

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.

2012 Accomplishments →

- The Bureau continues to collaborate with important Rockford attractions, events, hotels and restaurants to attract visitors.
- The sales team secured bookings for meetings, tournaments and events that took place at Rockford hotels and facilities. These bookings filled hotel rooms resulting in additional spending in the region.
- Rockin' Summer and Winter Rocks leisure marketing campaigns, which RACVB is a partner, have continued to drive awareness of Rockford's tourism and quality of life assets among local residents and potential visitors.

2013 Goals and Objectives →

- 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 Promotion Fund

Budget Summary

COMMUNITY DEVELOPMENT TOURISM PROMOTION FUND					
	2010	2011	2012	2013	INCREASE
APPROPRIATION	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>(DECREASE)</u>
TRANSFER TO RACVB	\$1,054,449	\$1,235,223	\$943,260	\$1,274,000	\$330,740
TRANSFER FOR DEBT SERV.	350,000	450,000	627,040	514,200	(112,840)
PURCHASE OF SERVICES	119,200	1,800	1,800	1,800	0
TOTAL	<u>\$1,523,649</u>	<u>\$1,687,023</u>	<u>\$1,572,100</u>	<u>\$1,790,000</u>	<u>\$217,900</u>
FUNDING SOURCE	2010	2011	2012	2013	INCREASE
	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>AMOUNT</u>	<u>AMOUNT</u>	<u>(DECREASE)</u>
TOURISM PROMOTION SALES TAX	\$1,541,578	\$1,889,174	\$1,572,100	\$1,790,000	\$217,900
TOTAL	<u>\$1,541,578</u>	<u>\$1,889,174</u>	<u>\$1,572,100</u>	<u>\$1,790,000</u>	<u>\$217,900</u>

Budget Analysis

- Tax revenue is budgeted at \$1,790,000, an increase of \$217,900 (13.9%) from the 2012 budget. Total revenues for 2011 were \$1,889,200.
- The transfer to the Rockford Area Convention & Visitor's Bureau increases \$330,740 to \$1,274,000. This consists of revenue equal to 60% of the Tourism Promotion Sales Tax proceeds (\$1,074,000) and funding from the 1% challenge grant (\$200,000).
- Funds transferred to the Redevelopment Fund to support debt service payments for BMO Harris Bank Center are budgeted at \$514,200, a reduction of \$112,840 from 2012. Less dollars are available for the transfer since the RACVB has been able to obtain funds under the 1% challenge grant.

Five Year Financial Forecast

The 2014-2018 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 2014-2018 FINANCIAL FORECAST (IN 000'S)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenues	\$1,790	\$1,808	\$1,826	\$1,844	\$1,636
Expenses	<u>1,790</u>	<u>1,808</u>	<u>1,826</u>	<u>1,844</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>76</u>	<u>76</u>	<u>76</u>	<u>76</u>	<u>76</u>
Ending Balance	<u>\$76</u>	<u>\$76</u>	<u>\$76</u>	<u>\$76</u>	<u>\$76</u>

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

	2011 ACTUAL	2012 BUDGET	6 MO ACTUAL	2013 BUDGET	BUDGET CHANGE 12-13
72219 Other Contract	1,235,223	943,260	512,195	1,181,120	237,860
TOTAL CONTRACTUAL	1,235,223	943,260	512,195	1,181,120	237,860
76740 Transfers-Metro	450,000	627,040	150,000	452,280	(174,760)
77725 POS General Fund	1,800	1,800	900	1,800	-
TOTAL OTHER	451,800	628,840	150,900	454,080	(174,760)
TOTAL TOURISM	1,687,023	1,572,100	663,095	1,635,200	63,100