

Tourism Promotion Fund

MISSION STATEMENT

It is the mission of the Community Development Tourism Promotion Fund to finance tourism promotion for the City.

PRIMARY FUNCTIONS

The primary function of the Tourism Promotion Fund is to provide funding to the Rockford Area Convention & Visitor's Bureau (RACVB). The City currently has a five- percent tax on motel and hotel room receipts. This tax, along with a similar one enacted by Winnebago County, is used to fund the Rockford Area Convention & Visitor's Bureau with which the City has a contract for tourism promotion efforts.

OBJECTIVES FOR FISCAL YEAR 2014

- Increase non-local visitation to top sites and attractions.
- Increase RACVB influenced group sales bookings (number of meetings, conventions, and tournaments).
- Increase RACVB influenced off-season (October-April) business room night (actual rooms sold at hotels).

TOURISM FUND BUDGET SUMMARY

	2011	2012	2013	2014	INCREASE
APPROPRIATION	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>(DECREASE)</u>
TRANSFER TO RACVB	\$1,054,449	\$1,337,917	\$1,274,000	\$1,152,680	(\$121,320)
TRANSFER FOR DEBT SERV.	350,000	300,000	514,200	433,320	(80,880)
PURCHASE OF SERVICES	<u>119,200</u>	<u>1,800</u>	<u>1,800</u>	<u>1,800</u>	<u>0</u>
TOTAL	<u>\$1,523,649</u>	<u>\$1,639,717</u>	<u>\$1,790,000</u>	<u>\$1,587,800</u>	<u>(\$202,200)</u>

	2011	2012	2013	2014	INCREASE
FUNDING SOURCE	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>(DECREASE)</u>
TOURISM PROMOTION SALES TAX	<u>\$1,889,174</u>	<u>\$1,637,917</u>	<u>\$1,572,100</u>	<u>\$1,590,800</u>	<u>\$18,700</u>
TOTAL	<u>\$1,889,174</u>	<u>\$1,637,917</u>	<u>\$1,572,100</u>	<u>\$1,590,800</u>	<u>\$18,700</u>

BUDGET HIGHLIGHTS

- Tax revenue is budgeted at \$1,590,800. Total revenues for 2012 were \$1,637,900.
- The transfer to the Rockford Area Convention & Visitor's Bureau decreases \$121,300 to \$1,152,700. This consists of revenue equal to 60% of the Tourism Promotion Sales Tax proceeds (\$952,700) and funding from the 1% challenge grant (\$200,000).
- Funds transferred to the Redevelopment Fund to support debt service payments for the BMO Harris Bank Center are budgeted at \$433,300, a reduction of \$80,900 from 2013. Less dollars are available for the transfer since the RACVB has been able to obtain funds under the 1% challenge grant.

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TOURISM FUND FIVE YEAR FORECAST

The 2015-2019 five year forecast assumes motel revenue growth at two percent annually and appropriation of all income to the Visitors Bureau except for City reimbursements.

TOURISM PROMOTION FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Revenues	\$1,572	\$1,588	\$1,604	\$1,620	\$1,636
Expenses	<u>1,574</u>	<u>1,588</u>	<u>1,604</u>	<u>1,620</u>	<u>1,636</u>
Excess (Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Beginning Balance	<u>300</u>	<u>300</u>	<u>300</u>	<u>300</u>	<u>300</u>
Ending Balance	<u>\$300</u>	<u>\$300</u>	<u>\$300</u>	<u>\$300</u>	<u>\$300</u>

**CITY OF ROCKFORD
NEXT YEAR/CURRENT YEAR BUDGET ANALYSIS
TOURISM PROMOTION FUND**

	2012 ACTUAL	2013 BUDGET	2014 BUDGET	BUDGET CHANGE 13-14
72219 Other Contract	1,337,917	1,274,000	1,152,680	(121,320)
TOTAL CONTRACTUAL	1,337,917	1,274,000	1,152,680	(121,320)
76740 Transfers-Metro	300,000	514,200	433,320	(80,880)
77725 POS General Fund	1,800	1,800	1,800	-
TOTAL OTHER	301,800	516,000	435,120	(80,880)
TOTAL TOURISM	1,639,717	1,790,000	1,587,800	(202,200)