

Tourism and Promotion Fund — 2007-08

Purpose and Nature of Fund

The Tourism and Promotion Fund is a special revenue fund that receives 1.45 cents of the 9.0 cent Hotel Occupancy Tax to promote conventions and tourism for Austin. Of the 1.45 cents, up to .25 cents must be used for heritage tourism as mandated by City Ordinance.

Factors Affecting Funding

The allocation of occupancy tax receipts to the Tourism and Promotion Fund for FY 2007-08 is \$6.9 million. This funding is 19.1 percent higher than the FY 2006-07 Amended Budget and 4.9 percent higher than estimated receipts for FY 2006-07. The increase is based on higher hotel occupancy rates and average room rate charges. Additional revenue sources for the Tourism and Promotion Fund include interest earnings, budgeted at \$66,326, and a General Fund transfer of \$125,382.

Factors Affecting Requirements

The total requirements are \$7.7 million, which is 14.2 percent higher than the FY 2006-07 Amended Budget. Tourism and promotion activities are performed by the Austin Convention and Visitors Bureau (ACVB) through a contract with the City. Payments to ACVB will be made based on actual quarterly collections and may therefore be more or less than the amount shown in the fund summary for tourism and promotion contracts.

	2005-06 Actual	2006-07 Amended	2006-07 Estimated	2007-08 Proposed
Revenue	\$28,478	\$11,326	\$48,666	\$82,007
Transfers In	\$6,026,751	\$5,883,806	\$6,660,962	\$6,982,722
Requirements	\$5,398,480	\$6,750,040	\$7,199,635	\$7,707,361