



Food & Beverage Tax Advisory Commission

Cheryl Munson
Andy Ruff
Julie Thomas
Gretchen Knapp

Mark Bell
Lennie Busch



FOOD AND BEVERAGE TAX ADVISORY COMMISSION AGENDA

Friday, April 26, 2024 at 3:00 pm

HR-Council Conference Room and Teams Connection

[Join the meeting now](#)

Meeting ID: 287 263 807 069

Passcode: XDL3uE

- The public’s video feed will be turned off by the meeting administrator.
- The public will be able to listen and record.
- The public should raise their hand if they wish to speak during the public comment period.

“Anyone who requires an auxiliary aid or service for effective communication, or a modification of policies or procedures to participate in a program, service, or activity of Monroe County, should contact the Monroe County Title VI Coordinator, E Sensenstein, (812) 349-7314, esensenstein@co.monroe.in.us, as soon as possible, but no later than forty-eight (48) hours before the scheduled event. Individuals requiring special language services should, if possible, contact the Monroe County Title VI Coordinator at last seventy-two (72) hours prior to the date on which the services will be needed. The meeting is open to the public.”

1. CALL MEETING TO ORDER

2. ROLL CALL

3. ELECTION OF CHAIR

4. REVIEW OF DRAFT ANNUAL REPORT

pg. 2

5. NEXT MEETING DATE

6. RECOMMENDATIONS FOR COMMISSION VACANCY

7. APPROVAL OF SUMMARY MINUTES

-March 28, 2024

pg.13

8. ADJOURNMENT

**FOOD & BEVERAGE TAX ADVISORY
COMMISSION**

ANNUAL REPORT

For

CALENDAR YEAR 2022-2023

Presented to the Monroe County Council
Bloomington, Indiana

May 14, 2024

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Members of the Advisory Commission

Gretchen Knapp	Mayor’s Office Representative	2024-present
Cheryl Munson	Monroe County Council	2018-present
Julie Thomas	Monroe County Commissioners	2018-present
Andy Ru	Bloomington City Council	2024-present
Lennie Busch	One World Enterprises	2018-present
Mark Bell	Trailhead Pizzeria	2023-present
Vacant	Community Representative	

Meeting Dates, Agendas and Minutes

Due to the length of the report, Agendas/Packets and Minutes are available at the link provided below:

<https://www.co.monroe.in.us/departments/board.php?structureid=156>

Meeting Dates:

March 28, 2024

April 26, 2024

Narrative Summary

This is the fourth report of the Monroe County Food and Beverage Tax Advisory Commission (FABTAC).

The Monroe County Food and Beverage Tax was established in 2009 (PL176-2009) by state legislation (IC 6-9-41) and emplaced on qualifying establishments by Resolution 2017-51 of the Monroe County Council on December 12, 2017, with a tax rate of 1.00% on qualifying purchases. The purpose of the tax is to construct, operate, or maintain a convention center, a conference center, or related tourism or economic development projects. County Council Resolution 2024-14 provides for the presentation of an annual report of the FABTAC to the Monroe County Council at their first meeting in May, which describes approvals of Food and Beverage tax revenue and expenditures by Monroe County and the City of Bloomington.

Unlike other food and beverage taxes in the state of Indiana, which are either for a city or a county and administered by the State Board of Accounts, Monroe County's tax is split between the City of Bloomington and Monroe County, depending on whether the establishment collecting the tax is located inside or outside city limits. According to statute, the distribution of collected funds to the City and the County is administered by the Monroe County Auditor.

Collection of the one-percent Food & Beverage Tax began on February 1, 2018, from the roughly 700 establishments in Monroe County that serve prepared food and drink. The monthly numbers in Figure 1 of this report demonstrate early challenges in initiating the tax. For example, receipts for February and March 2018 are reflected in March 2018 numbers. The Food and Beverage Tax Advisory Commission did not meet for the first time until July of that year. The ability to accurately split tax revenues between jurisdictions took until December for the Auditor's office to establish; before then, the county received a flat 10 percent of revenue. It took most of the year 2018 for the new tax to be properly implemented.

In 2018 the tax collected amounted to almost \$2.6 million, but no money was requested or expended.

In 2019 when all food and beverage establishments paid a full year of taxes, revenues amounted to more than \$3.4 million. The City administration and legislative body, which had expressed its intent to spend its portion of revenues on the project to expand the Convention Center, requested and received approval of more than \$4.5 million to that end, but expended less than \$300,000, mostly on architectural and financial counsel. The County Commissioners requested and received approval for \$60,000 in anticipation of funding land surveys for the Convention Center expansion project and \$500,000 to acquire property for an eventual limestone industry-related tourist attraction. Neither of those approved requests was appropriated or expended.

In 2020, total tax revenues decreased by more than 19 percent due to the COVID-19 pandemic, which forced many food and beverage establishments to limit the number of customers and to provide for social distancing and other protective measures. As a result, some establishments were not able to remain in business and others faced severe financial constraints on their ability to operate.

The County Commissioners requested and received a total of \$400,000 for a grant program to aid those businesses located in Monroe County and outside City limits. The County's appropriation balance held \$8,386 in unexpended funds at the close of 2020. The City Council implemented a similar program for lending no-interest loans to businesses within City limits. The City Council requested and received \$2,000,000 from their portion of the food and beverage funds. Year-end appropriations for the City held \$584,000 unexpended. Despite grant and loan funding, and decline in revenue, healthy FAB balances remained. Unexpended FAB tax revenue at the end of 2020 was about 62 percent of the total 2018-2020 revenue received by the County and about 78 percent by the City.

In 2021, the City and County opened with healthier than expected balances. A resolution requesting to use any and all of the County's portion of FAB tax funds to pay Convention Center debt service and management expenses was approved by the FABTAC on 01-21-2021 and adopted by the County Council on 03-09-2022. Innkeepers Tax revenues are ordinarily sufficient to cover these costs. However, travel industry restrictions due to COVID-19 had left this source insufficient to do so. The City received \$150,000 in loan repayments and disbursed \$122,500 in additional loans. Both City and County beginning and ending year-end balances include accrued December distributions that were received the following month.

In 2022, the City continued to receive loan repayments totaling \$684,343.60, and expended \$21,627.14 for a reimbursement and deposit corrections. The County did not disburse funds for additional grants or expenses.

In 2023, the City continued to receive loan repayments totaling \$945,401.90, and neither disbursed fund nor requested additional funds. Similarly, the County did not disburse funds for additional grants or expenses.

With the appointment of the Capital Improvement Board (CIB), 2024 planning and expenditures for the City will be focused primarily on the Convention Center expansion project. County planning and expenditures in 2024 will be focused on tourism-related expenses.

In 2024, with the appointment of the Capital Improvement Board (CIB), planning and expenditures for the City will be focused primarily on the Convention Center expansion project. Planning and expenditures for the County will be focused on tourism-related expenses.

Figure 1

Historical Summary of Revenue for Monroe County and City of Bloomington

Food and Beverage Tax Revenue, 2018-2023

FOOD AND BEVERAGE TAX YEAR TO YEAR COMPARISON												
	2018		2019		2020		2021		2022		2023	
	Number of PAYERS	TOTAL RECEIVED	Number of PAYERS	TOTAL RECEIVED	Number of PAYERS	TOTAL RECEIVED	Number of PAYERS	TOTAL RECEIVED	Number of PAYERS	TOTAL RECEIVED	Number of PAYERS	TOTAL RECEIVED
January			344	\$283,484	346	\$295,742	294	\$215,713	338	\$310,295	369	\$364,807
February	78	\$89,786	308	\$252,916	314	\$244,766	297	\$219,969	326	\$298,643	360	\$404,946
March			326	\$261,060	316	\$268,389	315	\$246,563	333	\$323,327	363	\$374,870
April	282	\$225,752	333	\$291,297	275	\$204,682	311	\$270,907	331	\$337,362	356	\$392,292
May	274	\$307,319	350	\$343,972	277	\$173,935	317	\$329,783	341	\$371,777	372	\$426,220
June	256	\$210,844	309	\$271,540	255	\$163,874	329	\$321,524	350	\$357,556	373	\$355,984
July	290	\$267,313	358	\$293,934	289	\$208,460	323	\$294,735	349	\$346,219	365	\$338,740
August	298	\$253,563	316	\$229,573	287	\$202,637	339	\$297,341	355	\$333,884	371	\$332,210
September	268	\$232,770	332	\$267,760	309	\$273,866	337	\$337,204	340	\$340,325	368	\$364,069
October	324	\$396,284	348	\$340,956	300	\$244,735	331	\$362,724	354	\$396,236	376	\$448,562
November	308	\$273,129	321	\$289,188	292	\$247,059	345	\$358,413	354	\$404,407	373	\$409,788
December	336	\$302,102	335	\$321,528	309	\$264,519	349	\$372,121	358	\$384,537	369	\$361,721
TOTALS		\$2,558,862		\$3,447,210		\$2,792,664		\$3,626,998		\$4,204,567		\$4,574,211

GRAND TOTAL: \$21,204,512.35

Figure 2
 County and City Food and Beverage Tax Revenue, 2018-2023

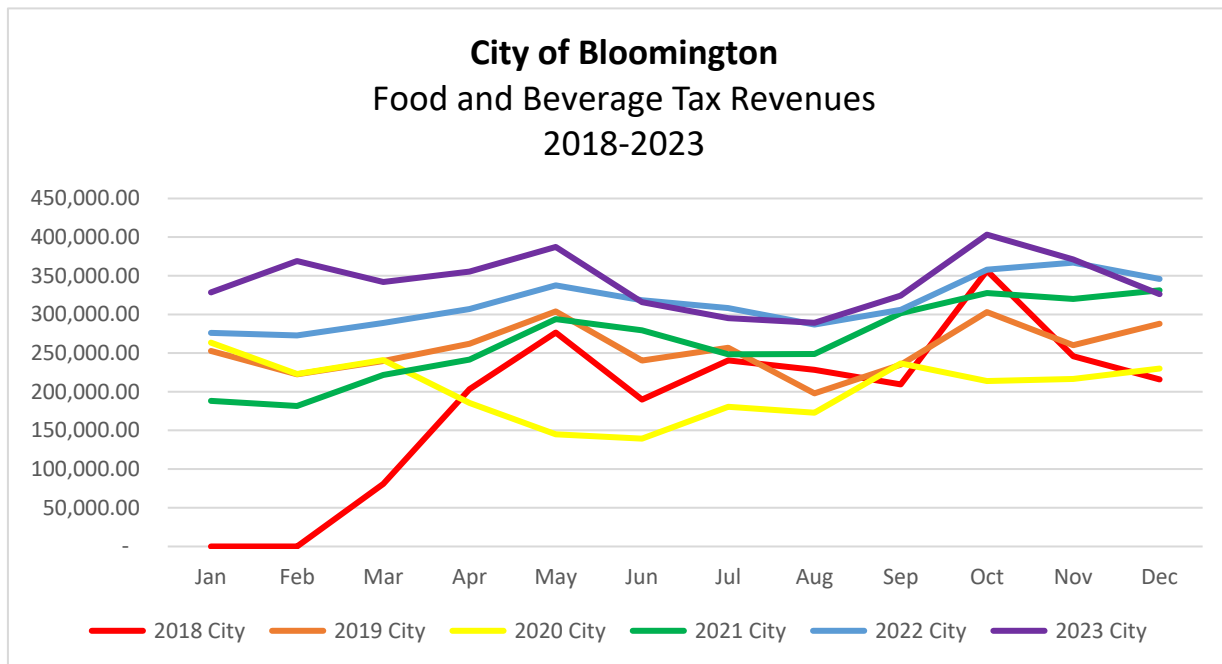
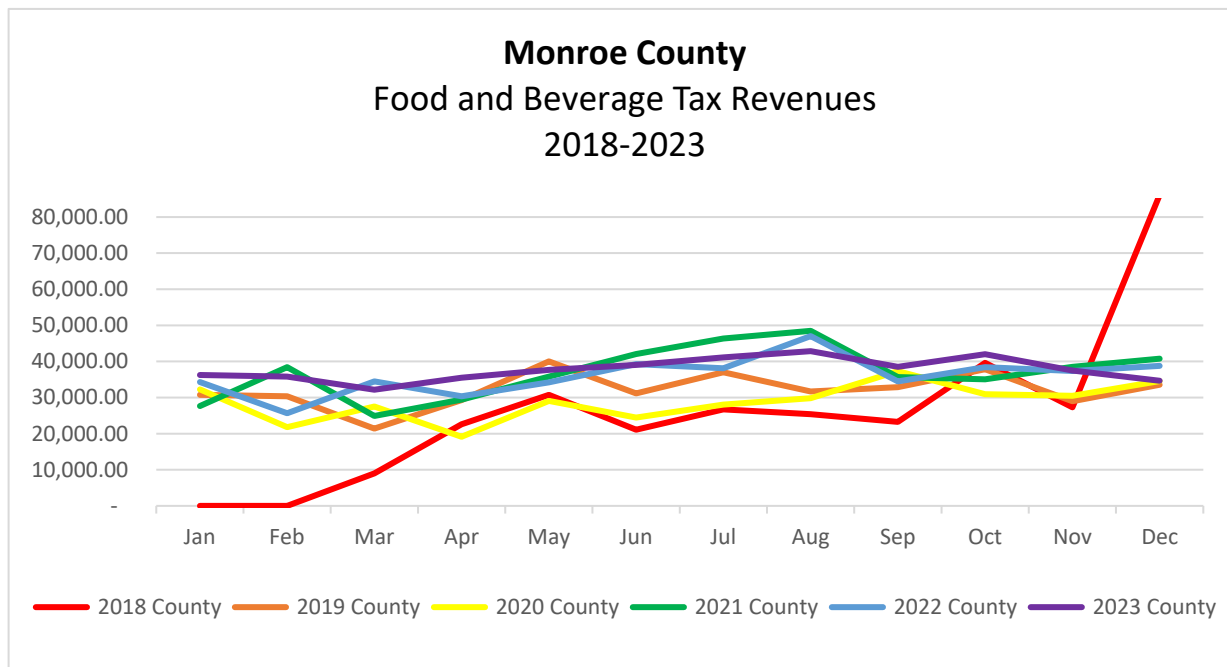


Figure 3
Comparison of Food and Beverage Tax Revenues 2018-2023

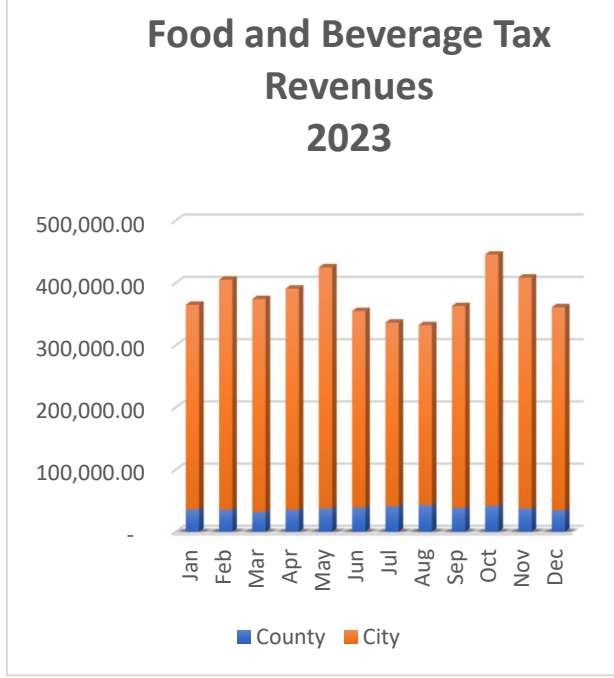
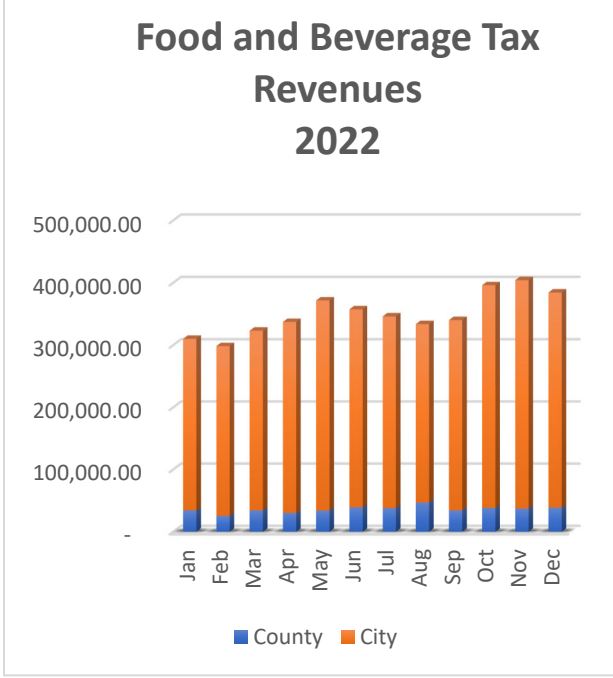
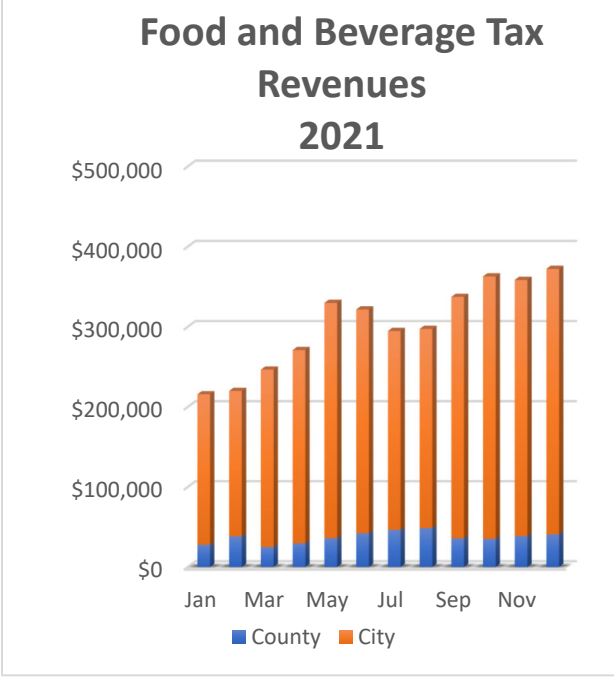
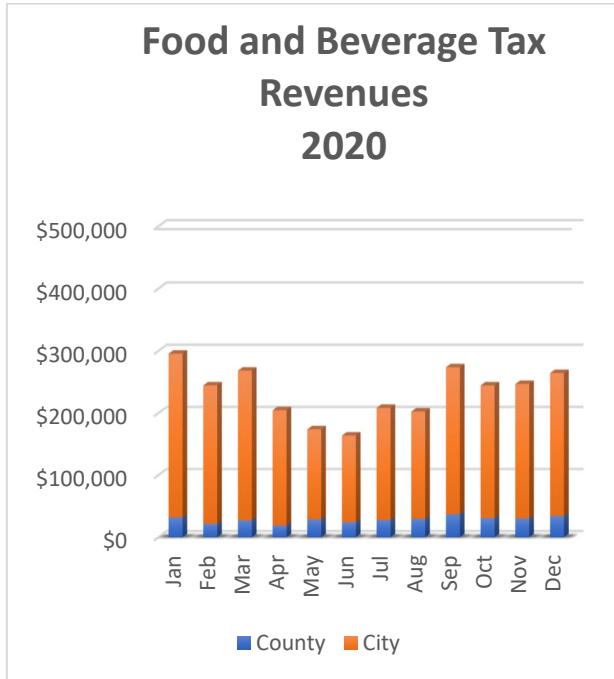
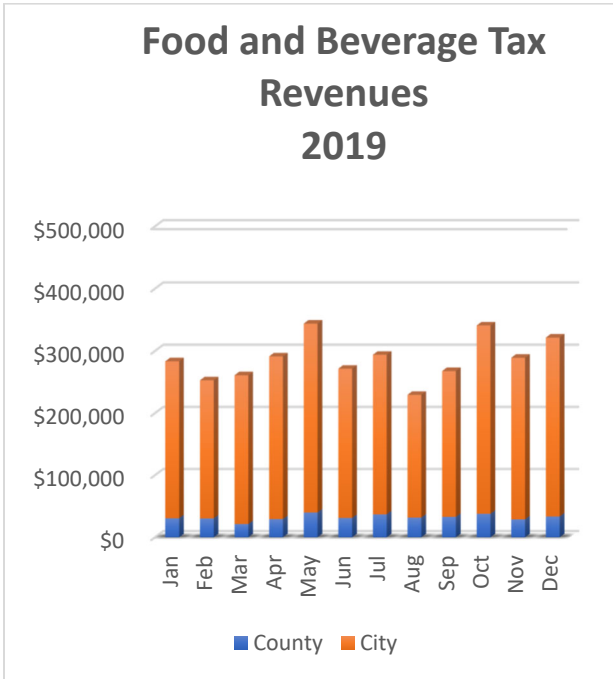
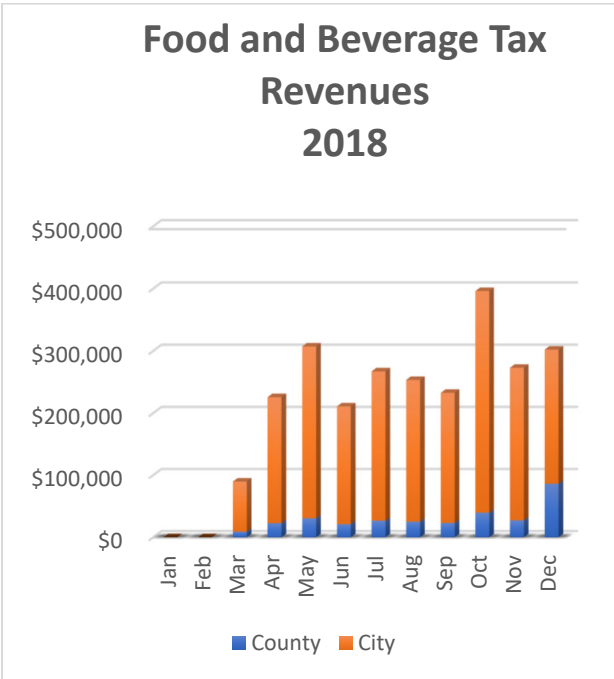


Figure 44**Revenue Detail**

2022 Food and Beverage Revenue as Distributed

Food and Beverage Tax Distribution			
2022	Amount Received	City	County
January	\$310,294.58	\$276,019.29	\$34,297.51
February	\$298,642.90	\$272,962.50	\$25,680.41
March	\$323,327.41	\$288,874.83	\$34,452.58
April	\$337,361.78	\$307,008.65	\$30,353.13
May	\$371,776.97	\$337,562.64	\$34,214.33
June	\$357,556.21	\$318,300.38	\$39,255.83
July	\$346,218.88	\$308,133.13	\$38,085.75
August	\$333,884.01	\$286,828.85	\$47,055.16
September	\$340,324.78	\$305,831.15	\$34,493.63
October	\$396,236.39	\$357,837.47	\$38,398.92
November	\$404,406.76	\$367,053.79	\$37,352.97
December	\$384,536.73	\$345,767.50	\$38,769.23
2022 Total	\$4,204,567.40	\$3,772,180.18	\$432,409.45

2023 Food and Beverage Revenue as Distributed

Food and Beverage Tax Distribution			
2023	Amount Received	City	County
January	\$364,806.60	\$328,548.27	\$36,258.33
February	\$404,946.47	\$369,129.84	\$35,816.63
March	\$374,870.16	\$341,839.79	\$32,197.67
April	\$392,292.17	\$355,292.84	\$35,507.86
May	\$426,220.44	\$387,262.38	\$37,644.27
June	\$355,984.49	\$315,835.72	\$39,023.77
July	\$338,740.38	\$295,134.30	\$41,109.91
August	\$332,209.56	\$289,347.35	\$42,862.21
September	\$364,069.10	\$324,379.24	\$38,508.28
October	\$448,562.38	\$403,358.01	\$41,999.96
November	\$409,787.85	\$371,020.95	\$37,482.94
December	\$361,721.22	\$326,238.60	\$34,644.54
2023 Total	\$4,574,210.82	\$4,107,387.29	\$453,056.37

Summary of Cash Receipts and Expenditures

2022 COUNTY

Beginning Balance:

\$752,917.03

Revenue Received:

\$434,421.24

Expenditures:

\$0

Year-End Balance:

\$1,187,338.27

CITY

Beginning Balance:

\$9,022,600.77

Revenue Received:

\$4,095,665.81

Expenditures:

\$21,627.14

Year-End Balance:

\$13,096,639.44

City of Bloomington Expenditure Detail

June 8, 2022: \$20,000 *(Deposit correction for Bloomington Massage and Body Works)*

June 8, 2022: \$542.38 *(Deposit correction for PALS)*

August 5, 2022: \$1,084.76 *(Reimburse Bloomington Urban Enterprise Association for check erroneously deposited in City of Bloomington account)*

2023 COUNTY

Beginning Balance:

\$1,187,338.27

Revenue Received:

\$459,146.92

Expenditures:

\$0

Year-End Balance:

\$1,646,485.19

CITY

Beginning Balance:

\$13,096,639.44

Revenue Received:

\$4,360,721.92

Expenditures:

\$0

Year-End Balance:

17,457,361.36

Expenditure Requests and Commission Approvals 2022-2023

None.

Statement of the Commission's Approval

This annual report is hereby accepted and shall be presented to the Monroe County Council as required by Ordinance 2024-14. The signatures affixed hereto reflect unanimous approval of the Food and Beverage Tax Advisory Commission.

Aye Nay Abstain Not Present _____
Mark Bell, Member

Aye Nay Abstain Not Present _____
Lennie Busch, Member

Aye Nay Abstain Not Present _____
Gretchen Knapp, Member

Aye Nay Abstain Not Present _____
Cheryl Munson, Member

Aye Nay Abstain Not Present _____
Andy Ruff, Member

Aye Nay Abstain Not Present _____
Julie Thomas, Member

Aye Nay Abstain Not Present _____
VACANT



Food & Beverage Tax Advisory Commission

Cheryl Munson
Andy Ruff
Julie Thomas
Gretchen Knapp

Mark Bell
Lennie Busch



FOOD AND BEVERAGE TAX ADVISORY COMMISSION SUMMARY MINUTES THURSDAY, MARCH 28, 2024 at 12:00 pm MEETING CONNECTION VIA TEAMS

Members

Present – Cheryl Munson, Chair
Present – Gretch Knapp
Present – Julie Thomas
Present – Lennie Busch

Staff

Present – Chris Muench, Chief Deputy Auditor
Present – Courtney Moser, Assistant County Council Administrator
Present – Jeff Cockerill, County Legal Counsel
Present – Kim Shell, County Council Administrator
Present – Margie Rice, Corporation Counsel
Present – Stephen Lucas, City Council/ Administrator Attorney

Others in Attendance

Present – Jeffrey Underwood, Capital Improvement Board Controller
Present – John Whikehart, Capital Improvement Board President
Present – Paul Strain, Harrodsburg Heritage Days President

1. CALL MEETING TO ORDER – 12:06 p.m.

Chery Munson called the meeting to order at 12:06 p.m.

2. ROLL CALL – 12:07 p.m.

A roll call of members present was taken. Commission members Busch, Knapp, Munson, and Thomas were present in person.

Munson stated that the Commission needed to approve the Electronic Attendance Policy for Public Meetings which is a requirement in order to allow members to attend meetings virtual when needed.

Thomas moved to approve the Electronic Attendance Policy for Public Meetings. Busch seconded. Voice vote; unanimous.

3. UPDATE ON FOOD AND BEVERAGE REVENUE – 12:10 p.m.

Munson reviewed the monthly Food and Beverage Revenue reports. Busch recommended that the commission be provided quarterly reports listing both city and county cash balances and a breakdown of expenses.

City Portion Cash Balance as of 3/28/24: \$17,820,017
County Portion Cash Balance as of 3/18/24: \$1,719,376.88

4. REVIEW ORDINANCE UPDATES – 12:16 p.m.

Cockerill presented Ordinance 2024-14 adopted by the Monroe County Council outlining changes regarding reporting requirements for the Food and Beverage Tax Advisory Commission.

5. ELECTION OF CHAIR – 12:21 p.m.

Munson is to remain as Chair until the next meeting of the Commission.

6. REQUESTS FOR EXPENDITURES OF FOOD AND BEVERAGE REVENUE – 12:22 p.m.

A. City

Lucas and Underwood presented on the 2024 Capital Improvement Board Budget Memorandum requesting \$250,000 from the City portion of the Food and Beverage Funds. The request was approved by the Bloomington City Council in Resolution 2024-06.

Discussion ensued.

Busch moved to recommend approval of the use of Food and Beverage Funds in the amount of \$250,000 for the Capital Improvement Board’s 2024 Budget. Knapp seconded.

Further discussion ensued.

Voice vote; unanimous.

B. County – 12:46 p.m.

Thomas and Strain presented a request to use a County portion of Food and Beverage Funds requesting \$6,000 for the Harrodsburg Firework show. The request was approved by the County Commissioners in Resolution 2024-16.

Knapp moved to recommend approval of the use of Food and Beverage Funds in the amount of up to \$6,000 for the Harrodsburg Firework show. Thomas seconded.

Voice vote; unanimous.

The request will be presented to the Monroe County Council for appropriation on April 23, 2024.

Public Comment: Marty Hawk

7. UPCOMING REPORTS – 1:02 p.m.

The 2022-2023 Annual Report shall be shared with the Monroe County Council at the Council Meeting on May 14, 2024.

8. NEXT MEETING DATE

A meeting will be held in advance of the May 14, 2024, Council meeting to review and approve the recommendation of the report that is to be presented.

Public Comment: Marty Hawk

9. ADJOURNMENT

Meeting adjourned at 1:11 p.m.

(Remainder of page left intentionally blank.)

Approved this _____ day of _____ by the Food and Beverage Tax Advisory Commission of Monroe County, Indiana.

Aye Nay Abstain Not Present _____
Mark Bell, Member

Aye Nay Abstain Not Present _____
Lennie Busch, Member

Aye Nay Abstain Not Present _____
Gretchen Knapp, Member

Aye Nay Abstain Not Present _____
Cheryl Munson, Member

Aye Nay Abstain Not Present _____
Andy Ruff, Member

Aye Nay Abstain Not Present _____
Julie Thomas, Member

Aye Nay Abstain Not Present _____
VACANT

ATTEST:

Brianna Gregory, Auditor
Monroe County, Indiana

Date