

**KENAI WILD**



**Cook Inlet Salmon Brand, Inc.**

**Email: sbeaudoin@borough.kenai.ak.us**

**Fax/phone: (907) 262-6762**

**Telephone: (907) 714-2332**

To: Mayor Dale Bagley, and Assembly President Pete Sprague and KPB Assembly

Re: **Budget** Items for Funding Cook Inlet Salmon Brand 2004/2005

Date: June 4, 2004

The following items will be funded by the borough support of the **Kenai Wild** Branding Program for FY 2004/05.

- **Program Management** – The Executive Director will oversee all program components, including but not limited to grant oversight, development of sales and marketing efforts and coordination of quality control programs. **Additional program management costs include accounting services, legal council, quality control consultation, design and artwork consultation, marketing consultation and general office expenses.** The total cost will be \$100,000.
- **Quality Control** – The **Kenai Wild** program needs continued oversight of its quality control programs. Local quality control inspector(s) will be hired to audit “self certified” producers of **Kenai Wild** and to certify **Kenai Wild** branded product for both in season and fall/winter production. The requested amount will be \$25,000.
- The total cost of the program will be \$125,000

Additional funds required to operate the program will be obtained through a \$0.03/lb. fee assessed to certify **Kenai Wild** products in 2004.

Sincerely,

A handwritten signature in cursive script that reads "Sylvia G. Beaudoin".

Sylvia G. Beaudoin

Executive Director, CISB, Inc.

## Budget for CISB

### Revenue 2004

<u>Item</u>	<u>2Q04</u>	<u>3Q04</u>	<u>4Q04</u>
Licensing Fess			
Estimated 300,000 lbs. X .03/lb.			\$9000
Paid in fourth quarter 2004			

### Encumber Monies

Remaining from KPB

Grant Website (RFB completed by June 16<sup>th</sup>), Program  
Management, Marketing Materials \$39,608.17

KPB grant QC encumbered \$42,000

SK Funds for Quality encumbered \$116,000

Other Grant Revenues are on a **reimbursable basis**.

**Estimate Remaining Funds in SK Grant –CISB Operating Agreement with KPB as of May 30th, 2004, grant completion date April 05**

### Comprehensive Business Plan/

Strategic Planning	\$14,710.20
Quality Control	\$48,091.22
Marketing and Promotions (Travel included)	\$119,000.00
Website development	\$1,965.00

### Estimated Expenses:

<u>Item</u>	<u>2Q04</u>	<u>3Q04</u>	<u>4Q04</u>
Quality Program 2004: Budgeted amount <b>\$124,000 (In-Season</b>			
<b>Breakdown</b> of QC Inspector Training and oversight, Inspections including materials, mileage, phones No benefits provided to contract workers by CISB			
	\$48,000	\$76,000	\$25,000

Executive Director compensation \$3,819.45 per month (Additional \$300.00 per month car allowance.) Contract period remaining is thru Oct. 15<sup>th</sup>, 2004. Four weeks unpaid vacation.

Remaining balance of contract	\$3819.45	\$11,458.35	\$3819.45
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Benefits: Executive Director receives up to \$9,166.67 in direct payment to health insurance provider for benefits, and any remaining balance to be paid as salary.

Estimated accounting and legal fees \$800.00 per month	\$800.00	\$2,400	\$2,400
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Estimated Supplies	\$200.00	\$600.00	\$600.00
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**Reimbursable Grant Estimates:**

Estimated Promotional Materials Advertising, Quality Labels	\$3,500	\$8,000	\$8000
Event Marketing, Retail Promotions, Trade shows	\$5,000	\$20,000	\$40,000

Cook Inlet Salmon Brand, Inc.  
**Profit & Loss by Class**  
 July 2003 through June 2004

**Draft**

	Website Development (Boro. Brand Grant)	Total Boro. Brand Grant	TOTAL
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
4 · Contributed support			
4540 · KP Borough Grants	10,000.00	192,000.00	192,000.00
<b>Total 4 · Contributed support</b>	<b>10,000.00</b>	<b>192,000.00</b>	<b>192,000.00</b>
5 · Earned revenues			
5310 · Interest-savings/short-term inv	0.00	0.14	0.14
<b>Total 5 · Earned revenues</b>	<b>0.00</b>	<b>0.14</b>	<b>0.14</b>
<b>Total Income</b>	<b>10,000.00</b>	<b>192,000.14</b>	<b>192,000.14</b>
<b>Expense</b>			
7000 · Grant & contract expense			
7010 · Contracts - program-related	0.00	65,768.36	65,768.36
7060 · Benefits paid to or for members	0.00	24.00	24.00
<b>Total 7000 · Grant &amp; contract expense</b>	<b>0.00</b>	<b>65,792.36</b>	<b>65,792.36</b>
7200 · Salaries & related expenses			
7210 · Officers & directors salaries	0.00	21,395.00	21,395.00
7220 · Salaries & wages - other	0.00	3,133.17	3,133.17
7240 · Employee benefits - not pension	0.00	7,499.84	7,499.84
7250 · Payroll taxes	0.00	6,823.64	6,823.64
7260 · Workmans Compensation	0.00	440.00	440.00
<b>Total 7200 · Salaries &amp; related expenses</b>	<b>0.00</b>	<b>39,291.65</b>	<b>39,291.65</b>
7500 · Other personnel expenses			
7520 · Accounting fees	0.00	2,545.00	2,545.00
7530 · Legal fees	0.00	3,504.00	3,504.00
7540 · Professional fees - other	0.00	1,695.72	1,695.72
<b>Total 7500 · Other personnel expenses</b>	<b>0.00</b>	<b>7,744.72</b>	<b>7,744.72</b>
8100 · Non-personnel expenses			
8110 · Supplies	0.00	619.49	619.49
8115 · Promotional Materials	75.00	34,587.17	34,587.17
8130 · Telephone & telecommunications	0.00	362.68	362.68
8140 · Postage, shipping, delivery	0.00	546.00	546.00
8150 · Mailing services	0.00	30.00	30.00
8170 · Printing & copying	0.00	50.00	50.00
<b>Total 8100 · Non-personnel expenses</b>	<b>75.00</b>	<b>36,195.34</b>	<b>36,195.34</b>
8300 · Travel & meetings expenses			
8310 · Travel	0.00	900.00	900.00
8320 · Conference, convention, meeting	0.00	745.00	745.00
<b>Total 8300 · Travel &amp; meetings expenses</b>	<b>0.00</b>	<b>1,645.00</b>	<b>1,645.00</b>
8500 · Misc expenses			
8515 · Servcie Charge	0.00	4.40	4.40
8520 · Insurance -other	0.00	1,293.00	1,293.00
8530 · Membership dues - organization	0.00	75.00	75.00
8570 · Advertising expenses	0.00	265.50	265.50
8590 · Other expenses	0.00	35.00	35.00
<b>Total 8500 · Misc expenses</b>	<b>0.00</b>	<b>1,672.90</b>	<b>1,672.90</b>
8600 · Business expenses			
8670 · Organizational (corp) expenses	0.00	50.00	50.00
<b>Total 8600 · Business expenses</b>	<b>0.00</b>	<b>50.00</b>	<b>50.00</b>
<b>Total Expense</b>	<b>75.00</b>	<b>152,391.97</b>	<b>152,391.97</b>
<b>Net Ordinary Income</b>	<b>9,925.00</b>	<b>39,608.17</b>	<b>39,608.17</b>
<b>Net Income</b>	<b>9,925.00</b>	<b>39,608.17</b>	<b>39,608.17</b>

**Cook Inlet Salmon Brand, Inc.**  
**Profit & Loss by Class**  
July 2003 through June 2004

*Draft*

	BG Quality Control (Boro. Brand Grant)	Marketing Material (Boro. Brand Grant)	Program Management (Boro. Brand Grant)
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
4 · Contributed support			
4540 · KP Borough Grants	42,000.00	40,000.00	100,000.00
<b>Total 4 · Contributed support</b>	<b>42,000.00</b>	<b>40,000.00</b>	<b>100,000.00</b>
5 · Earned revenues			
5310 · Interest-savings/short-term inv	0.00	0.00	0.14
<b>Total 5 · Earned revenues</b>	<b>0.00</b>	<b>0.00</b>	<b>0.14</b>
<b>Total Income</b>	<b>42,000.00</b>	<b>40,000.00</b>	<b>100,000.14</b>
<b>Expense</b>			
7000 · Grant & contract expense			
7010 · Contracts - program-related	42,000.00	0.00	23,768.36
7060 · Benefits paid to or for members	0.00	0.00	24.00
<b>Total 7000 · Grant &amp; contract expense</b>	<b>42,000.00</b>	<b>0.00</b>	<b>23,792.36</b>
7200 · Salaries & related expenses			
7210 · Officers & directors salaries	0.00	0.00	21,395.00
7220 · Salaries & wages - other	0.00	0.00	3,133.17
7240 · Employee benefits - not pension	0.00	0.00	7,499.84
7250 · Payroll taxes	0.00	0.00	6,823.64
7260 · Workmans Compensation	0.00	0.00	440.00
<b>Total 7200 · Salaries &amp; related expenses</b>	<b>0.00</b>	<b>0.00</b>	<b>39,291.65</b>
7500 · Other personnel expenses			
7520 · Accounting fees	0.00	0.00	2,545.00
7530 · Legal fees	0.00	0.00	3,504.00
7540 · Professional fees - other	0.00	427.50	1,268.22
<b>Total 7500 · Other personnel expenses</b>	<b>0.00</b>	<b>427.50</b>	<b>7,317.22</b>
8100 · Non-personnel expenses			
8110 · Supplies	0.00	136.24	483.25
8115 · Promotional Materials	0.00	34,512.17	0.00
8130 · Telephone & telecommunications	0.00	0.00	362.68
8140 · Postage, shipping, delivery	0.00	481.00	65.00
8150 · Mailing services	0.00	30.00	0.00
8170 · Printing & copying	0.00	0.00	50.00
<b>Total 8100 · Non-personnel expenses</b>	<b>0.00</b>	<b>35,159.41</b>	<b>960.93</b>
8300 · Travel & meetings expenses			
8310 · Travel	0.00	0.00	900.00
8320 · Conference, convention, meeting	0.00	745.00	0.00
<b>Total 8300 · Travel &amp; meetings expenses</b>	<b>0.00</b>	<b>745.00</b>	<b>900.00</b>
8500 · Misc expenses			
8515 · Service Charge	0.00	0.00	4.40
8520 · Insurance -other	0.00	0.00	1,293.00
8530 · Membership dues - organization	0.00	75.00	0.00
8570 · Advertising expenses	0.00	265.50	0.00
8590 · Other expenses	0.00	0.00	35.00
<b>Total 8500 · Misc expenses</b>	<b>0.00</b>	<b>340.50</b>	<b>1,332.40</b>
8600 · Business expenses			
8670 · Organizational (corp) expenses	0.00	0.00	50.00
<b>Total 8600 · Business expenses</b>	<b>0.00</b>	<b>0.00</b>	<b>50.00</b>
<b>Total Expense</b>	<b>42,000.00</b>	<b>36,672.41</b>	<b>73,644.56</b>
<b>Net Ordinary Income</b>	<b>0.00</b>	<b>3,327.59</b>	<b>26,355.58</b>
<b>Net Income</b>	<b>0.00</b>	<b>3,327.59</b>	<b>26,355.58</b>

**KENAI WILD**



**Cook Inlet Salmon Brand, Inc.**

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June 1, 2004

Dear Assembly Member Betty Glick, and KPB Assembly Members,

Ms. Glick please note, a key component of the matching monies for the Icing Grant come from the land value provided by the facility(ies) chosen to house the ice equipment. In reference to your question about matching monies I have the following breakdowns for you.

<b>Icing Project Budget Estimate</b>			
<b>Expense Description</b>	<b>Amount Requested</b>	<b>Match</b>	<b>Total</b>
Project Management	\$ 35,000	\$ 8,750 <sup>1*</sup>	\$ 43,750
3 – 5 Self-contained ice making, storage and delivery systems or refurbished ice producing equipment.	\$ 721,875	\$ 182,000 <sup>2*</sup>	\$ 903,875
<b>TOTALS</b>	<b>\$756,875</b>	<b>\$ 190,750</b>	<b>\$ 947,635</b>

**\*Match in the form of in-kind project management by CISB staff.**

**\*Match is in the form of an estimated \$90,000 in-kind land match from the total value of each property and its improvements which will be contracted to house and manage the ice facility (ies). CISB currently has a cash grant from the KPB for quality programs, quality management, fishermen training videos in the amount of \$92,000. These two cash matches sufficiently meet the required 25% match amount.**

Explanation of in-kind monies for Assembly Member Glick

6/1/2004

Total project expenses equal management costs plus equipment costs totaling \$756,875 in grant monies from DCED under their Cook Inlet Salmon Fishery Chilling Program. In-kind matching funds for project management come from the time provided to the project by CISB Executive Director, Sylvia G. Beaudoin. At this time the DCED has declined the project management portion of the grant, but we have requested reconsideration for this item. Therefore, the award letter was for \$725,000 not the \$756,875 requested.

All funding sources for the Cook Inlet Icing Infrastructure Project are obtained through DCED and KPB matching monies.

The matching monies provided for our quality program are as follows: \$42,000 for quality inspections from a KPB grant. \$40,000 for quality program oversight and management from KPB grant monies, and \$10,000 for videos produced to train fishermen in proper on-board icing and handling techniques as well as dock and receiving station procedures for iced Kenai Wild program fish.

Second Grant break down:

<b>Construction Project Budget Estimate EDA Grant</b>			
<b>Cost Category</b>	<b>EDA Funding</b>	<b>Match*</b>	<b>Match Source</b>
Insulated totes (400), Brailers/slushbags (100)	\$159,000	\$ 18,000	DCED Grant
Inventory Tracking Equipment	\$ 115,000	\$ 10,000	DCED Grant
Design, Packaging Equipment and Materials	\$ 28,000		
Inspectors/Management		\$ 90,000	KPB Grant
Administrative Oversight		\$ 6,000	In-kind Jack/Bonnie**
Office space/equipment		\$ 9,000	In-kind KPB
<b>TOTALS</b>	<b>\$ 302,000</b>	<b>\$133,000</b>	

**\*The match is all cash, with the exception of the administrative oversight and office space/equipment. Those are in-kind matches from the Kenai Peninsula Borough.**

I hope this answers your questions about in-kind matching monies. For your inform we expect for every borough dollar to leverage more than \$10.00 in state and federal grants. These dollars will be directly spent on quality programs and equipment. There is no grant funding for oversight and project management, thus continued borough support in these area is critical.

SK-Grant Funds for 2004	\$200,000 (approx. expenditure 04)
EDA Grant	\$435,000
DCED Icing Grant	\$725,000
Total	\$1,360,000

If you have any other questions please do not hesitate to contact me.

Kind regards,

Sylvia G. Beaudoin  
CISB Executive Director