

Department of Gaming

JLBC: Brian Schmitz
 OSPB: Christine Sato

Subcommittee: Education

DESCRIPTION	FY 2002	FY 2003	FY 2004		FY 2005	
	ACTUAL	ESTIMATE	OSPB	JLBC	OSPB	JLBC
PROGRAM BUDGET						
Department of Gaming	5,126,000	5,077,100	5,067,600	5,073,800	5,072,700	5,078,000
AGENCY TOTAL	5,126,000	5,077,100	5,067,600	5,073,800	5,072,700	5,078,000

OPERATING BUDGET

Full Time Equivalent Positions	75.0	75.0	68.0	75.0	68.0	75.0
Personal Services	2,632,500	2,740,200	2,740,200	2,740,200	2,740,200	2,740,200
Employee Related Expenditures	547,800	648,700	631,800	638,000	632,700	638,000
Professional and Outside Services	764,700	668,000	669,000	669,000	669,000	669,000
Travel - In State	186,300	197,000	197,000	197,000	197,000	197,000
Travel - Out of State	85,600	142,900	142,900	142,900	142,900	142,900
Other Operating Expenditures	623,900	680,300	686,700	686,700	690,900	690,900
Equipment	285,200	0	0	0	0	0
AGENCY TOTAL	5,126,000	5,077,100	5,067,600	5,073,800	5,072,700	5,078,000

FUND SOURCES

Other Appropriated Funds						
Tribal State Compact Fund	5,126,000	5,077,100	5,067,600	5,073,800	5,072,700	5,078,000
SUBTOTAL - Other Appropriated Funds	5,126,000	5,077,100	5,067,600	5,073,800	5,072,700	5,078,000
SUBTOTAL - Appropriated Funds	5,126,000	5,077,100	5,067,600	5,073,800	5,072,700	5,078,000
TOTAL - ALL SOURCES	5,126,000	5,077,100	5,067,600	5,073,800	5,072,700	5,078,000

CHANGE IN FUNDING SUMMARY

	FY 2003 to FY 2004 JLBC		FY 2003 to FY 2005 JLBC		Biennial
	\$ Change	% Change	\$ Change	% Change	\$ Change
Other Appropriated Funds	(3,300)	(0.1%)	900	0.0%	(2,400)

AGENCY DESCRIPTION — *The Department of Gaming regulates Indian gaming activities authorized by the tribal-state gaming compacts. The agency is funded from the Tribal State Compact Fund, which receives monies from Indian tribes that have compacts with the state to reimburse the state for administrative and regulatory expenses. The fund also receives monies from gaming vendors and gaming employees to pay for their certification. A portion of the monies remaining in the fund at the end of the fiscal year is returned to the Indian tribes.*

PERFORMANCE MEASURES	FY 2002	FY 2002	FY 2003	FY 2004
	Appropriation	Actual	Appropriation	Recommend.
• % of gaming facilities reviewed for compact compliance	80	71	80	80
• Number of machines certified	8,350	5,546	8,350	--
• Number of individual applications received	11,500	12,383	12,000	--
• % of vendor customers satisfied with process	98	95	99	96
• Administration as a % of cost	9	NA	9	9

Comments: The agency did not submit information for any measure labeled as "NA."

RECOMMENDED CHANGES FROM FY 2003

		<u>FY 2004</u>	<u>FY 2005</u>
Standard Changes	OF	\$(4,300)	\$(100)

Legal Services Cost

Allocation	OF	1,000	1,000
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The JLBC recommends a Tribal State Compact Fund increase to cover higher Attorney General legal services due to the cost allocation of the Attorney General’s Risk Management charge to client agencies.

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JLBC RECOMMENDED FORMAT — Lump Sum by Agency

OTHER ISSUES FOR LEGISLATIVE CONSIDERATION

Indian Gaming Compacts

The JLBC recommendation is based on continuance of the current Indian gaming compacts. It is likely that this budget recommendation will have to be revised once the new compacts authorized by Proposition 202 are implemented.

SUMMARY OF FUNDS	FY 2002 Actual	FY 2003 Estimate
Tribal State Compact (GMA2340/A.R.S. § 5-601)		Appropriated
Source of Revenue: Indian tribes which have gaming compacts with the state must pay their share of the department’s regulatory costs based roughly on the number of gaming devices they operate. The fund also receives monies from gaming vendors and gaming employees to pay for their certification.		
Purpose of Fund: To reimburse the department’s administrative and regulatory costs.		
Funds Expended	5,126,000	5,077,100
Year-End Fund Balance	1,331,600	2,024,700

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