

TOURISM IMPROVEMENT DISTRICT
Financial Analysis for Fiscal Year Ended 6/30/2020

PURPOSE: To determine the percentage of budgeted dollars allocated to each expenditure category and to compare to the management plan allocation for each category

Comparison of Management Plan Budget to Budget for FY Ended 6/30/2020

| Expenditure Category^a | Management Plan Budget^b | % of Total Budget | FY 2019-20 Budget^c | % of Total Budget | Variance Between Plan and Annual Budget |
|--|---|--------------------------|--------------------------------------|--------------------------|--|
| Marketing and Promotions | \$ 50,569,472 | 69.4% | \$ 28,315,300 | 98.2% | 28.8% |
| Administration and Personnel | 16,182,231 | 22.2% | 518,000 | 1.8% | -20.4% |
| Contingency/Reserves/Administration and City Administration Costs of the TID | 6,068,337 | 8.3% | - | 0.0% | -8.3% |
| TOTAL | \$ 72,820,040 | 100.0% | \$ 28,833,300 | 100.0% | |

Notes:

^a Expenditure categories on the Management Plan and Annual Report do not match exactly. Marketing and Promotions in the Management Plan is SFTA Marketing and Operations in the Annual Report. Administration and Personnel in the Management Plan is SFTIDMC Administration in the Annual Report.

^b Per Appendix 3 of the Management Plan (Year 11)

^c Per Annual Report - 2018-19

TOURISM IMPROVEMENT DISTRICT
Financial Analysis for Fiscal Year Ended 6/30/2020

PURPOSE: To determine the percentage of budgeted dollars allocated to each service category and to compare to the actual allocation to each category

Determining Whether Percentage of Actual Expenses Allocated to Each Category Were Within 10 Percent of Budgeted Allocations

| Service Category | FY 2019-20 Budget^a | % of Total Budget | FY 2019-20 Actual^b | % of Total Actual Expenses | Variance Between Budget and Actual |
|--|--------------------------------------|--------------------------|--------------------------------------|-----------------------------------|---|
| Marketing and Promotions | \$ 28,315,300 | 98.2% | \$ 21,535,500 | 97.7% | -0.5% |
| Convention Sales/Marketing Fund | \$ - | 0.0% | \$ 17,264 | 0.1% | 0.1% |
| Administration and Personnel | 518,000 | 1.8% | 496,026 | 2.2% | 0.5% |
| Contingency/Reserves/Administration and City Administration Costs of the | - | 0.0% | - | 0.0% | 0.0% |
| TOTAL | \$ 28,833,300 | 100.0% | \$ 22,048,790 | 100.0% | |

Notes:

^a Per Annual Report - 2018-19

^b Per Annual Report - 2019-20

TOURISM IMPROVEMENT DISTRICT
Financial Analysis for Fiscal Year Ended 6/30/2020

PURPOSE: To determine whether CBD carryover funds are identified in the annual report

Did the CBD meet this requirement? YES

| Carryover in Annual Report^a | Carryover in Financial Statements^b | Difference |
|---|--|-------------------|
| \$1,753,876 | \$1,753,876 | \$0 |

Notes:

^a Per Annual Report FY 2019-20

^b Per Combined Financial Statements as of and for the Year Ended 6/30/20

TOURISM IMPROVEMENT DISTRICT
Financial Analysis for Fiscal Year Ended 6/30/2020

PURPOSE: To determine whether the CBD indicates the amount of funds carried over from the current fiscal year and designates the projects on which the funds will be spent in the upcoming fiscal year

Did the CBD meet this requirement? YES

| Carryover From FY 2019-20 | Projected Carryover - Annual Report* |
|-----------------------------------|---|
| SFTA Marketing & Operations | \$ 276,671 |
| Capital Fund | 175,325 |
| Incentive Fund | 694,890 |
| Convention Sales & Marketing Fund | - |
| Contingency/Reserve | 606,990 |
| TOTAL | \$ 1,753,876 |

Note:

* Per FY 2019-20 Annual Report

TOURISM IMPROVEMENT DISTRICT

PURPOSE: As requested by OEWD, historical functional expenses are provided for presentation purposes.

SOURCES: Audited financial statements for fiscal years ended 6/30/2017, 6/30/2018, 6/30/2019, and 6/30/2020

| | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|
| PROGRAM SERVICES | | | | |
| Marketing and Promotion | 24,605,500 | 24,299,000 | 28,075,000 | 21,535,500 |
| Moscone Center | | | | |
| Expansion | | | 2,335,512 | 17,264 |
| Sales incentive | | | | |
| Repairs and improvements | | | | |
| | - | - | 2,335,512 | 17,264 |
| Subtotal: Program Services | \$ 24,605,500 | \$ 24,299,000 | \$ 30,410,512 | \$ 21,552,764 |
| MANAGEMENT & GENERAL | | | | |
| Contractual Services | | | | |
| Treasurer fees | 308,018 | 271,171 | 246,512 | 244,844 |
| San Francisco Travel Association fees | 98,820 | 117,000 | 136,500 | 127,107 |
| Professional fees | 35,188 | 28,445 | 16,106 | 120,917 |
| | 442,026 | 416,616 | 399,118 | 492,868 |
| Insurance and Taxes | 2,388 | 1,895 | 2,477 | 2,522 |
| Interest Expense | - | - | - | - |
| Office Expenses | 159 | - | 1,741 | 636 |
| Subtotal: Management & General | 444,573 | 418,511 | 403,336 | 496,026 |
| Total Functional Expenses | \$ 25,050,073 | \$ 24,717,511 | \$ 30,813,848 | \$ 22,048,790 |