

*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 made permanent by the Virginia General Assembly in the 2020 legislative session.

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**SIGNIFICANT BUDGET CHANGES**

The FY 2021 adopted expenditure budget for the Travel and Tourism Promotion Fund is \$1,209,582, a 22 percent decrease from the FY 2020 adopted budget. The FY 2021 adopted budget reflects:

- Personnel changes due to an increase in the County’s cost for employee health insurance, offset by lower retirement contributions based on current actuarial projections and staff costs due to turnover.
- ↓ Non-personnel decreases due to the decrease in trade and promotion funding as a result of lower revenue projections (\$288,940) and a reduction in annual expense for maintenance and replacement of County vehicles (\$1,068).
- ↓ Revenue decreases due to lower revenue projections in transient occupancy taxes (\$337,118) as a result of the COVID-19 outbreak.

**PROGRAM FINANCIAL SUMMARY**

	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	% Change '20 to '21
Personnel	\$739,810	\$838,315	\$791,205	-6%
Non-Personnel	738,480	708,385	418,377	-41%
<b>Total Expenditures</b>	<b>1,478,290</b>	<b>1,546,700</b>	<b>1,209,582</b>	<b>-22%</b>
Transient Occupancy Tax	1,231,590	1,300,000	962,882	-26%
Transfer from the General Fund	246,700	246,700	246,700	-
<b>Total Revenues</b>	<b>\$1,478,290</b>	<b>\$1,546,700</b>	<b>\$1,209,582</b>	<b>-22%</b>
<b>Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Permanent FTEs	7.00	7.00	7.00	
Temporary FTEs	-	-	-	
<b>Total Authorized FTEs</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>	

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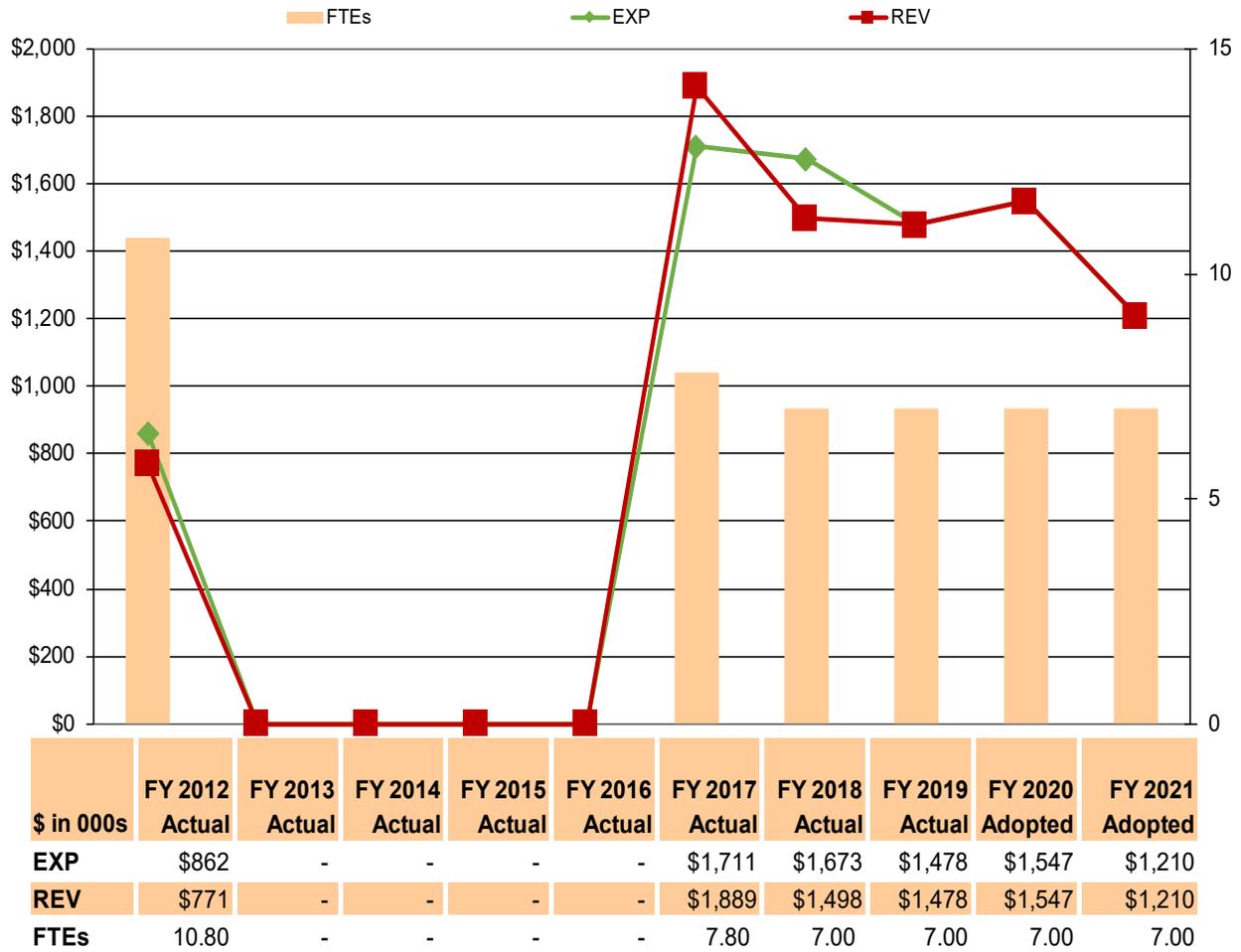
TRAVEL AND TOURISM PROMOTION FUND  
FUND STATEMENT

	FY 2019 ACTUAL	FY 2020 ADOPTED	FY 2020 RE-ESTIMATE*	FY 2021 ADOPTED
<b>Beginning Balance, July 1</b>	-	-	-	-
Transient Occupancy Tax Revenue	\$1,231,590	\$1,300,000	\$1,300,000	\$962,882
General Fund Transfer In	246,700	246,700	246,700	246,700
<b>Total Revenues</b>	<b>1,478,290</b>	<b>1,546,700</b>	<b>1,546,700</b>	<b>1,209,582</b>
<b>Total Balance, Revenues and Transfers In</b>	<b>1,478,290</b>	<b>1,546,700</b>	<b>1,546,700</b>	<b>1,209,582</b>
Personnel	739,810	838,315	838,315	791,205
Operating	738,480	708,385	708,385	418,377
<b>Total Expenditures</b>	<b>\$1,478,290</b>	<b>\$1,546,700</b>	<b>\$1,546,700</b>	<b>\$1,209,582</b>
<b>Closing Balance, June 30</b>	-	-	-	-

\*FY 2020 re-estimate excludes the anticipated revenue shortfall due to the COVID-19 outbreak.

**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 2012	<ul style="list-style-type: none"> <li>▪ Personnel expenses decreased primarily due to reduction in operations based on lower Transient Occupancy Tax (TOT) which supports this fund. The County Board has directed staff beginning January 1 to focus on other Arlington Economic Development (AED) activities such as promoting and marketing businesses and cultural events within Arlington County, as well as enhancing small business initiatives.</li> <li>▪ Transient Occupancy Tax (TOT) revenues decreased by 52 percent due to the loss of the TOT for hotel stays beginning January 1, 2012. The state legislation that authorizes Arlington County to assess this additional 0.25 percent transient occupancy tax was not renewed by the State Assembly and expires on December 31, 2011.</li> <li>▪ Miscellaneous revenues decreased (\$2,500) due to the closure of the Visitor Center at Pentagon Row which sold County merchandise. The new Mobile Visitor Center is purely informational with no merchandise or retail sales. County merchandise can now be purchased at the Plaza Library branch location.</li> </ul>	
FY 2013	<ul style="list-style-type: none"> <li>▪ 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.</li> <li>▪ 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.</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%) 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> <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 FTEs, 0.80 Temporary FTEs).</i></li> </ul>	2.0  5.8
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>	(0.8)

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

Fiscal Year	Description	FTEs
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%) 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%) 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>	