

DEPARTMENT OF TOURISM

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY11 Adjusted Base	FY12 Recommended	% Change Over FY11	FY13 Recommended	% Change Over FY12
GPR	2,876,500	3,502,100	21.7	5,846,200	66.9
PR-F	0	755,500	0.0	755,500	0.0
PR-O	265,600	286,800	8.0	286,800	0.0
PR-S	8,403,900	9,612,900	14.4	9,612,900	0.0
SEG-O	2,428,600	2,430,300	0.1	2,430,300	0.0
TOTAL	13,974,600	16,587,600	18.7	18,931,700	14.1

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY11 Adjusted Base	FY12 Recommended	FTE Change From FY11	FY13 Recommended	FTE Change From FY12
GPR	30.45	30.00	-0.45	30.00	0.00
PR-F	0.00	1.00	1.00	1.00	0.00
PR-O	1.00	1.00	0.00	1.00	0.00
SEG-O	3.00	3.00	0.00	3.00	0.00
TOTAL	34.45	35.00	0.55	35.00	0.00

AGENCY DESCRIPTION

The department is uniquely charged, by statute, to market the State of Wisconsin as a travel destination to both in-state residents and its out-of-state neighbors. The department is headed by a secretary who is appointed by the Governor with the advice and consent of the Senate. The secretary then appoints a deputy secretary. In addition to the Office of the Secretary, the department's programs are administered by the following two bureaus: Marketing and Communications and Technology and Customer Services. Bureau directors are classified civil servants. The Governor's Council on Tourism advises the secretary on matters related to tourism and assists the secretary in formulating a statewide marketing strategy. The Arts Board, Kickapoo Reserve Management Board, Lower Wisconsin State Riverway Board and State Fair Park Board are attached to the department for administrative purposes.

MISSION

The department exists to inspire people to love the Wisconsin Experience.

PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

Program 1: Tourism Development and Promotion

Goal: Increase the amount of travel-related expenditures in Wisconsin on a calendar year basis.

Objective/Activity: Continue marketing to encourage travel to Wisconsin during all seasons, and measure seasonal economic impact by areas of the state.

Goal: Generate a positive return on investment by increasing the amount of tax revenues generated by traveler spending in Wisconsin.

Objective/Activity: Continue to use marketing to encourage first-time visits and maintain high levels of customer loyalty.

Goal: Provide excellent customer service to all travelers and potential travelers.

Objective/Activity: Continue to serve travelers by providing up-to-date, accurate travel information via a variety of services, including E-communications, Web and mobile tools, publications, and personal travel consultants.

PERFORMANCE MEASURES

2009 AND 2010 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2009	Actual 2009	Goal 2010	Actual 2010 ¹
1.	Annual travel expenditures. ²	\$12.9 billion	\$12.09 billion	\$12.9 billion	N/A
1.	State tax revenues generated. ²	\$1.415 billion	\$1.350 billion	\$1.415 billion	N/A
1.	Customers served.	4.9 million	1.83 million ³	1.55 million ⁴	N/A

Note: Based on calendar year.

¹Actual 2010 data will not be available until May 2011.

²Annual travel expenditures and state tax revenues generated goals for 2010 have been adjusted to reflect current industry projections.

³Customers served goal to actual for 2009 varies significantly due to: (a) ceasing operations of Wisconsin Welcome Centers in April 2009; and (b) changes to Web metrics system used to report customers served via the TravelWisconsin.com Web site.

⁴Customers served goal 2010 reflects a decrease from actual 2009 due to: (a) no Wisconsin Welcome Center operations; and (b) reduction of opt-in E-mail distribution via a list hygiene process.

2011, 2012 AND 2013 GOALS

Prog. No.	Performance Measure	Goal 2011	Goal 2012	Goal 2013
1.	Annual travel expenditures.	\$13.0 billion ¹	\$13.1 billion	\$13.2 billion
1.	State tax revenues generated.	\$1.4 billion ¹	\$1.42 billion	\$1.43 billion
1.	Customer interaction. ^{2, 3}	2.42 million	2.42 million	2.42 million

Note: Based on calendar year.

¹Annual travel expenditures and state tax revenue generated goals for 2011 have been adjusted to reflect current industry projections.

²Customer goals for 2011 and forward reflect a change to measuring "customer interaction" rather than "customers served." This metric reflects all consumer engagement with the department, and better reflects Tourism's scope of services.

³Customer interaction goals for 2010 through 2013 are projected as flat from 2011 to reflect that, while the total scope of Tourism customer service will grow, interaction levels may vary by medium. Example: one download of a smartphone application may replace multiple visits to Web site by a given customer.

DEPARTMENT OF TOURISM

GOVERNOR'S BUDGET RECOMMENDATIONS

RECOMMENDATIONS

1. Increase Employee Contributions to Pension and Health Insurance
2. Budget Efficiencies
3. Eliminate Long-Term Vacancies
4. Technical Modification
5. Increase in Marketing Funding
6. Transfer of Arts Board
7. Transfer of Film Production Tax Credit from Department of Commerce
8. Standard Budget Adjustments

Table 1
Department Budget Summary by Funding Source (in thousands of dollars)

	ACTUAL FY10	ADJUSTED BASE FY11	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY12	FY13	FY12	FY13
GENERAL PURPOSE REVENUE	\$2,618.5	\$2,876.5	\$3,189.5	\$3,189.5	\$3,502.1	\$5,846.2
State Operations	2,618.5	2,876.5	3,189.5	3,189.5	3,026.1	5,370.2
Aids to Ind. & Org.	0.0	0.0	0.0	0.0	476.0	476.0
FEDERAL REVENUE (1)	\$0.0	\$0.0	\$0.0	\$0.0	\$755.5	\$755.5
State Operations	0.0	0.0	0.0	0.0	231.0	231.0
Aids to Ind. & Org.	0.0	0.0	0.0	0.0	524.5	524.5
PROGRAM REVENUE (2)	\$7,306.4	\$8,669.5	\$8,674.1	\$8,674.1	\$9,899.7	\$9,899.7
State Operations	7,306.4	8,509.5	8,514.1	8,514.1	9,714.8	9,714.8
Aids to Ind. & Org.	0.0	160.0	160.0	160.0	184.9	184.9
SEGREGATED REVENUE (3)	\$2,425.0	\$2,428.6	\$2,443.2	\$2,443.2	\$2,430.3	\$2,430.3
State Operations	2,088.0	2,026.6	2,041.2	2,041.2	2,028.3	2,028.3
Local Assistance	337.0	402.0	402.0	402.0	402.0	402.0
TOTALS - ANNUAL	\$12,349.9	\$13,974.6	\$14,306.8	\$14,306.8	\$16,587.6	\$18,931.7
State Operations	12,012.9	13,412.6	13,744.8	13,744.8	15,000.2	17,344.3
Local Assistance	337.0	402.0	402.0	402.0	402.0	402.0
Aids to Ind. & Org.	0.0	160.0	160.0	160.0	1,185.4	1,185.4

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

Table 2
Department Position Summary by Program (in FTE positions) (4)

	ADJUSTED BASE FY11	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY12	FY13	FY12	FY13
GENERAL PURPOSE REVENUE	30.45	30.45	30.45	30.00	30.00
FEDERAL REVENUE (1)	0.00	0.00	0.00	1.00	1.00
PROGRAM REVENUE (2)	1.00	1.00	1.00	1.00	1.00
SEGREGATED REVENUE (3)	3.00	3.00	3.00	3.00	3.00
TOTALS - ANNUAL	34.45	34.45	34.45	35.00	35.00

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

(4) All positions are State Operations unless otherwise specified

Table 3
Department Budget Summary by Program (in thousands of dollars)

	ACTUAL FY10	ADJUSTED BASE FY11	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY12	FY13	FY12	FY13
1. Tourism development and promotion	\$11,418.6	\$12,965.6	\$13,278.6	\$13,278.6	\$14,028.3	\$16,372.4
2. Kickapoo valley reserve	\$931.3	\$1,009.0	\$1,028.2	\$1,028.2	\$1,012.9	\$1,012.9
3. Support of art projects	\$0.0	\$0.0	\$0.0	\$0.0	\$1,546.4	\$1,546.4
TOTALS	\$12,349.9	\$13,974.6	\$14,306.8	\$14,306.8	\$16,587.6	\$18,931.7

Table 4
Department Position Summary by Program (in FTE positions) (4)

	ADJUSTED BASE FY11	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY12	FY13	FY12	FY13
1. Tourism development and promotion	30.45	30.45	30.45	27.00	27.00
2. Kickapoo valley reserve	4.00	4.00	4.00	4.00	4.00
3. Support of art projects	0.00	0.00	0.00	4.00	4.00
TOTALS	34.45	34.45	34.45	35.00	35.00

(4) All positions are State Operations unless otherwise specified

1. Increase Employee Contributions to Pension and Health Insurance

Source of Funds	Agency Request				Governor's Recommendation			
	FY12		FY13		FY12		FY13	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-142,200	0.00	-142,200	0.00
PR-F	0	0.00	0	0.00	-3,600	0.00	-3,600	0.00
PR-O	0	0.00	0	0.00	-3,400	0.00	-3,400	0.00
PR-S	0	0.00	0	0.00	-200	0.00	-200	0.00
SEG-O	0	0.00	0	0.00	-11,700	0.00	-11,700	0.00
TOTAL	0	0.00	0	0.00	-161,100	0.00	-161,100	0.00

The Governor recommends increasing state employee contributions towards pension and health insurance costs. Employees will generally pay 50 percent of the total required retirement contribution, which for calendar year 2011 equals 5.8 percent of salary. The Governor further recommends increasing employee contributions for health insurance from approximately 6 percent of the premium to 12.6 percent of the premium. These modifications are necessary to bring state employee compensation in line with private sector employment and reduce compensation costs.

2. Budget Efficiencies

Source of Funds	Agency Request				Governor's Recommendation			
	FY12		FY13		FY12		FY13	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-64,800	0.00	-64,800	0.00
TOTAL	0	0.00	0	0.00	-64,800	0.00	-64,800	0.00

The Governor recommends reducing funding, excluding salary and fringe benefits, in most GPR and PR appropriations by 10 percent to create additional efficiencies and balance the budget.

3. Eliminate Long-Term Vacancies

Source of Funds	Agency Request				Governor's Recommendation			
	FY12		FY13		FY12		FY13	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-200,900	-3.45	-200,900	-3.45
TOTAL	0	0.00	0	0.00	-200,900	-3.45	-200,900	-3.45

The Governor recommends eliminating position authority and related funding for positions that have been vacant for longer than 12 months.

4. Technical Modification

The Governor recommends incorporating position changes related to budget repair legislation.

5. Increase in Marketing Funding

Source of Funds	Agency Request				Governor's Recommendation			
	FY12		FY13		FY12		FY13	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	0	0.00	2,344,100	0.00
PR-S	0	0.00	0	0.00	1,191,000	0.00	1,191,000	0.00
TOTAL	0	0.00	0	0.00	1,191,000	0.00	3,535,100	0.00

The Governor recommends increasing tourism marketing funding to \$15 million annually to help expand awareness of Wisconsin's tourism destinations and increase jobs in the state.

6. Transfer of Arts Board

Source of Funds	Agency Request				Governor's Recommendation			
	FY12		FY13		FY12		FY13	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	759,100	3.00	759,100	3.00
PR-F	0	0.00	0	0.00	759,100	1.00	759,100	1.00
PR-O	0	0.00	0	0.00	20,000	0.00	20,000	0.00
PR-S	0	0.00	0	0.00	24,900	0.00	24,900	0.00
TOTAL	0	0.00	0	0.00	1,563,100	4.00	1,563,100	4.00

The Governor recommends transferring elements of the Wisconsin Arts Board program to the department. The Governor also recommends increasing expenditure and position authority for the following purposes: (a) \$283,100 GPR, \$20,000 PR-O and \$234,600 FED in each year and 3.0 FTE GPR and 1.0 FTE FED positions in each year for general program operations; (b) \$359,300 GPR, \$24,900 PR-O and \$524,500 FED in each year for aid to individuals and organizations; and (c) \$116,700 GPR in each year to support the Wisconsin regrating program. See Arts Board, Item #5.

7. Transfer of Film Production Tax Credit from Department of Commerce

The Governor recommends transferring to the department from the Department of Commerce the administration of the film production tax credit.

8. Standard Budget Adjustments

Source of Funds	Agency Request				Governor's Recommendation			
	FY12		FY13		FY12		FY13	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	313,000	0.00	313,000	0.00	274,400	0.00	274,400	0.00
PR-O	4,600	0.00	4,600	0.00	4,600	0.00	4,600	0.00
PR-S	0	0.00	0	0.00	-6,700	0.00	-6,700	0.00
SEG-O	14,600	0.00	14,600	0.00	13,400	0.00	13,400	0.00
TOTAL	332,200	0.00	332,200	0.00	285,700	0.00	285,700	0.00

The Governor recommends adjusting the department's base budget for: (a) full funding of continuing position salaries and fringe benefits (\$305,300 in each year); (b) reclassifications and semiautomatic pay progression (\$26,500 in each year); and (c) full funding of lease and directed moves costs (-\$46,100 in each year).