

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2015	2016	2017	2018	2019
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	<u>\$1,500,000</u>	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
	\$1,500,000				
NET FISCAL IMPACT	=====	=====	=====	=====	=====

ADDITIONAL FTE
POSITIONS (Cumulative _____)

Is Item Included In Current Budget? Yes ___ No. X

Budget Account No.: Fund 1454 Agency 710 Org. 7420 Object 3401
Reporting Category _____

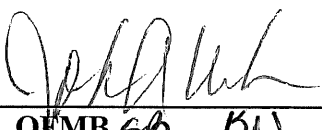
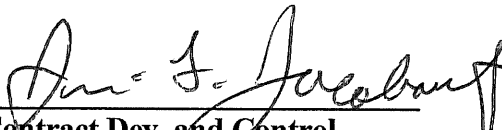
B. Recommended Sources of Funds/Summary of Fiscal Impact:

Discover receives 48.32% of the 2nd, 3rd, 5th and 6th cent of the local option bed tax.
This budget transfer of \$1,500,000 will provide sufficient funds for the 5th amendment to the agreement.

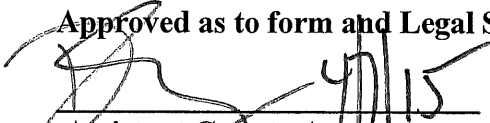
C. Department Fiscal Review: _____

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Administration Comments:

 _____ ASD OFMB <i>SA 4/7 4/6</i>	 _____ Contract Dev. and Control <i>4-7-15 B. Becker</i>	<i>4/7/15</i>
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B. Approved as to form and Legal Sufficiency:



 Assistant County Attorney

C. Other Department Review:

 Department Director

This summary is not to be used as a basis for payment.

FIFTH AMENDMENT TO THE AGREEMENT

between

PALM BEACH COUNTY
A POLITICAL SUBDIVISION OF THE
STATE OF FLORIDA

and

DISCOVER PALM BEACH COUNTY, INC.

on behalf of the

TOURIST DEVELOPMENT COUNCIL

FIFTH AMENDMENT TO THE AGREEMENT WITH
DISCOVER PALM BEACH COUNTY, INC.

This Fifth Amendment to the Agreement dated September 11, 2012 (R-2012-1320) is made and entered into effective this 21st day of April, 2015, by and between DISCOVER PALM BEACH COUNTY, INC., a Florida not-for-profit corporation, (hereinafter referred to as "DISCOVER") whose Federal I.D. Number is 59-232-1112, and PALM BEACH COUNTY, a political subdivision of the State of Florida, by and through its Board of County Commissioners, (hereinafter referred to as "COUNTY").

WITNESSETH:

WHEREAS, the COUNTY and DISCOVER entered into an Agreement dated September 11, 2012; and

WHEREAS, there is a need to make revisions to Exhibit "A" of this Agreement in order to reflect additional funds to further assist with marketing and advertising efforts for DISCOVER.

NOW, THEREFORE, in consideration of the above and mutual covenants contained herein, the parties hereto agree as follows:

Exhibit "A", Annual Budget is hereby amended to reflect additional funds in the amount of \$1,500,000 to further assist with marketing and advertising efforts for DISCOVER.

All other provisions of said Agreement, dated September 11, 2012, are hereby confirmed and, except as provided herein, are not otherwise altered or amended and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Fifth Amendment to the Agreement on the day and year first written above.

ATTEST:

SHARON R. BOCK,
Clerk & Comptroller


PALM BEACH COUNTY, FLORIDA,
BY ITS BOARD OF COUNTY
COMMISSIONERS

By: _____
Deputy Clerk


By: _____
Shelley Vana, Mayor

(SEAL)

ATTEST:


By: 
Colin Clark
Secretary/Treasury
Discover Palm Beach County, Inc.

DISCOVER PALM BEACH COUNTY, INC.

By: 
Jorge Pesquera, President & CEO

(SEAL)

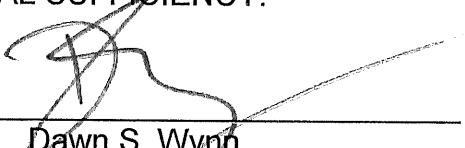
APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

By: 
Rikki Lober Bagatell
Discover Attorney

APPROVED AS TO TERMS
AND CONDITIONS:

By: 
Glenn Jergensen, Director
Tourist Development Council

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

By: 
Dawn S. Wynn
Senior Assistant County Attorney

Discover Palm Beach County

FY 2016 Exhibit A

	Actual FY 2013	Actual FY 2014	Budget FY 2015	Modified Budget FY 2015	Forecast FY 2015	Budget FY 2016
Personnel Expense						
Wages & Salaries	2,489,822	2,707,176	2,956,262	2,956,262	2,956,262	3,287,215
Payroll Taxes	203,126	210,422	240,821	240,821	240,821	267,651
Employee Benefits	687,577	706,468	874,674	874,674	874,674	949,203
Total Personnel Expenses	3,380,525	3,624,066	4,071,757	4,071,757	4,071,757	4,504,069
Marketing & Promotion Expense						
Travel & Entertainment	159,743	154,326	169,967	169,967	169,967	192,652
Trade Show Participation	213,031	193,418	181,021	181,021	181,021	263,286
Destination Reviews	159,296	240,027	148,925	148,925	148,925	216,100
Sales Missions / Media Missions	248,153	162,468	182,175	182,175	182,175	285,306
Event Hosting within PBC	223,434	302,165	293,150	338,150	338,150	364,549
Advertising, Traditional / Online Media	3,320,820	2,938,841	3,185,000	4,590,000	4,590,000	5,599,883
Contracted Marketing Services	375,972	817,983	903,396	953,396	953,396	1,276,845
Tourism Sponsorships / Grants	43,350	120,868	125,000	125,000	125,000	132,000
Advertising, Website (CVB)	171,571	124,050	239,804	239,804	239,804	298,725
Advertising, Printed marketing Collateral	147,002	93,164	295,000	295,000	295,000	300,000
Promotional Items	5,336	1,990	1,000	1,000	1,000	1,000
Research	72,691	35,697	100,600	100,600	100,600	157,050
Fulfillment	30,641	37,643	131,213	131,213	131,213	208,068
Other Promotional Activities		-	3,000	3,000	3,000	3,000
Total Marketing & Promotion Expense	5,171,041	5,222,640	5,959,251	7,459,251	7,459,251	9,298,464
Administrative & General Operations						
Dues & Subscriptions	60,360	68,425	50,663	50,663	50,663	55,267
Data Processing / Computer	31,466	36,800	88,808	88,808	88,808	95,660
Office Equipment & Fixtures, Computer Hardware	34,526	33,206	40,734	40,734	40,734	57,650
Professional Seminars & Conferences	34,370	28,739	69,045	69,045	69,045	91,983
Insurance	29,847	48,098	49,550	49,550	49,550	54,032
Professional Services	75,120	74,253	127,195	127,195	127,195	138,000
Office Supplies	19,793	20,649	32,720	32,720	32,720	35,770
Non- Collateral Printing / Photocopying	24,580	29,430	45,750	45,750	45,750	49,705
Rent / Utilities	2,573	2,280	4,000	4,000	4,000	5,000
Telecommunications	57,128	50,812	81,368	81,368	81,368	87,629
Postage	24,790	46,707	24,815	24,815	24,815	26,619
Bank Fees	6,206	3,842	8,300	8,300	8,300	8,800
Miscellaneous	2,341	3,423	9,050	9,050	9,050	9,376
Total Administrative & General Operations	403,102	446,664	631,998	631,998	631,998	715,491
Total Discover Other Contractual Services	8,954,668	9,293,370	10,663,006	12,163,006	12,163,006	14,518,024
Marketing Stimulus Campaign	6,818.00	721,480	500,000	500,000	500,000	-
County Direct						
Other Contractual Services	-	-	-	-	-	-
Telecommunication	-	-	-	-	-	-
Rent	291,920	291,920	291,920	291,920	291,920	291,920
Coop Advertising	45,000	-	75,000	75,000	75,000	75,000
IG Fee	18,208	13,041	14,339	14,339	14,339	15,056
Total County Direct	355,128	304,961	381,259	381,259	381,259	381,976
Transfers Out - Special Projects	-	-	-	-	-	-
Total Expense-Discover	9,316,614	10,319,811	11,544,265	13,044,265	13,044,265	14,900,000
Reserves	2,655,322	3,816,155	1,149,900	253,266	3,150,396	1,695,482
Discover Overall Expense Budget	11,971,936	14,135,966	12,694,165	13,297,531	16,194,661	16,595,482

4/13/2015

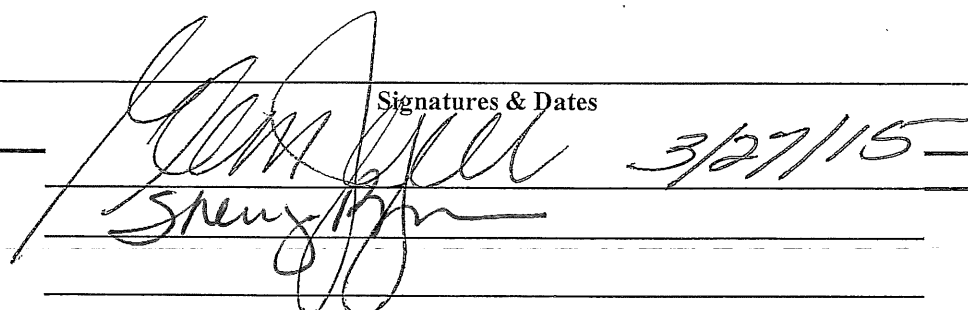
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BOARD OF COUNTY COMMISSIONERS
PALM BEACH COUNTY, FLORIDA
BUDGET TRANSFER

Fund 1454 - TDC-Tourism Promotion

BGEX 710 032615-1072

ACCT.NUMBER	ACCOUNT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 3/26/15	REMAINING BALANCE
<u>EXPENDITURES</u>								
1454-710-7420-3401	Other Contractual Services	10,663,006	10,663,006	1,500,000	0	12,163,006	10,663,006	1,500,000
1454-710-7395-9902	Operating Reserves	1,149,900	1,753,265		1,500,000	253,265	0	253,265
Totals				1,500,000	1,500,000			

<p>Office of Financial Management & Budget <hr/> INITIATING DEPARTMENT/DIVISION Administration/Budget Department Approval <hr/> OFMB Department - Posted</p>	<p>Signatures & Dates</p> 	<p>By Board of County Commissioners At Meeting of 4/21/15 Deputy Clerk to the Board of County Commissioners</p>
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6th Cent Marketing Plan & Budget

Goal:

With the incremental funds coming online from the passing of the 6th cent tax, DTPB is looking to leverage the additional monies to increase awareness of The Palm Beaches resulting in measurable visitation. This will be measured by increased traffic to PalmBeachFL.com as well as additional hotel/resort inquiries with the ultimate goal of increasing occupancy, rate and RevPAR. Additionally, the ability to market the destination year-round to more key markets will ensure The Palm Beaches are always in the consideration set.

Assumption and Timing:

- Total Anticipated Budget: \$1.5 million
- 2015 Timing: Spring: March - April, Summer: May - August, Fall: September

Objectives:

The team at DTPB took a step back and looked at every angle on how to best utilize the 6th cent for 2015. Previous plans from 2014 were reviewed alongside 2015 marketing drafts. This exercise consisted of vetting proposed creative applications, expenditure proposals and ideas from multiple brainstorming sessions with internal and external partners.

- Maximize three 'seasonal' time frames to leverage The Palm Beaches' distinct "Vacation and Getaway" messages to select markets utilizing a selection of marketing mediums.
- Negotiate and leverage a distinct "marketing hook" with key county tourism products (family, eco, etc.). This unique offering will allow DTPB to promote the diverse offerings of the county in a manner that allows customized itineraries via a Bundle & Save program.
- Through creative use of assets and tactical media buys, the brand will elevate the experience and demonstrate value. In turn, this will drive occupancy rates across all hoteliers, which will also benefit partners during a typically slower time for tourism.
- Messaging will be seasonal to underserved markets that currently do not experience high amounts of "attention" from The Palm Beaches.
- Core feeder marketing is critical to the success of DTPB, and to defend our territory our message will be extended. This will reinforce and allow for more seamless, and time-specific communication with this consumer.
- Leverage diversity in marketing messages for increased reception with niche markets.
- Deploy an enhanced CRM which will focus on Travel Trade, Meeting Planner and Consumer Databases which will improve targeting and will be extremely beneficial when entering previously under-leveraged markets – Atlanta and Orlando.

Approach:

The aforementioned markets are being selected for their importance as a feeder market and/or their proximity as a drive market. Each of the markets afford the ability to leverage specific seasonal messages that will resonate with their consumer base. To that point, to best message them, the plan will lean heavily on digital marketing. Not only does this allow messaging by media consumption via retargeting and display ads, digital will provide better tracking of ROI and the ability to change messaging as needed. By being heavy print media in the past, creative was potentially finalized before news surfaced that impacted travel (drive vs. fly, dollar vs. euro, promotion sales with partners, etc.). A pilot program with Arrivalist will be coming online, thus tracking of these markets will be clearer than ever. In fact, we will be in a much better position than we ever have to evaluate the Super 8 and determine if they are in fact our Super 8.

We will aggressively target the summer drive market by continuing to go after Miami/Ft Lauderdale, while adding Orlando and Atlanta to the mix. Understanding the halo effect in place with these destinations and competitors targeting them for travel, it is time for The Palm Beaches to become part of the discussion. The 6th cent will allow us to enter these markets with credible force, vs. not quietly tiptoe around in hopes our message is heard. In addition to TV, print and digital, outdoor billboards will be deployed to the drive markets particularly in the Miami area as they serve a secondary purpose of creating awareness for millions of international visitors. As research has shown more than 40% of drive market travelers plan trips without a specific destination in mind, even going so far as to begin their drive, we will be front and center with the most captive audience one could hope for – those en route.