

300-1

Agenda Item #: _____

PALM BEACH COUNTY

BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: 05/16/2017 Consent Regular
 Ordinance Public Hearing

Department

Submitted By: TOURIST DEVELOPMENT COUNCIL

Submitted For: DISCOVER PALM BEACH COUNTY, INC.

I. EXECUTIVE BRIEF


Motion and Title: Staff recommends motion to approve: a) Eighth Amendment to the Agreement (R2012-1320) with Discover Palm Beach County, Inc. for the provision of services under the Palm Beach County's Tourist Development Plan during the period of October 1, 2012 through September 30, 2017 and b) a budget transfer in the amount of \$380,000 for advertising.

Summary: The Eighth Amendment to the Agreement revises Exhibit "A" FY17 budget in the amount of \$380,000 for additional advertising funds from reserves for the summer season which were redirected for the winter season. This contract change has been reviewed and approved by the TDC Finance Committee and the TDC Board. (TDC) Countywide (DW)

Background and Justification: Under the current Agreement, Discover develops and implements the Annual Tourism Marketing Plan for the County. All expenditures by Discover under the contract must be in accordance with an Operating Budget included as Exhibit "A" to the Contract, from funds appropriated annually by the County. The amended agreement revises Exhibit "A" to the contract for the additional funding for the summer. In February of this year Discover's Board voted to redirect advertising funds from their planned summer season to the upcoming winter season as reports showed a challenging season on occupancy levels and revenue. The additional dollars will provide funding for the key initiatives for the summer season.

- Attachments:** 1. Amendment with Revised Exhibit A
2. Budget Transfer

Recommended by:  Date 4/24/17
Department Director

Approved By:  Date 5/3/17
County Administrator

EIGHTH AMENDMENT TO THE AMENDED AND RESTATED AGREEMENT

This Eighth Amendment is made and entered into this _____ day of _____, 2017, to the Amended and Restated Agreement dated September 11, 2012, (hereinafter referred to as the "Agreement"), by and between Palm Beach County, a political subdivision of the State of Florida, by and through its Board of County Commissioners (hereinafter referred to as "County"), and Discover Palm Beach County, Inc. (hereinafter referred to as "Discover").

WITNESSETH:

WHEREAS, the County and Discover entered into the Agreement whereby Discover develops and implements an annual marketing plan for the promotion of Palm Beach County tourism; and

WHEREAS, the County has now determined, based upon forecasting data, that there is a need to infuse additional advertising monies into the summer session to promote Palm Beach County; and

WHEREAS, the Agreement requires an amendment to provide for a revised Discover budget to reflect the receipt of the additional funding from reserves; and

WHEREAS, the parties have agreed that this Amendment is in the best interest of the County's tourism promotion program.

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

1. Exhibit A of the Agreement (the annual budget) is hereby deleted in its entirety and replaced with a new Exhibit A, FY 2017 Budget, attached hereto and made a part hereof.
2. All other terms and conditions of the Amended and Restated Agreement dated September 11, 2012, shall remain in full force and effect.

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

ATTEST:
SHARON R. BOCK
CLERK & COMPTROLLER

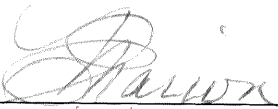
PALM BEACH COUNTY FLORIDA BY ITS
BOARD OF COUNTY COMMISSIONERS

By: _____
Deputy Clerk

By: _____
Paulette Burdick, Mayor

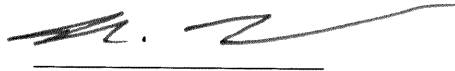
ATTEST:

DISCOVER PALM BEACH COUNTY, INC.

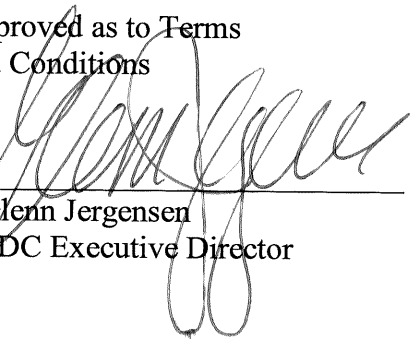
By: 
Elizabeth Marion
Assistant to the President/CEO

By: 
Jorge Pesquera, President and CEO

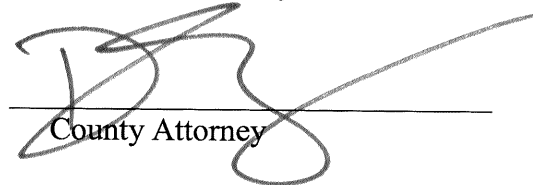
Approved as to Form
and Legal Sufficiency


Rikki Lober Bagatell
Discover Attorney

Approved as to Terms
and Conditions


Glenn Jergensen
TDC Executive Director

Approved as to Form
and Legal Sufficiency


County Attorney

PALM BEACH COUNTY
Tourist Development Council
Discover FY 2017 Exhibit A

	Actual FY 2014	Actual FY 2015	Budget FY 2016	Modified Budget FY 2016	Forecast FY 2016	Budget FY 2017	Modified Budget 2017
Personnel Expense							
Wages & Salaries	2,707,176	2,838,222	3,287,215	3,287,215	3,255,052	3,521,001	3,521,001
Payroll Taxes	210,422	218,077	267,651	267,651	265,033	285,208	285,208
Employee Benefits	706,468	753,681	949,203	949,203	938,275	1,026,562	1,026,562
Total Personnel Expenses	3,624,066	3,809,981	4,504,069	4,504,069	4,458,359	4,832,771	4,832,771
Marketing & Promotion Expense							
Travel & Entertainment	154,326	167,950	192,652	192,652	149,178	165,851	165,851
Trade Show Participation	193,418	177,010	263,286	263,286	239,915	277,620	277,620
Destination Reviews	240,027	218,219	216,100	216,100	242,900	228,948	228,948
Sales Missions / Media Missions	162,468	243,864	285,306	285,306	439,074	538,025	538,025
Event Hosting within PBC	302,165	350,205	364,549	364,549	394,241	357,596	357,596
Advertising, Traditional / Online Media	2,938,841	4,621,434	5,599,883	5,599,883	5,575,779	5,816,184	6,196,184
Contracted Marketing Services	817,983	758,718	1,276,845	1,276,845	894,363	771,626	771,626
Tourism Sponsorships / Grants	120,868	142,022	132,000	132,000	230,238	223,274	223,274
Advertising, Website (CVB)	124,050	142,844	298,725	298,725	310,829	197,527	197,527
Advertising, Printed marketing Collateral	93,164	197,905	300,000	300,000	331,722	518,639	518,639
Promotional Items	1,990	2,155	1,000	1,000	1,485	1,485	1,485
Research	35,697	82,431	157,050	157,050	155,513	133,971	133,971
Fulfillment	37,643	105,340	208,068	208,068	206,032	134,816	134,816
Other Promotional Activities	-	1,993	3,000	3,000	2,971	2,743	2,743
Total Marketing & Promotion Expense	5,222,640	7,212,091	9,298,464	9,298,464	9,174,240	9,368,305	9,748,305
Administrative & General Operations							
Dues & Subscriptions	68,425	54,764	55,267	55,267	68,336	74,976	74,976
Data Processing / Computer	36,800	44,688	95,660	95,660	84,822	83,325	83,325
Office Equipment & Fixtures, Computer Hardware	33,206	17,731	57,650	57,650	61,542	179,820	179,820
Professional Seminars & Conferences	28,739	47,539	91,983	91,983	94,252	96,867	96,867
Insurance	48,098	37,852	54,032	54,032	58,455	62,122	62,122
Professional Services	74,253	88,834	138,000	138,000	144,645	159,625	159,625
Office Supplies	20,649	31,723	35,770	35,770	42,352	46,286	46,286
Non- Collateral Printing / Photocopying	29,430	32,939	49,705	49,705	50,229	72,375	72,375
Rent / Utilities	2,280	2,371	5,000	5,000	8,120	8,660	8,660
Telecommunications	50,812	46,896	87,629	87,629	84,256	87,557	87,557
Postage	46,707	12,893	26,619	26,619	19,922	21,902	21,902
Bank Fees	3,842	4,086	8,800	8,800	8,659	9,268	9,268
Miscellaneous	3,423	4,354	9,376	9,376	10,834	11,140	11,140
Total Administrative & General Operations	446,664	426,669	715,491	715,491	736,424	913,923	913,923
Total CVB Other Contractual Services	9,293,370	11,448,740	14,518,024	14,518,024	14,369,024	15,115,000	15,495,000
Marketing Stimulus Campaign	721,480	325,900	175,100	175,100	64,540	110,560	130,474
County Direct							
Other Contractual Services	-	-	-	-	-	-	-
Telecommunication	-	-	-	-	-	-	-
Rent	291,920	291,920	291,920	291,920	291,920	291,920	291,920
Coop Advertising	-	-	75,000	75,000	75,000	75,000	75,000
IG Fee	13,041	16,784	15,056	15,056	15,056	20,536	20,536
Total County Direct	304,961	308,704	381,976	381,976	381,976	387,456	387,456
Transfers Out - Special Projects	-	-	-	-	-	-	-
Total Expense	10,319,811	12,083,344	15,075,100	15,075,100	14,815,540	15,613,016	16,012,930
CVB - Reserves	3,816,155	4,687,674	1,681,742	3,058,215	3,688,395	1,625,672	1,857,784
Overall Expense Budget	14,135,966	16,771,018	16,756,842	18,133,315	18,503,935	17,238,688	17,870,714

2017 - 0718

BOARD OF COUNTY COMMISSIONERS
PALM BEACH COUNTY, FLORIDA

BUDGET TRANSFER
FUND 1454 TDC-Tourism Local Option Tax

BGEX 042017-1199

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED 4/17/2017	REMAINING BALANCE
<u>EXPENDITURES</u>							
710-7420-3401 Other Contractual Services	15,115,000	15,115,000	380,000	0	15,495,000	15,115,000	380,000
710-7395-9902 Operating Reserves	1,625,673	2,237,784	0	380,000	1,857,784	0	1,857,784
TOTALS			380,000	380,000			

Tourist Development

 INITIATING DEPARTMENT/DIVISION
 Administration/Budget Department Approval
 OFMB Department - Posted

Signatures & Dates
 4/20/17
 4/25/17

BY BOARD OF COUNTY COMMISSIONERS

 AT MEETING OF
 5/16/2017
 Deputy Clerk to the
 Board of County Commissioners