

Joint Legislative Committee on Performance Evaluation and Expenditure Review (PEER)

Report to
the Mississippi Legislature



A Review of the Effectiveness of Local Tourism Commissions

The Legislature creates local tourism entities through local and private laws to meet the specific needs of individual communities. Local tourism entities are funded primarily with resources collected through special tax levies on restaurants and hotels, with additional funds provided through the Mississippi Development Authority (MDA) and local sources. PEER surveyed forty-eight entities concerning special tax levies authorized by local and private legislation to promote tourism and economic development. Survey respondents reported receiving \$23,890,863 in tourism tax revenue during FY 2002.

Including revenue from all sources, local tourism entities reported expending a total of \$25,644,355 in FY 2002. For that fiscal year, local tourism entities reported that they averaged 33 percent of their expenditures for program administration, 12 percent for capital improvements, and 55 percent for tourism programs. Concerning accountability for these funds, the laws creating local tourism entities include varying expectations. According to survey data, these local tourism entities' expenditures comply with the broad requirements in local and private enabling legislation.

Regarding the MDA's role in local tourism efforts, state law provides MDA with the authority to promote tourism generally, but does not specifically grant authority or responsibility for MDA to coordinate its activities with those of local tourism entities. In fact, no single authority has the legal mandate to coordinate all tourism activities in the state. The MDA's Division of Tourism Development staff supports the activities and programs of local tourism entities by providing services such as research, training, and referral, but the division does not play a direct role in local tourism promotion programs or activities.

Regarding the financial impact of local tourism development efforts on the state and local economy, few local entities gather uniform and comprehensive data on the financial impact and effectiveness of their tourism programs or conduct studies to measure effectiveness of tourism programs. Although MDA compiles an annual estimate of tourism financial impact, it does not estimate benefits derived from local expenditures.

PEER: The Mississippi Legislature's Oversight Agency

The Mississippi Legislature created the Joint Legislative Committee on Performance Evaluation and Expenditure Review (PEER Committee) by statute in 1973. A standing joint committee, the PEER Committee is composed of five members of the House of Representatives appointed by the Speaker and five members of the Senate appointed by the Lieutenant Governor. Appointments are made for four-year terms with one Senator and one Representative appointed from each of the U. S. Congressional Districts. Committee officers are elected by the membership with officers alternating annually between the two houses. All Committee actions by statute require a majority vote of three Representatives and three Senators voting in the affirmative.

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PEER provides a variety of services to the Legislature, including program evaluations, economy and efficiency reviews, financial audits, limited scope evaluations, fiscal notes, special investigations, briefings to individual legislators, testimony, and other governmental research and assistance. The Committee identifies inefficiency or ineffectiveness or a failure to accomplish legislative objectives, and makes recommendations for redefinition, redirection, redistribution and/or restructuring of Mississippi government. As directed by and subject to the prior approval of the PEER Committee, the Committee's professional staff executes audit and evaluation projects obtaining information and developing options for consideration by the Committee. The PEER Committee releases reports to the Legislature, Governor, Lieutenant Governor, and the agency examined.

The Committee assigns top priority to written requests from individual legislators and legislative committees. The Committee also considers PEER staff proposals and written requests from state officials and others.

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December 19, 2003

Honorable Ronnie Musgrove, Governor
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On December 19, 2003, the PEER Committee authorized release of the report entitled **A Review of the Effectiveness of Local Tourism Commissions.**

A handwritten signature in cursive script that reads "Mary Ann Stevens". The signature is written in black ink and is positioned above a horizontal line.

Representative Mary Ann Stevens, Chair

This report does not recommend increased funding or additional staff.

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A Review of the Effectiveness of Local Tourism Commissions

Executive Summary

Introduction

In response to questions by a legislator regarding the collection and expenditure of tourism-related tax revenue by local tourism entities, the PEER Committee reviewed the effectiveness of local tourism commissions in Mississippi.

PEER sought to determine:

- the description and purpose of local tourism entities;
- how local tourism entities are funded;
- whether local entity expenditures comply with local and private enabling legislation;
- whether tourism programs administered by the Mississippi Development Authority (MDA) and local entities duplicate or complement and the extent to which resource use is coordinated by MDA; and,
- the financial impact that local tourism development efforts have on the state as a whole and on counties and municipalities.

As part of the project, PEER examined specific revenue and expenditure information from the forty-eight local government and tourism entities utilizing tourism-related tax revenue for tourism promotion.

The report presents information on the above objectives in question-answer format.

Conclusions

What are the authority and purposes of local tourism entities?

The Legislature creates local tourism entities through local and private laws to meet the specific needs of individual communities.

Since 1972, the Legislature has granted selected counties and municipalities authority through local and private laws to collect a special levy ranging from 1% to 3% on the sales of hotel and motel rooms and restaurants. These special levies were authorized for a variety of purposes, including tourism and convention promotion, economic development, recreation, public improvement, and stadium construction. Currently, forty-eight entities utilize forty-nine authorized special tax levies.

The nature of each tourism entity is unique in that each community has formed an organization based on its specialized needs and available resources. Types of entities authorized to receive special taxes include legislatively created independent commissions and convention and visitors' bureaus; multifunctional organizations, including chambers of commerce and economic development authorities, that carry out or support tourism programs as well as other programs; and local governments, such as cities and counties.

How are local tourism entities funded?

Local tourism entities are funded primarily with resources collected through special tax levies on restaurants and hotels, with additional funds provided through the Mississippi Development Authority and local sources.

In FY 2002, the special tax levy on hotels and restaurants provided \$23,890,863, or 83%, of the revenues for local tourism programs. Other sources of revenue include Mississippi Development Authority (MDA) grants, local government contributions, private contributions, and other sources (e.g., tours and sales at welcome centers).

Do local tourism entities' expenditures comply with local and private enabling legislation?

The laws creating local tourism entities include varying expectations for entities regarding financial accountability for expenditure of special tax levy dollars. According to reported survey data, these local tourism entities' expenditures comply with the broad requirements in local and private enabling legislation.

Local and private legislation generally states that the proceeds of the special tax levy are to be used for the purpose of promoting tourism or carrying out programs and activities designed to attract tourism to the area. Likewise, language creating tourism entities typically states that the entity shall exercise authority over matters related to establishing, promoting, and developing tourism and related purposes. Based on self-reported survey data from the forty-eight respondents, these entities expended tourism-related tax revenue in accordance with their enabling legislation.

Concerning oversight of these funds, state law does not consistently charge any state agency with the responsibility of verifying that local tourism entities use their special tax levy revenue in accordance with state law.

How did local tourism entities spend their funds in FY 2002?

For FY 2002, local tourism entities reported expending on average 33 percent for program administration, 12 percent for capital improvements, and 55 percent for tourism programs.

Including revenue from all sources, local tourism entities reported expending a total of \$25,644,355 in FY 2002. Local entities reported expending approximately \$14 million on tourism promotion programs, the largest category of spending, including approximately \$9,600,000 for advertising and marketing campaigns.

Do local tourism programs and MDA's tourism promotion efforts duplicate or complement each other?

MDA tourism promotion programs do not duplicate, but complement local tourism programs.

State law provides MDA with the authority to promote tourism generally, but does not specifically grant authority or responsibility for MDA to coordinate its activities with those of local tourism entities. In fact, no single authority has the legal mandate to coordinate all tourism activities in the state.

MDA's Division of Tourism Development is organized so that its staff supports the activities and programs of local tourism entities by providing multiple services such as research, training, and referral, but does not play a direct role in local tourism promotion programs or activities.

What financial impact do local tourism development efforts have on the state and the local economy?

Few local entities gather uniform and comprehensive data on the financial impact and effectiveness of their tourism programs or conduct studies to measure effectiveness of tourism programs. Although MDA compiles an annual estimate of tourism financial impact, it does not estimate benefits derived from local expenditures.

Recommendations

1. The Legislature should amend MISS. CODE ANN. Section 57-1-59 (1972) to authorize MDA to enter into agreements with local tourism authorities to devise coordinated tourism plans and programs in the interests of both the state and the localities. Also, the Legislature should consider requiring that localities enter into such agreements as pre-conditions to receiving any grants from the state.
2. The Legislature should consider adopting general legislation requiring local tourism entities designated to receive tourism tax revenue or special levy revenue for capital facility construction, operation, and maintenance to submit an annual audit to the Office of the State Auditor in order to verify that local tourism entities and local governments are utilizing special levies in accordance with state law.
3. In evaluating future project proposals submitted in the grant application process, MDA should include evaluation criteria that would base grant awards on project merit, including estimated return on investment.
4. Local entities should consider improving methods of measuring financial impact and effectiveness of their tourism programs by gathering uniform and comprehensive data. Local tourism entities should consider tracking customer service quality factors in order to measure their effectiveness in meeting the requests of potential visitors and service satisfaction among potential visitors.

5. In compiling its annual estimate of tourism financial impact, MDA should estimate benefits derived from investments made by local tourism entities.

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A Review of the Effectiveness of Local Tourism Commissions

Introduction

Authority

The PEER Committee reviewed the effectiveness of local tourism commissions in Mississippi. PEER conducted the review pursuant to the authority granted by MISS. CODE ANN. Section 5-3-57 et seq. (1972).

Scope and Purpose

This project stemmed from questions by a legislator regarding the collection and expenditure of tourism-related tax revenue by local tourism entities. The legislator had concerns regarding the possible duplication of effort between local tourism entities and the Mississippi Development Authority's Division of Tourism Development.

Therefore, PEER sought to determine:

- the description and purpose of local tourism entities;
- how local tourism entities are funded;
- whether local entity expenditures comply with local and private enabling legislation;
- whether tourism programs administered by the Mississippi Development Authority (MDA) and local entities duplicate or complement and the extent to which resource use is coordinated by MDA; and,
- the financial impact that local tourism development efforts have on the state as a whole and on counties and municipalities.

Method

In conducting this review, PEER:

- reviewed relevant sections of state laws regarding tourism;
- reviewed Mississippi's local and private laws enabling local tourism entities and providing taxing authority;
- interviewed personnel with the Mississippi Development Authority and local tourism organizations;
- surveyed forty-eight local government entities and local tourism organizations; and,
- analyzed survey response data and the special levy revenues collected by the Mississippi State Tax Commission.

Survey Description

For Fiscal Year 2002 (the latest year for comparable data), the Mississippi State Tax Commission's data on special tax levy distributions identified forty-nine local special taxes authorized by local and private legislation to promote tourism and economic development (see Appendix A, page 31). The Tax Commission distributed two authorized special taxes to the Starkville Visitors and Convention Council; therefore, PEER surveyed forty-eight entities concerning forty-nine authorized special tax levies.

All of the surveyed tourism entities submitted responses to PEER's questions concerning revenue, expenditures, and scope of service provided in FY 2001 and FY 2002. Survey respondents provided information describing the source of revenues received to fund tourism promotion programs, including tourism tax revenue, MDA-administered grant funds, contributions from local government entities, and contributions in the form of private donations. (Although PEER presents survey results for Fiscal Year 2002, the fiscal period reported may vary from entity to entity--e.g., the fiscal year for county-based entities may end September 30, while some municipality-based entities report on a fiscal year ending July 30.)

For the purpose of this report, PEER examined specific revenue and expenditure information from the forty-eight local government and tourism entities utilizing tourism-

related tax revenue for tourism promotion. PEER did not include the Indianola Tourism Commission in the survey because the commission was created in 2003 and had no special tax revenue information to review at the time of this report.

Survey responses also disclosed how those revenues are expended in specific categories such as salaries, travel, contractual costs, commodities, capital outlay, advertising, sponsorships, local grant programs, and special events.

The survey also asked local tourism entities about what types of support they receive from MDA, such as research, training, contacts, and advertising opportunities. Local entities also responded regarding their participation in MDA programs.

PEER also asked local entities to describe how they measure the effectiveness of their respective tourism promotion programs. PEER asked local entities to explain what factors, such as visitor counts at local attractions, they monitor and track throughout the year.

Background

What are the authority and purposes of local tourism entities?

The Legislature creates local tourism entities through local and private laws to meet the specific needs of individual communities.

Creation of Special Tax Levies

Special tax levies for the purpose of funding local efforts began in Mississippi in the early 1970s. Through local and private legislation in 1972, the Legislature granted Warren County the authority to collect a special levy for the purpose of promoting tourism in that county. The special tax of 1% applied to the gross proceeds of sales of restaurants, hotels, and motels, including but not limited to sales of beer and alcoholic beverages. The special levy went into effect August 1, 1972.

Forty-nine special tax levies are currently in effect to collect revenue to fund tourism promotion, convention promotion, recreation facilities, or some combination of tourism promotion and other activities such as economic development.

Since that time, the Legislature has granted other counties and municipalities the authority to collect a special levy ranging from 1% to 3% on the sales of hotel and motel rooms and restaurants. These special levies were authorized for a variety of purposes, including tourism and convention promotion, economic development, recreation, public improvement, and stadium construction. As discussed on page 2, according to the Mississippi State Tax Commission (STC), in FY 2002, forty-nine special tax levies were in effect for the purpose of collecting revenue to fund tourism promotion, convention promotion, recreation facilities, or some combination of tourism promotion and other activities such as economic development. The STC transfers 97 percent of the special tax collections to designated local government or tourism entities, retaining 3 percent for collection administration.

PEER identified three categories of entities authorized to receive special taxes. These include:

- legislatively created independent commissions and convention and visitors' bureaus (CVBs);
- multifunctional organizations, including chambers of commerce and economic development authorities, that carry out or support tourism programs as well as other programs; and,
- local governments, such as cities and counties.

The nature of each tourism entity is unique in that each community has formed an organization based on its specialized needs and available resources. Exhibit 1, below, gives the number of entities in each of the above-listed categories.

Exhibit 1: Recipients Authorized to Receive Special Tax Revenues for Local Tourism or Economic Development, by Type (As of FY 2002)

Type of Local Entity	Number
Independent Tourism Commissions	20
Multifunctional Organizations	9
Local Governments	11
Entities Constructing Local Capital Facilities	8
Total Entities Authorized to Receive Special Tax Revenues	48

SOURCE: Compiled by PEER

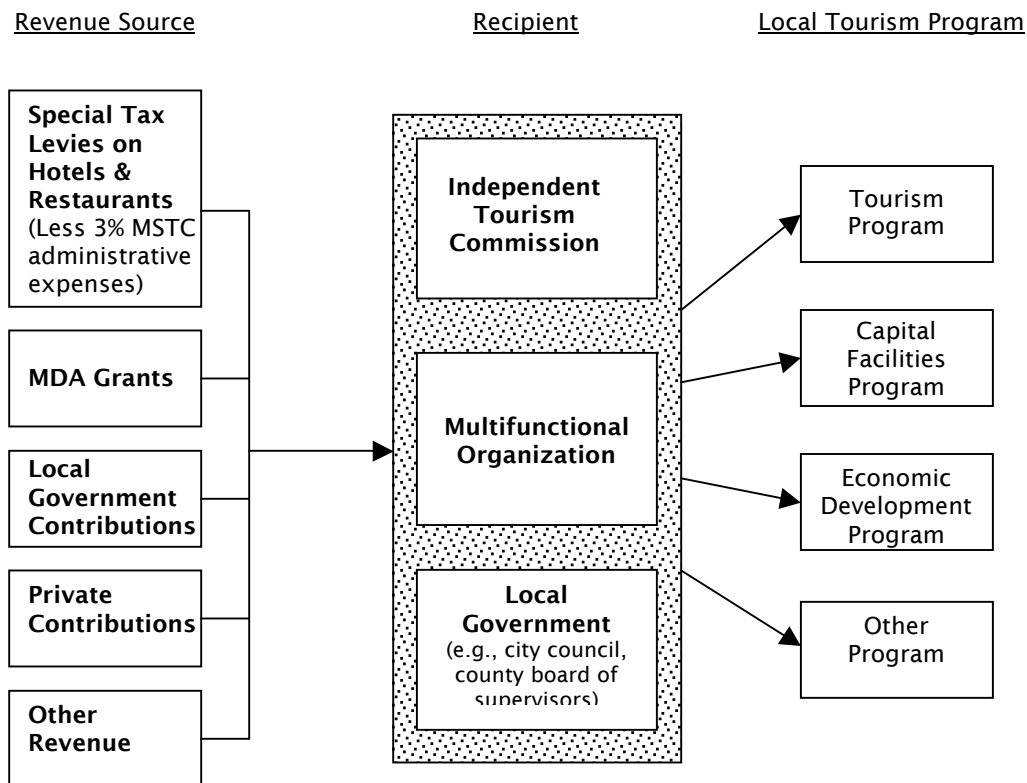
NOTE: As of FY 2002, the Legislature had authorized forty-nine local special taxes through local and private legislation. One entity (Starkville Visitors and Convention Council) reported revenue from two authorized special taxes.

Independent Tourism Commissions

The Legislature has created twenty independent tourism commissions, boards, councils, and convention and visitors' bureaus.

To date, the Legislature has created twenty independent tourism commissions, boards, councils, and convention and visitors' bureaus through local and private legislation. Such independent tourism entities receive tourism-related tax revenue either directly from the Mississippi State Tax Commission or passed through the city or county government (see Exhibit 2, page 6). These entities receive varying degrees of oversight from their respective local governments, but function largely independent of local government. The legislation establishing these entities differs for each individual entity and community. The law grants some entities the authority to construct facilities, while it limits others to spending tourism tax revenues on tourism promotion.

Exhibit 2: Local Tourism Entity Revenue Flow Chart



SOURCE: Compiled by PEER.

Multifunctional Organizations

Nine Mississippi communities have pooled resources and created organizations that can serve many purposes or have merged tourism entities with an established organization.

Tourism entities are also formed as part of multifunctional organizations. As of FY 2002, nine Mississippi communities had chosen to pool resources and create organizations that can serve many purposes or merge tourism entities with an established organization. Currently, five chambers of commerce have a board or office handling tourism activities. These chambers of commerce provide staff and other resources in support of tourism activities and receive tourism tax revenue from local governments. Also, in four communities, tourism entities exist as a part of an organization combining tourism, economic development, Main Street (e.g., an economic and community development program for preserving and revitalizing downtown areas), industrial development, and/or chamber of commerce programs under one umbrella organization and perform a variety of interrelated functions.

Local Governments

In eleven communities, the local government is responsible for expending and distributing tourism tax revenue.

In eleven communities, the local government is responsible for expending and distributing tourism tax revenue. Local governments expend tourism funds through the administrative office (e.g., the city council, board of supervisors, city manager, or county administrator office), parks and recreation department, or a board or commission existing of public officials and/or volunteers.

Local governments also administer tourism-related tax revenue in eight communities collecting special levies for the purpose of constructing capital facilities.

Local governments also administer tourism-related tax revenue in eight communities collecting special levies for the purpose of constructing capital facilities. These communities have authority to collect special levies on hotels and restaurants to fund the construction of recreational, multipurpose, and livestock facilities. Revenue collected by these communities is used for infrastructure, to retire debt, and to fund operation and maintenance associated with the facility.

Tourism programs and activities are similar in each type of entity in that the primary focus is advertising and marketing, including producing brochures and travel guides and operating welcome centers. Most entities also support and promote local festivals and special events as well as offer grants to local businesses, tourist attractions, and other organizations whose success has an impact on tourism.

Some entities are exceptions and expend little or no money on advertising or marketing. The City of Flowood reported spending no tax revenues on advertising or marketing. Flowood expends the majority of the special tax revenue on debt and operation and maintenance associated with the golf course and related facilities located in the city. The city uses a small percentage of the funds for special events it hosts at municipal parks and recreation facilities.

How are local tourism entities funded?

Local tourism entities are funded primarily with resources collected through special tax levies on restaurants and hotels, with additional funds provided through the Mississippi Development Authority and local sources.

Sources of Tourism Entities' Revenues

Sources of revenue for local tourism programs include the special tax levies on hotels and restaurants, Mississippi Development Authority (MDA) grants, local government contributions, private contributions, and other revenue sources. Revenue flows to a local entity that uses the funds to promote tourism, construct capital facilities, or to fund economic development or other programs.

Special Tax Levy Revenue

During FY 2002, the Tax Commission reported transferring \$30,482,313 in special tax levy revenues to local entities.

During FY 2002, the Mississippi State Tax Commission reported transferring \$30,482,313 in special tax levy revenues to local entities (see Appendix A, page 31, and Appendix B, page 32). This amount reflects the total distribution of forty-nine authorized special taxes. Of this total amount transferred, survey respondents reported \$23,890,863 in tourism tax revenue.

Actual tax revenue has gradually increased over the past seven years (except for a sharp increase from 1999 to 2000). When expressed in terms of constant 1997 dollars, however, the trend in deflated dollars has declined slightly since FY 2000 (see Exhibit 3, page 9).

MDA Grant Funds

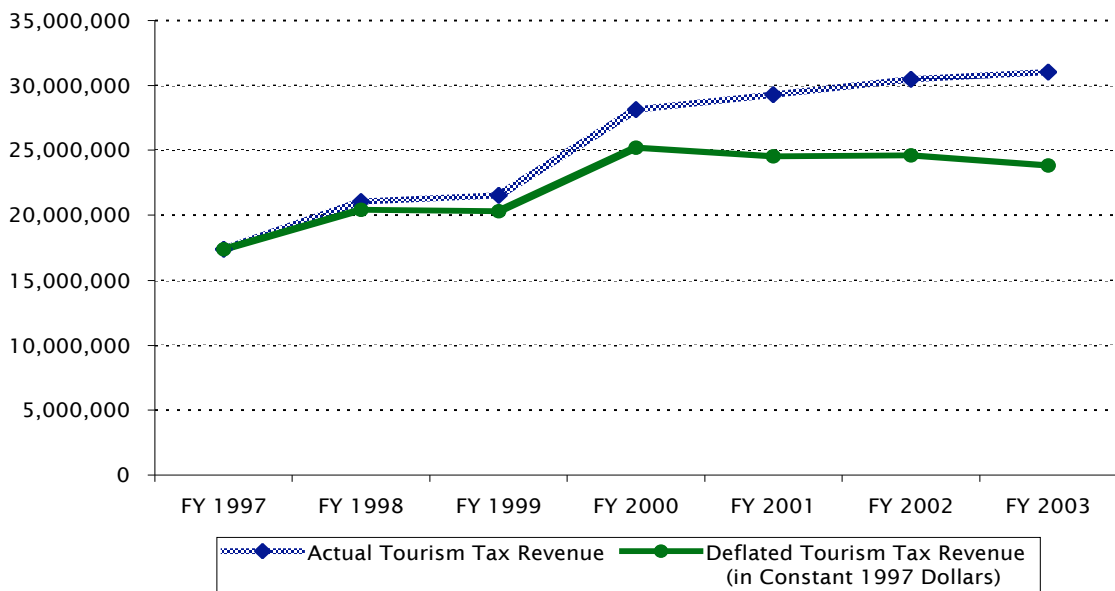
MDA awarded approximately \$1.1 million in FY 2003 to local tourism entities as matching funds for tourism projects.

The grant programs funded and administered by the Mississippi Development Authority (MDA) (i.e., the Tourism Marketing Match Grant Program and the Tribal-State Compact Grant Program) provided additional revenue to local tourism entities. MDA awarded approximately \$1,689,000 in FY 2001; \$1,147,000 in FY 2002; and \$1,191,000 in FY 2003 to local tourism entities as matching funds for tourism projects.

Local Government Revenue

Local tourism entities also receive funding from the local governments of the cities and counties they serve. Tourism entities reported receiving revenue in the form of contributions from municipalities, as well as revenue generated by special events. For example, during Fiscal Year 2001, the Canton Convention and Visitors Bureau reported receiving \$150,000 in additional funding from the City of Canton and \$15,000 from Madison County, as well as generating over \$25,000 in revenue through the Canton Flea Market and the welcome center.

Exhibit 3: Comparison of Actual Tourism Tax Revenue and Deflated Tourism Tax Revenue (in Constant 1997 Dollars) for Fiscal Years 1997 through 2003



SOURCE: Compiled by PEER from State Tax Commission data.

Private Contributions

Local tourism entities receive additional funding from private contributors. For example, to assist with tourism efforts in Hancock County, Casino Magic Casino, located in Bay St. Louis, annually contributes \$36,000 to the Hancock County Tourism Development Bureau. Likewise, other local entities around the state receive similar contributions

from private businesses that could benefit from increased tourism in the area.

Other Revenue

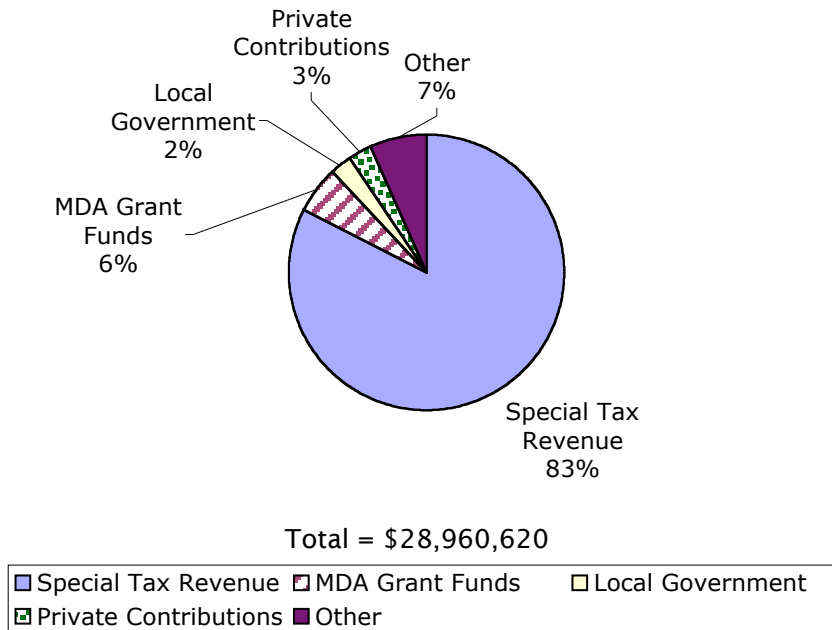
Local tourism entities also collect revenues from other sources, such as revenue generated through tours and sales at welcome centers operated by the local entity. Also, local entities reported receiving revenue through special events and interest income.

Sources of Revenue Reported by Survey Respondents for FY 2002

During Fiscal Year 2002, respondents reported \$23,890,863 in receipts (83 percent of the total) from special tax levies on hotels and restaurants for tourism-related programs and activities in Mississippi.

The largest percentage of Mississippi's local tourism revenue is special tax revenue derived from tourism taxes collected from hotel and restaurant sales (see Exhibit 4, page 11). MDA grant funds accounted for 6% of the total revenues reported by local tourism entities in FY 2002. Local government contributions amounted to 2%, while private contributions accounted for 3% and 7% came from other sources.

Exhibit 4: Sources of Revenue for Local Tourism Entity Survey Respondents (for Fiscal Year 2002)



SOURCE: Compiled by PEER based on survey data responses.

Local Tourism Expenditures

Do local tourism entities' expenditures comply with local and private enabling legislation?

The laws creating local tourism entities include varying expectations for entities regarding financial accountability for expenditure of special tax levy dollars. According to reported survey data, these local tourism entities' expenditures comply with the broad requirements in local and private enabling legislation.

Limits on Authorized Expenditures

Generally, enabling legislation does not place narrow limits on expenditures, so expenditures on non-tourism related programs are permitted.

Local and private legislation generally states that the proceeds of the special tax levy are to be used for the purpose of promoting tourism or carrying out programs and activities designed to attract tourism to the area. Likewise, language related to creating tourism entities typically states that the entity shall exercise authority over matters related to establishing, promoting, and developing tourism and related purposes. Based on self-reported survey data from the forty-eight respondents, these entities expended tourism-related tax revenue in accordance with their enabling legislation.

Twenty tourism entities either share with or distribute a portion of the tourism tax revenue to other programs and activities.

However, twenty tourism entities either share with or distribute a portion of the tourism tax revenue to other programs and activities (see Exhibit 5, page 13). Several communities use tourism-related tax revenue to fund other activities as authorized by enabling legislation, including convention facilities, recreation, economic development, and programs to attract or retain retirees. A part of the tourism and convention tax revenue generated in Coahoma County, Columbus, Corinth, DeSoto County, Harrison County, Hattiesburg, Montgomery County, Natchez, Tupelo, and Vicksburg is designated to retire debt and fund operation and maintenance associated with the construction of convention centers and multipurpose facilities. Similarly, tourism tax revenue collected in Aberdeen, Cleveland, Clinton, Flowood, Holly Springs, Moss Point, Ocean Springs, Oxford, Starkville, and Yazoo County is also used to fund programs focusing on retirees, economic development, and the construction, operation, and maintenance of recreation facilities. Funds collected in Bay Springs, Laurel, Magee, Newton, and West Point are

used exclusively for construction, operation, and maintenance of recreation facilities.

Exhibit 5: Other Programs Funded Through Special Levy Revenue Distribution

Entity Name	Programs in Addition to Tourism that are Funded by Special Levy Revenue
Aberdeen Visitors Bureau	retiree-related programs
Cleveland - Bolivar County Tourism Council	economic development
Clinton	economic development, retiree-related programs, recreation
Coahoma County Tourism Commission	multipurpose facility
Columbus Convention and Visitors Bureau	Mississippi University for Women facility maintenance (In CY 2002, 25% of total special tax levy revenues)
Corinth Area Tourism Promotion Council	Crossroads Arena (one-half of total special tax levy revenues)
DeSoto County Tourism Association	civic center
Flowood	golf course construction and management contract
MS Gulf Coast Convention and Visitors Bureau	Gulf Coast Coliseum Commission (one-third of total special tax levy revenues)
Hattiesburg Convention and Visitors Bureau	convention center
Holly Springs Tourism and Recreation Bureau	recreational facilities (one-half of total special tax levy revenues)
Montgomery County	coliseum
Moss Point	economic development
Natchez Convention and Visitors Bureau	convention center (one-third of total special tax levy revenues)
Ocean Springs	economic development
Oxford	stadium construction
Starkville Visitors and Convention Council	recreation, economic development
Tupelo Convention and Visitors Bureau	coliseum (\$1,000,000 per year)
Vicksburg Convention and Visitors Bureau	convention center
Yazoo County Convention and Visitors Bureau	parks and recreation

SOURCE: Mississippi State Tax Commission and local tourism entities

Lack of Consistency in Expenditure Accountability Requirements

Enabling legislation is inconsistent in requirements for local entities' accountability for tourism dollars.

Enabling legislation may require a local tourism entity to submit an audit to a local government or the State Auditor,

but this is not included in enabling legislation for all entities. The Meridian-Lauderdale County Tourism Commission is required by law to submit a written audit to the Lauderdale County legislative delegation of the Mississippi House of Representatives and Senate. Only tourism entities in Corinth and Philadelphia are required by local and private law to submit an audit to the Office of the State Auditor. Local and private law creating the Jackson Convention and Visitors Bureau states that the State Auditor shall have the authority to conduct audits of the bureau. State law does not consistently charge any state agency with the responsibility of verifying that local tourism entities use their special tax levy revenue in accordance with state law.

How did local tourism entities spend their funds in FY 2002?

For FY 2002, local tourism entities reported expending on average 33 percent for program administration, 12 percent for capital improvements, and 55 percent for tourism programs.

Local tourism entities reported expending a total of \$25,644,355 in FY 2002.

Local tourism entities responding to PEER's survey reported receiving and expending special tax levy collections of \$23,890,863 (83% of the total revenue) in FY 2002 for capital facilities, tourism promotion, and tourism-related programs. Including revenue from all sources, local tourism entities reported expending a total of \$25,644,355 in FY 2002. Local tourism entities expended approximately 33% for program administration, 12% for capital improvements, with the remaining 55% expended on tourism program activities. (See Exhibit 6, page 15.)

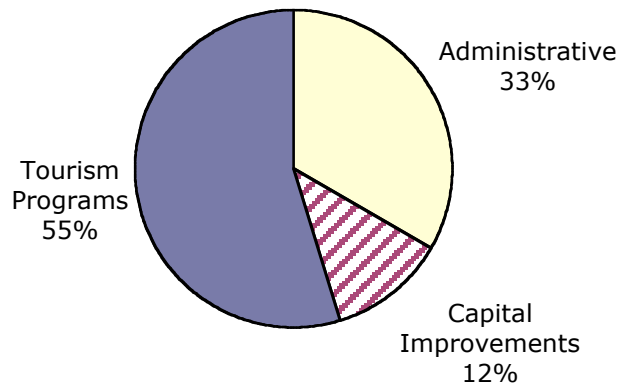
Administrative Expenditures

In FY 2002, local tourism entities reported expending 33 percent of total expenditures for administration. Administrative costs for independent commissions usually include costs associated with operating convention facilities.

According to survey responses, FY 2002 administrative costs of local tourism entities varied greatly due to multiple factors. For the purpose of the survey, administrative costs included five components: salaries, travel, contractual services, commodities, and capital outlay. Costs associated with salaries included actual salaries and any fringe benefits offered by the entity. Travel costs included actual expenditures for personnel

travel. Contractual expenses included ongoing service-oriented costs, such as contractual agreements for rent of facilities, custodial service, and telephone service and professional services for individuals such as attorneys and accountants. Commodities expenditures included items such as office supplies and postage expenses. Tourism entities also reported any capital outlay expenses that were incurred, including costs for buildings and equipment. Those entities with multipurpose, recreation, or convention facilities reported debt service payments.

Exhibit 6: Expenditure of Tourism and Tourism-Related Special Tax Revenue by Local Entities (for FY 2002)



Total = \$25,644,355

Administrative
 Capital Improvements
 Tourism Programs

SOURCE: Compiled by PEER, based on survey data from forty-eight entities responding.

Entities operating a convention center exhibited higher administrative costs due to a higher number of employees to perform related functions and also due to facility construction, operation, and maintenance costs. Some entities reported little or no administrative costs because a portion or all of those functions and related costs are assumed by another organization or shared with other programs. Also, entities with smaller total budgets tended to have a higher percentage of expenditures associated with administrative costs.

Capital Improvement Expenditures

Local tourism entities reported expending approximately \$3 million (or 12% of the total) on capital improvements in FY 2002.

Tourism entities reported \$3,031,591 in capital expenditures during FY 2002. Local entities reported debt service payments and construction expenses for capital facilities, such as convention centers, welcome centers, multipurpose facilities, and recreational facilities as capital improvement expenditures. Other capital expenditures included office equipment and furnishings.

Program Expenditures

Local tourism entities reported expending approximately \$14 million (or 55% of the total \$25.6 million) on tourism promotion programs in FY 2002, including approximately \$9,600,000 for advertising and marketing campaigns.

Advertising

Tourism entities reported advertising (and marketing) as the primary expenditure of tourism tax revenues. In FY 2002, surveyed entities reported spending \$9,600,000, or 68 percent of total expenditures of \$14 million, on advertising (see Exhibit 7, page 17).

Local Grant Programs

Local grant programs are another key component of tourism promotion program expenditures. In FY 2002, surveyed entities reported spending \$1,229,810, or 9% of total expenditures of \$14 million, on local grant programs (see Exhibit 7, page 17). Local tourism entities also use a local grant process to distribute tourism tax revenues to other organizations, tourist attractions, or businesses in the community. For example, local governments may use a grant program to fund beautification projects cooperatively with a local business, such as a historical home that is a local tourist attraction.

Sponsorships

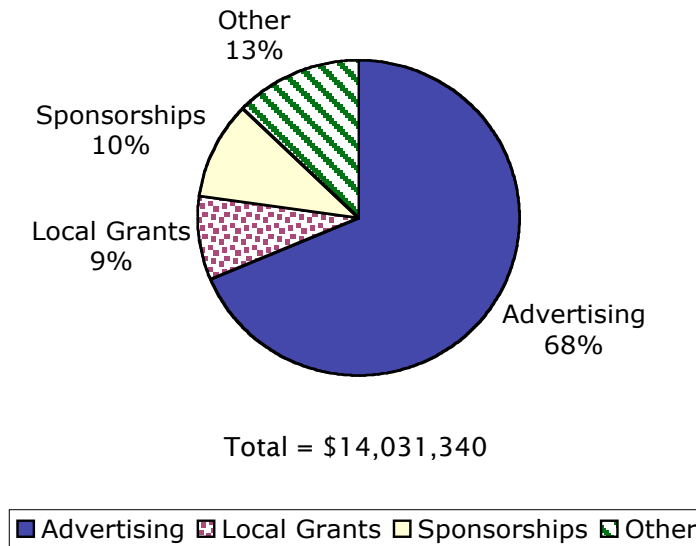
Local tourism entities, especially local governments managing tourism tax revenue, use sponsorships to promote their local community. In FY 2002, surveyed entities reported spending \$1,398,759, or 10% of total expenditures of \$14 million, on sponsorships (see Exhibit

7, below). Through sponsorships, local entities donate funds to festivals, fairs, flea markets, concerts, and other types of special events to assist with the cost associated with producing the event. Some local governments use this method almost exclusively to distribute tourism tax revenue. Local governments accept requests for funding from community organizations hosting special events and participate through awarding funds as a sponsor.

Other Program Expenditures

Other program expenditures account for 13% of the \$14 million total expended in FY 2002, or \$1,779,481 (see Exhibit 7, below). These expenditures primarily include costs associated with trade shows, research, dues, subscriptions, and special projects.

Exhibit 7: FY 2001-2002 Program Expenditures



SOURCE: Compiled by PEER, based on survey data from forty-eight respondents.

Although local governments expended tourism tax revenue with fewer administrative costs, they also tended to spend less on direct advertising and marketing of their respective areas. Local governments typically expended revenues through awarding local grants and sponsoring local events and festivals.

Role of the Mississippi Development Authority in Local Tourism Development and Coordination

Because state law and regulations do not specify authority and responsibility, MDA has no role in coordinating the programs or activities of local tourism entities. MDA's Division of Tourism Development supports the programs and activities of local tourism entities through research, advertising, training and referrals.

Do local tourism programs and MDA's tourism promotion efforts duplicate or complement each other?

MDA tourism promotion programs do not duplicate, but complement local tourism programs.

MDA's Tourism Promotion Responsibility

State law provides MDA with the authority to promote tourism generally, but does not specifically grant authority or responsibility for MDA to coordinate its activities with those of local tourism entities.

No single authority has the legal mandate to coordinate all tourism activities in the state.

The Mississippi Development Authority's Division of Tourism Development describes itself as being responsible for increasing the revenues, taxes, and direct jobs generated by business and leisure travel to Mississippi, resulting in the enhancement of the quality of life and economic vitality of the state. According to MDA's FY 2004 budget request, the division seeks to accomplish this objective by promoting Mississippi domestically and internationally as a travel destination and by assisting local communities and state authorities in the development of the state's human and cultural resources, natural resources, facilities, and infrastructure. The division's activities include planning and conducting programs to promote and market Mississippi's attractions to domestic and international markets; offering educational programs and services to communities and organizations statewide; working to unify the state's tourism industry and promotional efforts; and responding to telephone and mail inquiries from the touring public.

According to MISS. CODE ANN. Section 57-1-59 (1972), MDA holds the following powers and duties regarding tourism:

- (a) *To promote and advertise the image of Mississippi both within and without the boundaries of this state;*
- (b) *To promote and advertise fairs and similar activities of interest to tourists and the traveling public;*
- (c) *To promote and advertise the use of wildlife and natural areas by tourists and the traveling public;*
- (d) *To promote and advertise the use of state recreational and park facilities by tourists and the traveling public;*
- (e) *To promote and advertise all resources of the State of Mississippi as attractions to tourists and the traveling public;*
- (f) *To develop for all agencies of state government the necessary promotional and advertising materials needed to promote all facilities and programs which may be of interest to travelers and tourists;*
- (g) *To maintain an educational awareness program for the citizens of the state to constantly encourage increased development of activities of interest to tourists and the traveling public;*
- (h) *To develop and maintain an information services system to adequately guide tourists and the traveling public within the boundaries of the state; and*
- (i) *To develop and maintain an extensive media program to adequately inform the national and international consumer about Mississippi.*

No statutory relationship exists between MDA and local tourism entities. State law creating local tourism entities includes neither MDA oversight nor coordination authority, nor requirements for local tourism entities to report tourism program activities to MDA.

State law creating local tourism entities includes neither MDA oversight nor coordination authority, nor requirements for local tourism entities to report tourism program activities to MDA.

While the previously mentioned provision gives the Mississippi Development Authority broad authority to develop promotional programs for state tourism, the individual localities, through local and private legislation, have been given specific authority to develop tourism campaigns to promote their localities. Because local and private laws give these local entities specific authority to carry out local tourism programs, no single authority has the legal mandate to coordinate all tourism activities in the state.

MDA's Division of Tourism Development's Efforts to Assist Local Tourism Entities

The Division of Tourism Development is organized so that its staff supports the activities and programs of local tourism entities by providing multiple services, but does not play a direct role in local tourism promotion programs or activities.

The Division of Tourism Development provides assistance primarily through its matching grant program, but also by providing research, data, contacts and leads, and opportunities for cooperative advertising.

Research

The Division of Tourism Development's Research Unit annually reports estimated tourism and recreation economic impact data for the state and county level.

The Division of Tourism Development's Research Unit annually reports estimated tourism and recreation economic impact data for the state and county level. The division produces the Economic Impact Report for Tourism and Recreation each year. The report includes the estimated total tourism and recreation revenues and employment by county, tourism and recreation sales figures by category, and estimated payroll and employment figures for tourism and recreation jobs by category, as well as casino gaming information. Local tourism entities surveyed reported utilizing this information to measure the impact of their respective tourism promotion programs and activities and to assist them in making program decisions. The division's research staff also provides data to local entities upon request, such as estimates for tourist expenditures per person per day to assist local entities in estimating economic impact of a specific event.

Advertising

Through cooperative advertising, local entities can purchase small, more affordable advertising space as part of a larger advertising piece being placed by MDA.

MDA also offers local entities the opportunity to participate in cooperative advertising. Through cooperative advertising, local entities can purchase small, more affordable advertising space as part of a larger advertising piece being placed by MDA. For example, MDA may advertise in a national publication, marketing the state as a whole. By participating in cooperative advertising, a local convention and visitors bureau could purchase a portion of the large advertising space and market the specific local area. The cost to local entities varies depending on the project offered. These types of advertisements can increase visibility for local entities that might not have the resources available to place a large advertisement. MDA only offers one or two cooperative

advertising opportunities each year, but participation among local entities is typically high.

Training

MDA's Division of Tourism Development offers seminars and training for local tourism professionals, including hospitality training, group tour development, and agri-tourism development.

Local tourism entities also reported participating in conferences and training offered by the Division of Tourism Development. Seminars and training for local tourism professionals included hospitality training, group tour development, and agri-tourism development. MDA offers three to four training opportunities throughout the year, depending on the need expressed and industry trends. Approximately thirty to forty local tourism professionals attend each training program. MDA charges an attendance fee ranging from \$20 to \$30 per event. Local tourism professionals also reported the access to MDA staff and their knowledge and expertise in the tourism industry as an additional resource. The Division of Tourism Development estimates that approximately thirty percent of staff time is spent assisting local tourism entities.

Referral

The Division of Tourism's staff assists local entities by referring travel contacts and leads. MDA attends ten to fifteen conventions and trade shows annually promoting the state. Through these events, division staff make contacts and gather inquiries to share with local tourism entities. MDA staff receives an average of forty inquiries or contacts per show that are passed on to local entities, resulting in approximately 500 contacts or leads referred to local entities each year. Local entities can then follow up on inquiries, send out information, and answer questions relevant to their specific region of the state.

MDA Tourism Marketing Match Grant Program

Tourism programs administered by MDA complement those programs and projects operated by local tourism entities.

In FY 2002, MDA provided programs to promote mass media advertising and event/festival development (\$1,200,000 and \$250,000, respectively).

The Mississippi Development Authority's Division of Tourism Development operates an annual matching grant program with three goals: to generate increased travel into and/or within Mississippi, to have broad appeal targeting markets beyond the local area, and to make an economic impact on the area through tourism promotion. In FY 2002, MDA provided programs to promote mass media advertising and event/festival development (\$1,200,000 and \$250,000, respectively). According to MISS. CODE ANN. Section 57-1-60 (1972), MDA has the authority to "establish a program of grants to be matched by tourism entities in the state to finance, promote and advertise local tourist attractions."

The matching grant program awards approximately \$1,200,000 annually for projects directly related to the promotional efforts of local tourism organizations (see Appendix C, page 33). Through the award of these general funds, approved projects receive grants of up to fifty percent of eligible and applicable project costs.

Application Process

Any organization within the state with an established tourism promotion function can apply for MDA matching grant funds.

Local tourism entities may apply for grant funding for projects that are directly related to promotional efforts targeted to visitors outside the immediate local area--specifically, visitors from out-of-state or more than 100 miles away. MDA only considers mass media advertising projects for grant funding, including newspapers, magazines, radio, television, and billboards. Applications for the matching grant program must be submitted through a local convention and visitors bureau, chamber of commerce with a designated tourism council or commission, or an established tourism council or commission with the primary objective of promoting tourism. Any organization within the state with an established tourism promotion function can apply for grant funds. This can also include local governments with a designated tourism council or board. Local governments can only apply for grant funds themselves when there is no local tourism organization in the area. For example, if the City of Jackson had a board or commission concerning tourism, the city could not directly apply for grant funds because the Jackson Convention and Visitors Bureau is the primary tourism organization for the city. Tourism organizations can request up to \$120,000 in grant funding

annually. The level of participation among tourism entities in the grant program has fluctuated over the past ten years, ranging from twenty tourism organizations participating in 1994 to a high of thirty-eight organizations participating in 2001.

MDA staff conducts a preliminary review of all grant applications in order to ensure that the applicants have submitted all necessary information and meet the minimum guidelines and requirements. These requirements include that the project be a mass media advertisement; the advertisement will be placed, or included in a publication with circulation, out of state or more than 100 miles away; and the application is submitted by an appropriate tourism entity. A five-member, independent grant committee carries out the selection process. The committee is made up of the president (or his designee) of the Mississippi Hotel and Lodging Association, the Mississippi Restaurant Association, and the Mississippi Tourism Association, as well as two at-large members appointed by the MDA Director of Tourism Development.

Grant Awards Not Based on Project Merit

The MDA Division of Tourism Development does not award matching grants based on project merit, but distributes them proportionately among applicants. This practice may reduce the effectiveness of the program because it inhibits competition for grant funds.

In recent years the number of applicants and amount of funding requested have increased. However, local tourism entities often submit an application that may include a total advertising and marketing plan, rather than multiple applications for individual advertisements. This practice has resulted in a decrease in the total number of applications received by MDA.

The grant committee does not utilize an evaluation form, rating scale, or other standardized review process to determine the level of funding awarded.

Historically, the grant committee has rarely turned any applicant down for funding if the project met the minimum standard for application. The committee has typically granted the amount requested, as long as funds would allow. In 2001, of the 156 applications reviewed by the granting committee, only three proposals were denied funding. In 2002, only four proposals were rejected from the 147 applications. Of the 108 applications considered by the committee, only one application did not receive funding in 2003.

The grant evaluation and awards process has evolved so that all applicants receive some amount of funding, or a

“something for everybody” approach. This method of funding distribution does not reward creative ideas or high impact projects, but rather enables organizations to be dependent on an expected amount of funding or subsidy from MDA. The grant committee does not utilize an evaluation form, rating scale, or other standardized review process to determine the level of funding awarded. Because of a reduced budget for the grant program in FY 2003 and 2004, the committee has elected to award a “pro-rated” or percentage-based award to applicants. Therefore, applicants meeting the minimum standard will typically receive a percentage of the requested funding. The process for application evaluation or distribution of funds through the matching grant program does not seem to have established criteria, beyond a set of minimum standards on which it bases funding decisions, such as demonstrated effectiveness of an advertising campaign or innovation in reaching a targeted market. Over time, as the number of applicants continues to increase, this practice may reduce the effectiveness of the program.

Reporting

Upon completion of the approved project, applicants are required to submit a final report to the Division of Tourism Development detailing the project expenditures. The division reimburses tourism organizations for up to one-half of the project expenses of approved projects after the final paperwork has been submitted. One year after the close of the final report, the division asks grant recipients to submit a research report evaluating the success of the project.

Tribal-State Compact Grant Program

The Tribal-State Compact Grant Program assists in developing events and festivals and encourages events to become self-sufficient.

The Tribal-State Compact Grant Program has approximately \$500,000 in grant funding available each year.

MDA cooperatively sponsors the Tribal-State Compact grant program with the Mississippi Band of Choctaw Indians (MBCI). The purpose of the program is to promote economic development through tourism, to enhance the image of Mississippi and its communities/regions, and to improve the quality of life by helping events become established and self-supporting. The program began in 1995 and awards grant funds on a quarterly basis. Both MBCI and MDA contribute \$62,500 each quarter to fund the grant program, for a total of \$500,000 in grant funding available each year. Projects eligible for grant funding are

festivals and special events, thus the level of participation in the program is more limited than that of the matching grant program funded solely by MDA.

Application Process

Although any tourism project within the state is eligible for funding, the program emphasizes providing assistance to developing special events and festivals and encourages those events to become independent and successful. Applications undergo a preliminary review by grant program managers for both MDA and MBCI, who make funding recommendations to the Division of Tourism Director and the MBCI Chief. Any discrepancies between funding recommendations between MDA and MBCI are then worked out between the MBCI Chief or his designee and the Division of Tourism Development. The Executive Director of MDA and the MBCI Chief make final approval of funding recommendations.

It has been the practice of the grant program manager making the preliminary review that projects that continue to seek funding on an annual basis usually receive limited funding beyond the first or second year of application. The preliminary review process typically denies funding to applications that have already received funding for three consecutive years; however, this rule is not included in the written Tribal-State Compact Guidelines distributed to applicants.

Reporting

The program requires grant recipients to submit a project clearance report within sixty days of the completion of a funded project. The project clearance report allows applicants to report on the event, estimated attendance, estimated direct economic impact, and benefits received by the state of Mississippi and MBCI.

Financial Impact and Effectiveness of Local Tourism Programs

What financial impact do local tourism development efforts have on the state and local economy?

Few local entities gather uniform and comprehensive data on the financial impact and effectiveness of their tourism programs or conduct studies to measure effectiveness of tourism programs. Although MDA compiles an annual estimate of tourism financial impact, it does not estimate benefits derived from local expenditures.

Measurement by Local Entities

Few local entities gather uniform and comprehensive data on the financial impact and effectiveness of their tourism programs or conduct studies to measure effectiveness of tourism programs.

While MDA monitors categories of tourism expenditures for the state level, such as revenues in categories ranging from restaurants to antique stores, local tourism entities do not have the resources or capability to perform comprehensive measurement of the impact of tourism promotion programs in a local area. All local entities do, however, collect some type of information in order to measure economic impact.

Local tourism entities do not have the resources or capability to perform comprehensive measurement of the impact of tourism promotion programs in a local area.

Local tourism entities collect various forms of data from actual visitors and potential visitors. Almost all tourism entities track the number of telephone, mail, walk-in, email, or website (if applicable) requests for information. This is one of the simplest and most straightforward forms of information that may provide an indication of how many potential visitors are being reached through advertising and marketing efforts. Entities often use direct response advertisements, which include telephone, email, or website contact information and direct the potential visitor to the tourism entity. Some local tourism entities go a step further and also track the source of inquiries, asking the potential visitor for information such as how he or she heard about the area or where and when the individual saw an advertisement.

A smaller number of entities perform conversion studies to get more information about individuals who have contacted the entity. Through conversion studies, local entities follow up by sending a survey to potential visitors who requested information. These surveys ask if the

requester is either planning to or actually visited the area, when they visited, how long they stayed, and other related questions. These studies are one component in helping tourism entities measure the number of visitors who come to the area.

Another measurement tool used by local tourism entities is to collect data such as visitor counts at local tourist attractions, festivals, events, conventions, or parks and recreation facilities (see Exhibit 8, page 28). Although local residents take advantage of these types of attractions as well as visitors, tourism entities typically track attendance rates at these types of venues. Local entities also monitor hotel occupancy rates, gasoline sales, and counts collected at visitor and welcome centers.

The majority of local tourism entities reported monitoring tourism tax revenue as a method of measuring effectiveness. While this may be an indicator of increased tourism to an area, it is not necessarily a reliable means of determining the effectiveness of an entity's programs. Since monitoring tax revenue increases or decreases conveys nothing about the visitor, this method also does not provide any additional information that can direct or influence where and how advertising and marketing funds are expended. Local entities relied most heavily on increases in tourism tax revenue and MDA-estimated increases in tourism and recreation revenues as indicators of increased tourism activity.

Independent Studies

Independent research studies that provide marketing and advertising information at the local level are costly and not a reasonable option for most local entities.

Some larger tourism entities such as the Gulf Coast Convention and Visitors Bureau and the Tunica Convention and Visitors Bureau have conducted comprehensive effectiveness studies that measure not only number and origin of visitors but also provide visitor profile and demographic information that is essential in making informed decisions on how to spend advertising and marketing dollars. Comprehensive studies are also able to examine how visitors plan their travel, how long they stayed in the area, what attractions they visited, and estimate spending. Advertising and marketing impact relating to name recognition of an area in specific markets can also be measured through research studies. The research studies that provide this information at the local level are costly and not a reasonable option for most local entities.

Exhibit 8: Types of Measurement Data Collected by Local Tourism Entities

Tourism Entity	Visitor Counts	Inquiries	Direct Response Leads	Website Statistics	Tax Revenue Trends	Hotel Occupancy Reports	Conversion Studies	Tours Booked	Interview/Surveys	Welcome Center Count	Economic Impact Studies	Visitor Demographics
Independent Tourism Commissions/CVBs:												
Aberdeen Visitors Bureau	X	X										
Canton Convention & Visitor Bureau	X	X	X	X								
Columbus-Lowndes CVB		X				X	X			X	X	
DeSoto County Tourism Association		X		X		X				X		
Greenville-Washington Co. CVB	X	X	X		X	X	X		X			
Greenwood CVB		X	X									
Grenada Tourism Commission		X	X						X			
Mississippi Gulf Coast CVB	X			X			X					X
Hancock Co. Tourism Bureau	X	X	X		X							
Hattiesburg CVB	X	X		X		X	X					
Holly Springs Tourism Bureau	X	X	X							X		
Jackson Convention & Visitor Bureau	X	X	X	X		X						
Lauderdale Co. Tourism Commission		X	X	X						X		
Natchez Convention & Visitor Bureau		X			X	X				X		
Oxford Tourism Council		X	X	X						X		
Ridgeland Tourism Commission		X	X									
Tunica Convention & Visitor Bureau	X	X	X			X	X	X				X
Tupelo Convention & Visitor Bureau	X	X							X			
Vicksburg Convention & Visitor Bureau	X	X										X
Yazoo County CVB		X	X	X								
Multifunctional Organizations:												
Cleveland-Bolivar Co. Tourism Council	X	X		X								
Coahoma Co. Tourism Commission	X	X	X	X								
Corinth Area Tourism Council	X	X	X					X				
Indianola Tourism Commission												
Kosciusko Tourist Promotion Council	X	X		X		X				X		
Philadelphia-Neshoba Co. Tourism		X		X		X						
Rankin First Development Foundation		X										
Starkville Visitors Council		X	X	X							X	
Stone Co. Economic Dev. Partnership	X	X				X						
Tishomingo Co. Dev. Foundation	X	X	X									
Local Governments:												
City of Batesville	X		X		X							
City of Clinton	X	X		X		X						
City of Flowood	X											
City of Hernando		X			X							
Montgomery County												
City of Moss Point		X			X							
City of New Albany	X											
City of Ocean Springs					X							
City of Oxford												
City of Picayune					X							
City of Southaven		X		X								

SOURCE: Compiled by PEER based on survey data responses

Measurement of Financial Impact by MDA

MDA does not estimate benefits derived from local tourism expenditures.

The direct economic benefits of tourism are often defined in terms of visitors' total expenditures for lodging, food, gas, local transportation, retail purchases, entrance or user fees, entertainment, and gifts. Economic benefits can also be defined as the taxes paid to local governments and the state, such as sales tax, tourism tax, and gas tax. Estimated benefits also include the numbers of full- and part-time jobs created and supported by tourism expenditures, the wages and salaries earned by the workers who hold these jobs, and the income earned by owners of businesses that supply goods and services to visitors. Separating travel spending from non-traveler spending on items of common interest, such as restaurants and shopping, makes measuring these benefits difficult.

MDA's annual Economic Impact Report for Tourism and Recreation describes trends in tourism, estimates tourism spending by category, and estimates tourism and recreation revenues by county. However, MDA does not estimate benefits derived from local tourism expenditures.

Each year MDA compiles data such as welcome center registrations, surveys of local tourism entities, regional airport/air passenger trends, visitor profile information, gaming revenue, tourism tax revenue, number of meetings and conventions, hotel occupancy, tourism industry employment, visitor counts at recreation facilities, and revenues reported in categories such as restaurants, museums, and other tourism related categories. Through analysis of this information, MDA produces an annual Economic Impact Report for Tourism and Recreation. This report describes trends in various tourism factors and estimates tourism spending by category. The report also estimates tourism and recreation revenues by county. However, MDA does not estimate benefits derived from local tourism expenditures.

MDA also contracts with outside research firms for studies regarding the effectiveness of advertising and visitor profile analysis. The visitor profile analysis provides information regarding the demographics, origin, and number of visitors as well as travel information such as type of visit and length of stay.

Recommendations

1. The Legislature should amend MISS. CODE ANN. Section 57-1-59 (1972) to authorize MDA to enter into agreements with local tourism authorities to devise coordinated tourism plans and programs in the interests of both the state and the localities. Also, the Legislature should consider requiring that localities enter into such agreements as pre-conditions to receiving any grants from the state.
2. The Legislature should consider adopting general legislation requiring local tourism entities designated to receive tourism tax revenue or special levy revenue for capital facility construction, operation, and maintenance to submit an annual audit to the Office of the State Auditor in order to verify that local tourism entities and local governments are utilizing special levies in accordance with state law.
3. In evaluating future project proposals submitted in the grant application process, MDA should include evaluation criteria that would base grant awards on project merit, including estimated return on investment.
4. Local entities should consider improving methods of measuring financial impact and effectiveness of their tourism programs by gathering uniform and comprehensive data. Local tourism entities should consider tracking customer service quality factors in order to measure their effectiveness in meeting the requests of potential visitors and service satisfaction among potential visitors.
5. In compiling its annual estimate of tourism financial impact, MDA should estimate benefits derived from investments made by local tourism entities.

Appendix A: Local Tourism Entities and Special Tax Levies (As of FY 2002)

Special Tax Levy Source	Local Tourism Entity	Room Tax Percentage	Restaurant Tax Percentage
	Independent Tourism Commissions/CVBs (20)		
Aberdeen Special Tax	Aberdeen Visitors Bureau	1.0	1.0
Canton Tourism & Convention	Canton Convention & Visitor Bureau	2.0	2.0
Columbus Tourism Tax	Columbus-Lowndes CVB	-	2.0
DeSoto County Special Tax	DeSoto County Tourism Association	2.0	2.0
Washington Co. Tourist Promotion	Greenville-Washington Co. CVB	1.0	1.0
Greenwood Tourism Commission	Greenwood CVB	1.0	1.0
Grenada Tourism Tax	Grenada Tourism Commission	2.0	1.0
Harrison County Tourism Tax	Mississippi Gulf Coast CVB	3.0	-
Hancock County Special Tax	Hancock Co. Tourism Development Bureau	2.0	-
Hattiesburg Special Tax	Hattiesburg CVB	2.0	2.0
Holly Springs Tourism Tax	Holly Springs Tourism & Recreation Bureau	2.0	2.0
Jackson Tourism Tax	Jackson CVB	1.0	1.0
Lauderdale County Tourism Tax	Lauderdale County Tourism Commission	2.5	-
Adams County Convention Tax	Natchez CVB	3.0	1.5
Oxford Tourism Tax	Oxford Tourism Council	2.0	-
Ridgeland Special Tax	Ridgeland Tourism Commission	1.0	1.0
Tunica County Special Tax	Tunica Convention & Visitor Bureau	3.0	3.0
Tupelo Convention/Tourism Tax	Tupelo Convention & Visitor Bureau	2.0	2.0
Warren County Tourism Tax	Vicksburg Convention & Visitor Bureau	1.0	1.0
Yazoo County Special Tax	Yazoo County Convention & Visitor Bureau	2.0	2.0
	Multifunctional Organizations (9)		
Cleveland Special Tax	Cleveland-Bolivar County Tourism Council	2.0	2.0
Coahoma County Special Tax	Coahoma County Tourism Commission	2.0	1.0
Corinth Tourism Tax	Corinth Area Tourism Promotion Council	2.0	2.0
Kosciusko Tourist Promotion	Kosciusko Tourist Promotion Council	2.0	-
Philadelphia Tourism Tax	Philadelphia-Neshoba Co. Tourism	3.0	-
Rankin County Special Tax	Rankin First Development Foundation	2.0	-
Starkville Tourism & Convention	Starkville Visitors & Convention Council	2.0	2.0
Starkville-Oktibbeha Tourism Tax			
Stone County Special Tax	Stone Co. Economic Development Partnership	2.0	2.0
Tishomingo County Promotion Tax	Tishomingo County Development Foundation	2.0	-
	Local Governments (10)		
Batesville Tourism & Econ. Devel. Tax	City of Batesville	3.0	3.0
Clinton Special Tax	City of Clinton	2.0	-
Flowood Special Tax	City of Flowood	-	2.0
Hernando Tourism Tax	City of Hernando	1.0	-
Montgomery Co. Coliseum & Tourism Tax	Montgomery County (Coliseum & Tourism)	2.0	-
Moss Point Special Tax	City of Moss Point	3.0	-
New Albany Special Tax	City of New Albany	2.0	2.0
Ocean Springs Special Tax	City of Ocean Springs	2.0	-
Oxford Stadium Tax	City of Oxford	-	2.0
Picayune Special Tax	City of Picayune	2.0	1.0
Southaven Special Tax	City of Southaven	1.0	-
	Entities Constructing Local Capital Facilities (8)		
Bay Springs Special Tax	City of Bay Springs (County Livestock Center)	1.0	-
Lowndes County Special Tax	Columbus-Lowndes CVB	2.0	-
Florence Special Tax	Town of Florence (Economic Development/Recreation)	-	2.0
Laurel Special Tax	City of Laurel (Recreation Facilities)	2.0	2.0
Magee Special Tax	City of Magee (Recreation Facilities)	1.0	1.0
Newton Special Tax	City of Newton (Recreation)	\$1/room/night	-
Vicksburg Special Tax	Vicksburg Convention & Visitor Bureau	2.0	-
West Point Special Tax	City of West Point (Recreation Facilities)	1.0	1.0

SOURCE: Mississippi State Tax Commission

NOTE: Three percent of proceeds of each tourism related special levy is retained by the MSTC to defray the cost of collection.

Appendix B: Special Tax Levy Distribution to Local Tourism Entities for FY 1997 to FY 2003

Recipient	7/1/96 to 6/30/97 FY 1997	7/1/97 to 6/30/98 FY 1998	7/1/98 to 6/30/99 FY 1999	07-01-1999 to 06-30-00 FY 2000	07-01-2000 to 06-30-01 FY 2001	07-01-2001 to 06-30-02 FY 2002	07-01-2002 to 06-30-03 FY 2003
DEPENDENT COMMISSIONS (20)							
Aberdeen Visitors Bureau	\$60,766	\$58,569	\$58,075	\$66,596	\$63,772	\$60,153	\$57,884
Canton Convention & Visitors Bureau	187,109	201,394	213,076	232,097	237,496	310,975	356,176
Columbus Convention & Visitors Bureau	902,975	919,857	1,001,733	1,003,570	1,056,886	1,078,154	1,080,093
Desoto County Tourism Association	283,187	1,728,442	2,060,621	2,338,589	2,663,264	3,020,053	3,309,819
Greenville-Washington Co. Conv. & Visitors Bureau	439,464	471,637	495,162	490,185	496,453	529,129	517,254
Greenwood Convention & Visitors Bureau	229,393	235,224	263,813	270,436	271,989	282,831	278,570
Grenada Tourism Commission	272,281	272,101	293,563	308,902	314,725	313,960	325,978
MS Gulf Coast Convention & Visitors Bureau	1,844,339	1,782,116	2,169,506	2,890,673	2,904,328	2,845,941	2,824,226
Hancock County Tourism Development Bureau	65,707	123,305	134,916	128,439	115,632	119,491	146,498
Hattiesburg Convention & Visitors Bureau	2,154,328	2,309,816	2,473,454	2,649,175	2,680,503	2,844,809	2,839,027
Holly Springs Tourism & Recreation Bureau				94,589	189,266	192,797	193,339
Jackson Convention & Visitors Bureau	2,754,068	2,700,012	326,687	3,021,427	2,935,245	3,016,222	3,002,979
Lauderdale County Tourism Commission	175,921	323,866	384,502	373,144	352,630	394,681	394,804
Natchez Convention & Visitors Bureau	782,651	759,158	790,533	825,744	829,404	856,928	815,818
Oxford Tourism Council	86,328	137,917	90,308	101,123	112,634	109,963	111,221
Ridgeland Tourism Commission	629,928	693,862	741,394	765,881	729,726	744,596	782,813
Tunica Convention & Visitors Bureau	510,963	1,079,251	1,270,208	2,344,248	2,659,957	2,582,258	2,443,770
Tupelo Convention & Visitors Bureau	1,804,535	1,883,970	2,006,009	2,191,494	2,230,905	2,283,360	2,300,876
Vicksburg Convention & Visitors Bureau	718,578	662,561	764,372	823,728	743,979	684,521	725,080
Yazoo County Convention & Visitors Bureau	196,972	207,631	214,552	248,548	236,209	246,705	264,625
TOTAL INDEPENDENT COMMISSIONS (20)	14,099,493	16,550,689	15,752,484	21,168,588	21,825,005	22,517,523	22,770,852
LMULTIFUNCTIONAL PROGRAMS (9)							
Cleveland-Bolivar Co. Tourism Council	61,767	225,031	364,883	433,567	454,533	494,415	454,405
Coahoma Co. Tourism Commission	264,102	241,725	230,416	278,977	281,197	294,086	288,186
Corinth Area Tourism Promotion Council	509,954	518,410	568,238	624,134	627,510	652,104	678,557
Kosciusko Tourist Promotion Council	21,527	19,783	22,140	25,033	28,049	33,729	30,253
Philadelphia-Neshoba Co. Tourism				38,710	71,479	85,497	90,081
Rankin First Development Foundation	89,629	96,425	149,113	189,068	212,654	260,502	275,411
Starkville Visitors & Convention Council*	670,326	719,794	759,557	888,310	927,674	968,558	989,508
Stone County Economic Dev. Partnership				151,907	176,104	176,104	185,435
Tishomingo County Development Foundation	14,972	15,024	15,805	20,912	11,682	10,112	10,256
TOTAL MULTIFUNCTIONAL PROGRAMS (9)	1,632,277	1,836,192	2,110,152	2,498,711	2,766,685	2,975,107	3,002,092
MUNICIPAL/COUNTY PROGRAMS (11)							
Batesville	142,779	424,513	568,414	596,658	619,060	644,314	672,524
Clinton	49,767	50,758	53,397	53,147	68,303	67,016	82,321
Flowood	195,707	264,860	288,631	453,575	532,448	619,693	758,915
Hernando				5,765	11,905	10,321	10,600
Montgomery County					19,647	19,806	22,104
Moss Point	199,872	217,520	265,955	197,869	206,949	205,956	226,803
New Albany		185,483	314,744	339,792	330,590	367,721	378,990
Ocean Springs			13,486	34,780	34,695	31,509	31,406
Oxford Stadium (Oxford Tourism Council)	671,797	682,902	797,348	857,621	872,088	959,816	1,009,557
Picayune			146,871	238,212	240,684	250,032	256,751
Southaven	42,177	49,039	35,868	52,416	60,169	70,620	67,507
TOTAL MUNICIPAL/COUNTY PROGRAMS (11)	1,302,099	1,875,075	2,484,714	2,829,835	2,996,537	3,246,804	3,517,478
TOTAL TOURISM PROGRAMS (EXCL. CAP. FAC.)	17,033,869	20,261,956	20,347,350	26,497,134	27,588,228	28,739,435	29,290,423
CAPITAL FACILITIES PROGRAMS (8)							
Bay Springs		4,115	5,505	6,777	5,813	6,299	6,183
Columbus Convention & Visitors Bureau	30,576	28,573	31,772	35,292	63,558	64,759	70,272
Florence			28,219	87,896	84,540	104,409	112,467
Laurel	221,493	360,340	641,393	841,043	854,602	904,423	863,856
Magee				58,447	111,170	120,734	126,274
Newton	9,622	14,722	17,433	17,544	16,332	16,242	15,612
Vicksburg Convention & Visitors Bureau	92,669	366,874	356,794	399,723	387,161	357,702	360,076
West Point			107,444	193,388	167,339	168,310	185,258
TOTAL CAPITAL FACILITIES PROGRAMS (8)	354,360	774,624	1,188,560	1,640,110	1,690,515	1,742,878	1,739,998
Actual Tourism Tax Revenue	17,388,229	21,036,580	21,535,910	28,137,244	29,278,743	30,482,313	31,030,420
Deflated Tourism Tax Revenue (in Constant 1997 Dollars)	17,388,229	20,426,519	20,308,363	25,210,971	24,535,586	24,599,227	23,831,363

SOURCE: Mississippi State Tax Commission

NOTE: Three percent of proceeds of each tourism related special levy is retained by the MSTC to defray the cost of collection.

*Revenue shown for Starkville Visitors & Convention Council includes Starkville Tourism and Convention Tax and Starkville-Oktibbeha Tourism Tax revenues.

Appendix C: FY 2003 MDA Matching Grant Recipients

Local Grant Recipient	Project Name	COUNTY	GRANT AWARD
Aberdeen Visitors Bureau	North MS Pilgrimage Advertisement	Monroe	\$4,286.42
Aberdeen Visitors Bureau	2003 Pilgrimage Brochures/Advertising	Monroe	\$2,027.49
Aberdeen Visitors Bureau	2003 MS Tour Guide, Rack Cards	Monroe	\$1,423.53
Canton CVB	MS Tour Guide	Madison	\$3,042.71
Canton CVB	Canton Media & Marketing Campaign	Madison	\$36,935.84
Cleveland-Bolivar Co. Chamber	FY2003 Advertising/Marketing Program	Bolivar	\$26,305.56
Coahoma Co. Tourism Comm.	FY 2003 Advertising	Coahoma	\$21,515.39
Columbus CVB	Winter/Spring Media 2003	Lowndes	\$27,068.33
Columbus CVB	Summer Media 2003	Lowndes	\$18,150.91
Corinth Area Tourism	Winter Media 2003	Alcorn	\$14,793.28
Corinth Area Tourism	Spring Media 2003	Alcorn	\$17,622.62
Corinth Area Tourism	Summer Media 2003	Alcorn	\$5,681.50
Covington Co. Chamber	Okatoma Festival Advertising	Covington	\$1,085.06
DeSoto Co. Tourism Assn.	Travel Brochure	DeSoto	\$6,286.62
DeSoto Co. Tourism Assn.	Media Plan 2002-2003	DeSoto	\$31,310.50
Greenville CVB	2002 Greenville Balloon Festival	Washington	\$9,550.32
Greenville CVB	2002 MS Delta Blues & Heritage Festival	Washington	\$10,311.75
Greenville CVB	FY 2003 Washington Co. Outfitters Print	Washington	\$10,529.30
Greenville CVB	2003 Consumer Print Campaign	Washington	\$35,618.73
Greenville CVB	2003 MS Fish & Wildlife Expo	Washington	\$6,344.05
Greenville CVB	11th Annual MS Delta Wildlife Expo	Washington	\$4,765.59
Greenville CVB	Greenville Airbase Museum Media	Washington	\$3,765.35
Greenville CVB	Greenville Airbase Museum Brochure	Washington	\$785.29
Greenville CVB	2002 4th Annual Hwy. 61 Blues Festival	Washington	\$7,494.58
Greenwood CVB	1st Quarter 2003 Advertising	Leflore	\$8,006.68
Greenwood CVB	2nd Quarter 2003 Advertising	Leflore	\$5,134.57
Greenwood CVB	3rd Quarter 2003 Advertising	Leflore	\$719.77
Greenwood CVB	4th Quarter 2003 Advertising	Leflore	\$4,352.00
Greenwood CVB	Lawn & Garden 2003 Expo	Leflore	\$2,582.29
Greenwood CVB	Balloonfest 2003	Leflore	\$23,394.82
Greenwood CVB	Blues Brochure & Map	Leflore	\$1,252.27
Greenwood CVB	Dining & Lodging Guide	Leflore	\$747.50
Greenwood CVB	2003 Travel Planner Advertising	Leflore	\$7,606.78
Grenada Tourism Commission	Thunder on Water Media Package	Grenada	\$3,791.37
Grenada Tourism Commission	2003 Battle Reenactment Media	Grenada	\$708.95
Grenada Tourism Commission	Grenada Media Schedule 2003	Grenada	\$6,589.37
Grenada Tourism Commission	Attractions/Dining & Lodging reprint	Grenada	\$1,607.12

Appendix C: FY 2003 MDA Matching Grant Recipients (Continued)

Local Grant Recipient	Project Name	COUNTY	GRANT AWARD
Grenada Tourism Commission	Lofton Archery Classic Media 2003	Grenada	\$1,040.00
Grenada Tourism Commission	2003 Crappie Classic Media	Grenada	\$19,016.94
Grenada Tourism Commission	Thunder on Water Media Package	Grenada	\$3,791.37
Hancock Co. Tourism	Gulf Coast Golf Tourism Initiative	Hancock	\$17,115.25
Hancock Co. Tourism	Baton Rouge Advocate Supplements (2)	Hancock	\$778.42
Hancock Co. Tourism	AAA Southern Traveler	Hancock	\$304.27
Hancock Co. Tourism	Country Roads Magazine	Hancock	\$607.02
Hancock Co. Tourism	Southern Living Advertising	Hancock	\$1,882.68
Hancock Co. Tourism	Women's Day Advertising	Hancock	\$1,369.22
Hancock Co. Tourism	USA Weekend	Hancock	\$1,141.02
Hancock Co. Tourism	New Orleans Magazine	Hancock	\$912.81
Hancock Co. Tourism	MS Tour Guide 2003	Hancock	\$3,803.39
Hancock Co. Tourism	City Social Magazine, Baton Rouge	Hancock	\$608.54
Hancock Co. Tourism	Fun Times Guide - Spring 2003	Hancock	\$1,711.52
Hancock Co. Tourism	MS Tour Guide NASA - 2003	Hancock	\$2,282.03
Hancock Co. Tourism	Cruisin' the Coast Hancock County	Hancock	\$7,950.98
Hancock Co. Tourism	Old Town Bay St. Louis Brochure	Hancock	\$475.42
Hancock Co. Tourism	Fun Times Guide - Fall 2003	Hancock	\$1,711.52
Harrison Co. Tourism	2003 Advertising	Harrison	\$91,281.32
Hattiesburg CVB	AAA Tourbook 2003	Forrest	\$1,262.72
Hattiesburg CVB	2003 MS Tour Guide	Forrest	\$3,803.39
Hattiesburg CVB	MS Golf Guide	Forrest	\$4,465.18
Holly Springs Tourism	Holly Springs Brochure	Marshall	\$1,459.55
Jackson Co. Chamber	Gulf Coast Golf Tourism Initiative	Jackson	\$37,534.88
Jackson CVB	2002-2003 Media Campaign	Hinds	\$91,281.32
Kosciusko/Attala Co. Chamber	Central MS Fair	Attala	\$4,819.74
Kosciusko/Attala Co. Chamber	Natchez Trace Festival	Attala	\$4,819.74
Kosciusko/Attala Co. Chamber	2003 MS Tour Guide	Attala	\$665.59
Lauderdale Co. Tourism	Oct. - Dec. 2002 Advertising Program	Lauderdale	\$4,491.32
Lauderdale Co. Tourism	Jan.-March 2003 Advertising Program	Lauderdale	\$10,902.41
Lauderdale Co. Tourism	April-June 2003 Advertising Program	Lauderdale	\$9,069.18
Lauderdale Co. Tourism	July-Sept. 2003 Advertising Program	Lauderdale	\$13,737.84
Lauderdale Co. Tourism	Jimmie Rodgers Festival	Lauderdale	\$4,934.42
Lauderdale Co. Tourism	State Games of MS Promotion	Lauderdale	\$2,202.92
Lauderdale Co. Tourism	State Games of MS FY2003 Advertising	Lauderdale	\$22,820.33
Lauderdale Co. Tourism	Arts in the Park Festival 2003	Lauderdale	\$1,682.71
Lauderdale Co. Tourism	Trees of Christmas	Lauderdale	\$608.54

Appendix C: FY 2003 MDA Matching Grant Recipients (Continued)

Local Grant Recipient	Project Name	COUNTY	GRANT AWARD
Natchez CVB	Media Buy Program A	Adams	\$11,406.93
Natchez CVB	Media Buy Program B	Adams	\$11,556.21
Natchez CVB	Media Buy Program 1	Adams	\$29,747.06
Natchez CVB	Media Buy Program 2	Adams	\$11,362.62
Natchez CVB	AAA Tour Book 2003 Edition	Adams	\$2,487.42
Natchez CVB	MS Golf Guide	Adams	\$1,899.79
Natchez CVB	MS Tour Guide 2003	Adams	\$7,606.78
Natchez CVB	Tour Planner 2003 reprint	Adams	\$870.98
Natchez CVB	Visitors Guide reprint	Adams	\$1,899.79
Natchez CVB	Natchez Literary & Cinema Celebration	Adams	\$1,786.64
Natchez CVB	LA. Newspaper Travel Section Insert	Adams	\$5,705.08
Natchez CVB	Great MS River Balloon Race 2002	Adams	\$4,952.01
Ocean Springs Chamber	FY 2003 Media Schedule	Jackson	\$4,662.95
Ocean Springs Chamber	Artwalk 2003	Jackson	\$2,662.37
Ocean Springs Chamber	Shopping & Dining Guide	Jackson	\$1,627.47
Oxford Tourism Council	Oct. 2002 - March 03 Media	Lafayette	\$9,390.57
Oxford Tourism Council	April 2003 - Sept. 2003 Media	Lafayette	\$13,483.01
Oxford Tourism Council	Meetings & Conv. Media 2003	Lafayette	\$6,855.61
Oxford Tourism Council	2003 Double Decker Media	Lafayette	\$3,635.73
Panola Partnership, Inc.	MS Tour Guide 2003	Panola	\$3,803.39
Rankin First Tourism	2003 Marketing Campaign	Rankin	\$29,815.61
Ridgeland Tourism Commission	Ridgeland Media Schedule FY2003	Madison	\$34,301.24
Starkville VCC	Starkville Advertising 2002-2003	Oktibbeha	\$21,491.69
Tishomingo Co. Tourism	Media Schedule 2003	Tishomingo	\$5,476.88
Tunica CVB	Spring 2003 Campaign	Tunica	\$91,281.32
Tupelo CVB	Media Schedule 2003	Lee	\$25,151.81
Tupelo CVB	Billboards - MS, AL, & TN	Lee	\$57,269.90
Tupelo CVB	Hospitality Guide 2003	Lee	\$8,848.39
Union Co. Development Assn.	2003 Tallahatchie RiverFest Television	Union	\$1,141.02
Union Co. Development Assn.	Lodging & Dining Guide	Union	\$451.84
Union Co. Development Assn.	2003 MS Tour Guide	Union	\$3,803.39
Union Co. Development Assn.	FY2003 Union Co. Tourism Media	Union	\$3,304.00
Walthall Co. Chamber	Christmas in the Park	Walthall	\$0.00
Yazoo Co. CVB	FY 2003 Advertising	Yazoo	\$19,344.79
Total Grant Funds Awarded			\$1,190,624.02

SOURCE: Mississippi Development Authority.

Agency Response



STATE OF MISSISSIPPI
RONNIE MUSGROVE, GOVERNOR
MISSISSIPPI DEVELOPMENT AUTHORITY
J. STEPHEN HALE
EXECUTIVE DIRECTOR

DEC 18 2003

December 17, 2003

Dr. Max Arinder, Ph.D
Executive Director
PEER Committee
501 North West Street
Suite 301A
Jackson, Mississippi 39201

Dear Dr. Arinder:

The Mississippi Development Authority (MDA) has received your Executive Summary of *A Review of the Effectiveness of Local Tourism Commissions*. In this draft executive summary, it is stated the PEER committee sought to determine:

- the description and purpose of local tourism entities;
- how local tourism entities are funded;
- whether local entity expenditures comply with local and private enabling legislation;
- whether tourism programs administered by the MDA and local entities duplicate or complement and the extent to which resource use is coordinated by the MDA; and,
- The financial impact that local tourism development efforts have on the state as a whole and on counties and municipalities.

The draft PEER report goes on to make five recommendations. The Mississippi Development Authority would like to respond to recommendations #3, #4 and # 5 as follows:

3. In evaluating future project proposals submitted in the grant application process, the MDA should include evaluation criteria that would base grant awards on project merit, including estimated return on investment.

4. Local entities should consider improving methods of measuring financial impact and effectiveness of their tourism programs by gathering uniform and comprehensive data. Local tourism entities should consider tracking customer service quality factors in order to measure their effectiveness in meeting the requests of potential visitors and service satisfaction among potential visitors.
5. In compiling its annual estimate of tourism financial impact, the MDA should estimate benefits derived from investments made by local tourism entities.

The Mississippi Development Authority responds to PEER's recommendations as follows:

Response to PEER Recommendation 3:

The MDA Tourism Division agrees with the recommendation and is in the process of examining the guidelines of the grant process to make it more stringent in order to award priority funding to the most worthwhile grants and those grant projects that support statewide and regional marketing efforts.

Response to PEER Recommendation 4:

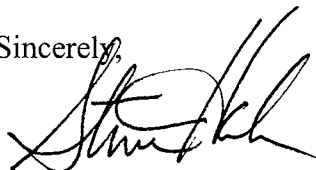
The MDA feels all tourism entities should have tracking mechanisms in place in order to evaluate their programs; however, a uniform and comprehensive data collecting method is not feasible based on the wide variance in the tourism commissions' budgets and programs.

Response to PEER Recommendation 5:

The MDA currently provides economic impact of tourism to the state by counties. The research includes total revenue derived from tourism, total tax collected and tourism employment figures. We feel that this does give sound estimates of investments made by local tourism entities.

I hope this information has been beneficial to you. If you need anything further, please contact Darienne Wilson, MDA Tourism Director, at 601-359-2938.

Sincerely,



J. Stephen Hale
Executive Director

PEER Committee Staff

Max Arinder, Executive Director
James Barber, Deputy Director
Ted Booth, General Counsel

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