

Director: Geoffrey Gonsler

JLBC Analyst: Chris Cranny

	FY 2004 Actual	FY 2005 Estimate	FY 2006 Approved	FY 2007 Approved
OPERATING BUDGET				
<i>Full Time Equivalent Positions</i>	46.5	46.5	46.5	46.5
Personal Services	1,494,600	1,760,800	1,728,200	1,702,100
Employee Related Expenditures	357,100	467,300	466,400	423,200
Professional and Outside Services	278,800	358,300	358,300	358,300
Travel - In State	153,800	116,600	116,700	116,700
Travel - Out of State	5,000	2,500	2,500	2,500
Other Operating Expenditures	246,700	247,900	241,700	241,700
Equipment	109,000	0	0	0
AGENCY TOTAL	2,645,000	2,953,400	2,913,800^{1/2/}	2,844,500^{1/2/}

FUND SOURCES

General Fund	2,291,700	2,504,800	2,568,800	2,499,500
<u>Other Appropriated Funds</u>				
County Fair Racing Fund	300,700	371,400	300,000	300,000
Racing Administration Fund	52,600	77,200	45,000	45,000
SUBTOTAL - Other Appropriated Funds	353,300	448,600	345,000	345,000
SUBTOTAL - Appropriated Funds	2,645,000	2,953,400	2,913,800	2,844,500
Other Non-Appropriated Funds	1,600,600	1,708,300	1,708,300	1,708,300
TOTAL - ALL SOURCES	4,245,600	4,661,700	4,622,100	4,552,800

AGENCY DESCRIPTION — The Arizona Department of Racing regulates pari-mutuel horse and greyhound racing industries through the supervision of race meetings, screening of license applicants, collection of taxes and fees, and assessment of fines or other penalties. The Division of Boxing Regulation is responsible for licensing, investigating, and regulating professional boxing, tough man and nontraditional fighting contests within Arizona.

PERFORMANCE MEASURES	FY 2003	FY 2004	FY 2006
	Actual	Actual	Approved
• % of horse racing customers reporting “very good” or “excellent” service	99	100	99
• % of greyhound racing customers reporting “very good” or “excellent” service	99	98	99
• % of positive horse drug tests	1.6	1.4	1.2
• % of positive greyhound drug tests	0.03	0.02	0.02

Operating Budget

The budget provides \$2,913,800 for the operating budget in FY 2006 and \$2,844,500 in FY 2007. These amounts consist of:

	FY 2006	FY 2007
General Fund	\$2,568,800	\$2,499,500
County Fair Racing Fund	300,000	300,000
Racing Administration Fund	45,000	45,000

1/ The Department of Racing shall report to the President of the Senate, the Speaker of the House of Representatives, the Chairpersons of the Senate and House of Representatives Appropriations Committees, and the Director of the Joint Legislative Budget Committee on an annual basis on boxing related activities. The report shall contain the number of boxing events, gross receipts, state revenues and license fee collections. (General Appropriation Act footnote)

2/ General Appropriation Act funds are appropriated as a Lump Sum by Agency.

The approved amounts include an increase of \$56,700 in FY 2006 for statewide adjustments. This amount consists of \$64,000 from the General Fund and \$(7,300) from the County Fair Racing Fund (CFRF). The approved amount also includes a decrease of \$(12,600) in FY 2007. This amount consists of \$(5,300) from the General Fund and \$(7,300) from the County Fair Racing Fund.

County Fair Racing Fund Budget Re-Alignment

The budget provides a decrease of \$(64,100) from the County Fair Racing Fund in FY 2006 and FY 2007 for budget re-alignment. In FY 2005, the Department of Racing was appropriated \$371,400 for CFRF, though the fund has a revenue cap of \$300,000. Consequently, the budget includes a decrease of \$(64,100) from CFRF to align the fund's appropriation with the fund's statutory cap.

Racing Administration Fund Budget Re-Alignment

The budget provides a decrease of \$(32,200) from the Racing Administration Fund (RAF) in FY 2006 and FY 2007 for budget re-alignment. In FY 2005, the department was appropriated \$77,200 for RAF, though the fund has a revenue cap of \$45,000. Consequently, the budget includes a decrease of \$(32,200) from RAF to align the fund's appropriation with the fund's statutory cap.