

Our Mission: The Arlington Convention and Visitors Service (ACVS) is a destination marketing organization that works to attract, inform, and serve Arlington visitors and hospitality partners while supporting an exceptional visitor experience.

CONVENTION AND VISITORS SERVICE

ACVS's success is reflected in continually growing shares of the Washington area's meeting, convention, and leisure markets as well as in increased visitor spending and repeat visitation. ACVS strategically targets meeting/group professionals and domestic/international leisure travelers to build awareness of and drive bookings to Arlington hotels – particularly during the off-peak periods of late summer, mid-winter, and weekends year-round. ACVS also partners closely with local hotels, restaurants, stores, attractions, and arts organizations to bring visitors the best and latest information, ensuring they have an excellent local experience that inspires increased spending and repeat visitation. ACVS marketing and client/partner engagement is directly tied to increased Transient Occupancy Tax revenue and Sales and Meals Tax revenues that support County initiatives through the General Fund.

Important Strategic Objectives for ACVS include:

1. **Visitor Attraction:** Aggressively market Arlington as a premier destination for domestic and international leisure travel, meetings, and conventions, and as the best place to stay, shop, dine, and be entertained when visiting the nation's capital. Apply best practices in destination marketing, meetings and conventions sales, and small business/arts promotion to attract business travelers, vacationers, meetings, and groups to Arlington resulting in increased hotel occupancy.
2. **Increased Visitor Spending:** Creatively and proactively provide compelling, high-quality information to Arlington guests, influencing them to dine, shop, and be entertained in our lively, walkable urban villages. Strategically inform local hospitality employees about Arlington stores, restaurants, arts organizations, and transportation options to drive spending and repeat visitation.

Programs and primary activities of ACVS include:

- Destination marketing and promotion
- Meetings and conventions sales
- Visitor and convention services
- Small business and arts promotion
- Tourism infrastructure
- Hospitality community engagement

Arlington County's enabling legislation to levy a Transient Occupancy Tax add-on (0.25 percent) to support this fund was reinstated by the Virginia General Assembly in the FY 2019 budget year with a sunset effective July 1, 2021. In the 2020 legislative session, a bill was passed and signed by the Governor to remove that sunset date.

ARLINGTON CONVENTION & VISITORS SERVICE

SIGNIFICANT BUDGET CHANGES

The FY 2022 adopted expenditure budget for the Travel and Tourism Promotion Fund is \$1,097,884, a nine percent decrease from the FY 2021 adopted budget. The FY 2022 adopted budget reflects:

- The County Board added funding for a one percent merit pay adjustment, a five percent increase in the range, and an increase to the one-time bonus for staff from \$500 to approximately \$900.
- The County Board restored funding for operating supplies (\$131,333) with the American Rescue Plan:
 - Leisure marketing campaigns and ad optimization project (\$40,268);
 - Memberships and postage (\$24,065);
 - International marketing and regional partnerships (\$20,000);
 - Meetings and convention sales activities (\$20,000);
 - Consultants and contracted services related to data/research tools (\$15,000); and
 - Employee training (\$12,000).
- The County Board also added funding for the General Fund transfer (\$351,184).
- ↓ Personnel decreases primarily due to the reduction described below.
- ↓ Non-personnel decreases due to a reduction in annual expense for maintenance and replacement of County vehicles (\$564).
- ↓ Revenue decreases due to lowered projections of hotel occupancy and rates (\$462,882), partially offset by the increase to the General Fund transfer described above.

FY 2022 Adopted Budget Reduction

Arlington Convention and Visitors Service

- ↓ Freeze a vacant Destination Sales Manager (\$115,413, 1.0 FTE).

IMPACT: Freezing this position reduces the team’s capacity in the expansion of sales activities aimed at increasing Arlington hotel stays by meeting, group, and special-event attendees, as well as international leisure travelers.

PROGRAM FINANCIAL SUMMARY

	FY 2020 Actual	FY 2021 Adopted	FY 2022 Adopted	% Change '21 to '22
Personnel	\$591,074	\$791,205	\$680,071	-14%
Non-Personnel	493,519	418,377	417,813	-
Total Expenditures	1,084,593	1,209,582	1,097,884	-9%
Transient Occupancy Tax	827,893	962,882	500,000	-48%
Transfer from the General Fund	246,700	246,700	597,884	142%
Grants	10,000	-	-	-
Total Revenues	\$1,084,593	\$1,209,582	\$1,097,884	-9%
Change in Fund Balance	-	-	-	-
Permanent FTEs (Funded)	7.00	7.00	6.00	
Permanent FTEs (Frozen, Unfunded)	-	-	1.00	
Temporary FTEs	-	-	-	
Total Authorized FTEs	7.00	7.00	7.00	

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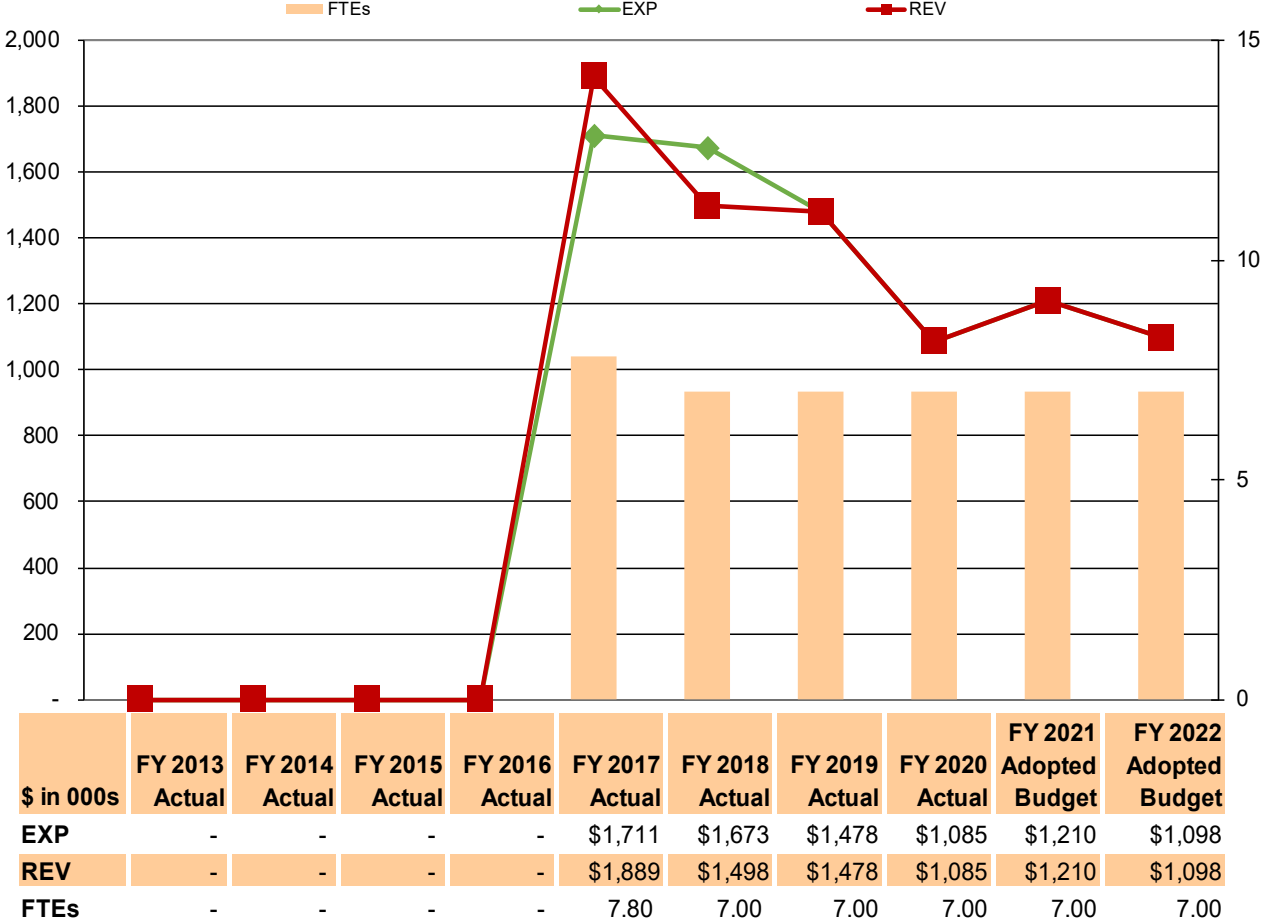
TRAVEL AND TOURISM PROMOTION FUND
FUND STATEMENT

	FY 2020 ACTUAL	FY 2021 ADOPTED	FY 2021 RE-ESTIMATE*	FY 2022 ADOPTED
Beginning Balance, July 1	-	-	-	-
Transient Occupancy Tax Revenue	\$827,893	\$962,882	\$240,000	\$500,000
General Fund Transfer In	246,700	246,700	246,700	597,884
Grants	10,000	-	20,000	-
Total Revenues	1,084,593	1,209,582	506,700	1,097,884
Total Balance, Revenues and Transfers In	1,084,593	1,209,582	506,700	1,097,884
Personnel	591,074	791,205	609,986	680,071
Operating	493,519	418,377	331,169	417,813
Total Expenditures	\$1,084,593	\$1,209,582	941,155	\$1,097,884
Closing Balance, June 30	-	-	(\$434,455)	-

*The FY 2021 re-estimate projects a budget gap of \$434,455 due to declining transient occupancy taxes. The fund will be balanced at year-end with savings from Arlington Economic Development's General Fund budget.

TRAVEL AND TOURISM PROMOTION FUND
TEN-YEAR HISTORY

EXPENDITURE, REVENUE, AND FULL-TIME EQUIVALENT TRENDS



TRAVEL AND TOURISM PROMOTION FUND
TEN-YEAR HISTORY

Fiscal Year	Description	FTEs
FY 2013	<ul style="list-style-type: none"> ▪ The additional Transient Occupancy Tax add-on (0.25 percent) which has supported the fund since January 1, 1991, was not re-established by the State Assembly in the spring of CY 2011. Arlington County’s enabling legislation to impose this add-on tax expired on January 1, 2012. ▪ For FY 2013, the Travel and Tourism Promotion Fund did not exist as a Special Revenue fund. The County Board adopted a reduced convention and visitor services program in Arlington Economic Development’s General Fund budget. 	
FY 2017	<ul style="list-style-type: none"> ▪ <i>Arlington’s enabling legislation to levy the additional Transient Occupancy Tax add-on (0.25%) was re-established by the General Assembly for the FY 2017 budget year. The County Board adopted an ordinance after budget adoption to amend Chapter 40 (Transient Occupancy Tax) of the Code of Arlington County to add an additional 0.25 percent transient occupancy tax levy for the purpose of promoting tourism and business travel in Arlington County. The County Board appropriated \$1.25 million in revenue and expense to the Travel and Tourism Promotion Fund along with 2.0 limited term positions.</i> ▪ <i>After budget adoption, the County Board transferred Arlington Convention and Visitor Services from the General Fund to the Travel and Tourism Fund (\$626,148, 5 FTEs, 0.80 Temporary FTEs).</i> 	<p>2.00</p> <p>5.80</p>
FY 2018	<ul style="list-style-type: none"> ▪ A 0.80 temporary FTE was transferred to the AED Director’s Office line of business in the General Fund. 	(0.80)
FY 2019	<ul style="list-style-type: none"> ▪ Decreased trade and promotion funding (\$159,163) and reallocated a portion of this funding for contracted services related to website maintenance (\$110,000). ▪ Revenue increased due to projections of hotel occupancy and rates hotel (\$27,500). ▪ Arlington’s enabling legislation to levy the additional Transient Occupancy Tax add-on (0.25%) was re-established by the General Assembly for the FY 2019 budget year with a sunset effective July 1, 2021. 	
FY 2020	<ul style="list-style-type: none"> ▪ <i>Arlington’s enabling legislation to levy the additional Transient Occupancy Tax add-on (0.25%) was made permanent by the General Assembly in the 2020 legislative session.</i> 	
FY 2021	<ul style="list-style-type: none"> ▪ Decreased trade and promotion funding (\$288,940) as a result of lower revenue projections. 	

TRAVEL AND TOURISM PROMOTION FUND
TEN-YEAR HISTORY

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none">▪ Revenue decreased due to lower revenue projections in Transient Occupancy Taxes (\$337,118) as a result of the COVID-19 outbreak.	
FY 2022	<ul style="list-style-type: none">▪ The County Board added funding for a one percent merit pay adjustment, a five percent increase in the range, and an increase to the one-time bonus for staff from \$500 to approximately \$900.▪ The County Board restored funding for marketing, outreach, training, and office supplies with the American Rescue Plan (\$131,333).▪ The County Board also added funding for the General Fund transfer (\$351,184).▪ Froze a vacant Destination Sales Manager (\$115,413).▪ Revenue decreased due to lowered projections of hotel occupancy and rates (\$462,882).	