

**SAN DIEGO TOURISM MARKETING DISTRICT
REPORT OF ACTIVITIES
for
FY2013 – PART I UPDATE:
& Close Out of Initial District**



**Budget and Finance Committee Meeting
February 27, 2013**

Lorin Stewart, SDTMD Corporation
Jere Batten, CPA, CFE, Batten Accountancy, Inc.

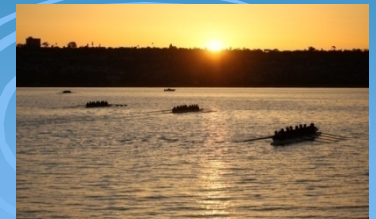
FY 2013 Part 1 Approvals

- ❖ May 23, 2012 Budget & Finance Committee
- ❖ June 19, 2012 City Council Approval
- ❖ July 01, 2012 Start of FY 2013
- ❖ Dec. 31, 2012 Initial TMD Ceased Collections
- ❖ Mar. 31, 2013 Initial SDTMD Corp Operating Agreement ends.



TMD Basics – Initial District

- ❖ TMD is citywide
- ❖ Initial District Not Subject to Prop 26
- ❖ Hotels with 70 or more rooms are assessed
- ❖ Assessment is 2% of gross room rent
- ❖ Hotel operators remit assessments monthly
- ❖ SDTMD Corporation represents assessed hotels
- ❖ Implements TMD programs per 5 year agreement



Competitive Application for Variable Funding

- ❖ Return on Investment (ROI) analysis
- ❖ Application format
- ❖ Process refinements
- ❖ Notification
- ❖ Board meetings and presentations
- ❖ Scoring and Allocation Procedures



SDTMD FY2012 Audited ROI

<u>Organization</u>	<u>Reimbursed</u>	<u>Room Nights</u>	<u>Hotel Revenue</u>	<u>ROI</u>
SD CONVIS Integrated Program Base	\$23,761,168	--	<i>pending 3rd-party reports</i>	--
CONVIS: British Air Promotion	\$ 185,520	--	<i>pending 3rd-party reports</i>	--
CONVIS: PCMA	\$ 550,000	--	<i>pending 3rd-party reports</i>	--
SD North CVB Base	\$ 2,758,443	--	<i>pending 3rd-party reports</i>	--
Accessible SD: Core Budget	\$ 75,000	--	<i>core</i>	--
Balboa Park 2015 Centennial	\$ 300,000	--	<i>pending event</i>	--
CA State Games	\$ 125,000	28,877	\$3,621,799	28.98:1
Comp. Group: RR Marathon	\$ 350,000	54,410	\$9,143,601	26.12:1
Craft Brewers Guild Beer Week	\$ 68,191	3,612	\$ 436,835	6.41:1
Maritime Museum of SD	\$ 100,000	4,583	\$ 621,317	6.21:1
SD Bayfair	\$ 29,000	13,060	\$1,683,042	58.03:1
SD Bay Wine & Food Fest	\$ 70,907	6,125	\$1,041,250	14.68:1
SD Bowl Game Assoc	\$ 450,000	36,393	\$4,231,414	9.40:1
SD Crew Classic	\$ 213,400	9,218	\$1,298,934	6.09:1
SD National History Museum – Titanic	\$ 162,594	8,415	\$1,265,111	7.78:1
SD Sports Commission	\$ 561,800	49,457	\$6,640,956	11.82:1
SD Sports Commission - Youth Soccer	\$ 32,000	3,825	\$ 532,555	16.65:1
SD Sports Commission - SDSEA-RC44	\$ 300,000	16,145	\$1,952,576	6.51:1

FY13 Part I: Funding Revisions

<u>Organization</u>	<u>Projected</u>	<u>Adjustments</u>	<u>Revised</u>
➤ SDTMD Funds Available	\$17,839,594	\$ 1,646,616	\$ 19,486,210
➤ ConVis Fixed Base 50%	\$ 8,072,354	\$ 938,883	\$ 9,011,237
➤ SD North CVB Fixed Base 10%	\$ 1,962,495	\$ 218,796	\$ 2,181,291
➤ Variable Distributions			
Various approved	\$ 1,176,550	\$ ---	\$ 1,176,550
• ConVis incremental	\$ 3,625,000	\$ 306,048	\$ 3,931,048
• ConVis Japan	\$ ---	\$ 250,000	\$ 250,000
• ConVis Film Commission	\$ ---	\$ 100,000	\$ 100,000
• San Diego Crew Classic	\$ 22,890	\$ 90,110	\$ 113,000
• Balboa Park Centennial 2015	\$ ---	\$ 72,594	\$ 72,594
• Previously unallocated	<u>\$ 333,442</u>	<u>\$ (333,442)</u>	<u>\$ ---</u>
Total Variable Distributions	\$ 5,157,882	\$ 485,310	\$ 5,643,192
Opportunity/Catastrophe	\$ 2,143,493	\$ (268,569)	\$ 1,874,924
Administration	\$ 503,370	\$ 272,196	\$ 775,566

Cumulative Recap of District

Revenue:

· TMD Assessments	\$ 126,852,111	
· <u>Interest income on pooled investments</u>	<u>\$ 698,710</u>	
Total TMD Funds	\$127,550,821	100.00%

Expenses:

Funding Allocations:

· ConVis (50% of assessments)	\$ 63,426,055	
· SD North CVB (10% of assessments)	\$ 12,685,211	
· <u>Competitive Annual Applications</u>	<u>\$ 45,020,123</u>	
Total funding allocations	\$121,131,389	94.97%

Administration:

· SDTMD Administration	\$ 2,940,390	
· City Administration	\$ 1,604,118	
· <u>Opportunity/Catastrophe</u>	<u>\$ 1,874,924</u>	
Total administration	\$ 6,419,432	5.03%
Total Expenses	\$127,550,821	100.00%

QUESTIONS?

