

TOURIST DEVELOPMENT COUNCIL

The Tourist Development Council (TDC), doing business as the St. Petersburg/Clearwater Area Convention & Visitors Bureau (CVB) is a department of Pinellas County Government and is the official tourism marketing and management organization for the St. Petersburg/Clearwater area. The CVB is charged with enhancing the county's economy by increasing direct visitor expenditures and job development, training and retention in the tourism industry. The organization works domestically and internationally to develop and enhance sustainable tourism for Florida's Beach in both the leisure and meetings markets and targets consumers, travel media, the travel industry, meeting and conference planners, sports promoters and film producers with research driven marketing programs touting beaches, sports, arts and culture and nature-based opportunities. The CVB also leads a community based team to market the benefits of tourism to local residents while working with varied interests to assist in the development of new attractions and the redevelopment of others.

0240 TOURIST DEVELOPMENT COUNCIL

Department Revenues by Fund

	FY07 Budget	FY08 Request	Variance	%
0240 SALES & USE TAXES	23,948,760	25,589,780	1,641,020	6.9%
INTEREST EARNINGS	87,970	181,520	93,550	106.3%
TOTAL REVENUE	24,036,730	25,771,300	1,734,570	7.2%
BEGINNING FUND BALANCE	3,338,450	4,008,060	669,610	20.1%
TOTAL REVENUE & FUND BALANCE	27,375,180	29,779,360	2,404,180	8.8%

Department Expenditures by Fund/Cost Center

	FY07 Budget	FY08 Request	Variance	%
0240 5001000 TOURIST DEVELOPMENT COUNCIL	16,304,840	17,799,550	1,494,710	9.2%
Subtotal Expenditures	16,304,840	17,799,550	1,494,710	9.2%
DEBT SERVICE	5,927,470	6,272,950	345,480	5.8%
TRANSFERS	3,783,540	4,217,890	434,350	11.5%
Subtotal Expenditures Including Debt & Trfs	26,015,850	28,290,390	2,274,540	8.7%
RESERVES	1,359,330	1,488,970	129,640	9.5%
TOTAL EXPENDITURES	27,375,180	29,779,360	2,404,180	8.8%
Less: Reserves	-1,359,330	-1,488,970	-129,640	
TOTAL EXPENDITURES W/O RESERVES	26,015,850	28,290,390	2,274,540	8.7%

Personnel Summary

Total Permanent Positions	36	36	0
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Summary of Departmental Programs for Total Budget Justification

Name of Department: Convention & Visitors Bureau
 Strategic Focus Area: Economic Development

Program	Classification	Description	FY08 Total Program Allocation (\$)	FTE's	FY09 (2nd Year) Program Allocation (\$)*	Performance Measures	Estimated FY08
Destination Marketing							
Direct Sales	Non-Mandatory	Direct sales is one component of marketing Pinellas County and reaches meeting and event planners, sports organizers, film industry decision makers, tour operators, travel agencies and consumers to influence their business and travel decision of selecting Pinellas County	\$3,030,535	17.0	\$3,091,146	Each sales department and staff has tourism and economic impact goals for the sales activities conducted; examples include room nights and customer contacts.	159,700 room nights & impact over 1 million consumers
Public Relations	Non-Mandatory	Funding for this activity creates opportunity to publicize Pinellas County to travel writers and other media on the local, state national and international level	\$518,370	4.0	\$528,737	Positive editorial coverage of Pinellas County via print, television, radio and online media	625 positive stories on Pinellas County
Marketing/Advertising (including Advertising Agency under contract)	Mandatory	Development, oversight and measurement of Advertising Agency and cooperative marketing activities and internet marketing	\$9,936,957	3.0	\$10,135,696	Visitor visitation, Florida's Beach brand enhancement on global basis and targeted promotions.	6.2 million overnight visitors
Convention Services/Education	Non-Mandatory	Provides local support for meetings, conferences and events and conducts local hospitality education and training programs	\$605,440	4.0	\$617,549	Numbers of customers served and educational/training programs conducted	334 groups serviced & 466 programs
Destination Research Contract	Non-Mandatory	Tourism research including numbers of visitors, economic impact, tourism industry jobs and wages, etc.	\$210,000	0.0	\$214,200	Quality and scope of research provided per contract requirements	Monthly, seasonal & annual reports
Canadian Direct Sales Contract	Non-Mandatory	Conducts sales activities in Canada	\$240,400	0.0	\$245,208	Numbers of visitors and economic impact	346,500 visitors
Central Europe Direct Sales Contract	Non-Mandatory	Conducts sales activities in the German, Swiss, Benelux, Austrian, Czech, Hungarian and Polish markets	\$262,500	0.0	\$267,750	Numbers of visitors and economic impact	241,000 visitors
United Kingdom and Scandinavian Direct Sales Contract	Non-Mandatory	Conducts sales activities in England Scotland, Ireland and the Scandinavian countries	\$261,500	0.0	\$266,730	Numbers of visitors and economic impact	644,000 visitors
Public Relations Contract Agencies (4)	Non-Mandatory	Provides specific public relations assistance in the U.S., Germany, U.K. and with nature based travel media	\$258,000	0.0	\$263,160	Media contacts, visits and stories	7 press groups & 50 media visits
Technology Support Contract	Non-Mandatory	Performs defined projects relating to website development and data base storage and management	\$439,230	0.5	\$448,015	Quality and completion of tasked projects	100%
Chambers of Commerce	Non-Mandatory	Chambers of Commerce Marketing Support	\$118,000		\$120,360		

Summary of Departmental Programs for Total Budget Justification

Program	Classification	Description	FY08 Total Program Allocation (\$)	FTE's	FY09 (2nd Year) Program Allocation (\$)*	Performance Measures	Estimated FY08
New Product Development	Mandatory	New Product Marketing Grants	\$300,000	0.0	\$306,000		
Cultural Arts Department	Non-Mandatory	Cultural Marketing Grants	\$750,000	0.0	\$750,000		
Administration, Coordination, Outreach and Quality Assurance							
Administration, Quality Assurance and Oversight of Contract Agencies	Administrative	Department administrative costs	\$1,057,448	7.5	\$1,078,597		
Intergovernmental Services	Administrative	Cost Allocation, Risk, Fleet Ops and Fleet Replacement	\$561,170	0.0	\$572,393		
Debt Service							
Funding for Tropicana Field, Knology Park and Brighthouse Stadium	Mandatory	BCC approved Tourist Tax funding for sports facilities as allowed in FS 125.0104	\$6,272,950	0.0	\$6,398,409		
Beach Nourishment							
1/2 of 1 Cent of Tourist Tax	Mandatory	BCC approved Tourist Tax funding for beach nourishment as allowed in FS 125.0104	\$2,691,620	0.0	\$2,745,452		
Transfer to Tax Collector							
Funding for costs of Tourist Tax Collection	Mandatory	BCC approved fee in 1991	\$776,270	0.0	\$776,270		
SUBTOTAL EXPENDITURES			\$28,290,390		\$28,825,672		
Reserves							
Reserves for contingencies	Non-Mandatory	RESERVES	\$1,488,970	0.0	\$1,518,749		
GRAND TOTAL			\$29,779,360	36.0	\$30,344,422		

* FY09 Figures subject to TDC Sales, Advertising and Budget Committees' Recommendations

Pinellas County FY08 Budget Development

Budget Summary Analysis

SFA: Economic Development, Redevelopment & Housing

Department: Tourist Development Council

Fund 0240 – Tourist Development Council

- Excluding Reserves, the FY08 Request reflects an increase of \$2,274,540 or 8.7% over the FY07 Revised Budget.
 - The FY08 Request includes no program changes submitted by the Department for this Fund.
 - The department has not met the 2% target, as funding for marketing and advertising is requested to continue attracting business and tourism to Pinellas County. During the Tourist Development Council's Budget Committee Meeting on April 18th, the Council voted to decrease Reserve for Contingencies to the minimum target level of 5% to allow funds to be maximized for marketing and advertising tourism dollars.
 - Personal Services includes an increase of \$136,090 or 4.8%. This increase is attributable to the average annual market survey increase and benefits cost increases.
 - Operating Expenses reflect an increase of \$1,367,620 or 10.2%.
 - Promotional Activities reflect an increase of \$1,251,250 or 9.9% per the direction of the Tourist Development Council to build the marketing and advertising activities as much as tax collection revenues allow.
 - Communication Services reflects an increase of \$50,000 or 16.7% due to increases in postage and fuel costs associated with shipping collateral materials and show booths around the country and to international markets.

Pinellas County FY08 Budget Development

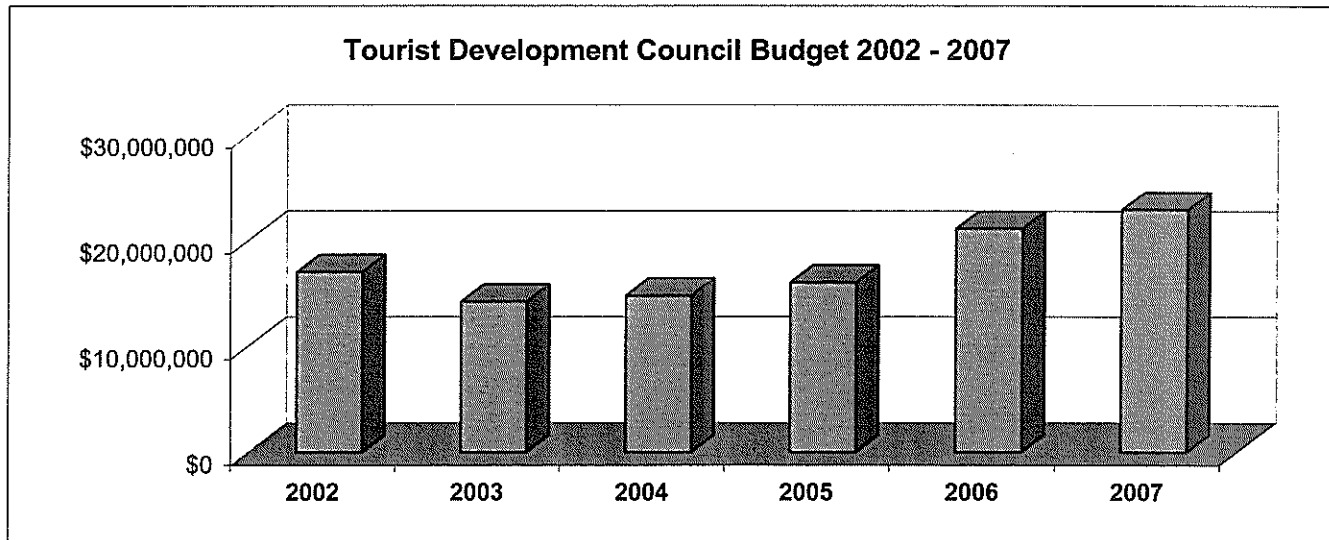
Budget Summary Analysis

- Travel and Per Diem includes an increase of \$49,560 or 12.5% due to additional staff members traveling, increased sales activities and the overall increase in air fares and hotel rates.
- Books, Publications and Memberships increased by \$20,000 or 50.0% due to additional staff members that are marketing the destination and an increase in certain association membership fees.
- Capital Outlay decreased by \$9,000 or 36.0% as a result of the department requiring less digital equipment and technological items for FY08.
- Debt Service of \$6,272,950 includes a payment of \$5,387,320 to the City of St. Petersburg for estimated 4th Cent Tourist Development Tax proceeds, and payments of \$587,650 to the City of Clearwater and \$297,980 to the City of Dunedin for support of the Spring Training Baseball Facilities.
- Transfers of \$4,217,890 include \$2,691,620 to the Capital Projects Fund (Fund 0401) for beach renourishment, \$750,000 to the General Fund – Cultural Arts Department (Fund 0101) in support of the arts, and \$776,270 to the Tax Collector for the collection of taxes.
- The Tourist Development Council budget is funded by a dedicated funding source, the 5% Tourist Development Tax (i.e. the bed tax). The 5th Cent Tourist Development Tax is used exclusively for promoting and advertising tourism nationally and internationally in the State of Florida. The FY08 Budgeted tax revenues reflect an increase of \$1,641,010 or 6.9% over the FY07 Revised Budget. The projections in this analysis are based on actual revenue trends and market indicators. Tourism indicators show signs of strengthening based on regression analysis and the twelve month moving average as illustrated in the attached graph on page 7.

Pinellas County FY08 Budget Development - Growth Trends - 5-Year History

TOURIST DEVELOPMENT COUNCIL

Year*	Budget**	Increase (Decrease) from Previous Year	Percent Change from Previous Year	Positions	Increase (Decrease) from Previous Year	Percent Staff Change From Previous Year
2002	\$17,062,450			31		
2003	\$14,264,630	(\$2,797,820)	-16.4%	31	0	0.0%
2004	\$14,821,310	\$556,680	3.9%	31	0	0.0%
2005	\$16,064,880	\$1,243,570	8.4%	32	1	3.2%
2006	\$21,166,520	\$5,101,640	31.8%	34	2	6.3%
2007	\$22,982,310	\$1,815,790	8.6%	36	2	5.9%



NOTES: * 2003 reflects the fiscal and economic impacts of September 11, 2001.

2006 reflects the imposition of the 5th Cent Tourist Development Tax.

** Excludes Reserves and Transfers.

Revenues - Moving 12 Month Average

