appropriate the quantities of materials for and measurable impacts on the tourism market, distribution method and costs.

The project calls for the distribution of 135,000 8-panel promotional brochures in several regional areas, including the following:

	<u># of sites</u>	<u>Target Audience</u>
WSF South Sound	2 sites	Tourists
WSF Seattle Terminal	1 site	Tourists
Sea-Tac Airport	7 sites	Tourists
Seattle Corporate	79 sites	Resident day tripper w/ car
Seattle & Eastside	273 sites	Tourists, Resident day tripper w/ car
Olympic & Kitsap	131 sites	Tourists, Resident day tripper w/ car,

- C. If appropriate, provide details about the facility operating costs to be funded.

N/A

2. Provide a brief narrative statement to address each of the stated selection criteria. Describe outcomes anticipated from each criterion, as well as the overall project.

- A. Expected impact in increased tourism in 2016. Please provide specific estimates of how the project will impact the number of people traveling to Bainbridge Island from fifty miles or more one way from their place of residence, or travelling from another country or state outside of Washington State. If appropriate, compare/contrast this impact to actual or estimated number of tourists at your event/facility in 2014 and estimates for 2015.

Bloedel Reserve is on pace to surpass record attendance for 2015. At Bloedel's current rate, it's estimated 50,000 visitors will have visited by the end of the year. Based on demographic sampling gathered throughout the year, the Reserve welcomes 75% of guests from off Island, including 30% from Seattle and surrounding environs, 12% from Washington State, and 33% from out of state. This is an impressive statistic that can be strengthened and harnessed with a focused marketing campaign. The continuation of B.I. Ride will help drive these numbers even further.

- B. Expected impact on or increase in overnight stays on the island. Please include actual or estimated numbers of tourists who will stay overnight in paid accommodations in Bainbridge lodging establishments in 2016 as a result of proposed activities. Please include the basis for any estimates.

Attendance at the Reserve for 2015 is reaching record-breaking numbers, with the number of visitors expected to reach 50,000. We estimate that of those visitors, 33% (16,500) were from out of state and 12% (6,000) were from Washington State outside the Seattle-metropolitan area. Those two groups total 22,500 people who potentially needed overnight accommodations. Our attendance continues to increase, and we estimate similar--or even higher-- numbers for 2016. With proper marketing and partnerships with local hotels, motels and bed and breakfasts, our guests could be converted into weekend visitors instead of day trippers.

- C. Projected economic impact on Bainbridge Island businesses, facilities, events and amenities (helpful data may be found on the Washington State Department of Commerce website).

A recurring theme when people come to visit the Reserve is that they make a day-trip out of it. Our guests enjoy taking advantage of the fine restaurants, coffee shops and boutiques Bainbridge Island has to offer. More than 75% of our visitors do not live on Bainbridge Island. As a result, potentially 37,500 people need a meal, a cup of coffee or a treat. The economic impact our visitors have to Bainbridge Island is substantial.

- D. The project's potential to draw visitors to the Island and increase overnight stays during the off-season, i.e. Labor Day through Memorial Day.

One page of the brochure will be dedicated to ideas on how to make a memorable trip to Bainbridge Island, with special attention to year-round events and reasons to visit (i.e. fall color, Holiday Village).

- E. The applicants' demonstrated history of organizational and project success.

The Reserve has been fortunate to receive LTAC funding in each of the last five years and has demonstrated success with each project undertaken. In 2011, funds helped expand the Reserve's marketing budget. In 2012, a significant LTAC grant helped restore the renowned Japanese Guest House. This investment was leveraged into an additional \$190,000 of donations for the Guest House and Garden restoration. In 2013, LTAC funds supported the Reserve's "Sculpture in the Landscape" exhibit, which drew record attendance and media attention. In 2014, LTAC funds helped the Reserve create, print and distribute an 8-panel brochure that was distributed at tourist locations throughout Puget Sound, including Washington State Ferries and Seattle hotels. In 2015, LTAC funds helped us build on the great success of the brochure by incorporating our new graphic identity and broadening distribution channels.

- F. Describe any partnerships with other organizations and businesses in the proposed project – including efforts to minimize duplication of services where appropriate and encourage cooperative marketing.

The project will help promote Bainbridge Island businesses, including hotels, motels, bed and breakfasts, restaurants, and shops. The brochure includes a discount on Reserve admission.

- G. Describe the degree to which the project goals are measurable, and will allow the project's results to be assessed.

The project's goals will be measured by tracking the brochure rate of pick-up and how frequently the coupon code is redeemed.

- H. Describe the degree to which the project will leverage award funds with additional matching funds or donated in-kind goods or services.

LTAC funds will be matched more than 1:1 by Bloedel Reserve funds which result from various philanthropic and revenue-generating endeavors.

Supporting Documentation

1. Provide a project timeline that identifies major milestones.

Bloedel visitor guide ads placed	Beginning of 2016
Brochure designed	Begin February 2016
Brochure printed	End of February 2016
Brochure distributed	Beginning of March 2016
Concierge / Cruise Line visit	Beginning of March 2016

2. Include a detailed budget for the proposed project itemizing expenses and income. Include the amount requested from the Lodging Tax Fund and identify other sources of funding anticipated or obtained, including matching funds, as well as any in-kind contributions necessary to complete the project.

LTAC Request:

Brochure printing (103,500 qty.)	\$7,475
Brochure distribution	\$7,107
Photo Rights License	<u>\$ 50</u>
	\$14,632

Bloedel Expenses / Contributions:

In house brochure design	\$1,700
Ferry screen advertising	\$2,500
Seattle Visitor guide adverts.	\$4,500
Other off Island advertising	\$5,000
Concierge Visit	<u>\$1,500</u>
	\$15,200

3. If applicable, please describe the project's scalability. How would the project scope and budget be adjusted should the full amount of the LTAC funding request not be awarded? Please provide specifics. **If this information is not provided, the award committee will not consider alternative levels of funding.**

The program is scalable in the number of brochures printed and the number of distribution areas selected. Should partial funding be awarded, we would recommend removal of the following distribution areas: Olympic and Kitsap Peninsulas (\$2,033) and South Seattle (\$2,087). There would be a savings on printing cost. We also could scale back on distributions by reducing the number of months the brochures are on display.

*******Attached is a two-page document that provides information requested in items 4 & 5. Bloedel Reserve is currently in the process of developing our 2016 budget and the information is not available at this time. The budget won't be approved until January 2016.**

4. Provide copies of your organization's 2014 income/expense summary and 2015 budget.

Attached

5. Provide an estimate of 2015 revenue and expenses.

Attached

6. Letters of Partnership – Include letters from any partnering organizations committing to joint sponsorship of the application and specifying their intended activities.

N/A

BLOEDEL RESERVE BUDGET
For the year ending December 31, 2015

Account Title	FY2015 TOTAL
Contributions	290,000
Garden Party	381,750
Memberships	233,000
Total Support - Unrestricted	904,750
Contributions - Earmarked	169,625
Corporate Sponsors	32,000
Grants	69,400
Total Support-Temporarily Restricted	271,025
Program Revenue	44,215
Admissions	265,000
Retail Sales	88,999
Facilities Rental Revenue	600
Total Revenue	398,814
Total Support and Revenue	1,574,589
Payroll & Benefit Expense	1,655,337
Grounds Expense	69,895
Repairs & Maintenance	31,400
Program & Event Expenses	73,740
Fundraising Expenses	18,300
Membership Expense	2,600
Retail Expenses	42,025
Advertising	101,614
Bank Services & Processing Fees	18,600
Copying & Printing Expenses	41,255
Equipment < \$1,500	22,040
Lease & Service Agreements	27,480
Insurance, Tax & License Expense	66,530
Outside Computer Services	25,688
Postage & Shipping	9,075
Professional Development	21,586
Professional Fees	166,120
Supplies	44,120
Travel	17,961
Utilities	51,480
Other Expense	28,580
Total Operating Expenditures	2,535,426
Capital Expenditure - Branding Refresh	20,625
Capital Expenditure - Furniture	6,000
Capital Expenditure - Japanese Garden Renovation	14,800
Capital Expenditure - Japanese Guest House Renovation	18,000
Capital Expenditure - Residence Renovation	34,000
Total Capital Expenditures	93,425
Total Expenditures	2,628,851
NET INCOME	(1,054,262)
2014/2015 Expenditures to be funded by 2014 End of Year Funds	50,700
DISBURSEMENT-INVESTMENT PORTFOLIO (MAIN)	920,000
DISBURSEMENT-RICHARD A. BROWN ENDOWMENT (RAB)	84,000
COMBINED PORTFOLIO DISBURSEMENT	1,004,000
NET CASH FLOW	438



Statement of Activities - Actual vs Budget

As of Date: 08/31/2015

Accounts	2015		Budget Variance (\$)	2014 Comparison	
	Actual	Budget		2014 Actual	2015 v 2014 Variance (\$)
Support and Revenue					
Support - Unrestricted					
40000 Contributions	174,708.66	219,800.00	(44,891.34)	191,398.13	(16,689.47)
43000 Tickets/Tables	54,950.00	78,750.00	(23,800.00)	61,450.00	(6,500.00)
43100 Auction	81,900.00	60,000.00	21,900.00	85,700.00	(3,800.00)
43200 Raffle-Games-MISC	9,775.00	8,000.00	1,775.00	10,525.00	(750.00)
43300 Raise the Paddle	186,850.00	140,000.00	46,850.00	187,880.00	970.00
44000 Memberships	175,060.00	161,000.00	14,060.00	154,316.00	20,744.00
	685,243.66	667,350.00	17,893.66	891,269.13	(6,025.47)
Total Support - Unrestricted					
Support - Temporarity Restricted					
40100 Contributions - Earmarked	37,125.00	169,625.00	(132,500.00)	149,300.00	(112,175.00)
40200 Corporate Sponsors	39,000.00	47,500.00	(8,500.00)	27,000.00	12,000.00
41000 Grants	69,851.67	49,400.00	20,451.67	21,000.00	48,851.67
	145,976.67	266,525.00	(120,548.33)	197,300.00	(51,323.33)
Total Support - Temporarity Restricted					
Revenue					
42000 Program Revenue	25,988.59	36,040.00	(10,051.41)	12,017.41	13,971.18
45000 Admissions	284,245.10	195,271.05	88,974.05	191,190.50	73,054.60
45500 Retail Sales- Taxable	69,005.27	65,044.00	3,961.27	58,507.50	10,497.77
45525 Retail Sales- Non-Taxable	668.75	725.00	(56.25)	619.88	48.87
46000 Consignment Sales	2,461.92	0.00	2,461.92	3,522.50	(1,060.58)
46500 Sales Returns and Discounts	(5,604.15)	(5,620.00)	15.85	(5,321.56)	(282.69)
46900 Facilities Rental Revenue	4,330.00	300.00	4,030.00	450.00	3,880.00
	361,095.48	281,760.05	69,335.43	260,986.23	100,109.25
Total Support and Revenue	1,192,315.81	1,225,635.05	(33,319.24)	1,149,555.36	42,760.45
Total Expenditures					
Operating Expenditures					
Payroll & Benefit Expense	1,035,027.47	1,075,080.00	(40,052.53)	929,744.25	105,283.22
Grounds Expense	36,073.10	49,580.00	(13,506.90)	23,961.72	12,111.38
Repairs & Maintenance	25,752.94	22,700.00	3,052.94	16,354.78	9,398.06
Program & Event Expense	47,293.79	65,740.00	(18,446.21)	43,328.75	3,965.04
Fundraising Expense	2,105.02	7,840.00	(5,734.98)	5,789.73	(3,684.71)

Statement of Activities - Actual vs Budget

As of Date: 09/31/2015

Accounts	2015			2014 Comparison	
	Actual	Budget	Budget Variance (\$)	2014 Actual	2015 Variance (\$)
Membership Expense	3,373.19	2,600.00	773.19	995.19	2,378.00
Retail Expense	17,049.65	26,425.00	(9,375.35)	25,652.20	(8,602.55)
Advertising	49,082.85	77,345.00	(28,262.05)	26,323.91	22,759.04
Bank Services & Processing Fees	8,073.82	12,400.00	(4,326.38)	7,059.70	1,013.92
Copying & Printing Expense	35,889.84	38,055.00	(2,165.16)	16,683.16	19,206.68
Equipment < \$1,500	10,643.49	21,734.00	(11,090.51)	10,188.69	454.80
Lease & Service Agreements	15,752.31	18,520.00	(2,767.69)	7,353.47	8,398.84
Insurance, Tax & License Expense	38,929.60	42,167.69	(3,238.09)	29,480.41	9,449.19
Outside Computer Services	10,885.00	16,892.00	(5,807.00)	13,879.94	(2,794.94)
Postage & Shipping	8,314.56	6,582.00	1,732.56	6,879.16	1,635.40
Professional Development	9,866.78	15,447.00	(5,580.22)	15,221.97	(5,355.19)
Professional Services	99,799.99	137,847.00	(38,047.11)	115,707.97	(15,908.08)
Supplies	32,142.64	31,315.00	827.64	20,674.28	11,468.36
Travel	8,475.85	11,993.00	(3,517.15)	6,669.80	1,806.05
Utilities Expense	27,375.91	34,320.00	(6,944.09)	32,799.23	(5,423.32)
Other Expense	5,172.43	19,110.00	(13,937.57)	14,890.93	(9,718.50)
Total Operating Expenditures	1,527,079.93	1,733,492.69	(206,412.76)	1,389,439.24	157,640.69
Capital Expenditures					
90200 Capital Expenditure - Branding Refresh	8,150.00	20,825.00	(12,675.00)	6,510.00	1,640.00
90300 Capital Expenditure - Furniture	6,980.54	6,000.00	980.54	6,641.55	348.99
90000 Capital Expenditure - Vehicles	0.00	0.00	0.00	37,360.27	(37,360.27)
90500 Capital Expenditure - Buildings and Improvements	0.00	0.00	0.00	12,696.98	(12,696.98)
90150 Capital Expenditure - Japanese Garden Renovation	4,178.64	14,800.00	(10,621.36)	29,350.06	(25,171.42)
90100 Capital Expenditure - Japanese Guest House Renovation	3,774.48	18,000.00	(14,225.52)	33,202.63	(29,428.15)
90400 Capital Expenditure - Residence Renovation	35,726.53	34,000.00	1,726.53	56,274.67	(20,548.14)
Total Capital Expenditures	58,820.19	93,425.00	(34,604.81)	182,036.16	(123,215.97)
Total Expenditures	\$ 1,585,900.12	\$ 1,826,917.69	\$ (241,017.57)	\$ 1,551,475.40	\$ 34,424.72
Net Income	(393,584.31)	(601,282.64)	207,698.33	(401,920.04)	8,335.73
INVESTMENT WITHDRAWALS					
Bloedel Reserve Investment Portfolio	420,000.00	620,000.00	(200,000.00)	540,000.00	(120,000.00)
Richard A. Brown Endowment Portfolio	35,000.00	56,000.00	(21,000.00)	41,200.00	(6,200.00)
	455,000.00	676,000.00	(221,000.00)	581,200.00	(126,200.00)
NET CASH FLOW	61,415.69	74,717.36	(13,301.67)	179,279.96	(117,864.27)

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BLOEDEL RESERVE BUDGET

For the year ending December 31, 2015

Account Title	FY2015 TOTAL
Contributions	290,000
Garden Party	381,750
Memberships	233,000
Total Support - Unrestricted	904,750
Contributions - Earmarked	169,625
Corporate Sponsors	32,000
Grants	69,400
Total Support-Temporarily Restricted	271,025
Program Revenue	44,215
Admissions	265,000
Retail Sales	88,999
Facilities Rental Revenue	600
Total Revenue	398,814
Total Support and Revenue	1,574,589
Payroll & Benefit Expense	1,655,337
Grounds Expense	69,895
Repairs & Maintenance	31,400
Program & Event Expenses	73,740
Fundraising Expenses	18,300
Membership Expense	2,600
Retail Expenses	42,025
Advertising	101,614
Bank Services & Processing Fees	18,600
Copying & Printing Expenses	41,255
Equipment < \$1,500	22,040
Lease & Service Agreements	27,480
Insurance, Tax & License Expense	66,530
Outside Computer Services	25,688
Postage & Shipping	9,075
Professional Development	21,586
Professional Fees	166,120
Supplies	44,120
Travel	17,961
Utilities	51,480
Other Expense	28,580
Total Operating Expenditures	2,535,426
Capital Expenditure - Branding Refresh	20,625
Capital Expenditure - Furniture	6,000
Capital Expenditure - Japanese Garden Renovation	14,800
Capital Expenditure - Japanese Guest House Renovation	18,000
Capital Expenditure - Residence Renovation	34,000
Total Capital Expenditures	93,425
Total Expenditures	2,628,851
NET INCOME	(1,054,262)
2014/2015 Expenditures to be funded by 2014 End of Year Funds	50,700
DISBURSEMENT-INVESTMENT PORTFOLIO (MAIN)	920,000
DISBURSEMENT-RICHARD A. BROWN ENDOWMENT (RAB)	84,000
COMBINED PORTFOLIO DISBURSEMENT	1,004,000
NET CASH FLOW	438



Statement of Activities - Actual vs Budget

As of Date: 08/31/2015

Accounts	2015		2014 Comparison	
	Actual	Budget	2014 Actual	2015 v 2014 Variance (\$)
Support and Revenue				
Support - Unrestricted				
40000 Contributions	174,708.66	219,600.00	191,368.13	(16,689.47)
43000 Tickets/Tables	54,950.00	78,750.00	61,450.00	(6,500.00)
43100 Auction	81,900.00	60,000.00	85,700.00	(3,800.00)
43200 Raffle-Games-MISC	9,775.00	8,000.00	10,525.00	(750.00)
43300 Raise the Paddle	188,850.00	140,000.00	187,880.00	970.00
44000 Memberships	175,060.00	161,000.00	154,316.00	20,744.00
Total Support - Unrestricted	685,243.66	667,350.00	691,268.13	(6,025.47)
Support - Temporarily Restricted				
40100 Contributions - Earmarked	37,125.00	169,625.00	149,300.00	(112,175.00)
40200 Corporate Sponsors	39,000.00	47,500.00	27,000.00	12,000.00
41000 Grants	69,851.67	49,400.00	21,000.00	48,851.67
Total Support - Temporarily Restricted	145,976.67	266,525.00	197,300.00	(51,323.33)
Revenue				
42000 Program Revenue	25,988.59	38,040.00	12,017.41	13,971.18
45000 Admissions	284,245.10	195,271.05	191,190.50	73,054.60
45500 Retail Sales- Taxable	69,005.27	65,044.00	58,507.50	10,497.77
45525 Retail Sales- Non-Taxable	668.75	725.00	619.88	48.87
46000 Consignment Sales	2,461.92	0.00	3,522.50	(1,060.58)
46500 Sales Returns and Discounts	(5,604.15)	(5,620.00)	(5,321.56)	(282.59)
46900 Facilities Rental Revenue	4,330.00	300.00	450.00	3,880.00
Total Support and Revenue	1,192,315.81	1,225,635.05	1,149,555.36	42,760.45
Total Expenditures				
Operating Expenditures				
Payroll & Benefit Expense	1,035,027.47	1,075,080.00	929,744.25	105,283.22
Grounds Expense	36,073.10	49,580.00	23,961.72	12,111.38
Repairs & Maintenance	25,752.84	22,700.00	16,354.78	9,398.06
Program & Event Expense	47,293.79	65,740.00	43,328.75	3,965.04
Fundraising Expense	2,105.02	7,840.00	5,788.73	(3,684.71)

Statement of Activities - Actual vs Budget

As of Date: 08/31/2015

Accounts	2015			2014 Comparison	
	Actual	Budget	Budget Variance (\$)	2014 Actual	2015 v 2014 Variance (\$)
Membership Expense	3,373.19	2,600.00	773.19	995.19	2,378.00
Retail Expense	17,049.65	26,425.00	(9,375.35)	25,852.20	(8,802.55)
Advertising	49,082.95	77,345.00	(28,262.05)	26,323.91	22,759.04
Bank Services & Processing Fees	8,073.82	12,400.00	(4,326.38)	7,059.70	1,013.92
Copying & Printing Expense	35,889.84	38,055.00	(2,165.16)	18,683.16	19,206.68
Equipment < \$1,500	10,643.49	21,734.00	(11,090.51)	10,188.89	454.80
Lease & Service Agreements	15,752.31	18,520.00	(2,767.69)	7,353.47	8,398.84
Insurance, Tax & License Expense	38,929.60	42,167.69	(3,238.09)	29,480.41	9,449.19
Outside Computer Service	10,885.00	16,692.00	(5,807.00)	13,678.94	(2,794.94)
Postage & Shipping	8,314.56	6,582.00	1,732.56	6,679.16	1,635.40
Professional Development	9,866.78	15,447.00	(5,580.22)	15,221.97	(5,355.19)
Professional Services	99,799.99	137,847.00	(38,047.11)	115,707.97	(15,908.08)
Supplies	32,142.64	31,315.00	827.64	20,674.28	11,468.36
Travel	8,475.85	11,993.00	(3,517.15)	6,669.80	1,806.05
Utilities Expense	27,375.91	34,320.00	(6,944.09)	32,799.23	(5,423.32)
Other Expense	5,172.43	19,110.00	(13,937.57)	14,890.93	(9,718.50)
Total Operating Expenditures	1,527,079.93	1,733,492.69	(206,412.76)	1,369,439.24	157,640.69
Capital Expenditures					
90200 Capital Expenditure - Branding Refresh	8,150.00	20,625.00	(12,475.00)	6,510.00	1,640.00
90300 Capital Expenditure - Furniture	6,980.54	6,000.00	980.54	6,641.55	348.99
90000 Capital Expenditure - Vehicles	0.00	0.00	0.00	37,360.27	(37,360.27)
90500 Capital Expenditure - Buildings and Improvements	0.00	0.00	0.00	12,696.98	(12,696.98)
90150 Capital Expenditure - Japanese Garden Renovation	4,178.64	14,800.00	(10,621.36)	29,350.06	(25,171.42)
90100 Capital Expenditure - Japanese Guest House Renovation	3,774.48	18,000.00	(14,225.52)	33,202.63	(29,428.15)
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Total Capital Expenditures	58,820.19	93,425.00	(34,604.81)	182,036.16	(123,215.97)
Total Expenditures	\$ 1,585,900.12	\$ 1,826,917.69	\$ (241,017.57)	\$ 1,551,475.40	34,424.72
Net Income	(393,584.31)	(601,282.64)	207,698.33	(401,920.04)	8,335.73
INVESTMENT WITHDRAWALS					
Bloedel Reserve Investment Portfolio	420,000.00	620,000.00	(200,000.00)	540,000.00	(120,000.00)
Richard A. Brown Endowment Portfolio	35,000.00	56,000.00	(21,000.00)	41,200.00	(6,200.00)
	455,000.00	676,000.00	(221,000.00)	581,200.00	(126,200.00)
NET CASH FLOW	61,415.69	74,717.36	(13,301.67)	179,279.96	(117,864.27)

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BLOEDEL RESERVE BUDGET

For the year ending December 31, 2015

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Contributions	290,000
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Contributions - Earmarked	169,625
Corporate Sponsors	32,000
Grants	69,400
Total Support-Temporarily Restricted	271,025
Program Revenue	44,215
Admissions	265,000
Retail Sales	88,999
Facilities Rental Revenue	600
Total Revenue	398,814
Total Support and Revenue	1,574,589
Payroll & Benefit Expense	1,655,337
Grounds Expense	69,895
Repairs & Maintenance	31,400
Program & Event Expenses	73,740
Fundraising Expenses	18,300
Membership Expense	2,600
Retail Expenses	42,025
Advertising	101,614
Bank Services & Processing Fees	18,600
Copying & Printing Expenses	41,255
Equipment < \$1,500	22,040
Lease & Service Agreements	27,480
Insurance, Tax & License Expense	66,530
Outside Computer Services	25,688
Postage & Shipping	9,075
Professional Development	21,586
Professional Fees	166,120
Supplies	44,120
Travel	17,961
Utilities	51,480
Other Expense	28,580
Total Operating Expenditures	2,535,426
Capital Expenditure - Branding Refresh	20,625
Capital Expenditure - Furniture	6,000
Capital Expenditure - Japanese Garden Renovation	14,800
Capital Expenditure - Japanese Guest House Renovation	18,000
Capital Expenditure - Residence Renovation	34,000
Total Capital Expenditures	93,425
Total Expenditures	2,628,851
NET INCOME	(1,054,262)
2014/2015 Expenditures to be funded by 2014 End of Year Funds	50,700
DISBURSEMENT-INVESTMENT PORTFOLIO (MAIN)	920,000
DISBURSEMENT-RICHARD A. BROWN ENDOWMENT (RAB)	84,000
COMBINED PORTFOLIO DISBURSEMENT	1,004,000
NET CASH FLOW	438



Statement of Activities - Actual vs Budget

As of Date: 08/31/2015

	Accounts		2015		Budget Variance (\$)	2014 Comparison	
	Actual	Budget	2014 Actual	2014 vs 2014 Variance (\$)			
Support and Revenue							
Support - Unrestricted							
40000 Contributions	174,708.66	219,600.00	191,398.13	(44,891.34)	(16,889.47)		
43000 Tickets/Tables	54,950.00	78,750.00	61,450.00	(23,800.00)	(6,500.00)		
43100 Auction	81,900.00	60,000.00	85,700.00	21,900.00	(3,800.00)		
43200 Raffle-Games-MISC	9,775.00	8,000.00	10,525.00	1,775.00	(750.00)		
43300 Raise the Paddle	188,850.00	140,000.00	187,880.00	48,850.00	970.00		
44000 Memberships	175,060.00	161,000.00	154,316.00	14,060.00	20,744.00		
Total Support - Unrestricted	685,243.66	667,350.00	691,259.13	17,893.66	(6,025.47)		
Support - Temporarily Restricted							
40100 Contributions - Earmarked	37,125.00	169,625.00	149,300.00	(132,500.00)	(112,175.00)		
40200 Corporate Sponsors	39,000.00	47,500.00	27,000.00	(8,500.00)	12,000.00		
41000 Grants	69,851.67	49,400.00	21,000.00	20,451.67	48,851.67		
Total Support - Temporarily Restricted	145,976.67	266,525.00	197,300.00	(120,548.33)	(51,323.33)		
Revenue							
42000 Program Revenue	25,988.59	36,040.00	12,017.41	(10,051.41)	13,971.18		
45000 Admissions	264,245.10	195,271.05	191,190.50	68,974.05	73,054.60		
45500 Retail Sales- Taxable	69,005.27	65,044.00	58,507.50	3,961.27	10,497.77		
45525 Retail Sales- Non-Taxable	668.75	725.00	619.88	(56.25)	48.87		
46000 Consignment Sales	2,461.92	0.00	3,522.50	2,461.92	(1,060.58)		
46500 Sales Returns and Discounts	(5,604.15)	(5,620.00)	(5,321.56)	15.85	(282.59)		
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Total Revenue	361,095.48	291,760.05	260,986.23	69,335.43	100,109.25		
Total Support and Revenue	1,192,315.81	1,225,635.05	1,149,555.36	(33,319.24)	42,760.45		
Total Expenditures							
Operating Expenditures							
Payroll & Benefit Expense	1,035,027.47	1,075,080.00	929,744.25	(40,052.53)	105,283.22		
Grounds Expense	36,073.10	49,580.00	23,961.72	(13,506.90)	12,111.38		
Repairs & Maintenance	25,752.84	22,700.00	16,354.78	3,052.84	9,398.06		
Program & Event Expense	47,293.79	65,740.00	43,328.75	(18,446.21)	3,965.04		
Fundraising Expense	2,105.02	7,840.00	5,789.73	(5,734.98)	(3,684.71)		

Statement of Activities - Actual vs Budget

As of Date: 08/31/2015

Accounts	2015		Budget Variance (\$)	2014 Comparison	
	Actual	Budget		2014 Actual	2015 v 2014 Variance (\$)
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Retail Expense	17,049.65	26,425.00	(9,375.35)	25,852.20	(8,802.55)
Advertising	49,082.95	77,345.00	(28,262.05)	26,323.91	22,759.04
Bank Services & Processing Fees	8,073.62	12,400.00	(4,326.38)	7,059.70	1,013.92
Copying & Printing Expense	35,889.84	38,085.00	(2,165.16)	16,683.16	19,206.68
Equipment < \$1,500	10,643.49	21,734.00	(11,090.51)	10,188.69	454.80
Lease & Service Agreements	15,752.31	18,520.00	(2,767.69)	7,353.47	8,398.84
Insurance, Tax & License Expense	38,929.60	42,167.69	(3,238.09)	29,480.41	9,449.19
Outside Computer Service	10,885.00	16,692.00	(5,807.00)	13,679.94	(2,794.94)
Postage & Shipping	8,314.56	6,582.00	1,732.56	6,679.16	1,635.40
Professional Development	9,866.78	15,447.00	(5,580.22)	15,221.97	(5,355.19)
Professional Services	99,799.89	137,847.00	(38,047.11)	115,707.97	(15,908.08)
Supplies	32,142.64	31,315.00	827.64	20,674.28	11,468.36
Travel	8,475.85	11,993.00	(3,517.15)	6,669.80	1,806.05
Utilities Expense	27,375.91	34,320.00	(6,944.09)	32,799.23	(5,423.32)
Other Expense	5,172.43	19,110.00	(13,937.57)	14,890.93	(9,718.50)
Total Operating Expenditures	1,527,079.93	1,733,492.69	(206,412.76)	1,369,439.24	157,640.69
Capital Expenditures					
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90300 Capital Expenditure - Furniture	6,990.54	6,000.00	990.54	6,641.55	348.99
90000 Capital Expenditure - Vehicles	0.00	0.00	0.00	37,360.27	(37,360.27)
90500 Capital Expenditure - Buildings and Improvements	0.00	0.00	0.00	12,696.98	(12,696.98)
90150 Capital Expenditure - Japanese Garden Renovation	4,178.64	14,800.00	(10,621.36)	29,350.06	(25,171.42)
90100 Capital Expenditure - Japanese Guest House Renovation	3,774.48	18,000.00	(14,225.52)	33,202.63	(29,428.15)
90400 Capital Expenditure - Residence Renovation	35,726.53	34,000.00	1,726.53	56,274.67	(20,548.14)
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Total Expenditures	\$ 1,585,900.12	\$ 1,826,917.69	\$ (241,017.57)	\$ 1,551,475.40	34,424.72
Net Income	(393,584.31)	(601,282.64)	207,698.33	(401,920.04)	8,335.73
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	455,000.00	676,000.00	(221,000.00)	581,200.00	(126,200.00)
NET CASH FLOW	61,415.69	74,717.36	(13,301.67)	179,279.96	(117,864.27)

ATTACHMENT B

Insurance against claims for injuries to persons or damage to property arising out of or in connection with the performance of this Agreement by the Recipient, its officers, employees and agents:

A. Commercial General Liability Insurance written on an occurrence basis with limits no less than \$1,000,000.00 combined single limit per occurrence and \$2,000,000.00 aggregate for personal injury, bodily injury and property damage. Coverage shall include, but not be limited to blanket contractual; products/completed operations; broad form property damage; explosion, collapse and underground (XCU) if applicable; and employer's liability.

B. Directors and Officers Liability Insurance with limits no less than \$1,000,000.00 limit per occurrence.

C. Automobile Liability Insurance with limits no less than \$1,000,000.00 combined single limit per accident for bodily injury and property damage.

Before commencing work and services, the Recipient shall provide to the person identified in Section 17 of the Agreement a Certificate of Insurance evidencing the required insurance. City reserves the right to request and receive a certified copy of all required insurance policies.

Any payment of deductible or self-insured retention shall be the sole responsibility of the Recipient. City shall be named as an additional insured on the Commercial General Liability Insurance Policy, with regard to work and services performed by or on behalf of the Recipient, and a copy of the endorsement naming City as an additional insured shall be attached to the Certificate of Insurance.

The insurance policies (1) shall state that coverage shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability; (2) shall be primary insurance with regard to City; and (3) shall state that City will be given at least 30 days' prior written notice of any cancellation, suspension or material change in coverage.