

Office of Tourism

JLBC: Brian Schmitz
 OSPB: Marcel Benberou

Subcommittee: Assets

DESCRIPTION	FY 2002 ACTUAL	FY 2003 ESTIMATE	FY 2004	
			OSPB	JLBC
PROGRAM BUDGET				
Tourism	2,394,000	1,942,300	1,513,800	0
Media Advertising SLI	4,132,800	5,599,000	5,992,400	0
Media Communication SLI	766,200	403,000	403,000	0
Research and Data Repository SLI	505,900	36,000	36,000	0
Travel Counseling and Direct Marketing SLI	1,010,000	1,114,400	1,114,400	0
Travel Industry Marketing SLI	1,363,100	923,700	923,700	0
Maricopa County Tourism Promotion SLI	3,828,700	2,000,000	2,100,000	0
<i>Program Subtotal - Tourism</i>	14,000,700	12,018,400	12,083,300	0
6th SS Lump Sum Reduction SLI	0	(1,017,300)	(1,017,300)	0
AGENCY TOTAL	14,000,700	11,001,100	11,066,000	0

OPERATING BUDGET

<i>Full Time Equivalent Positions</i>	28.0	25.0	25.0	0.0
Personal Services	623,900	620,700	288,600	0
Employee Related Expenditures	102,900	164,100	68,700	0
Professional and Outside Services	299,900	14,000	14,000	0
Travel - In State	12,300	7,200	7,200	0
Travel - Out of State	26,700	2,000	2,000	0
Other Operating Expenditures	1,307,700	1,123,200	1,127,300	0
Equipment	20,600	11,100	6,000	0
OPERATING SUBTOTAL	2,394,000	1,942,300	1,513,800	0
Special Line Items (SLI)	11,606,700	9,058,800	9,552,200	0
AGENCY TOTAL	14,000,700	11,001,100	11,066,000	0

FUND SOURCES

General Fund	10,172,000	9,001,100	8,966,000	0
<u>Other Appropriated Funds</u>				
Tourism Fund	3,828,700	2,000,000	2,100,000	0
SUBTOTAL - Other Appropriated Funds	3,828,700	2,000,000	2,100,000	0
SUBTOTAL - Appropriated Funds	14,000,700	11,001,100	11,066,000	0
TOTAL - ALL SOURCES	14,000,700	11,001,100	11,066,000	0

CHANGE IN FUNDING SUMMARY

	FY 2003 to FY 2004 JLBC	
	\$ Change	% Change
General Fund	(9,001,100)	(100.0%)
Other Appropriated Funds	(2,000,000)	(100.0%)
Total Appropriated Funds	(11,001,100)	0.0%

AGENCY DESCRIPTION — The office is responsible for promoting tourism within the state, which includes planning and developing an information campaign, advertising, exhibitions, and operating a visitors' center. The funding for this agency is provided by a formula that transfers 3.5% of bed taxes, 3% of amusement taxes, and 2% of restaurant taxes collected in the prior year from the General Fund to the Tourism Fund. The agency also receives a transfer from the Tourism and Sports Authority (TSA).

SUMMARY OF FUNDS	FY 2002 Actual	FY 2003 Estimate
------------------	-------------------	---------------------

Tourism (TOA2236/A.R.S. § 41-2306) Appropriated

Source of Revenue: Transfer from the General Fund to the Tourism Fund of 3.5% of bed taxes, 3% of amusement taxes, and 2% of restaurant taxes collected in the prior year. The Legislature suspended this funding formula for FY 2003 in favor of a fixed appropriation. In addition, the Tourism Fund receives a transfer from the Tourism and Sports Authority (TSA) to be used for tourism promotion in Maricopa County. Pursuant to Laws 2000, Chapter 372, this TSA transfer is to be in the amount of \$4,000,000 in FY 2002 and shall increase each year by 5%. These revenues are derived from a 1% increase in the bed tax, and a 3.25% increase in the car rental tax. The Legislature reduced the FY 2003 transfer to \$2,000,000 (Laws 2002, Chapter 328). The Tourism Fund will become non-appropriated in FY 2004, pursuant to Laws 2002, Chapter 288.

Purpose of Fund: To pay for all costs associated with Office of Tourism activities.

Funds Expended from the General Fund	10,172,000	9,001,100
Other Funds Expended	3,828,700	2,000,000
Year-End Fund Balance	826,800	817,900

Tourism Workshop (TOA3163/A.R.S. § 35-142) Appropriated

Source of Revenue: Workshop registration fees, trade marketing recoveries, advertising recoveries, and other operating revenue.

Purpose of Fund: To pay expenses incurred for the annual Governor's Tourism Conference and other projects. There is currently no activity in this fund.

Funds Expended	0	0
Year-End Fund Balance	0	0

[Click here to return to the Table of Contents](#)