

## Office of Tourism

	FY 2015 ACTUAL	FY 2016 ESTIMATE	FY 2017 BASELINE
<b>OPERATING BUDGET</b>			
<i>Full Time Equivalent Positions</i>	28.0	28.0	28.0
Personal Services	1,362,200	1,776,300	1,776,300
Employee Related Expenditures	509,500	701,300	701,300
Professional and Outside Services	3,706,300	2,539,100	2,539,100
Travel - In State	8,600	12,500	12,500
Travel - Out of State	82,300	100,000	100,000
Other Operating Expenditures	1,409,600	1,979,800	1,979,800
Equipment	25,200	1,400	1,400
<b>OPERATING SUBTOTAL</b>	<b>7,103,700</b>	<b>7,110,400</b>	<b>7,110,400</b>
<b>SPECIAL LINE ITEMS</b>			
Arizona Promotion	2,000,000	0	0
<b>AGENCY TOTAL</b>	<b>9,103,700</b>	<b>7,110,400</b>	<b>7,110,400</b>
<b>FUND SOURCES</b>			
General Fund	9,103,700	7,110,400	7,110,400
<b>SUBTOTAL - Appropriated Funds</b>	<b>9,103,700</b>	<b>7,110,400</b>	<b>7,110,400</b>
Other Non-Appropriated Funds	15,606,600	13,779,000	13,779,000
<b>TOTAL - ALL SOURCES</b>	<b>24,710,300</b>	<b>20,889,400</b>	<b>20,889,400</b>

**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 agency receives a transfer from the Arizona Sports and Tourism Authority (AZSTA), a portion of tribal gaming contributions, and General Fund appropriations to the Tourism Fund.

### Operating Budget

statewide tourism promotion. (For further details on agency revenues, please see Table 1.)

The Baseline includes \$7,110,400 and 28 FTE Positions from the General Fund in FY 2017 for the operating budget. These amounts are unchanged from FY 2016.

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**FORMAT** — Lump Sum in the form of a deposit to the Tourism Fund

### Other Issues

### Funding Sources

The Office of Tourism receives funding from 3 primary sources: 1) a General Fund appropriation to fund the agency's operating budget; 2) a transfer from AZSTA, generated from partial allocations of a bed tax and car rental tax in Maricopa County (A.R.S. § 5-835), to fund Maricopa County tourism promotion; and 3) a portion of tribal gaming contributions (A.R.S. § 5-601.02) to fund

**Table 1**

**Office of Tourism Revenues <sup>1/</sup>**

<u>Sources of Funding</u>	<u>Fund</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
<u>General Fund Appropriation</u>				
• General Fund appropriation to be used administering the Office of Tourism and promoting tourism	General Fund	\$9,103,700	\$7,110,400	\$7,110,400
<u>Sports and Tourism Authority</u>				
• Partial allocation of 1% of bed tax and 3.25% car rental tax (Prop. 302 - 2000)	Tourism Fund	7,553,100	7,479,000	8,350,400
<u>Tribal Gaming</u>				
• 8% of state's share of gaming proceeds, after distribution to Department of Gaming (Prop. 202 - 2002)	Tourism Fund	<u>6,292,500</u>	<u>6,501,400</u> <sup>2/</sup>	<u>6,631,400</u> <sup>2/</sup>
<b>Total</b>		<b>\$22,949,300</b>	<b>\$21,090,800</b>	<b>\$22,092,200</b>

<sup>1/</sup> The numbers displayed represent revenues to the agency and may not correspond directly with the agencies' actual expenditure or appropriation amounts.

<sup>2/</sup> The Tribal Gaming amounts for FY 2016 and FY 2017 are JLBC estimates.

<b>SUMMARY OF FUNDS</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Estimate</b>
<b>Tourism Fund (TOA2236/A.R.S. § 41-2306)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> The Tourism Fund receives a transfer from the Arizona Sports and Tourism Authority (AZSTA) to be used for tourism promotion in Maricopa County. AZSTA receives revenue derived from a 1% increase in the bed tax and a 3.25% increase in the car rental tax. Of this amount, AZSTA is to transfer \$4,000,000 in FY 2002 and increase the transfer amount each year by 5% to the Tourism Fund. The fund also receives a portion of tribal gaming contributions, pursuant to Proposition 202 from 2002. Finally, A.R.S. § 41-2306 allows the Tourism Fund to receive General Fund appropriations. General Fund appropriation expenditures are not displayed to avoid double counting of appropriations.		
<b>Purpose of Fund:</b> To pay for all costs associated with Office of Tourism activities.		
<b>Funds Expended</b>	15,606,600	13,779,000
<b>Year-End Fund Balance</b>	2,794,000	2,794,000