

**CITY COUNCIL WORKSHOP**

**MAYOR**

Shirley Sessions

**CITY COUNCIL**

Barry Brown, Mayor Pro Tem

Brian West

Jay Burke

Nancy DeVetter

Spec Hosti

Monty Parks



**CITY MANAGER**

Dr. Shawn Gillen

**CLERK OF COUNCIL**

Jan LeViner

**CITY ATTORNEY**

Edward M. Hughes

**CITY OF TYBEE ISLAND**

**CITY COUNCIL WORKSHOP  
AGENDA  
November 21, 2022 at 3:00 PM**

**Call to Order**

**Items for Consideration**

1. Review of contract agreement and how the bed tax is intended to be used
2. Brief overview of 2023 Budget Plan
3. Topline Presentation on Marketing Strategies for 2023
4. City Council Expectations (collaboration, ongoing communication, etc)
5. Tour Busses

**Adjournment**

*Individuals with disabilities who require certain accommodations in order to allow them to observe and/or participate in this meeting, or who have questions regarding the accessibility of the meeting or the facilities are required to contact Jan LeViner at 912.472.5080 promptly to allow the City to make reasonable accommodations for those persons.*

**File Attachments for Item:**

1. Review of contract agreement and how the bed tax is intended to be used

COPY

**HOTEL/MOTEL ROOM EXCISE TAX****MEMORANDUM OF AGREEMENT**

The Mayor and Councilmen of the City of Tybee Island (hereinafter "City"), and the Savannah Area Chamber of Commerce (hereinafter "Chamber"), agree as follows:

**WHEREAS**, pursuant to O.C.G.A. § 48-13-51(a)(3.2) the City levies a tax of six percent on all lodging room receipts with the City's jurisdiction (hereinafter the "Hotel/Motel Tax"); and

**WHEREAS**, O.C.G.A. § 48-13-51(a)(3.2) requires that the City expend 33-1/3 percent of Hotel/Motel Tax proceeds for the purpose of promoting tourism, conventions, and trade shows, and that such expenditure be made through an agreement with a private sector nonprofit organization which is exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code of 1986; and

**WHEREAS**, the Chamber is a private sector nonprofit organization which is exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code of 1986, and which has one of its missions the promotion of tourism, conventions, and trade shows in Chatham County and its municipalities;

**THEREFORE**, the City and the Chamber do agree to the following:

1. The Chamber will provide marketing, public relations, advertising, and other services to promote tourism, conventions, and trade shows in the City. The Chamber will conduct convention marketing and visitor marketing, provide exposure in national and international media, operate the Visitor Information Center on Tybee Island and perform other services related to the promotion of tourism, conventions, and trade shows in the City.
2. The City shall be represented on the Board of Directors of the Tybee Tourism Council by the City Manager and a councilperson, each of whom shall serve as unofficial members without voting rights.
3. Tybee Island Tourism Council acts as the Board of Directors in the development, authorization and oversight of the Tybee Tourism Council Annual Marketing Plan and Budget. Implementation of the marketing plan and budget is the responsibility of the Savannah Area Chamber of Commerce, through the Tybee staff.
4. A marketing program and budget for the Chamber shall be approved by the Tybee Island City Council, by the Boards of Directors of the Tybee Tourism Council and the Chamber. In order to comply with the requirements of O.C.G.A. § 48-13-51(a)(9)(A) (which requires that the Tybee Tourism Council budget be made part of the City budget plan),

the marketing program and budget shall be provided to the City Manager no later than November 15 of each year for the upcoming year stating the following January 1.

The Tybee Tourism Council marketing plan and budget shall include the following:

- 1) line-item details by major work program areas with explanations supporting proposed line-item expenditures, and
- 2) proposed expenditures in the budget plan matching the estimated revenues for the year, and
- 3) an explanation of all Chamber costs allocated for services provided by the Chamber. Such costs for Chamber services outside of the Tybee staff person, will be limited to \$15,000.00 annually.

The marketing program, which will be directly related to the budget above, will include the following:

- 1) goals for the Tybee Tourism Council; and
  - 2) measure objectives to achieve the goals, including monthly reports of budget to actual expenditures.
5. The City will pay to the Chamber for tourism promotion services a monthly amount which is 33-1/3 percent of the total Hotel/Motel Tax receipts for each month. All payments will be made by the tenth working day of the following month.

The City shall furnish a statement each month to the Tybee Tourism Council which shall show the total amount of Hotel/Motel Taxes received during the previous month and cumulatively for the year.

6. The Chamber will maintain clear and verifiable accounting records for all revenues and expenses which will be separate and distinct from similar records maintained by the Chamber. Tybee Tourism Council funds will be used solely to pay expenses related to the promotion of Tybee island tourism, meetings, and visitor events in accordance with the approved marketing plan and budget. All Tybee Tourism Council revenues, expenditures, assets, liabilities and fund equity will be accounted for in a separate fund entity (hereinafter "Tybee Tourism Council Fund), which is distinct from the Chamber of Commerce's operating fund, in accordance with generally accepted accounting principles applicable to not-for-profit organizations.
7. The Tybee Tourism Council will provide monthly and annual reports to the City on revenues and expenditures, work program achievements, and progress in goal attainment. The City Manager and/or a City financial analyst designated by the City may meet with the Chamber financial staff to discuss questions and, as necessary, issues concerning cost allocations.

Item #1.

- 8. In order to comply with the O.C.G.A. § 48-13-51(a)(9)(B), the Chamber through the Tybee Tourism Council will provide to the City within 180 days of the end of each year independently audited financial statements for the Savannah Area Chamber of Commerce which includes balance sheet and statement of revenue and expenditures for the same time period. As a normal course of action, the Chamber audit segments a variety of operating units (as called for in Paragraph 6), such as Chamber affiliates (Leadership, Military, CEO, Sports Council), Savannah Convention & Visitors Bureau, and Tybee.
- 9. This Agreement shall be an annual Agreement which shall automatically continue from year to year unless terminated after either party tender's written notice of not less than ninety (90) days before the annual renewal date.

The above constitutes the whole of this Agreement and is effective as of May 25, 2006.

SAVANNAH AREA CHAMBER OF COMMERCE

[Signature] 6/1/06  
 William W. Hubbard, CEO Date

CITY OF TYBEE ISLAND

[Signature] 5/26/06  
 Jason Buelterman, Mayor Date

[Signature] 5/25/06  
 Attest Date

APPROVED AS TO FORM:

[Signature]  
 Edward M. Hughes, Attorney Date  
 for the City of Tybee Island