

Arizona Department of Racing

JLBC: Justin Narducci
 OSPB: Matt Gottheiner

DESCRIPTION	FY 2004 ACTUAL	FY 2005 ESTIMATE	FY 2006 JLBC	FY 2007 JLBC
OPERATING BUDGET				
<i>Full Time Equivalent Positions</i>	46.5	46.5	46.5	46.5
Personal Services	1,494,600	1,760,800	1,702,100	1,702,100
Employee Related Expenditures	357,100	467,300	423,200	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	2,844,500	2,844,500

FUND SOURCES

General Fund	2,291,700	2,504,800	2,499,500	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	2,844,500	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	4,552,800	4,552,800

CHANGE IN FUNDING SUMMARY

	FY 2005 to FY 2006 JLBC		FY 2005 to FY 2007 JLBC	
	\$ Change	% Change	\$ Change	% Change
General Fund	(5,300)	(0.2%)	(5,300)	(0.2%)
Other Appropriated Funds	(103,600)	(23.1%)	(103,600)	(23.1%)
Total Appropriated Funds	(108,900)	(3.7%)	(108,900)	(3.7%)
Non Appropriated Funds	0	0.0%	0	0.0%
Total - All Sources	(108,900)	(2.3%)	(108,900)	(2.3%)

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 Actual	FY 2004 Actual	FY 2005 Estimate	FY 2006 JLBC
• % of horse racing customers reporting “very good” or “excellent” service	99	100	99	99
• % of greyhound racing customers reporting “very good” or “excellent” service	99	98	99	99
• % of positive horse drug tests	1.6	1.4	1.5	1.2
• % of positive greyhound drug tests	0.03	0.02	0.08	0.02
• Administration as a % of total cost	NA	16.8	16.9	--

Comments: The agency did not submit information for any measure labeled as “NA.” The Department of Racing consistently receives high customer satisfaction scores.

RECOMMENDED CHANGES FROM FY 2005

Operating Budget

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

	<u>FY 2006</u>	<u>FY 2007</u>
General Fund	\$2,499,500	\$2,499,500
County Fair Racing Fund	300,000	300,000
Racing Administration Fund	45,000	45,000

These amounts include the following adjustments:

Standard Changes	GF	(5,300)	(5,300)
	OF	(7,300)	(7,300)

The JLBC recommends a decrease of \$(12,600) in FY 2006 and FY 2007 for standard changes. These amounts consist of \$(5,300) from the General Fund and \$(7,300) from the County Fair Racing Fund.

County Fair Racing Fund

Budget Re-Alignment OF (64,100) (64,100)

The JLBC recommends 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 the County Fair Racing Fund (CFRF), though the fund has a revenue cap of \$300,000. Consequently, a decrease of \$(64,100) from CFRF will align the fund's appropriation with the fund's statutory cap.

Racing Administration Fund

Budget Re-Alignment OF (32,200) (32,200)

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

* * *

JLBC RECOMMENDED FORMAT — Lump Sum by Agency

JLBC RECOMMENDED FOOTNOTES

Standard Footnotes

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 a ~~semiannual~~ AN ANNUAL basis on boxing related activities. The report shall contain the number of boxing events, gross receipts, state revenues, and license fee collections.

SUMMARY OF FUNDS	FY 2004 Actual	FY 2005 Estimate
Arizona Breeders Award (RCA2206/A.R.S. § 5-113)		Non-Appropriated
Source of Revenue: Receives 22% of revenue derived from pari-mutuel receipts, license fees, and unclaimed property up to \$800,000.		
Purpose of Fund: To award the breeder of every winning horse, greyhound foaled or whelped, statewide.		
Funds Expended	714,900	800,000
Year-End Fund Balance	357,600	357,600
County Fair Racing (RCA2170/A.R.S. § 5-113)		Appropriated
Source of Revenue: Receives 9% of revenue derived from pari-mutuel receipts, license fees, and unclaimed property up to \$300,000.		
Purpose of Fund: Provides funding for the administration of county fair racing.		
Funds Expended	300,700	371,400
Year-End Fund Balance	74,300	2,900
County Fairs Racing Betterment (RCA2207/A.R.S. § 5-113)		Non-Appropriated
Source of Revenue: Receives 22% of revenue derived from pari-mutuel receipts, license fees, and unclaimed property up to \$800,000.		
Purpose of Fund: To provide a grant for capital improvements to each eligible county fair association conducting a county fair racing meeting, in order to protect the health and safety of race participants.		
Funds Expended	845,700	868,100
Year-End Fund Balance	344,700	276,600

SUMMARY OF FUNDS	FY 2004 Actual	FY 2005 Estimate
Greyhound Adoption (RCA2015/A.R.S. § 5-113)		Non-Appropriated
Source of Revenue: License fees collected from dog breeders, racing kennels, and other operations where greyhounds are raised for dog racing. Additional monies are collected by the horse adoption surcharge that receives 5% of all horse racing related fines.		
Purpose of Fund: To provide funding for grants to non-profit organizations for the promotion and adoption of retired racing greyhounds and horses.		
Funds Expended	0	200
Year-End Fund Balance	200	5,200
Racing Administration (RCA2018/A.R.S. § 5-113)		Appropriated
Source of Revenue: Receives 1% of revenue derived from pari-mutuel receipts, license fees, and unclaimed property up to \$45,000.		
Purpose of Fund: To administer the Arizona County Fairs Racing Betterment Fund, the Arizona Breeders' Award Fund, the Arizona Stallion Award Fund, and the Greyhound Adoption Fund.		
Funds Expended	52,600	77,200
Year-End Fund Balance	34,500	2,300
Arizona Stallion Award (RCA2315/A.R.S. § 5-113)		Non-Appropriated
Source of Revenue: Receives 1% of revenue derived from pari-mutuel receipts, license fees, and unclaimed property up to \$40,000.		
Purpose of Fund: To award owners or lessees of stallions that bred winning horses within the state.		
Funds Expended	40,000	40,000
Year-End Fund Balance	60,300	60,300

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