

EXECUTIVE SUMMARY

FY 09 Tourist Tax Revenue Projections Review

OBJECTIVE: Review suggested changes in revenue projections for Tourist Development Tax for FY 09

CONSIDERATIONS: In January 2009, the Tourist Development Council (TDC) reviewed staff revenue projections of the future effects of the economic downturn on our tourist development tax revenues for Fiscal Year 09 (Oct '08 to Sept. '09). At the time, staff had projected a 3% reduction in revenue. Staff was requested to look at the projections again following that January meeting for further reductions.

Based on input from the Collier County tourism industry and hotels, VISIT FLORIDA, U.S. Travel Association and Smith Travel Research, staff has made projections for a 5% and a 10% drop in tourist tax revenue. To be fiscally conservative, staff has decided to use the 10% reduction figures in planning for the marketing plans and media schedules for the balance of this year. The resulting revenue projection for FY 09 is now \$13,050,000.

The attached form indicates the monthly projections of tourist development tax for the balance of this year. The monthly revenue is divided into several uses by County Ordinance # 92-60 as amended, and the projected revenue for each use by fund is as follows:

Fund 183 & 195 Beach, Inlet & Park Facilities	\$ 6,525,000 (50%)
Fund 184 Tourism Advertising & Promotion	\$ 3,262,500 (25%)
Fund 193 Museums (County & Non-County)	\$ 1,746,400 (13%)
Fund 194 Tourism Department Administration	\$ 1,516,100 (12%)
Fund 196 Emergency Advertising	<u>\$ 0</u>
(Maintain @\$1,500,000 by transfer from Fund 194)	
TOTAL	\$13,050,000

FISCAL IMPACT: The 10% reduction in tourist tax collections for FY 09 results in a revenue projection of \$13,050,000, rather than \$14,500,000.

GROWTH MANAGEMENT IMPACT: There is no impact to the Growth Management Plan by this action.

RECOMMENDATION: Staff requests that the TDC review these revised projections and recommend their adoption for planning and budgeting purposes with a review in April and again in September.

SUBMITTED BY: Jack Wert, Tourism Director

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Total
1999	640,480	1,267,608	1,317,499	1,371,476	784,833	488,066	364,773	433,180	345,039	308,092	429,610	512,719	8,263,375
2000	700,014	1,238,022	1,410,142	1,465,756	855,005	521,455	451,648	414,920	364,720	340,269	402,161	567,687	8,731,799
2001	729,455	1,392,218	1,484,889	1,560,447	889,288	553,759	410,521	484,722	361,650	217,367	318,386	453,326	8,856,028
2002	583,811	1,227,724	1,413,825	1,533,979	821,961	494,400	364,389	370,036	395,650	271,002	375,384	491,145	8,343,306
2003	597,396	1,138,004	1,356,372	1,480,581	873,340	553,456	398,901	426,851	408,007	340,101	377,056	585,332	8,535,397
2004	689,388	1,204,591	1,674,850	1,688,035	1,018,887	588,052	452,253	521,027	580,653	374,394	534,965	567,158	9,894,253
2005	839,654	1,400,804	1,657,258	2,015,875	997,580	661,153	507,831	542,394	385,377	338,173	523,284	836,793	10,706,176
2006	1,058,211	1,735,579	2,241,964	2,441,129	1,500,894	954,244	734,243	725,247	544,998	436,452	605,668	859,051	13,837,680
2007	1,056,702	1,835,999	2,338,801	2,608,708	1,501,529	907,302	746,001	710,183	622,286	525,638	689,286	800,592	14,343,027
2008	1,240,865	1,923,205	2,310,172	2,713,577	1,577,193	866,202	805,292	757,042	586,617	399,869	619,243	798,658	14,597,935
2009	1,127,737												1,127,737
Proj 09	1,127,700	1,638,900	2,074,300	2,317,400	1,358,500	823,700	655,900	666,400	569,200	400,000	620,000	798,000	13,050,000

Note: Down 10% from \$14,500,000

Tourist Tax Revenue Projections

Fund	Fund Center	Comm. Item	Project	Title	Adopted Budget 08	Amended Budget	Actual	Actual
						08	Commitments	Expenditures
						Forecast FY 09	Current FY 09	
						13,050,000	14,500,000	14,523,000
					Per Penny	3,262,500	3,625,000	
						6,525,000	7,250,000	
					1% Category A	3,262,500	3,625,000	
					50% of Two Cents (A)	3,262,500	3,625,000	
					Category B (Advertising)	1,516,100	1,684,600	
					County Owned Museums	1,435,500	1,595,000	0.14667
					Non-County Owned Museums	310,900	345,400	0.03176
						6,525,000		0.17843
					Total Gross Revenue	9,787,500	10,875,000	
					Beaches (195)	6,525,000	7,250,000	50.00%
					Advertising/Promotion (194)	1,516,100	1,684,600	11.62%
					New Ad fund (4th cent)	3,262,500	3,625,000	25.00%
					Museums (193)	1,746,400	1,940,400	13.38%
					Total	13,050,000	14,500,000	100.00%