

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.

2010 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.

2011 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).

Community Development Tourism Promotion Fund

Budget Summary

COMMUNITY DEVELOPMENT TOURISM PROMOTION FUND					
APPROPRIATION	2008	2009	2010	2011	INCREASE
	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>(DECREASE)</u>
TRANSFER TO RACVB	\$1,681,701	\$1,408,034	\$1,103,300	\$755,300	(\$348,000)
RAVE SUBSIDY			300,000	600,000	300,000
PURCHASE OF SERVICES	<u>92,400</u>	<u>99,700</u>	<u>119,200</u>	<u>119,200</u>	<u>0</u>
TOTAL	<u>\$1,774,101</u>	<u>\$1,507,734</u>	<u>\$1,522,500</u>	<u>\$1,474,500</u>	<u>(\$48,000)</u>

FUNDING SOURCE	2010	2010	2011	2011
	<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>
TOURISM PROMOTION SALES TAX	<u>\$1,522,500</u>	<u>100.0</u>	<u>\$1,474,500</u>	<u>100.0</u>
TOTAL	<u>\$1,522,500</u>	<u>100.0</u>	<u>\$1,474,500</u>	<u>100.0</u>

Budget Analysis

Tax revenue for 2010, budgeted at \$1,522,500, is estimated at \$1,454,500, a decrease of \$68,000 (-4.5%), a decrease of \$415,000 (-22.1%) from the 2009 budget of \$1,869,500 and a decrease of \$35,800 (-2.4%) from 2009's actual. 2011 income is estimated to be \$1,474,500, a decrease of \$48,000 (3.2%) from the 2010 budget of \$1,522,500 and a decrease of \$20,400 (-1.4%) from the estimated 2010 actual of \$1,454,100. Expenses in 2011 include \$1,800 for collection costs, \$117,400 for City tourism costs, \$600,000 to RAVE for the operating subsidy and the balance (\$755,300) to the Rockford Area Convention and Visitor's Bureau for operating expenses.

In 2009, the Tourism Promotion Fund spent \$1,507,734 or 80.6% of its budgeted allocation. For 2010, it is expected that 100% of the budget will be spent. In the past several years, 81% to 105% of the budget has been spent.

Five Year Financial Forecast

The 2012-2016 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 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$1,489	\$1,504	\$1,519	\$1,534	\$1,550
Expenses	<u>1,489</u>	<u>1,504</u>	<u>1,519</u>	<u>1,534</u>	<u>1,550</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>