

Community Development 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. 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.

2011 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.

2012 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).

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Budget Summary

COMMUNITY DEVELOPMENT TOURISM PROMOTION FUND					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
TRANSFER TO RACVB	\$1,054,449	\$837,300	\$1,185,747	\$943,260	\$105,960
RAVE SUBSIDY	\$350,000	600,000	450,000	627,040	27,040
PURCHASE OF SERVICES	<u>119,200</u>	<u>119,200</u>	<u>1,800</u>	<u>1,800</u>	<u>(117,400)</u>
TOTAL	<u>\$1,523,649</u>	<u>\$1,556,500</u>	<u>\$1,637,547</u>	<u>\$1,572,100</u>	<u>\$15,600</u>
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FUNDING SOURCE					
	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>	
TOURISM PROMOTION SALES TAX	<u>\$1,556,500</u>	<u>100.0</u>	<u>\$1,572,100</u>	<u>100.0</u>	
TOTAL	<u>\$1,556,500</u>	<u>100.0</u>	<u>\$1,572,100</u>	<u>100.0</u>	

Budget Analysis

Tax revenue for 2011, budgeted at \$1,556,500, was \$1,637,547, an increase of \$81,047 (5.2%), an increase of \$115,047 (7.6%) from the 2010 budget of \$1,522,500 and an increase of \$463,898 from 2010's actual. 2012 income is estimated to be \$1,572,100, an increase of \$15,600 (1.1%) from the 2011 budget of \$1,522,500 and an increase of \$30,522 (2.0%) from the 2010 actual of \$1,523,649. Expenses in 2012 include \$1,800 for collection costs, \$627,040 to RAVE for the operating subsidy with a portion (\$314,420) dependent on a 1% challenge and the balance (\$943,260) to the Rockford Area Convention and Visitor's Bureau for operating expenses.

In 2011, the Tourism Promotion Fund spent \$1,637,547 or 105.2% of its budgeted allocation. In the past several years, 81% to 125% of the budget has been spent.

Five Year Financial Forecast

The 2013-2017 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 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$1,588	\$1,604	\$1,620	\$1,636	\$1,636
Expenses	<u>1,588</u>	<u>1,604</u>	<u>1,620</u>	<u>1,636</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>