

*Our Mission: The Arlington Convention and Visitors Service (ACVS) promotes Arlington as a dynamic destination to stimulate economic growth.*

## **CONVENTION AND VISITORS SERVICE**

ACVS's success is reflected in continually growing shares of the Washington area's meeting, group, business 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 at local businesses and additional visits. 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 promote 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, destination 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 visitor information and services to Arlington guests, inspiring them to dine, shop, and be entertained in our lively, walkable neighborhoods. Strategically inform local guest services 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 group 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.

**TRAVEL AND TOURISM PROMOTION FUND**

**ARLINGTON CONVENTION & VISITORS SERVICE**

**SIGNIFICANT BUDGET CHANGES**

The FY 2024 adopted expenditure budget for the Travel and Tourism Promotion Fund is \$2,646,700, a six percent increase from the FY 2023 adopted budget. The FY 2024 adopted budget reflects:

- ↑ Personnel increases due to employee salary increases, an increase in the County’s cost for employee health insurance, one-time \$2,000 (gross) employee bonuses (\$17,506), and slightly higher retirement contributions based on current actuarial projections.
- ↑ Non-personnel increases primarily due to additional funding for trade and promotion (\$24,136).
- ↑ Revenue increases due to increased projections of hotel occupancy and rates (\$275,000), partially offset by a reduction in the General Fund Transfer due to the removal of one-time American Rescue Plan funding (\$131,333).

**PROGRAM FINANCIAL SUMMARY**

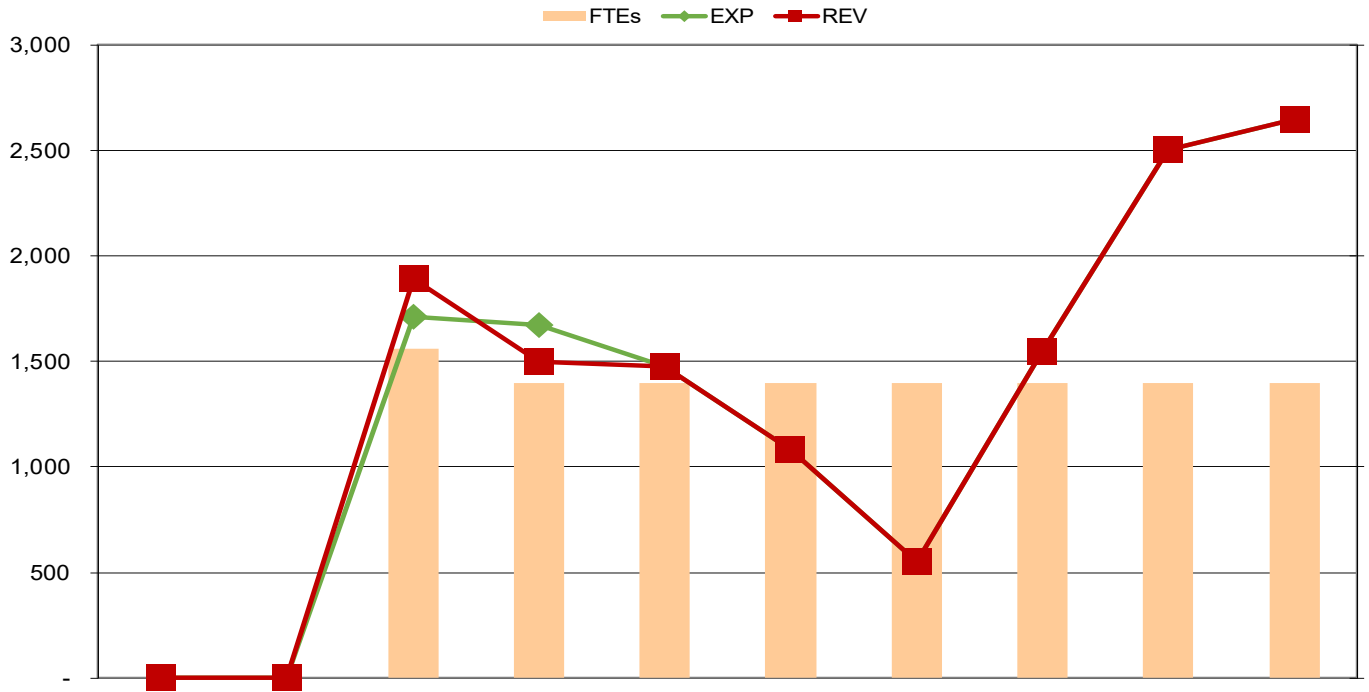
	<b>FY 2022 Actual</b>	<b>FY 2023 Adopted</b>	<b>FY 2024 Adopted</b>	<b>% Change '23 to '24</b>
Personnel	\$688,955	\$785,368	\$907,932	16%
Non-Personnel	861,002	1,717,665	1,738,768	1%
<b>Total Expenditures</b>	<b>1,549,957</b>	<b>2,503,033</b>	<b>2,646,700</b>	<b>6%</b>
Transient Occupancy Tax	753,734	825,000	1,100,000	33%
Transfer from the General Fund	396,816	378,033	246,700	-35%
Grants	399,407	1,300,000	1,300,000	-
<b>Total Revenues</b>	<b>\$1,549,957</b>	<b>\$2,503,033</b>	<b>\$2,646,700</b>	<b>6%</b>
<b>Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Permanent FTEs (Funded)	6.00	7.00	7.00	
Permanent FTEs (Frozen, Unfunded)	1.00	-	-	
<b>Total Authorized FTEs</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>	

**TRAVEL AND TOURISM PROMOTION FUND  
FUND STATEMENT**

	<b>FY 2022 ACTUAL</b>	<b>FY 2023 ADOPTED</b>	<b>FY 2023 RE-ESTIMATE*</b>	<b>FY 2024 ADOPTED</b>
<b>Beginning Balance, July 1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Transient Occupancy Tax Revenue	\$753,734	\$825,000	\$825,000	\$1,100,000
General Fund Transfer In	396,816	378,033	378,033	246,700
Grants	399,407	1,300,000	1,300,000	1,300,000
<b>Total Revenues</b>	<b>1,549,957</b>	<b>2,503,033</b>	<b>2,503,033</b>	<b>2,646,700</b>
<b>Total Balance, Revenues and Transfers In</b>	<b>1,549,957</b>	<b>2,503,033</b>	<b>2,503,033</b>	<b>2,646,700</b>
Personnel	688,955	785,368	785,368	907,932
Operating	861,002	1,717,665	1,717,665	1,738,768
<b>Total Expenditures</b>	<b>\$1,549,957</b>	<b>\$2,503,033</b>	<b>\$2,503,033</b>	<b>\$2,646,700</b>
<b>Closing Balance, June 30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**TRAVEL AND TOURISM PROMOTION FUND**  
TEN-YEAR HISTORY

**EXPENDITURE, REVENUE, AND FULL-TIME EQUIVALENT TRENDS**



	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Adopted Budget	FY 2024 Adopted Budget
<b>EXP</b>	-	-	\$1,711	\$1,673	\$1,478	\$1,085	\$549	\$1,550	\$2,503	\$2,647
<b>REV</b>	-	-	\$1,889	\$1,498	\$1,478	\$1,085	\$549	\$1,550	\$2,503	\$2,647
<b>FTEs</b>	-	-	7.80	7.00	7.00	7.00	7.00	7.00	7.00	7.00

**TRAVEL AND TOURISM PROMOTION FUND**  
TEN-YEAR HISTORY

Fiscal Year	Description	FTEs
FY 2015	<ul style="list-style-type: none"> <li>▪ No significant budget change since FY 2014.</li> </ul>	
FY 2016	<ul style="list-style-type: none"> <li>▪ No significant budget change since FY 2015.</li> </ul>	
FY 2017	<ul style="list-style-type: none"> <li>▪ <i>Arlington’s enabling legislation to levy the additional Transient Occupancy Tax add-on (0.25 percent) 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></li> </ul>	2.00
	<ul style="list-style-type: none"> <li>▪ <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, 5.0 FTEs, 0.80 Temporary FTEs).</i></li> </ul>	5.80
FY 2018	<ul style="list-style-type: none"> <li>▪ A 0.80 temporary FTE was transferred to the AED Director’s Office line of business in the General Fund.</li> </ul>	(0.80)
FY 2019	<ul style="list-style-type: none"> <li>▪ Decreased trade and promotion funding (\$159,163) and reallocated a portion of this funding for contracted services related to website maintenance (\$110,000).</li> <li>▪ Revenue increased due to projections of hotel occupancy and rates hotel (\$27,500).</li> <li>▪ Arlington’s enabling legislation to levy the additional Transient Occupancy Tax add-on (0.25 percent) was re-established by the General Assembly for the FY 2019 budget year with a sunset effective July 1, 2021.</li> </ul>	
FY 2020	<ul style="list-style-type: none"> <li>▪ <i>Arlington’s enabling legislation to levy the additional Transient Occupancy Tax add-on (0.25 percent) was made permanent by the General Assembly in the 2020 legislative session.</i></li> </ul>	
FY 2021	<ul style="list-style-type: none"> <li>▪ Decreased trade and promotion funding (\$288,940) as a result of lower revenue projections.</li> <li>▪ Revenue decreased due to lower revenue projections in Transient Occupancy Taxes (\$337,118) as a result of the COVID-19 outbreak.</li> </ul>	

**TRAVEL AND TOURISM PROMOTION FUND**  
TEN-YEAR HISTORY

Fiscal Year	Description	FTEs
FY 2022	<ul style="list-style-type: none"> <li>▪ 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.</li> <li>▪ The County Board restored funding for marketing, outreach, training, and office supplies with the American Rescue Plan (\$131,333).</li> <li>▪ The County Board also added funding for the General Fund transfer (\$351,184).</li> <li>▪ Froze a vacant Destination Sales Manager (\$115,413).</li> <li>▪ Revenue decreased due to lowered projections of hotel occupancy and rates (\$462,882).</li> <li>▪ <i>In FY 2021 closeout, reclassified two limited-term positions to permanent full-time.</i></li> </ul>	
FY 2023	<ul style="list-style-type: none"> <li>▪ The County Board approved an additional one percent merit pay adjustment for a total increase of 5.25 percent, increased the pay-for-performance budget by an additional 0.5 percent, and increased the pay range movement to five percent. Additional compensation changes approved by the County Board include an optional one-time cash-out of 40 hours of compensation time for those with balances of 80 or more, a one-time increase in shift differential pay from \$0.75 to \$1.00 per hour for the B shift and from \$1.00 to \$1.30 per hour for the C shift, and a one-time increase in language premium from \$0.69 to \$0.92 per hour.</li> <li>▪ Restored funding for the Destination Sales Manager position that was previously frozen in the FY 2022 adopted budget (\$120,290).</li> <li>▪ Revenue increased due to increased projections of hotel occupancy and rates (\$325,000) and the Virginia Tourism Corporation grant (\$1,300,000).</li> </ul>	
FY 2024	<ul style="list-style-type: none"> <li>▪ Added one-time \$2,000 (gross) employee bonuses (\$17,506).</li> <li>▪ Increased trade and promotion funding (\$24,136).</li> <li>▪ Revenue increased due to increased projections of hotel occupancy and rates (\$275,000).</li> </ul>	