

DEPARTMENTAL ITEM

**INDIAN RIVER COUNTY
INTER-OFFICE MEMORANDUM**

OFFICE OF MANAGEMENT & BUDGET

TO: Members of the Board of County Commissioners

DATE: May 23, 2023

THROUGH: John A. Titkanich Jr., County Administrator

FROM: Kristin Daniels, Director, Office of Management & Budget

SUBJECT: Tourist Development Council 2023/2024 Budget Recommendations

DESCRIPTION AND CONDITIONS

On May 17, 2023, the Tourist Development Council (TDC) reviewed budget requests for fiscal year 2023/2024 to be paid from Tourist Tax revenues. The budget requests are listed in the table below. File copies of the applications for each agency are available in the Budget Office for review.

**Table 1
TOURIST DEVELOPMENT COUNCIL AGENCY REQUESTS
Fiscal Year 2023/2024 Funding Applications**

Organization	2022/2023 Funding	2023/2024 Request	Increase (Decrease)	% Increase (Decrease)
Indian River County Chamber of Commerce	\$656,084	\$717,750	\$61,666	9.4%
Sebastian River Area Chamber of Commerce	\$140,000	\$212,530	\$72,530	51.8%
Cultural Council	\$54,593	\$65,000	\$10,407	19.1%
Historical Society	\$32,000	\$32,000	\$0	0.0%
Treasure Coast Sports Commission	\$250,000	\$260,000	\$10,000	4.0%
Vero Heritage	\$32,000	\$34,000	\$2,000	6.3%
Coastal Connections	\$0	\$15,000	\$15,000	N/A
Sub Total	\$1,164,677	\$1,336,280	\$171,603	14.7%
Reserve for Contingency	\$111,375	\$128,081	\$16,706	15.0%
Cash Forward	\$150,012	\$214,420	\$64,408	42.9%
Grand Total	\$1,426,064	\$1,678,781	\$252,717	17.7%

Funding and Analysis

Staff estimates total funding of \$1,678,781 available for distribution to tourism development agencies in FY 23/24. As of the most recent April 2023 monthly report, Tourist Tax revenues are exceeding last year’s collections by 13.5% or \$355,236, and exceeding budgeted estimates by 40.9% or \$868,694. Because Tourist Tax revenues have been quite strong over the past fiscal year, Staff proposes the budget be increased by 17.7%, or \$252,717.

On February 2, 2021 the Board of County Commissioners approved allocating 1/3rd of the half-cent of Tourist Tax revenue proceeds made available from funding the Jackie Robinson Training Complex, to the Tourism Development Fund. Furthermore, a Reserve for Contingency was set up to earmark 75% of the additional funding per Board direction. The Reserve for Contingency account is budgeted at \$128,081, which is intended to fund any mid-year adjustments or unanticipated funding opportunities that may arise over the upcoming budget.

Because the budgeted revenue exceeded the agency requested funding, Staff had created a \$214,420 placeholder for these funds on the Cash Forward line in the table above. In an effort to maximize the available funding, a motion was made at the May 17th TDC meeting to allocate the \$214,420 to the Indian River County Chamber of Commerce. This additional allocation will be used to fund the Visitors Center Specialist Position, upgrades to the IRC Visitors Center, increased printing of publications, and additional advertising and promotional expenses.

The funding amounts agreed to at the TDC meeting, following completion of scoring sheets by TDC members, are summarized in Table 2 below. Following a motion made by Mr. Collins and seconded by Mr. Hayes, the funding levels were approved with a 7-1 vote, with Jennifer Bates dissenting.

Table 2
TOURIST DEVELOPMENT COUNCIL
Fiscal Year 2023/2024 TDC’s Funding Recommendation

Organization	2022/2023 Funding	2022/2023 Recommendation	Increase (Decrease)	% Increase (Decrease)
Indian River County Chamber of Commerce	\$656,084	\$932,170	\$276,086	42.1%
Sebastian River Area Chamber of Commerce	\$140,000	\$212,530	\$72,530	51.8%
Cultural Council	\$54,593	\$65,000	\$10,407	19.1%
Historical Society	\$32,000	\$32,000	\$0	0.0%
Treasure Coast Sports Commission	\$250,000	\$260,000	\$10,000	4.0%
Vero Heritage	\$32,000	\$34,000	\$2,000	6.3%
Coastal Connections	\$0	\$15,000	\$15,000	N/A
Sub Total	\$1,164,677	\$1,550,700	\$386,023	33.1%
Reserve for Contingency	\$111,375	\$128,081	\$16,706	15.0%
Cash Forward	\$150,012	\$0	(\$150,012)	(100.0%)
Grand Total	\$1,426,064	\$1,678,781	\$252,717	17.7%

Board of Commissioners
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RECOMMENDATION

Staff recommends that the Board of County Commissioners approve the funding amounts recommended by the Tourist Development Council as shown in Table 2 for a total allocation of \$1,678,781 and authorize the County Attorney to prepare standard grant agreements for all funding recipients.