

The Tobacco Institute

1998 Budget

Revised December 29, 1997

2063674178

The Tobacco Institute
1998 Proposed Budget
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OSHA/ETS Matters	
FDA Matters	

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I. Summary

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THE TOBACCO INSTITUTE

1998 Budget

Total Budget

	1997		1998		% Change 1997 Estimate vs. 1998 Budget
	Budget (\$000)	Estimated Expenditures (\$000)	Authorized Positions	Budget (\$000)	
Federal Relations Division	\$3,628	\$3,510	7	\$2,396	< 32% >
State Activities Division	9,667	9,667	20	8,515	< 12% >
Public Affairs Division	7,327	7,326	15	5,581	< 24% >
Administrative Division	2,006	2,124	12	1,709	< 20% >
Operating Budget	\$22,628	\$22,627	54	\$18,200	< 20% >
Product Liability Litigation	12,000	12,000	-	12,000	-
Unified Youth Program	6,156	6,156	-	5,000	< 19% >
OSHA/ETS Matters	73	35	-	-	< 100% >
FDA Matters	35	35	-	-	< 100% >
Total Budget	\$40,892	\$40,853	54	\$35,200	< 14% >

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The Tobacco Institute											
1998 Budget											
Summary by Account											
Acct Description	Federal Relations Division	State Activities Division	Public Affairs Division	Unified Youth Program	Administrative Division	General Contingency Funds	Init. Pass Through Payments	Product Liability Litigation	OSHA/ETS Matters	FDA Matters	Total 1998 Budget
2800 Staff Compensation	\$953	\$1,479	\$959	\$0	\$1,480	\$0	\$0	\$0	\$0	-	\$4,871
3200 Employee Benefits	258	399	259	0	399	0	0	0	0	-	1,315
3900 Travel	455	500	80	0	39	0	0	0	0	-	1,074
4000 Conferences & Meetings	0	150	0	0	7	0	0	0	0	-	157
4100 Automobiles-Regional VPs	0	57	0	0	0	0	0	0	0	-	57
4300 Rent - Space	0	81	0	0	762	0	0	0	0	-	843
4600 Other Occupancy Expense	0	14	5	0	31	0	0	0	0	-	50
4700 Furniture,Fixtures & Equipment	2	10	0	0	24	0	0	0	0	-	36
4800 Books & Subscriptions	5	6	30	0	4	0	0	0	0	-	45
4900 Equip., Repairs & Maintenance	0	5	0	0	41	0	0	0	0	-	46
5000 Office Supplies	0	15	2	0	62	0	0	0	0	-	79
5100 Postage & Delivery Services	7	25	43	803	30	0	0	0	0	-	908
5200 Reproduction & Printing	2	9	85	920	65	0	0	0	0	-	1,081
5300 Telephone & Fax	5	150	10	0	115	0	0	0	0	-	280
5400 Other Office Expense	45	3	10	0	65	0	0	0	0	-	123
5500 Staff Training & Memberships	10	10	10	0	14	0	0	0	0	-	44
5800 Legal Fees	100	500	25	0	120	0	0	12,000	0	-	12,745
6000 Legislative Consultants	0	3,131	0	0	0	0	0	0	0	-	3,131
6200 Advertising Expense	0	0	0	0	0	0	0	0	0	-	0
6600 Business Taxes	0	157	1	0	17	0	0	0	0	-	175
6900 Employee Recruitment & Relocation	0	25	10	0	15	0	0	0	0	-	50
7200 Miscellaneous Expense	0	0	2	0	0	0	0	0	0	-	2
7300 Professional Fees	10	410	454	3,277	38	0	0	0	0	-	4,189
7400 Purchased Administrative Services	0	0	1	0	0	0	0	0	0	-	1
7500 Suprt Tob & Other Organizations	35	423	2,929	0	0	0	0	0	0	-	3,387
7700 State Campaign Contributions	0	407	2	0	0	0	0	0	0	-	409
8000 Computer Services	15	0	100	0	44	0	0	0	0	-	159
9100 Data Processing Allocation	70	125	140	0	<335>	0	0	0	0	-	0
9300 TTTL Administrative Allocation	0	0	0	0	<56>	0	0	0	0	-	<56>
9400 Occup. & Office Expense Allocation	424	424	424	0	<1,272>	0	0	0	0	-	0
TOTALS	\$2,396	\$8,515	\$5,581	\$5,000	\$1,709	-	-	\$12,000	-	-	\$35,200

The Tobacco Institute

1998 Budget

Summary by Account Part 1 of 3

Acct Description	Federal Relations			State Activities			Public Affairs			Unified Youth Program			Administrative		
	1997 Budget	1997 Estimated	1998 Budget	1997 Budget	1997 Estimated	1998 Budget	1997 Budget	1997 Estimated	1998 Budget	1997 Budget	1997 Estimated	1998 Budget	1997 Budget	1997 Estimated	1998 Budget
2800 Staff Compensation	\$1,001	\$912	\$953	\$1,457	\$1,389	\$1,479	\$1,082	\$1,072	\$959	-	-	-	\$1,461	\$1,507	\$1,480
3200 Employee Benefits	271	247	258	393	375	399	292	290	259	-	-	-	392	429	399
3900 Travel	795	800	455	600	604	500	110	95	80	-	-	-	67	64	39
4000 Conferences & Meetings	525	525	-	175	175	150	-	-	-	-	-	-	22	22	7
4100 Automobiles-Regional VPs	-	-	-	49	57	57	-	-	-	-	-	-	-	-	-
4300 Rent - Space	-	-	-	77	78	81	-	-	-	-	-	-	812	772	762
4600 Other Occupancy Expense	-	-	-	11	14	14	5	5	5	-	-	-	31	30	31
4700 Furniture, Fixtures & Equipment	5	5	2	14	9	10	-	-	-	-	-	-	46	81	24
4800 Books & Subscriptions	6	6	5	4	5	6	50	45	30	-	-	-	3	6	4
4900 Equip., Repairs & Maintenance	-	-	-	3	4	5	-	-	-	-	-	-	65	45	41
5000 Office Supplies	-	-	-	20	17	15	2	2	2	-	-	-	49	66	62
5100 Postage & Delivery Services	10	12	7	31	31	25	63	63	43	2,404	2,404	803	47	38	30
5200 Reproduction & Printing	6	4	2	7	6	9	70	95	85	1,652	1,652	920	75	75	65
5300 Telephone & Fax	7	5	5	151	173	150	10	10	10	-	-	-	151	156	115
5400 Other Office Expense	70	72	45	4	2	3	15	11	10	-	-	-	65	65	65
5500 Staff Training & Memberships	20	20	10	9	12	10	10	10	10	-	-	-	15	13	14
5800 Legal Fees	300	300	100	585	722	500	100	100	25	-	-	-	200	200	120
6000 Legislative Consultants	-	-	-	3,503	3,503	3,131	-	-	-	-	-	-	-	-	-
6200 Advertising Expense	-	-	-	-	-	-	-	-	-	25	25	-	-	-	-
6600 Business Taxes	-	-	-	120	197	157	1	1	1	-	-	-	23	23	17
6900 Employee Recruitment & Relocation	-	-	-	51	45	25	20	20	10	-	-	-	15	15	15
7200 Miscellaneous Expense	-	-	-	1	1	-	2	2	2	-	-	-	-	-	-
7300 Professional Fees	50	40	10	972	833	410	1,235	1,174	454	2,075	2,075	3,277	48	98	38
7400 Purchased Administrative Services	-	-	-	-	-	-	6	4	1	-	-	-	-	-	-
7500 Suprt Tob & Other Organizations	50	50	35	492	481	423	3,600	3,673	2,929	-	-	-	-	-	-
7700 State Campaign Contributions	-	-	-	402	395	407	2	2	2	-	-	-	-	-	-
8000 Computer Services	30	30	15	-	-	-	100	100	100	-	-	-	44	44	44
9100 Data Processing Allocation	70	70	70	125	125	125	140	140	140	-	-	-	<335>	<335>	<335>
9300 TITL Administrative Allocation	-	-	-	-	-	-	-	-	-	-	-	-	<54>	<54>	<56>
9400 Occup. & Office Expense Allocation	412	412	424	412	412	424	412	412	424	-	-	-	<1,236>	<1,236>	<1,272>
TOTALS	\$3,628	\$3,510	\$2,396	\$9,667	\$9,665	\$8,515	\$7,327	\$7,326	\$5,581	\$6,156	\$6,156	\$5,000	\$2,006	\$2,124	\$1,709

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The Tobacco Institute

1998 Budget

Summary by Account Part 2 of 3

Acct Description	Product Liability Litigation			OSHA/ETS Matters			FDA Matters		
	1997 Budget	1997 Estimated	1998 Budget	1997 Budget	1997 Estimated	1998 Budget	1997 Budget	1997 Estimated	1998 Budget
5800 Legal Fees	12,000	12,000	12,000	73	35	-	35	35	-
TOTALS	\$12,000	\$12,000	\$12,000	\$73	\$35	-	\$35	\$35	-

The Tobacco Institute
1998 Budget
Summary by Account Part 3 of 3

Acct Description	1997 Budget	1997 Estimated	1998 Budget
2800 Staff Compensation	\$5,001	\$4,880	\$4,871
3200 Employee Benefits	1,348	1,341	1,315
3900 Travel	1,572	1,563	1,074
4000 Conferences & Meetings	722	722	157
4100 Automobiles-Regional VFs	49	57	57
4300 Rent - Space	889	850	843
4600 Other Occupancy Expense	47	49	50
4700 Furniture, Fixtures & Equipment	65	95	36
4800 Books & Subscriptions	63	62	45
4900 Equip., Repairs & Maintenance	68	49	46
5000 Office Supplies	71	85	79
5100 Postage & Delivery Services	2,555	2,548	908
5200 Reproduction & Printing	1,810	1,832	1,081
5300 Telephone & Fax	319	344	280
5400 Other Office Expense	154	150	123
5500 Staff Training & Memberships	54	55	44
5800 Legal Fees	13,293	13,392	12,745
6000 Legislative Consultants	3,503	3,503	3,131
6200 Advertising Expense	25	25	-
6600 Business Taxes	144	221	175
6900 Employee Recruitment & Relocation	86	80	50
7200 Miscellaneous Expense	3	3	2
7300 Professional Fees	4,380	4,220	4,189
7400 Purchased Administrative Services	6	4	1
7500 Suprt Tob & Other Organizations	4,142	4,204	3,387
7700 State Campaign Contributions	404	397	409
8000 Computer Services	174	174	159
9100 Data Processing Allocation	-	-	-
9300 TTTL Administrative Allocation	<54>	<54>	<56>
9400 Occup. & Office Expense Allocation	-	-	-
TOTALS	\$40,892	\$40,850	\$35,200

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2. Fed. Relations Div.

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THE TOBACCO INSTITUTE
1998 Budget
Federal Relations Division

	1997		1998		% Change 1997 Estimate vs. 1998 Budget
	Budget (\$000)	Estimated Expenditures (\$000)	Authorized Positions	Budget (\$000) Authorized Positions Requested	
1201 Federal Relations Division	\$3,628	\$3,510	7	\$2,396 6	< 32% >
Total Budget	\$3,628	\$3,510	7	\$2,396 6	< 32% >

THE TOBACCO INSTITUTE
1998 BUDGET
FEDERAL RELATIONS DIVISION

Federal Relations Division

Cost Center No. 1201

Authorized Positions 1997 - 7

Authorized Positions Requested 1998 - 6

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
2800 Staff Compensation	\$1,001	\$912	\$953
3200 Employee Benefits	271	247	258
3900 Travel	795	800	455
4000 Conferences & Meetings	525	525	0
4700 Furniture,Fixtures & Equipment	5	5	2
4800 Books & Subscriptions	6	6	5
5100 Postage & Delivery Services	10	12	7
5200 Reproduction & Printing	6	4	2
5300 Telephone & Fax	7	5	5
5400 Other Office Expense	70	72	45
5500 Staff Training & Memberships	20	20	10
5800 Legal Fees	300	300	100
7300 Professional Fees	50	40	10
7500 Suprt Tob & Other Organizations	50	50	35
8000 Computer Services	30	30	15
9100 Data Processing Allocation	70	70	70
9400 Occup. & Office Expense Allocation	412	412	424
Totals	\$3,628	\$3,510	\$2,396

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THE TOBACCO INSTITUTE
1998 BUDGET

COST CENTER	Federal Relations	No. 1201
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STAFFING SCHEDULE

12/29/97

Months of Employment

Employee Name		1997 Budget	1997 Estimated	1998 Budget
S. Wilson	Sr. V.P./ Division Director	12	12	12
R. Tallon	V.P./Legislative Representative	12	12	12
R. Vinovich	V.P./Legislative Representative	12	12	12
R. White	V.P./Legislative Representative	12	12	12
New Hire	Legislative Assistant	12	0	0
S. Ruyle	Administrative Assistant	12	12	12
D. Sentipal	Secretary	12	12	12
		84	72	72
Totals		84	72	72

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**The Tobacco Institute
1998 Budget
Federal Relations Division**

FEDERAL RELATIONS DIVISION

COST CENTER NO. 1201

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #4001 Conferences & Meetings</u>			
Federal legislative conference & meetings	\$400	\$400	\$0
Participation in State Activities Division legislative conference	75	75	0
Participation in Tobacco Industry Labor Management Committee legislative conference	50	50	0
Total	\$525	\$525	\$0

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The Tobacco Institute
1998 Budget
Federal Relations Division

FEDERAL RELATIONS DIVISION		COST CENTER NO. 1201		
		1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #5801 Legal Fees</u>				
	Covington & Burling - federal legislative matters	\$300	\$300	\$100
	Total	\$300	\$300	\$100

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The Tobacco Institute
1998 Budget
Federal Relations Division

FEDERAL RELATIONS DIVISION	COST CENTER NO. 1201		
	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #7300 Professional Fees</u>			
Honoraria payments to charities	\$50	\$40	\$10
Total	\$50	\$40	\$10

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**The Tobacco Institute
1998 Budget
Federal Relations Division**

FEDERAL RELATIONS DIVISION

COST CENTER NO. 1201

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #8000 Computer Services</u>			
Access fees to "Washington Alert" and other legislative tracking services	\$30	\$30	\$15
Total	\$30	\$30	\$15

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3. State Activities Div.

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THE TOBACCO INSTITUTE
1998 Budget
State Activities Division

	1997		1998		
	Budget (\$000)	Estimated Expenditures (\$000)	Authorized Positions	Budget (\$000)	Authorized Positions Requested
National Headquarters Administration	\$8,870	\$8,815	6	\$7,722	6
Regional Offices	797	852	14	792	14
Total Budget	\$9,667	\$9,667	20	\$8,515	20
					% Change 1997 Estimate vs. 1998 Budget
					< 12% >
					< 7% >
					< 12% >

THE TOBACCO INSTITUTE
1998 BUDGET
STATE ACTIVITIES DIVISION

National Headquarters

Cost Center No. 1401

Authorized Positions 1997 - 6

Authorized Positions Requested 1998 - 6

	1997 Budget	1997 Estimated	1998 Budget
2800 Staff Compensation	\$1,457,000	\$1,389,000	\$1,479,000
3200 Employee Benefits	393,000	375,000	399,000
3900 Travel	126,000	124,000	58,000
4000 Conferences & Meetings	175,000	175,000	150,000
4800 Books & Subscriptions	1,000	1,000	1,000
5000 Office Supplies	300	300	300
5100 Postage & Delivery Services	15,000	16,000	9,450
5200 Reproduction & Printing	2,000	1,000	2,000
5300 Telephone & Fax	34,000	16,000	20,000
5400 Other Office Expense	1,200	600	1,200
5500 Staff Training & Memberships	4,000	4,000	1,900
5800 Legal Fees	585,000	722,000	500,000
6000 Legislative Consultants	3,503,000	3,503,000	3,130,500
6600 Business Taxes	119,000	196,000	156,000
6900 Employee Recruitment & Relocation	50,500	45,000	25,000
7200 Miscellaneous Expense	1,000	1,000	0
7300 Special Projects	972,000	833,100	410,000
7500 Suprt Tob & Other Organizations	492,250	481,175	422,875
7700 State Campaign Contributions	401,500	394,500	407,000
9100 Data Processing Allocation	125,000	125,000	125,000
9400 Occup. & Office Expense Allocation	412,000	412,000	424,000
Totals	\$8,869,750	\$8,814,675	\$7,722,225

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THE TOBACCO INSTITUTE
1998 BUDGET

COST CENTER		State Activities		No. 1401
STAFFING SCHEDULE				
12/29/97				
Months of Employment				
Employee Name		1997 Budget	1997 Estimated	1998 Budget
P. Donoho	Sr. V.P./Division Director	12	12	12
M. Gunn	V.P./Init. & Spec. Projects	12	10	12
M. Carson	Regional Vice President	12	12	12
R. Rizzo	Regional Vice President	12	12	12
D. Horazdovsky	Regional Vice President	12	12	12
Ra. Morris	Regional Vice President	12	12	12
D. Howle	Regional Vice President	12	12	12
J. Shipper	Regional Vice President	12	12	12
Ro. Morris	Regional Vice President	12	12	12
G. Anderson	Regional Vice President	12	12	12
D. Heckman	Director, Administrative Affairs	12	12	12
J. Brock	Administrative Assistant	12	12	12
D. Pearson	Secretary	12	12	12
B. Percynski	Secretary	12	12	12
T. Baldwin	Field Office Secretary	12	12	12
M. Byrne	Field Office Secretary	12	12	12
V. Brown	Field Office Secretary	12	12	12
A. Vanloon	Field Office Secretary	12	12	12
T. Olivares	Field Office Secretary	12	12	12
W. Blair	Field Office Secretary	12	12	12
Totals		240	238	240

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**The Tobacco Institute
1998 Budget
State Activities Division**

NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	<u>1997 Budget</u>	<u>1997 Estimated</u>	<u>1998 Budget</u>
<u>Account #4001 Conferences & Meetings</u>			
NATIONAL HEADQUARTERS			
National lobbyist meeting	\$135,000	\$135,000	\$150,000
Field staff meeting	40,000	40,000	0
Total	<u>\$175,000</u>	<u>\$175,000</u>	<u>\$150,000</u>

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**The Tobacco Institute
1998 Budget
State Activities Division**

NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	<u>1997 Budget</u>	<u>1997 Estimated</u>	<u>1998 Budget</u>
<u>Account #5100 Postage & Delivery Services</u>			
NATIONAL HEADQUARTERS			
Overnight delivery, postage/ freight (permits, BRM fees, materials, shipments)	\$15,000	\$16,000	\$9,450
Total	<u>\$15,000</u>	<u>\$16,000</u>	<u>\$9,450</u>

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**The Tobacco Institute
1998 Budget
State Activities Division**

NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	<u>1997 Budget</u>	<u>1997 Estimated</u>	<u>1998 Budget</u>
<u>Account #5800 Legal Fees</u>			
NATIONAL HEADQUARTERS			
Covington & Burling - state and local legislative matters	\$500,000	\$600,000	\$500,000
Legal fees in connection with a limited local legislative program	75,000	87,000	0
General legal matters, initiative research, campaign reporting and filing in CA (J. Richard Eichman); and, legal/accounting support for lobbyists' registration and filing requirements in MA (P. Bendall)	10,000	35,000	0
Total	<u>\$585,000</u>	<u>\$722,000</u>	<u>\$500,000</u>

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The Tobacco Institute
1998 Budget
State Activities Division

NATIONAL HEADQUARTERS COST CENTER

No. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #6000 Legislative Consultants</u>			
	\$3,503,000	\$3,503,000	\$3,130,500
	<u>\$3,503,000</u>	<u>\$3,503,000</u>	<u>\$3,130,500</u>

The Tobacco Institute
1998 Budget
State Activities Division

NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
Account #6000 Legislative Consultants			
ALABAMA			
Lester White	\$50,000	\$50,000	\$52,500
ALASKA			
Wes Coyner	44,000	44,000	0
TBA	0	0	55,000
ARIZONA			
Don Isaacson	70,000	70,000	72,500
ARKANSAS			
Stewart Bell	30,000	30,000	32,000
CALIFORNIA			
Phil Dowd	155,000	155,000	165,000
COLORADO			
Frank Hays	65,000	65,000	70,000
CONNECTICUT			
Bourke Spellacy	95,000	97,500	97,500
DELAWARE			
Dave Poffenberger	35,000	35,000	38,000
FLORIDA			
Guy M. Spearman	78,500	78,500	82,000
Arthur R. Collins (Public Private Partnership)	35,000	35,000	40,000
GEORGIA			
Boyd Pettit	58,000	58,000	60,000
HAWAII			
Norman Suzuki	62,000	62,000	65,000
IDAHO			
William Roden	38,000	38,000	40,000

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**The Tobacco Institute
1998 Budget
State Activities Division**

NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #6000 Legislative Consultants (Continued)</u>			
ILLINOIS			
John O'Connell	\$70,000	\$70,000	\$72,500
INDIANA			
Thomas F. Fruechtenicht	42,000	42,000	44,000
IOWA			
Charles Wasker	60,000	60,000	65,000
KANSAS			
Pat Hubbell	42,000	42,000	45,000
KENTUCKY			
Roy Strange	37,000	37,000	40,000
LOUISIANA			
Johnny Koch	70,000	70,000	70,000
MAINE			
Severin Beliveau	70,000	72,500	72,500
MARYLAND			
Bill Pitcher	68,000	68,000	72,000
MASSACHUSETTS			
John Burke	78,000	78,000	78,000
MICHIGAN			
Governmental Consultant Services, Inc.	85,000	85,000	90,000
MINNESOTA			
Tom Kelm	120,000	120,000	120,000
MISSISSIPPI			
Ellis B. Bodron	0	6,000	0
Clare Hester	34,000	36,000	36,000

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**The Tobacco Institute
1998 Budget
State Activities Division**

NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #6000 Legislative Consultants (Continued)</u>			
MISSOURI			
John Britton	\$57,500	\$57,500	\$62,000
MONTANA			
Jerome Anderson	46,000	46,000	52,000
NEBRASKA			
Bill Peters	30,000	30,000	33,000
NEVADA			
Jack Jeffrey	42,000	42,000	47,000
NEW HAMPSHIRE			
Liz Murphy	38,000	38,000	38,000
NEW JERSEY			
Roger Bodman	78,000	78,000	80,000
NEW MEXICO			
Bob Barberousse	39,000	39,000	44,000
NEW YORK			
Daniel Adams	65,000	65,000	70,000
Jeff Hill	55,000	55,000	60,000
NORTH CAROLINA			
Roger W. Bone	58,000	58,000	58,000
NORTH DAKOTA			
Tom Smith	27,500	27,500	29,000
OHIO			
Pete O'Grady	50,000	50,000	52,000
OKLAHOMA			
Ken Nance	50,000	50,000	54,000

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**The Tobacco Institute
1998 Budget
State Activities Division**

NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #6000 Legislative Consultants (Continued)</u>			
OREGON			
Richard Kosesan	\$50,000	\$50,000	\$52,500
PENNSYLVANIA			
Eugene Knopf	82,000	82,000	82,000
RHODE ISLAND			
Kelly Sheridan	40,000	40,000	0
T.B.A.	0	0	40,000
SOUTH CAROLINA			
Ken Kinnard	45,000	45,000	45,000
SOUTH DAKOTA			
Jeremiah Murphy	42,500	42,500	44,500
TENNESSEE			
Cleve Smith	55,000	55,000	57,500
TEXAS			
Susan Longley	90,000	90,000	94,500
UTAH			
Jim Stewart (Jones, Waldo)	52,500	52,500	57,000
VERMONT			
Edward Miller	35,000	35,000	37,000
VIRGINIA			
Anthony Troy	68,000	68,000	70,000
WASHINGTON			
William Fritz	52,500	52,500	0
To be announced	0	0	60,000
WEST VIRGINIA			
Rodney Berry	37,000	37,000	37,000

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**The Tobacco Institute
1998 Budget
State Activities Division**

NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #6000 Legislative Consultants (Continued)</u>			
WISCONSIN			
D.J. Klauser	\$80,000	\$80,000	\$0
TBA	0	0	80,000
WYOMING			
William Thomson	40,000	40,000	45,000
NATIONAL HEADQUARTERS			
Additional lobbyists/contingency	506,000	493,000	<25,000>
Total	<u>\$3,503,000</u>	<u>\$3,503,000</u>	<u>\$3,130,500</u>

**The Tobacco Institute
1998 Budget
State Activities Division**

NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	<u>1997 Budget</u>	<u>1997 Estimated</u>	<u>1998 Budget</u>
<u>Account #6600 Business Taxes</u>			
NATIONAL HEADQUARTERS			
The Tobacco Institute, because it makes state and local political contributions, is a "political organization" as defined in section 527(f) of the Internal Revenue Code. Such political organizations are subject to a 35% tax on their taxable income. For The Institute, taxable income is defined as the lesser of net investment income or campaign contributions. The Institute expects to have approximately \$402,000 taxable income in 1997. The tax on this income will be payable in 1998.	\$105,000	\$182,000	\$141,000
Sales taxes on state legislative consultant fees (PA, CT, and SD) and miscellaneous business taxes	14,000	14,000	15,000
Total	<u>\$119,000</u>	<u>\$196,000</u>	<u>\$156,000</u>

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1998 Budget

State Activities Division

NATIONAL HEADQUARTERS COST CENTER

No. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #7300 Professional Fees</u>			
Local Legislative Consultants (7310)	\$473,500	\$398,100	\$270,000
State & Local Special Projects (7320)	498,500	435,000	140,000
	<u>\$972,000</u>	<u>\$833,100</u>	<u>\$410,000</u>

**The Tobacco Institute
1998 Budget
State Activities Division**

NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #7310 Consultants</u>			
ALASKA			
Local consultants	\$5,000	\$5,000	\$0
ARIZONA			
Local Consultants	25,000	9,000	0
COLORADO			
Local consultants	10,000	10,000	0
HAWAII			
John Radcliffe	15,000	15,000	0
ILLINOIS			
Cook County (Tom Lyons)	30,000	30,000	30,000
Chicago (Tom Lyons)	30,000	30,000	30,000
Local consult. (J. O'Connell)	20,000	20,000	22,500
LOUISIANA			
Local consultants	2,500	2,500	0
MARYLAND			
City/county consultants	5,000	5,000	0
MASSACHUSETTS			
Local consultants	25,000	25,000	0
Local monitoring	16,000	16,000	0
MICHIGAN			
Local consultants	5,000	0	0
MINNESOTA			
Tom Briant	40,000	40,000	40,000
Local consultants	10,000	10,000	0
NEW JERSEY			
Local consultants	15,000	15,000	0

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State Activities Division**

NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #7310 Consultants (Continued)</u>			
NEW YORK			
Norm Adler	\$60,000	\$60,000	\$62,500
OHIO			
Local consultants	10,000	0	0
TEXAS			
Local consultants	20,000	0	0
UTAH			
Local consultants	5,000	1,100	0
WASHINGTON			
Local consultants	15,000	15,000	0
WEST VIRGINIA			
Local consultants	10,000	0	0
NATIONAL HEADQUARTERS			
Professional fees in connection with a limited local legislative program	100,000	89,500	85,000
Total	\$473,500	\$398,100	\$270,000

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NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #7320 Special Projects</u>			
ALASKA			
State/local special projects	\$5,000	\$5,000	\$0
CALIFORNIA			
Local government monitoring	75,000	75,000	0
COLORADO			
Hispanic coalition	1,500	0	0
DELAWARE			
State Projects	1,000	0	0
INDIANA			
Coalition development	10,000	10,000	0
MINNESOTA			
Minnesota ASSIST program	15,000	5,000	0
Other special projects	10,000	10,000	0
MONTANA			
Tax project	10,000	7,000	0
Nevada tax project	10,000	4,000	0
TEXAS			
Hispanic coalition	1,000	0	0
UTAH			
Utah public relations program	30,000	30,000	0
WASHINGTON			
Washington ASSIST program	10,000	0	0
Northwest business alliance	0	20,000	0

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**The Tobacco Institute
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NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #7320 Special Projects (Continued)</u>			
NATIONAL HEADQUARTERS			
National Initiative Strategy Team	\$160,000	\$109,000	\$140,000
Professional fees for state and local special programs	140,000	140,000	0
Ted Trimpa - ASSIST program	20,000	20,000	0
Total	\$498,500	\$435,000	\$140,000

The Tobacco Institute
1998 Budget
State Activities Division

NATIONAL HEADQUARTERS COST CENTER

No. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #7500 Support to Other Organizations</u>			
Wholesaler Organizations (7510)	\$188,000	\$188,000	\$169,750
Contributions to state tobacco wholesaler organizations for purpose of maintaining and improving relationships with these organizations.			
National/State Organizations (7520)	304,250	293,175	253,125
Contributions made to national and state organizations for purposes of maintaining and improving relationships and political and legislative conatacts.			
	<u>\$492,250</u>	<u>\$481,175</u>	<u>\$422,875</u>

**The Tobacco Institute
1998 Budget
State Activities Division**

NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #7510 Suprt Tob & Other Organizations</u>			
CALIFORNIA	\$30,000	\$30,000	\$30,000
COLORADO	2,000	2,000	3,000
FLORIDA	5,000	5,000	5,000
ILLINOIS	25,000	25,000	25,000
KENTUCKY	3,000	3,000	3,000
LOUISIANA			
Louisana Wholesale Candy/Tobacco	0	0	750
MARYLAND	10,000	10,000	10,000
MASSACHUSETTS	15,000	15,000	0
MICHIGAN	20,000	20,000	20,000
MINNESOTA			
MN Wholesaler Assn	15,000	15,000	12,000
MONTANA	5,000	5,000	6,000
NEVADA	1,500	1,500	2,000
OHIO	10,000	10,000	10,000

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NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
Account #7510 Suprt Tob & Other Organizations (Continued)			
OKLAHOMA	\$0	\$0	\$5,000
PENNSYLVANIA	10,000	10,000	10,000
SOUTH DAKOTA	3,000	3,000	3,000
TEXAS	2,500	2,500	2,500
VIRGINIA	5,000	5,000	5,000
WEST VIRGINIA	10,000	10,000	10,000
WISCONSIN	10,000	10,000	0
WYOMING	6,000	6,000	7,500
Total	\$188,000	\$188,000	\$169,750

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**The Tobacco Institute
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NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
Account #7520 Support of Nat'l/State Orgs.			
ALABAMA			
Alabama Retail Association	\$1,250	\$1,250	\$1,250
Alabama Grocers Association	500	500	500
Alabama Oil Jobbers	500	500	500
Alabama Candy & Tobacco Assn	400	400	500
Black Caucus Foundations	0	0	2,500
ALASKA			
Alaska Taxpayers Association	500	500	500
Alaska Restaurant Association	250	250	250
ARIZONA			
Arizona Licensed Beverage Assn	1,000	500	1,000
Arizona Restaurant Association	400	500	700
Arizona Retail Association	250	250	250
Tucson Chamber of Commerce	250	250	250
Tax Research Association	250	250	250
Arizona Food Marketing Alliance	150	1,500	1,000
ARKANSAS			
Civic Organizations	0	0	1,500
Arkansas Associated Industries	500	0	0
Arkansas Hospitality Assn	500	500	800
Arkansas Retailers Association	500	500	500
Arkansas Oil Marketers Assn	0	0	300

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NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
Account #7520 Support of Nat'l/State Orgs. (Continued)			
CALIFORNIA			
California Licensed Bev. Assn	\$10,000	\$10,000	\$15,000
California Manufacturers Assn	5,000	5,000	5,000
California Retailers Assn	2,500	2,500	2,500
California Taxpayers Assn	1,100	1,100	1,100
Golden Gate Restaurant Assn	1,000	1,000	1,000
COLORADO			
CO Public Expenditure Assn	500	0	500
CO-WY Petroleum Marketers Assn	0	0	500
Rocky Mt Food Dealers	0	500	500
CO Retail Council	0	0	300
CONNECTICUT			
Connecticut Restaurant Assn	1,000	0	0
Connecticut Business Assn	1,000	1,000	1,000
DELAWARE			
Delaware Restaurant Assn	500	500	500
FLORIDA			
Associated Industries of Fla.	5,000	5,000	1,500
Florida Conf. of Black Leg.	2,500	3,500	3,500
Florida Chamber of Commerce	1,000	0	0
Florida Restaurant Association	1,000	1,000	1,000
Florida Retail Federation	500	0	0
Florida Grocers Association	500	500	500
Lake City Comm. College Fdn	250	0	0
Florida Tax Watch	250	0	0

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**The Tobacco Institute
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NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #7520 Support of Nat'l/State Orgs. (Continued)</u>			
GEORGIA			
Georgia Agri-Business Council	\$1,000	\$150	\$0
Georgia Convenience Store Assn	500	500	1,000
Georgia Retail Association	500	0	0
Georgia Food Industry Assn	300	0	0
HAWAII			
Hawaii Restaurant Association	500	500	500
Tax Foundation of Hawaii	300	500	3,000
Hawaii Hotel/Motel Association	0	500	500
IDAHO			
Idaho Chamber of Commerce	1,000	1,000	1,000
Idaho Retail Association	500	500	750
Idaho Restaurant Association	500	500	500
Idaho Petroleum Association	500	500	500
Idaho Taxpayers Association	250	250	250
ILLINOIS			
Illinois Retail Merchants Assn	4,000	4,000	5,000
Illinois Taxpayer Federation	1,500	1,500	1,500
Illinois Petroleum Mkt Assn	0	0	2,000
Illinois Restaurant Association	0	0	2,000

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NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
Account #7520 Support of Nat'l/State Orgs. (Continued)			
INDIANA			
Indiana Manufacturers Assn	\$2,500	\$2,500	\$2,500
Indiana Retail Council	1,500	1,500	3,000
Indiana Rest. & Hosp. Assn	1,500	1,500	2,000
Indiana Grocers Association	1,000	1,000	2,000
Indiana Oil Marketers Assn	0	0	1,000
IOWA			
Iowa Restaurant Association	1,000	1,000	2,000
Iowa Retail Merchants Assn	500	500	500
Iowa Grocers Association	0	0	1,000
KANSAS			
Kansas Civil Law Forum	500	500	0
Kansas Restaurant Association	0	0	1,000
Kanssas Oil Marketers	0	0	1,000
Kansas Ferterlizer Chem Assn	0	0	1,000
KENTUCKY			
Kentucky Retail Federation	2,000	1,000	1,000
Associated Industries of KY	550	550	650
KY State Chamber of Commerce	400	400	0
Kentucky League of Cities	250	250	250
KY Association of Counties	250	250	250
KY County Judge/Exec. Assn	200	200	200
Kentucky Grocers Association	125	625	625
Friends of Kentucky 4-H	0	500	0

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NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #7520 Support of Nat'l/State Orgs. (Continued)</u>			
LOUISIANA			
Louisiana Assn of Bus. & Ind.	\$750	\$750	\$750
Louisiana Retailers Assn	750	750	750
Convenience Store Oper. Assn	500	0	0
Vending Machine Oper. Assn	100	0	0
Louisiana Restaurant Assn	0	0	750
Public Affairs Res. Council	0	0	1,000
MAINE			
Maine Chamber of Commerce	1,000	0	0
Maine Grocers Association	1,000	1,000	1,000
MARYLAND			
Metro-WA Assn of Restaurants	1,500	1,500	1,500
Maryland Retail Merchants Assn	1,000	1,000	1,000
Maryland Chamber of Commerce	1,000	1,000	1,000
Maryland Licensed Bev. Assn	1,000	1,000	1,000
Mid-Atlantic Food Dealers	1,000	1,200	2,000
Maryland Hotel & Motel Assn	1,000	1,000	1,000
Maryland Assn of Counties	500	500	500
Maryland Hall of Creative Arts	0	1,000	0
MASSACHUSETTS			
New England Conv. Store Assn	1,000	1,000	1,000
MICHIGAN			
Special projects (civic funds)	10,000	10,000	10,000
Michigan St. Chamber of Comm.	2,000	2,000	2,000
Michigan Food Dealers	2,000	2,000	2,000

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NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #7520 Support of Nat'l/State Orgs. (Continued)</u>			
MINNESOTA			
MN Retail Merchants Assn	\$5,000	\$5,000	\$10,000
Minnesota Chamber of Commerce	2,000	2,000	2,000
Minnesota Grocers Association	2,000	2,000	2,000
MN Licensed Beverage Assn	1,000	1,000	1,000
MN Taxpayers Association	1,000	1,000	0
MN Petroleum Marketers Assn	1,000	1,000	1,000
MISSISSIPPI			
Retail Association of MS	1,000	0	0
MS Wholesale Grocers Assn	625	500	600
MS Restaurant Association	500	0	0
MS Assn of Convenience Stores	300	300	800
MS Economic Council	250	0	0
MS Manufacturers Association	0	0	500
Black Caucus Foundation	0	0	2,500
MPMA-MACS	0	500	0
MONTANA			
Montana Chamber of Commerce	300	300	300
Montana Retailers Association	300	300	300
Montana Taxpayers Association	300	300	400
Montana Liability Coalition	300	300	700

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NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
Account #7520 Support of Nat'l/State Orgs. (Continued)			
NEBRASKA			
NE Retail Merchants Assn	\$500	\$500	\$1,000
NE Tax Research Council	500	500	500
NE Petroleum Marketers Assn	500	500	500
NE Restaurant Association	500	0	0
NE Chamber of Comm. & Industry	500	500	500
NE Retail Grocers	0	500	1,000
NEVADA			
Nevada Taxpayers Association	1,500	1,500	2,000
Nevada Retail Association	1,000	1,000	1,000
Nevada Petroleum Marketers	500	500	1,000
NEW HAMPSHIRE			
NH Retail Grocers Association	1,500	1,500	2,500
NH Lodging & Restaurant Assn	1,000	0	0
NH Retail Merchants Assn	500	0	0
NEW JERSEY			
NJ Restaurant Association	2,000	0	0
NJ Food Council	1,000	1,000	1,000
NJ Petroleum Marketers Assn	1,000	0	0
NJ Retail Council	1,000	1,000	500
NEW MEXICO			
NM Retail Association	500	500	500
Hispanic Chamber of Commerce	0	0	2,000

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NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #7520 Support of Nat'l/State Orgs. (Continued)</u>			
NEW YORK			
New York Business Council	\$2,500	\$2,500	\$2,500
NY Convenience Store Assn	2,500	1,500	1,500
NY Tavern Association	1,000	1,000	1,000
NY Restaurant Association	500	500	500
Public Policy Institute of NYS	500	0	0
NY Assn of T & C (mtg support)	500	500	0
NORTH CAROLINA			
North Carolina Free	2,000	500	500
North Carolina Farm Bureau	2,000	2,000	500
NC Business & Industry Assn	1,000	1,000	1,000
NC Retail Merchants Assn	500	1,000	1,000
NC Legis. Black Caucus Fdn	500	500	500
NC Wholesale Assn	0	500	0
NORTH DAKOTA			
Greater ND Association	1,000	1,000	1,000
ND Retail Merchants	1,000	1,000	1,000
ND Grocers Association	500	500	500
OHIO			
Central OH Licensed	5,000	5,000	5,000
OH Council of Retail Merchants	1,500	1,500	2,500
Ripley Tobacco Festival	1,000	1,000	1,000
OH Grocers Association	1,000	1,000	1,000
Buckeye Institute	0	1,000	1,000

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NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #7520 Support of Nat'l/State Orgs. (Continued)</u>			
OKLAHOMA			
OK Association of Vendors	\$500	\$0	\$0
OK Grocers Assn	0	0	2,000
OK Restaurant Assn	0	0	2,000
Will Rogers NCO Assn	0	500	500
OREGON			
OR Consumer Prod. Mktg. Group	15,000	15,000	15,000
Associated OR Industries	2,500	2,500	2,500
OR Food Industry	500	500	500
NFIB	500	500	500
OR Restaurant Association	500	500	500
OR Hotel Association	500	500	500
PENNSYLVANIA			
Pennsylvania Tobacco Farmers	2,000	0	0
PA Food Merchants Association	1,500	1,500	1,500
PA Distributors Assn	0	500	0
SOUTH CAROLINA			
SC Chamber of Commerce	500	500	1,000
SC Retail Merchants Assn	500	500	500
SC Convenience Store Assn	500	500	500
SOUTH DAKOTA			
SD Retail Merchants Assn	5,000	5,000	5,000
"No New Tax" Coalition	5,000	5,000	0
SD Innkeepers Association	3,000	3,000	3,000
Sioux Falls Chamber of Comm.	500	500	500

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NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #7520 Support of Nat'l/State Orgs. (Continued)</u>			
TENNESSEE			
TN Wholesale Grocers Assn	\$500	\$500	\$500
TN Retailers Association	500	500	500
TN Restaurant Association	200	200	200
TN Black Caucus Assn	0	0	3,000
TEXAS			
TX Association of Businesses	500	500	500
TX Retailers Association	500	0	0
TX Retail Grocers	500	0	0
TX Restaurant Association	500	500	500
TX Association of Taxpayers	500	0	0
Interested Parties	0	150	0
TPCA	0	400	0
UTAH			
Utah Taxpayers Association	1,000	1,000	1,500
Western Petroleum Mktrs Assn	500	500	500
Utah Food Industry Association	500	500	500
Utah Hotel & Motel Association	0	250	500
UT Petroleum Marketers	0	800	500
VERMONT			
Vermont Grocers Association	2,500	2,500	3,000

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NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #7520 Support of Nat'l/State Orgs. (Continued)</u>			
VIRGINIA			
VA Free	\$2,000	\$1,000	\$1,000
VA WS & Dist. (mtg support)	600	600	0
VA Association of Counties	500	500	500
VA Retail Merchants Assn	500	500	500
VA Farm Bureau	500	500	500
Metro Chamber of Commerce	500	500	500
VA Chamber of Commerce	0	850	0
WASHINGTON			
WA State Association of Neighborhood Stores	15,000	15,000	5,000
WA State Tavern Association	250	500	250
WA Restaurant Association	250	250	250
WA State Hotel Association	250	250	250
WEST VIRGINIA			
Legislative Reception	1,000	1,000	1,000
WV Chamber of Commerce	500	500	0
WV Retailers Association	500	500	0
WISCONSIN			
WI Petroleum Marketers Assn	2,500	2,500	1,500
Wisconsin Tobacco Farmers	2,000	2,000	4,000
WI Retail Merchants Assn	1,500	1,500	4,000
WI Manufacturing & Commerce	1,000	1,000	1,000
WI Grocers Association	0	0	4,000
WI Taverns League	0	0	2,000

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NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	<u>1997 Budget</u>	<u>1997 Estimated</u>	<u>1998 Budget</u>
<u>Account #7520 Support of Nat'l/State Orgs. (Continued)</u>			
WYOMING			
WY Lodging & Restaurant Assn	\$500	\$500	\$500
WY Retail Merchants	500	500	500
Wyoming Taxpayers Association	300	300	500
BUDGET ADJUSTMENT TO BE ALLOCATED	0	0	<27,100>

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**The Tobacco Institute
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NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #7520 Support of Nat'l/State Orgs. (Continued)</u>			
NATIONAL HEADQUARTERS			
Nat'l Conference of State Legislature (NCSL)			
Annual Meeting	\$4,000	\$4,000	\$0
General support	2,000	2,000	0
American Legislative Exchange Council (ALEC)			
Annual Meeting	20,000	20,000	0
General support	10,000	10,000	10,000
ALEC Nat'l Leadership summit	5,000	5,000	0
ALEC Day in Washington	1,000	1,000	0
Council of State Gov'ts (CSG)			
CSG Annual Meeting	5,000	5,000	5,000
Eastern Regional CSG	2,500	2,500	2,500
Southern Regional CSG	2,500	2,500	2,500
Mid-West Regional CSG	2,500	2,500	2,500
Western Regional CSG	2,500	2,500	2,500
Contingency for national organizations	10,000	10,000	0
Contingency for other organizations			
SLLF-Nat'l Speakers Conf.	5,000	5,000	5,000
Midwestern Gov. Conf.	2,500	0	0
Southern Governors Assn	2,500	2,500	0
Nat'l Retail Federation	2,000	2,000	2,000
FIAE	2,000	2,000	2,000
US Conference of Mayors	1,000	1,000	0
National Black Caucus	0	2,500	0

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NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	<u>1997 Budget</u>	<u>1997 Estimated</u>	<u>1998 Budget</u>
<u>Account #7520 Support of Nat'l/State Orgs. (Continued)</u>			
Total	\$304,250	\$293,175	\$253,125

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The Tobacco Institute
1998 Budget
State Activities Division

NATIONAL HEADQUARTERS COST CENTER

No. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #7700 Campaign Support Program</u>			
State Campaign Contributions (7710)	\$381,500	\$374,500	\$380,500
Local Campaign Contributions (7720)	20,000	20,000	26,500
	<u>\$401,500</u>	<u>\$394,500</u>	<u>\$407,000</u>

**The Tobacco Institute
1998 Budget
State Activities Division**

NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #7710 State Campaign Contributions</u>			
ALABAMA	\$4,000	\$4,000	\$4,000
ARKANSAS	6,000	6,000	6,000
CALIFORNIA	80,000	80,000	80,000
COLORADO	10,000	10,000	10,000
DELAWARE	1,000	1,000	1,000
FLORIDA	80,000	80,000	80,000
GEORGIA	6,000	6,000	6,000
HAWAII	8,000	8,000	8,000
IDAHO	5,000	5,000	5,000
ILLINOIS	30,000	30,000	30,000
INDIANA	20,000	20,000	20,000
KANSAS	8,000	0	0
LOUISIANA	15,000	15,000	15,000

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**The Tobacco Institute
1998 Budget
State Activities Division**

NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	1997 Budget	1997 Estimated	1998 Budget
<u>Account #7710 State Campaign Contributions (Continued)</u>			
MAINE	\$3,000	\$1,000	\$3,000
MARYLAND	2,500	2,500	2,500
MISSISSIPPI	6,000	6,000	6,000
MISSOURI	20,000	20,000	20,000
NEVADA	15,000	15,000	15,000
NEW JERSEY	15,000	15,000	15,000
NEW MEXICO	6,000	6,000	6,000
NEW YORK	5,000	5,000	5,000
OREGON	0	0	7,000
SOUTH CAROLINA	2,000	5,000	2,000
UTAH	4,000	4,000	4,000
VIRGINIA	20,000	20,000	20,000
WASHINGTON	10,000	10,000	10,000

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**The Tobacco Institute
1998 Budget
State Activities Division**

NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	<u>1997 Budget</u>	<u>1997 Estimated</u>	<u>1998 Budget</u>
Account #7710 State Campaign Contributions (Continued)			
Total	\$381,500	\$374,500	\$380,500

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**The Tobacco Institute
1998 Budget
State Activities Division**

NATIONAL HEADQUARTERS

COST CENTER NO. 1401

	<u>1997 Budget</u>	<u>1997 Estimated</u>	<u>1998 Budget</u>
<u>Account #7720 Local Campaign Contributions</u>			
CALIFORNIA	\$10,000	\$10,000	\$17,000
COLORADO	2,500	2,500	2,000
HAWAII	2,500	2,500	2,500
ILLINOIS	5,000	5,000	5,000
Total	<u>\$20,000</u>	<u>\$20,000</u>	<u>\$26,500</u>

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THE TOBACCO INSTITUTE

	1997			1998		
	Budget (\$000)	Estimated Expenditures (\$000)	Authorized Positions	Budget (\$000)	Authorized Positions Requested	% Change 1997 Estimate vs. 1998 Budget
Region I: Martin Carson	\$102	\$81	2	\$83	2	2%
Region II: Ray Rizzo	96	90	2	96	2	6%
Region III: Davis Harozdovfky	110	134	2	115	2	< 14% >
Region IV: Randy Morris	123	182	2	139	2	< 23% >
Region V: Dan Howle	126	143	2	127	2	< 11% >
Region VI: John Shipper	71	69	1	72	1	4%
Region VII: Ronald Morris	65	84	1	64	1	< 24% >
Region VIII: Gary Anderson	105	69	2	96	2	40%
Total Budget	\$797	\$852	14	\$792	14	< 7% >

THE TOBACCO INSTITUTE
1998 BUDGET
STATE ACTIVITIES DIVISION

Region I - Martin Carson

Cost Center No. 1410

Authorized Positions 1997 - 2

Authorized Positions Requested 1998 - 2

	1997 Budget	1997 Estimated	1998 Budget
3900 Travel	\$50,000	\$35,000	\$40,000
4100 Automobiles-Regional VPs	7,100	7,100	7,100
4300 Rent - Space	15,500	15,500	15,500
4700 Furniture,Fixtures & Equipment	1,500	900	500
4800 Books & Subscriptions	500	1,000	1,000
4900 Equip., Repairs & Maintenance	1,000	1,000	1,000
5000 Office Supplies	3,100	3,800	1,100
5100 Postage & Delivery Services	3,400	1,700	1,700
5200 Reproduction & Printing	500	500	500
5300 Telephone & Fax	18,200	14,000	14,000
5500 Staff Training & Memberships	700	700	700
Totals	\$101,500	\$81,200	\$83,100

THE TOBACCO INSTITUTE
1998 BUDGET
STATE ACTIVITIES DIVISION

Region II - Ray Rizzo

Cost Center No. 1420

Authorized Positions 1997 - 2

Authorized Positions Requested 1998 - 2

	1997 Budget	1997 Estimated	1998 Budget
3900 Travel	\$50,000	\$37,000	\$45,000
4100 Automobiles-Regional VPs	6,300	8,200	6,700
4300 Rent - Space	9,700	10,250	10,500
4600 Other Occupancy Expense	3,000	3,000	3,000
4700 Furniture,Fixtures & Equipment	5,000	5,000	3,250
4800 Books & Subscriptions	200	200	200
4900 Equip., Repairs & Maintenance	300	750	800
5000 Office Supplies	1,000	1,800	2,000
5100 Postage & Delivery Services	2,500	3,250	3,600
5200 Reproduction & Printing	1,000	1,000	1,000
5300 Telephone & Fax	16,000	18,000	18,000
5400 Other Office Expense	500	500	500
5500 Staff Training & Memberships	600	1,250	1,500
Totals	\$96,100	\$90,200	\$96,050

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THE TOBACCO INSTITUTE
1998 BUDGET
STATE ACTIVITIES DIVISION

Region III - David Horazdovsky

Cost Center No. 1430

Authorized Positions 1997 - 2

Authorized Positions Requested 1998 - 2

	1997 Budget	1997 Estimated	1998 Budget
3900 Travel	\$60,000	\$80,000	\$60,000
4100 Automobiles-Regional VPs	6,900	6,900	7,100
4300 Rent - Space	13,000	14,500	14,500
4600 Other Occupancy Expense	1,600	4,200	4,200
4700 Furniture,Fixtures & Equipment	3,000	500	1,000
4900 Equip., Repairs & Maintenance	0	1,000	1,000
5000 Office Supplies	3,000	3,000	3,000
5100 Postage & Delivery Services	2,000	2,000	2,000
5300 Telephone & Fax	20,000	20,000	20,000
5500 Staff Training & Memberships	0	1,800	1,800
Totals	\$109,500	\$133,900	\$114,600

THE TOBACCO INSTITUTE
1998 BUDGET
STATE ACTIVITIES DIVISION

Region IV - Randy Morris

Cost Center No. 1440

Authorized Positions 1997 - 2

Authorized Positions Requested 1998 - 2

	1997 Budget	1997 Estimated	1998 Budget
3900 Travel	\$72,000	\$115,200	\$75,000
4100 Automobiles-Regional VPs	7,200	7,200	7,200
4300 Rent - Space	9,600	9,600	11,100
4600 Other Occupancy Expense	2,000	2,000	2,000
4700 Furniture,Fixtures & Equipment	1,500	1,000	2,000
4800 Books & Subscriptions	300	300	300
5000 Office Supplies	2,500	2,500	3,000
5100 Postage & Delivery Services	3,000	3,000	3,000
5200 Reproduction & Printing	2,000	2,000	3,000
5300 Telephone & Fax	20,000	36,000	30,000
5400 Other Office Expense	1,000	1,000	1,000
5500 Staff Training & Memberships	1,000	1,000	1,000
6600 Business Taxes	700	700	800
Totals	\$122,800	\$181,500	\$139,400

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THE TOBACCO INSTITUTE
1998 BUDGET
STATE ACTIVITIES DIVISION

Region V - Dan Howle

Cost Center No. 1450

Authorized Positions 1997 - 2

Authorized Positions Requested 1998 - 2

	1997 Budget	1997 Estimated	1998 Budget
3900 Travel	\$65,000	\$65,000	\$65,000
4100 Automobiles-Regional VPs	7,200	7,200	7,500
4300 Rent - Space	18,300	18,300	18,300
4600 Other Occupancy Expense	2,600	2,600	2,600
4700 Furniture,Fixtures & Equipment	2,500	1,500	2,500
4800 Books & Subscriptions	1,700	750	1,500
4900 Equip., Repairs & Maintenance	750	750	750
5000 Office Supplies	6,350	3,000	3,000
5100 Postage & Delivery Services	2,500	2,750	2,750
5200 Reproduction & Printing	200	1,500	1,500
5300 Telephone & Fax	16,000	37,500	20,000
5500 Staff Training & Memberships	2,000	1,500	1,500
6600 Business Taxes	500	500	500
Totals	\$125,600	\$142,850	\$127,400

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THE TOBACCO INSTITUTE
1998 BUDGET
STATE ACTIVITIES DIVISION

Region VI - John Shipper

Cost Center No. 1460

Authorized Positions 1997 - 1

Authorized Positions Requested 1998 - 1

	1997 Budget	1997 Estimated	1998 Budget
3900 Travel	\$60,000	\$58,000	\$60,000
4100 Automobiles-Regional VPs	7,100	7,100	7,100
5300 Telephone & Fax	4,000	3,500	4,000
5500 Staff Training & Memberships	0	500	500
Totals	\$71,100	\$69,100	\$71,600

THE TOBACCO INSTITUTE
1998 BUDGET
STATE ACTIVITIES DIVISION

Region VII - Ronald Morris

Cost Center No. 1470

Authorized Positions 1997 - 1

Authorized Positions Requested 1998 - 1

	1997 Budget	1997 Estimated	1998 Budget
3900 Travel	\$60,000	\$70,000	\$50,000
4100 Automobiles-Regional VPs	0	5,900	7,300
4800 Books & Subscriptions	0	1,300	1,300
5300 Telephone & Fax	5,000	7,000	5,000
5500 Staff Training & Memberships	0	200	200
Totals	\$65,000	\$84,400	\$63,800

THE TOBACCO INSTITUTE
1998 BUDGET
STATE ACTIVITIES DIVISION

Region VIII - Gary Anderson

Cost Center No. 1480

Authorized Positions 1997 - 2

Authorized Positions Requested 1998 - 2

	1997 Budget	1997 Estimated	1998 Budget
3900 Travel	\$57,000	\$20,000	\$47,000
4100 Automobiles-Regional VPs	7,000	7,200	7,000
4300 Rent - Space	10,800	10,300	11,000
4600 Other Occupancy Expense	1,860	2,000	2,100
4700 Furniture,Fixtures & Equipment	750	200	750
4800 Books & Subscriptions	0	400	650
4900 Equip., Repairs & Maintenance	600	600	1,000
5000 Office Supplies	3,500	3,000	3,000
5100 Postage & Delivery Services	3,000	2,500	2,500
5200 Reproduction & Printing	1,000	400	750
5300 Telephone & Fax	17,500	21,000	19,000
5400 Other Office Expense	1,500	300	750
5500 Staff Training & Memberships	890	890	900
Totals	\$105,400	\$68,790	\$96,400

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4. Public Affairs Div.

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THE TOBACCO INSTITUTE
1998 Budget
Public Affairs Division

	1997		1998		
	Budget (\$000)	Estimated Expenditures (\$000)	Authorized Positions	Budget (\$000)	Authorized Positions Requested
1301 General Administration	\$7,046	\$7,050	15	\$5,351	13
1316 National Tobacco Council	281	276	-	230	-
					% Change 1997 Estimate vs. 1998 Budget
					< 24% >
					< 17% >
Total Budget	\$7,327	\$7,326	15	\$5,581	13
					< 24% >

THE TOBACCO INSTITUTE
1998 BUDGET
PUBLIC AFFAIRS DIVISION

General Administration

Cost Center No. 1301

Authorized Positions 1997 - 15

Authorized Positions Requested 1998 - 13

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
2800 Staff Compensation	\$1,082	\$1,072	\$959
3200 Employee Benefits	292	290	259
3900 Travel	100	90	75
4600 Other Occupancy Expense	5	5	5
4800 Books & Subscriptions	50	45	30
5000 Office Supplies	2	2	2
5100 Postage & Delivery Services	60	60	40
5200 Reproduction & Printing	65	90	80
5300 Telephone & Fax	10	10	10
5400 Other Office Expense	15	11	10
5500 Staff Training & Memberships	10	10	10
5800 Legal Fees	100	100	25
6600 Business Taxes	1	1	1
6900 Employee Recruitment & Relocation	20	20	10
7200 Miscellaneous Expense	1	1	1
7300 Professional Fees	1,225	1,164	449
7400 Purchased Administrative Services	6	4	1
7500 Suprt Tob & Other Organizations	3,350	3,423	2,720
8000 Computer Services	100	100	100
9100 Data Processing Allocation	140	140	140
9400 Occup. & Office Expense Allocation	412	412	424
Totals	\$7,046	\$7,050	\$5,351

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THE TOBACCO INSTITUTE
1998 BUDGET

COST CENTER Public Affairs No. 1301

STAFFING SCHEDULE
12/29/97
Months of Employment

Employee Name		1997 Budget	1997 Estimated	1998 Budget
W. Woodson	Senior Vice President & Director	12	12	12
Vacant	Vice President-Communications	12	4	0
W. Orzechowski	Chief Economist	12	12	12
M. Rita Gore	Director-Legislative Information	12	12	12
W. Merryman	V.P./Director of Communications	12	12	12
T. Lauria	Assistant to the President	12	12	12
M. Giamberardino	Manager-Issues Information	12	12	12
L. Kaiser	Manager-Communications	12	12	12
B. Kelahan	Manager-Legislative Information	12	11	12
P. Gay	Director-Issues Management	12	12	12
R. Walker	Director-Issues Management	12	12	12
S. Russell	Administrative Assistant	12	12	3
D. Sullivan	Administrative Assistant	12	12	12
A. Bratich	Staff Assistant	12	12	12
M. Waldron	Staff Assistant	12	12	12
Totals		168	159	147

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**The Tobacco Institute
1998 Budget
Public Affairs Division**

GENERAL ADMINISTRATION

COST CENTER NO. 1301

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #4801 Books & Subscriptions</u>			
Information Center Periodicals & Materials	\$50	\$45	\$30
Total	\$50	\$45	\$30

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The Tobacco Institute
1998 Budget
Public Affairs Division

GENERAL ADMINISTRATION		COST CENTER NO. 1301		
		1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #5101 Postage & Delivery Services</u>				
Mailing of newsletters, reports, Tax Burden, etc.		\$30	\$30	\$10
Nationwide media mailings		5	5	5
Targeted print/broadcast mailings		5	5	5
Total		\$40	\$40	\$20

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The Tobacco Institute
1998 Budget
Public Affairs Division

GENERAL ADMINISTRATION

COST CENTER NO. 1301

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #5102 Postage & Delivery Services</u>			
Overnight deliveries to the Executive Committee and other Institute oversight committees	\$20	\$20	\$20
Total	\$20	\$20	\$20

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The Tobacco Institute
1998 Budget
Public Affairs Division

GENERAL ADMINISTRATION

COST CENTER NO. 1301

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #5201 Reproduction & Printing</u>			
Congressional hearing transcripts	\$0	\$25	\$25
TI Publications			
Tax Burden on Tobacco	20	20	20
State data card reprints (50 states)	15	15	15
Fire Program Materials	15	15	5
Issue Fact Sheets & TIP	5	5	5
Letterhead and miscellaneous	5	5	5
Committee presentations	5	5	5
Total	\$65	\$90	\$80

**The Tobacco Institute
1998 Budget
Public Affairs Division**

GENERAL ADMINISTRATION

COST CENTER NO. 1301

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #5401 Other Office Expense</u>			
Video monitoring services, transcripts, and news clips	\$14	\$10	\$9
General office	1	1	1
Total	\$15	\$11	\$10

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The Tobacco Institute
1998 Budget
Public Affairs Division

GENERAL ADMINISTRATION

COST CENTER NO. 1301

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #5801 Legal Fees</u>			
Covington & Burling - General	\$100	\$100	\$25
Total	\$100	\$100	\$25

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The Tobacco Institute
1998 Budget
Public Affairs Division

GENERAL ADMINISTRATION		COST CENTER NO. 1301		
		1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #7301 Professional Fees</u>				
Consultant scientist on environmental tobacco smoke (ETS) and ventilation issues:				
Ventilation consultant fees and expenses		\$150	\$150	\$0
ETS Economist program to report on the economic impact of smoking bans		50	50	0
ETS literature search and retrieval		100	100	0
Comments and testimony (per RD and SAD request, including state OSHAs)		25	25	0
Public relations support as required by State Activities/Federal Relations Divisions; Media Relations consultants on breaking news stories and, promotion of other industry positions; satellite media activity (Natl Media, Inc./Corporate TV/ Rubenstein)		200	200	25
Tri Data, Inc. for general consulting, data analyses, coalition building and fire safety research (includes travel)		158	158	158
Immigrant population project		50	50	0
Support to state and federal tax legislation -				
State crossborder studies(7-8 priority states)		35	35	30
Crossborder retailer surveys (data collection from merchants -- 2 to 3 locales)		30	30	30
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The Tobacco Institute
1998 Budget
Public Affairs Division

GENERAL ADMINISTRATION		COST CENTER NO. 1301		
		1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #7301 Professional Fees (Continued)</u>				
Update and promote economic impact study		\$0	\$0	\$40
Regressivity analysis		20	20	30
Crossborder "Tie In" sales		0	40	0
Tax and IAQ strategy consultant (Michael Forscey)		80	96	36
Liason to agricultural organizations (David Senter)		72	75	0
Federal/state testimony on tax issues		55	65	50
Support to state and federal advertising legislation -				
Testimony and comments		75	20	0
Advertising impact study (FAC)		50	0	0
Litigation consultant		40	40	40
Advertising support:				
Economic impact study of retail promotions ban		25	0	0
Public Affairs Division general contingency reserve		10	10	10
Total		\$1,225	\$1,164	\$449

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**The Tobacco Institute
1998 Budget
Public Affairs Division**

GENERAL ADMINISTRATION

COST CENTER NO. 1301

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #7501 Suprt Tob & Other Organizations</u>			
Other tax interest groups	\$50	\$50	\$0
The Tax Foundation	40	25	20
Washington Legal Foundation	35	35	20
Federation of Southern Cooperatives	25	25	0
Alexis de Tocqueville Institute	20	20	10
American Advertising	5	5	0
Fire Safety Program			
Programs for local fire safety organizations	5	5	3
National Association of State Fire Marshals	5	5	3
National Volunteer Fire Council	5	5	2
Congressional Fire Services Institute	2	2	2
American Civil Liberties Union	25	0	0
Other support	1	1	1
Total	\$218	\$178	\$61

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The Tobacco Institute
1998 Budget
Public Affairs Division

GENERAL ADMINISTRATION		COST CENTER NO. 1301		
		1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #7502 Support to Labor Mgmnt Comm.</u>				
Support of Tobacco Industry Labor Management Committee activities, including, administrative management, legal counsel, national consultants, state and regional consultants, National Energy Management Institute, national and state fair tax groups, allied labor organizations, and special projects.	\$3,132	\$3,245	\$2,659	
Total	\$3,132	\$3,245	\$2,659	

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**The Tobacco Institute
1998 Budget
Public Affairs Division**

GENERAL ADMINISTRATION		COST CENTER NO. 1301		
		1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #8001 Computer Services</u>				
News and data retrieval services access and usage charges		\$100	\$100	\$100
Total		\$100	\$100	\$100

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THE TOBACCO INSTITUTE
1998 BUDGET
PUBLIC AFFAIRS DIVISION

NATIONAL TOBACCO COUNCIL

Cost Center No. 1316

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
3900 Travel	\$10	\$5	\$5
5100 Postage & Delivery Services	3	3	3
5200 Reproduction & Printing	5	5	5
7200 Miscellaneous Expense	1	1	1
7300 Consultants	10	10	5
7500 Suprt Tob & Other Organizations	250	250	209
7700 National Political Orgs. Contributions	2	2	2
Totals	\$281	\$276	\$230

**The Tobacco Institute
1998 Budget
Public Affairs Division**

NATIONAL TOBACCO COUNCIL

COST CENTER NO. 1316

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #7501 Suprt Tob & Other Organizations</u>			
Grants to reorganized tobacco growers groups	\$250	\$250	\$209
Total	\$250	\$250	\$209

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5. Unified Youth Prog.

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THE TOBACCO INSTITUTE
1998 Budget
Unified Youth Program

	1997		1998		
	Budget (\$000)	Estimated Expenditures (\$000)	Authorized Positions	Budget (\$000)	Authorized Positions Requested
1302 Unified Youth Program	\$6,156	\$6,156	-	\$5,000	-
					< 19% >
Total Budget	\$6,156	\$6,156	-	\$5,000	-
					< 19% >

THE TOBACCO INSTITUTE
1998 BUDGET
UNIFIED YOUTH PROGRAM

Unified Youth Program

Cost Center No. 1302

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
5100 Postage & Delivery Services	2,404	2,404	803
5200 Reproduction & Printing	1,652	1,652	920
6200 Advertising Expense	25	25	0
7300 Professional Fees	2,075	2,075	3,277
Totals	\$6,156	\$6,156	\$5,000

**The Tobacco Institute
1998 Budget
Unified Youth Program**

UNIFIED YOUTH PROGRAM

COST CENTER NO. 1302

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #5101 Postage & Delivery Services</u>			
Program fulfillment	\$2,267	\$2,267	\$803
Mailings to retailers to solicit participation	137	137	0
Total	\$2,404	\$2,404	\$803

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The Tobacco Institute
1998 Budget
Unified Youth Program

UNIFIED YOUTH PROGRAM		COST CENTER NO. 1302		
		1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #5201 Reproduction & Printing</u>				
	Materials printing and development	\$1,888	\$1,888	\$920
	Retailer solicitation and communication	397	397	0
	1997 prepayment of materials printing and development	<633>	<633>	0
	Total	\$1,652	\$1,652	\$920

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The Tobacco Institute
1998 Budget
Unified Youth Program

UNIFIED YOUTH PROGRAM

COST CENTER NO. 1302

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #6201 Advertising Expense</u>			
Advertising in trade publications to promote programs	\$25	\$25	\$0
Total	\$25	\$25	\$0

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**The Tobacco Institute
1998 Budget
Unified Youth Program**

UNIFIED YOUTH PROGRAM		COST CENTER NO. 1302		
		1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #7301 Professional Fees</u>				
Training seminars for state associations, retailers and wholesaler conventions, and others		\$1,270	\$1,270	\$1,939
Outreach and recruitment		505	505	904
Research		50	50	139
Public relations support (including activities in states)		250	250	295
Total		\$2,075	\$2,075	\$3,277

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12/29/1997 11:7 AM

6. Administration Div.

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THE TOBACCO INSTITUTE
1998 Budget
Administration Division

	1997		1998		% Change 1997 Estimate vs. 1998 Budget
	Budget (\$000)	Estimated Expenditures (\$000)	Authorized Positions	Budget (\$000)	Authorized Positions Requested
1101 General Administration	\$2,006	\$2,124	10	\$1,725	10
1103 Data Processing	367	367	2	326	2
Data Processing Allocation	< 367 >	< 367 >	-	< 342 >	-
					7%
Total Budget	\$2,006	\$2,124	12	\$1,709	12
					< 20% >

THE TOBACCO INSTITUTE
1998 BUDGET
ADMINISTRATIVE DIVISION

General Administration

Cost Center No. 1101

Authorized Positions 1997 - 10

Authorized Positions Requested 1998 - 10

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
2800 Staff Compensation	\$1,317	\$1,363	\$1,329
3200 Employee Benefits	353	390	358
3900 Travel	62	63	35
4000 Conferences & Meetings	22	22	7
4300 Rent - Space	812	772	762
4600 Other Occupancy Expense	28	28	28
4700 Furniture,Fixtures & Equipment	4	4	4
4800 Books & Subscriptions	2	5	3
4900 Equip., Repairs & Maintenance	8	8	8
5000 Office Supplies	31	51	40
5100 Postage & Delivery Services	47	38	30
5200 Reproduction & Printing	75	75	65
5300 Telephone & Fax	140	150	110
5400 Other Office Expense	65	65	65
5500 Staff Training & Memberships	12	12	12
5800 Legal Fees	200	200	120
6600 Business Taxes	23	23	17
6900 Employee Recruitment & Relocation	15	15	15
7300 Professional Fees	48	98	38
9100 Data Processing Allocation	32	32	7
9300 TITL Administrative Allocation	<54>	<54>	<56>
9400 Occup. & Office Expense Allocation	<1,236>	<1,236>	<1,272>
Totals	\$2,006	\$2,124	\$1,725

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12/29/1997 11:08 AM

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THE TOBACCO INSTITUTE
1998 BUDGET

COST CENTER General Administration No. 1101

STAFFING SCHEDULE

12/29/97

Months of Employment

<u>Employee Name</u>		<u>1997 Budget</u>	<u>1997 Estimated</u>	<u>1998 Budget</u>
S. Chilcote	President	12	12	12
W. Adams	Sr. V.P./Division Director	12	12	12
J. Maleckar	Controller	12	10	12
M. Zimmerman	Staff Accountant	12	12	12
M. Terova	Office Manager	12	12	12
D. Thomas	Executive Assistant	12	12	12
N. Caputo	Administrative Assistant	12	12	12
S. Lundahl	Receptionist	12	12	12
W. Mickens	Office Services Supervisor	12	12	12
S. Evans	Office Services Assistant	12	12	12
Totals		120	118	120

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The Tobacco Institute
1998 Budget
Administrative Division

GENERAL ADMINISTRATION

COST CENTER NO. 1101

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #3201 Employee Benefits</u>			
Health Insurance	\$600	\$605	\$583
Payroll Taxes	315	300	305
401(k) Employee Savings Plan	210	215	220
Group Life Insurance	65	65	66
Employee Parking-Washington,DC	46	45	45
Workman's Compensation	40	25	30
Long Term Disability Insurance	35	35	35
Supplemental Executive Retirement Plan, Contingency and other	57	50	50
Allocation to other cost centers	<1,015>	<950>	<976>
Total	\$353	\$390	\$358

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**The Tobacco Institute
1998 Budget
Administrative Division**

GENERAL ADMINISTRATION

COST CENTER NO. 1101

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #4001 Conferences & Meetings</u>			
Annual meeting and Executive Committee meetings in New York City and Washington, D.C.	\$19	\$19	\$4
Committee of Counsel, Pension Committee, Finance Committee, and miscellaneous	3	3	3
Total	\$22	\$22	\$7

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**The Tobacco Institute
1998 Budget
Administrative Division**

GENERAL ADMINISTRATION

COST CENTER NO. 1101

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #4301 Rent - Space</u>			
Washington, DC Headquarters - (22,412 s/f @ \$32.00 x 12 mos)	\$718	\$718	\$718
Operating expense pass-through (cumulative from 06/01/94)	52	20	0
CPI escalation (cumulative from 06/01/94)	23	15	25
Basement storage space (1,437 s/f @ \$13.00)	19	19	19
Total	\$812	\$772	\$762

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The Tobacco Institute
1998 Budget
Administrative Division

GENERAL ADMINISTRATION

COST CENTER NO. 1101

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #4601 Other Occupancy Expense</u>			
Off-premises documents storage	\$11	\$11	\$11
Office maintenance	6	6	6
Parking for Washington, D.C. pool automobile	5	5	5
Office security system	4	4	4
Overtime charges on HVAC	2	2	2
Total	\$28	\$28	\$28

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**The Tobacco Institute
1998 Budget
Administrative Division**

GENERAL ADMINISTRATION

COST CENTER NO. 1101

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #5201 Reproduction & Printing</u>			
Copier lease payments, supplies and maintenance, and per page charges	\$63	\$65	\$55
Graphics, artwork, and printing	12	10	10
Total	<u>\$75</u>	<u>\$75</u>	<u>\$65</u>

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The Tobacco Institute
1998 Budget
Administrative Division

GENERAL ADMINISTRATION

COST CENTER NO. 1101

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #5301 Telephone & Fax</u>			
Long distance calls from/to Washington, D.C., local service, and cellular service.	\$140	\$150	\$110
Total	\$140	\$150	\$110

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The Tobacco Institute
1998 Budget
Administrative Division

GENERAL ADMINISTRATION

COST CENTER NO. 1101

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
Account #5401 Other Office Expense			
Liability and other general insurance	\$29	\$29	\$29
Office cleaning and plant service	16	16	16
Benefits for Washington, D.C. employees (e.g., coffee, subsidized sodas, kitchen supplies, etc.)	12	12	12
Employee Christmas party	8	8	8
Total	\$65	\$65	\$65

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**The Tobacco Institute
1998 Budget
Administrative Division**

GENERAL ADMINISTRATION

COST CENTER NO. 1101

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #5801 Legal Fees</u>			
Covington & Burling - general legal services	\$200	\$200	\$120
Total	\$200	\$200	\$120

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The Tobacco Institute
1998 Budget
Administrative Division

GENERAL ADMINISTRATION

COST CENTER NO. 1101

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #6601 Business Taxes</u>			
D.C. personal property tax	\$14	\$14	\$14
D.C. sales and use tax	6	6	3
Other	3	3	0
Total	\$23	\$23	\$17

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**The Tobacco Institute
1998 Budget
Administrative Division**

GENERAL ADMINISTRATION

COST CENTER NO. 1101

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #7301 Professional Fees</u>			
Audit of the Institute by an outside CPA firm	\$32	\$32	\$22
Employee benefits plan consultants and fees	11	11	11
Miscellaneous	5	5	5
Planning and analyses related to possible reorganization of The Institute as a result of the proposed "tobacco settlement"	0	50	0
Total	\$48	\$98	\$38

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The Tobacco Institute
1998 Budget
Administrative Division

GENERAL ADMINISTRATION		COST CENTER NO. 1101		
		1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #9401 Occup. & Office Expense Allocation</u>				
Federal Relations (1201)		<\$412>	<\$412>	<\$424>
State Activities (1401)		<412>	<412>	<424>
Public Affairs (1301)		<412>	<412>	<424>
Administration (1101) allocation out		<101>	<101>	<104>
Administration (1101) allocation in		101	101	104
Total		<\$1,236>	<\$1,236>	<\$1,272>

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THE TOBACCO INSTITUTE
1998 BUDGET
ADMINISTRATIVE DIVISION

DATA PROCESSING

Cost Center No. 1103

Authorized Positions 1997 - 2

Authorized Positions Requested 1998 - 2

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
2800 Staff Compensation	\$144	\$144	\$151
3200 Employee Benefits	39	39	41
3900 Travel	5	1	4
4600 Other Occupancy Expense	3	2	3
4700 Furniture,Fixtures & Equipment	42	77	20
4800 Books & Subscriptions	1	1	1
4900 Equip., Repairs & Maintenance	57	37	33
5000 Office Supplies	18	15	22
5300 Telephone & Fax	11	6	5
5500 Staff Training & Memberships	3	1	2
8000 Computer Services	44	44	44
Subtotals	367	367	326
9100 Data Processing Allocation	<367>	<367>	<342>
Totals	\$0	\$0	<\$16>

THE TOBACCO INSTITUTE
1998 BUDGET

COST CENTER	Data Processing	No. 1103
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STAFFING SCHEDULE

12/29/97

Months of Employment

Employee Name		1997 Budget	1997 Estimated	1998 Budget
R. Miller	Director of Management Information Systems	12	12	12
G. Dieman	LAN Systems Administrator	12	12	12
Totals		24	24	24

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**The Tobacco Institute
1998 Budget
Administrative Division**

DATA PROCESSING

COST CENTER NO. 1103

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #4701 Furniture, Fixtures & Equipment</u>			
Personal computers for Local Area Network (LAN) for headquarters office, terminals, communications devices, and other equipment; includes replacement of 386 class equipment with newer technology	\$42	\$77	\$20
Total	\$42	\$77	\$20

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**The Tobacco Institute
1998 Budget
Administrative Division**

DATA PROCESSING

COST CENTER NO. 1103

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #4901 Equip., Repairs & Maintenance</u>			
Computer hardware maintenance			
Headquarters office personal computers and local area network	\$50	\$30	\$25
On-site coverage of field office equipment	7	7	8
Total	\$57	\$37	\$33

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**The Tobacco Institute
1998 Budget
Administrative Division**

DATA PROCESSING

COST CENTER NO. 1103

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
Account #5001 Office Supplies			
Computer toner cartridges, cables, connectors and ribbons for the Institute's systems, and hardware purchases costing less than \$300.00 each	\$15	\$12	\$19
Additional computer supplies for field office computers	3	3	3
Total	\$18	\$15	\$22

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**The Tobacco Institute
1998 Budget
Administrative Division**

DATA PROCESSING

COST CENTER NO. 1103

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #8000 Computer Services</u>			
Local Area Network software maintenance and support	\$15	\$16	\$20
Payroll and payroll taxes processing service bureau fees	11	10	11
Purchased software for personal computers and the Local Area Network	12	12	7
Internal accounting system software maintenance and support	3	3	3
State legislative tracking system, software maintenance, and support	2	2	2
State historical/legislative and miscellaneous database software maintenance and support	1	1	1
Total	\$44	\$44	\$44

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**The Tobacco Institute
1998 Budget
Administrative Division**

DATA PROCESSING

COST CENTER NO. 1103

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #9100 Data Processing Allocation</u>			
Federal Relations (1201)	<\$70>	<\$70>	<\$70>
State Activities (1401)	<125>	<125>	<125>
Public Affairs (1301)	<140>	<140>	<140>
Administration (1101)	<32>	<32>	<7>
Total	<\$367>	<\$367>	<\$342>

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7. Contingency Funds

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THE TOBACCO INSTITUTE
1998 Budget
Contingency Funds

	1997		1998		
	Budget (\$000)	Estimated Expenditures (\$000)	Authorized Positions	Budget (\$000)	Authorized Positions Requested
1902 Product Liability Litigation	12,000	12,000	-	12,000	-
OSHA/ETS Matters	73	35	-	-	< 100% >
FDA Matters	35	35	-	-	< 100% >
Total Budget	\$12,108	\$12,070	-	\$12,000	< 1% >

**The Tobacco Institute
1998 Budget
Contingency Funds**

PRODUCT LIABILITY LITIGATION

COST CENTER NO. 1902

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #5801 Legal Fees</u>			
Product Liability Litigation - Covington & Burling	\$6,000	\$6,000	\$6,000
Product Liability Litigation - Other firms	5,950	5,950	5,950
Legal fees for defense of tobacco industry contractors	50	50	50
Total	\$12,000	\$12,000	\$12,000

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**The Tobacco Institute
1998 Budget
Contingency Funds**

OSHA/ETS MATTERS		COST CENTER NO. 1903		
		1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
<u>Account #5801 Legal Fees</u>				
	Legal fees for preparation and expected reopening of the record, and public comment and hearing on OSHA/ETS proosal	\$73	\$35	\$0
	Total	\$73	\$35	\$0

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**The Tobacco Institute
1998 Budget
Contingency Funds**

FDA MATTERS

COST CENTER NO. 1904

	1997 Budget (\$000)	1997 Estimated (\$000)	1998 Budget (\$000)
Account #5801 Legal Fees			
Legal fees related to FDA regulation of tobacco products	\$35	\$35	\$0
Total	\$35	\$35	\$0

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