

TOWN COUNCIL

STAFF REPORT

Finance & Administration Department



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| MEETING DATE: | June 10, 2025 |
| PROJECT: | Consideration of Approval of Resolution for the FY2026 Budget and Marketing Plan Presented by the Hilton Head Island-Bluffton Chamber of Commerce in Accordance with Contract 2022-35 as the Town of Bluffton Designated Marketing Organization |
| PROJECT MANAGER: | Natalie Majorkiewicz, CGFO, CGFM, Director of Finance & Administration |

REQUEST:

Town Council to authorize the Town Manager to renew the contract with the Hilton Head Island-Bluffton Chamber of Commerce to continue to serve as the Town of Bluffton's Designated Marketing Organization (DMO) for fiscal year 2026 and approve the Accommodations Tax Advisory Committee's (ATAC) recommendation.

BACKGROUND:

In accordance with the grant process, the Accommodations Tax Advisory Committee (ATAC) held a meeting on May 20, 2025, where the Hilton Head Island-Bluffton Chamber of Commerce presented the FY2026 budget and marketing plan.

☐ Designated Marketing Organization Budget and Marketing Plan for FY2026

- As part of contract 2022-35 that began on July 1, 2022, there is an option to renew for a two-year term.
- The Hilton Head Island-Bluffton Chamber of Commerce proposes a fiscal year 2026 budget of \$365,000 for the Town of Bluffton.
- S.C. Code of Laws Sec. 6-4-10-(3) requires the Town's DMO to manage and direct 30% of the balance of State Accommodations Tax funds and submit a budget for approval before the beginning of each fiscal year.
- FY2026 will be the first year of a two (2) year term renewal.

Below is a comparison between the FY2025 and FY2026 budgets:

| Bluffton Marketing Strategies and Programs | FY2025 Budget | FY2026 Budget | % Increase/ (Decrease) |
|---|--------------------------|--------------------------|-----------------------------------|
| Research & Planning | \$ 9,800 | \$ 12,996 | 33% |
| Website Maintenance | 14,700 | 19,494 | 33% |
| Website Hosting | 1,176 | 1,170 | (1%) |
| Social Marketing & Content Strategy | 14,700 | 19,494 | 33% |
| Paid Social | 35,280 | 27,844 | (21%) |
| Digital Promotions/SEM | 21,303 | 25,992 | 22% |
| SEO | 9,800 | 11,696 | 19% |
| Bluffton Insiders (enews) | 9,800 | - | (100%) |
| Bluffton Vacation Planner/Fulfillment | 61,250 | 81,225 | 33% |
| Regional Vacation Planner/Fulfillment | 21,560 | 16,245 | (25%) |
| Media Partnerships | 12,250 | - | (100%) |
| Photography/Videography | 4,900 | 6,498 | 33% |
| Contingency: | 2,231 | - | (100%) |
| Operations & Management: | 131,250 | 142,350 | 8% |
| Total: | \$ 350,000 | \$ 365,004 | 4% |

The committee voted to recommend the Hilton Head Island-Bluffton Chamber of Commerce's Town of Bluffton DMO budget and marketing plan for FY2026.

NEXT STEPS:

Upon approval by Town Council, the Town Manager will authorize the resolution for FY2026.

SUMMARY:

The resolution will renew the contract for two years beginning on July 1, 2025 through June 30, 2027 in accordance with contract 2022-35 and approve the FY2026 budget and marketing plan.

ATTACHMENTS:

1. Presentation
2. Resolution Approving FY2026 Budget and Marketing Plan
3. DMO Contract 2022-35 renewal between Hilton Head Island-Bluffton Chamber of Commerce and Town of Bluffton
4. Hilton Head Island-Bluffton Chamber of Commerce: FY2026 Budget and Marketing Plan
5. Recommended Motion