

ATTACHMENT C



Crowe LLP
Independent Member Crowe Global

INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors
Visit Newport Beach Inc.

We have examined management of Visit Newport Beach Inc.'s assertion, included in the accompanying Management Statement Regarding Compliance With Certain Provisions of the Agreement Between the City of Newport Beach and Visit Newport Beach Inc. for Tourism Promotion, Branding, and Marketing Services, that Visit Newport Beach Inc. (the "Organization") complied with the provisions in Exhibit A of the Agreement Between the City of Newport Beach and Visit Newport Beach Inc. for Tourism Promotion, Branding, and Marketing Services (the "Agreement") regarding the attached 2025 Expenditures Report, summarizing the expenditures of funds received pursuant to the Agreement during the period July 1, 2024 to June 30, 2025. The Organization's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion about Visit Newport Beach Inc.'s compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion about compliance with the specified requirements is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about whether management's assertion is fairly stated, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on Visit Newport Beach Inc.'s compliance with the specified requirements.

In our opinion, management's assertion that Visit Newport Beach Inc. complied with the provisions of Exhibit A of the Agreement regarding the attached 2025 Expenditures Report for the year ended June 30, 2025, is fairly stated, in all material respects.

This report is intended solely for the information and use of Visit Newport Beach Inc. and the City of Newport Beach and is not intended to be and should not be used by anyone other than the specified parties.

Crowe LLP
Crowe LLP

Costa Mesa, California
September 23, 2025



Management Statement Regarding Compliance With Certain Provisions of the Agreement Between the City of Newport Beach and Visit Newport Beach Inc. for Tourism Promotion, Branding, and Marketing Services

We, as members of management of Visit Newport Beach Inc. (the “Organization”), are responsible for complying with the provisions of Exhibit A of the Agreement Between the City of Newport Beach and Visit Newport Beach Inc. (collectively, the “Parties”) for Tourism Promotion, Branding, and Marketing Services (the “Agreement”) in that funds received by the Organization pursuant to this Agreement were expended in accordance with this Agreement. We are responsible for establishing and maintaining effective internal controls over compliance with the provisions of Exhibit A of the Agreement. We have performed an evaluation of the Organization’s compliance with the provisions of Exhibit A of the Agreement regarding funds expended during the year ended June 30, 2025, as summarized in the attached 2025 Expenditures Report. Based on this evaluation, we assert that the Organization was in compliance with the provisions of Exhibit A of the Agreement as described below:

Exhibit A of the Agreement requires the Organization to “develop, plan, carry out, and supervise a program to market and promote the Newport Beach brand and to promote tourism in, and serve the needs of, visitors to Newport Beach and thereby drive up the amount of TOT collected and improve the overall tourism business and commerce throughout the City (‘Services’). Services shall, at a minimum, include the following:

- The maintenance of suitable office space and the employment of competent personnel to properly carry out promotional, branding, and marketing duties;
- The creation of marketing materials and information to promote tourism and inform prospective visitors of the recreational activities, cultural assets, shopping and dining opportunities, night-time stay opportunities, and natural beauty of Newport Beach. These materials may include, but are not limited to, website and digital content, brochures, publications, guides, online promotions, social media campaigns and various forms of print and digital advertising;
- The dissemination of information described in this section by way of print and digital media, including direct mail, publications, social media, websites, mobile applications, direct digital advertising, events or other means of distribution;
- The development and implementation of specific marketing programs designed to increase awareness of the Newport Beach brand and to increase business and visitor trade in Newport Beach; and
- Any additional services as may be proposed by the City from time to time, subject to mutual agreement of the Parties, which are consistent with the promotion of tourism and the Newport Beach brand.”

Visit Newport Beach Inc.

Signed by:
 By Gary Sherwin
 Gary Sherwin
 President/CEO

DocuSigned by:
 By Lily Pearson
 Lily Pearson
 CFO



VISIT NEWPORT BEACH, INC. 2025 Expenditures Report

**July 1, 2024 -
June 30, 2025**

2025 Expenses

Advertising Expenses

66101 - Advertising	\$ 1,286,016
66121 - Promotional Gift Cards	1,875
66202 - Creative Production	373,887
67101 - Research	271,970
Total Advertising Expenses	1,933,748

Marketing Expenses

Community Relations

A 66212 - Community Sponsorships	90,325
67104 - Annual Marketing Outlook Event	-
67105 - Awards	4,320
67107 - Promotional Items	42,426
67108 - Company-Sponsored Events	-
67111 - Community Partnerships	137,461
Total Community Relations	274,532

Event Marketing

67102 - Christmas Boat Parade	176,244
67103 - Community Partner Events	512,109
Total Event Marketing	688,353

Marketing Collateral

67309 - Business Plan	2,405
67311 - Collateral Production Expenses	3,642
Total Marketing Collateral	6,047

Digital Marketing

67501 - Social Media	106,965
67502 - Website Maintenance	23,976
67503 - SEO/SEM	120,570
67508 - Website Redesign Expenses	-
66211 - CRM Maintenance & Platform Subscrip	25,917
Total Digital Marketing	277,428

Communications/Public Relations

67601 - PR Agency/Tracking/Copywriting	233,807
67602 - Media FAM Tours	56,278
67605 - Media Opportunities	35,637
67607 - Media Relations	2,105
Total Communications/Public Relations	327,827

Total Marketing Expenses

1,574,187

International Marketing Initiatives

67401 - International Brand Activations	26,909
67402 - International FAM Tours	8,059
67404 - International Trade Shows	20,633
67405 - International Airfare	47,420
67406 - International Accommodations	48,654
67407 - International Meals	2,273
67408 - International Transportation Costs	4,351
67409 - International Other Travel Costs	308
67410 - International Business Meals/Entertain	201
67411 - International Promotional Items	1,509
67412 - International Brand Events	663,113
Total International Marketing Initiatives	823,430

NB&Company Fees

B 68001 - NB&Co Fees	2,117,563
Total NB&Company Fees	2,117,563

Direct Sales Initiatives

Sponsorships

66232 - Hosted Industry Events	129,793
Total Sponsorships	129,793



VISIT NEWPORT BEACH, INC. **2025 Expenditures Report**

	July 1, 2024 - June 30, 2025
Total Direct Sales Initiatives	129,793
Total Expenses	6,578,721
Other Expenditures:	
Fixed asset additions capitalized	-
Website development costs capitalized	-
Change in other prepaid expenses and current liabilities, net	(253,557)
	(253,557)
	\$ 6,325,164

NOTES:

- A** Included in this account are expenditures for or contributions to special events and not-for-profit organizations in Newport Beach as follows:

Vendor	Event	Amount
City of Newport Beach	Program Sponsorships	\$ 75,000
		\$ 75,000

- B** Consist of reimbursements for costs incurred by Newport Beach & Company as follows:

Class of Expense	Amount
Salaries/Benefits	\$ 1,614,833
G & A Overhead	502,730
	\$ 2,117,563