

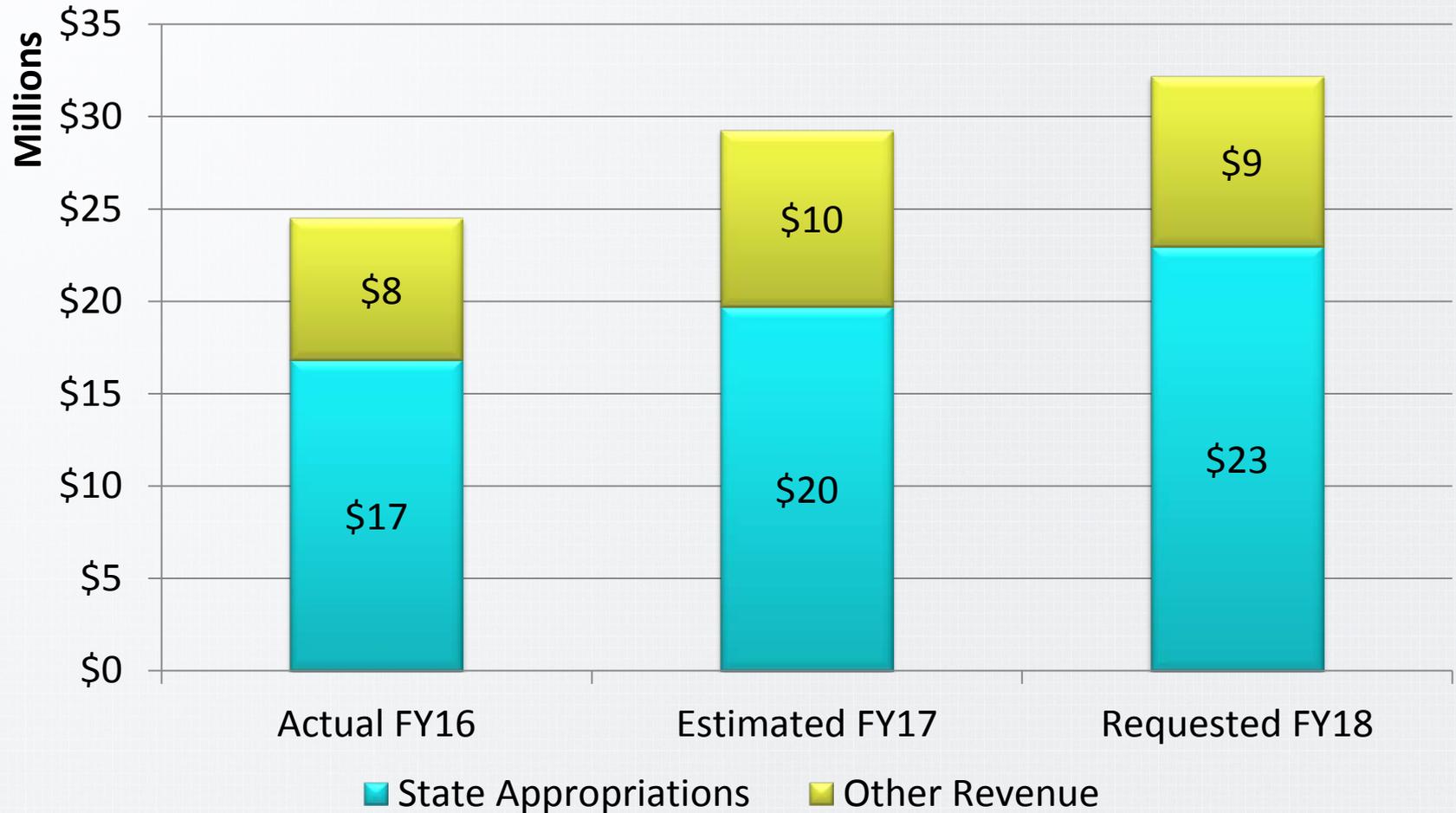


# DEPARTMENT OF TOURIST DEVELOPMENT

Budget Discussion

11/7/2016

# Appropriations and Revenues



# Summary of Cost Increases

	Increase	Total	State	Federal	Other	Staff
1.	Marketing funds for Tourism Task Force	\$5,900,000	\$5,900,000	\$0	\$0	0
	Total Cost Increases	<b>\$5,900,000</b>	<b>\$5,900,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0</b>

# Rural Task Force Budget Requests

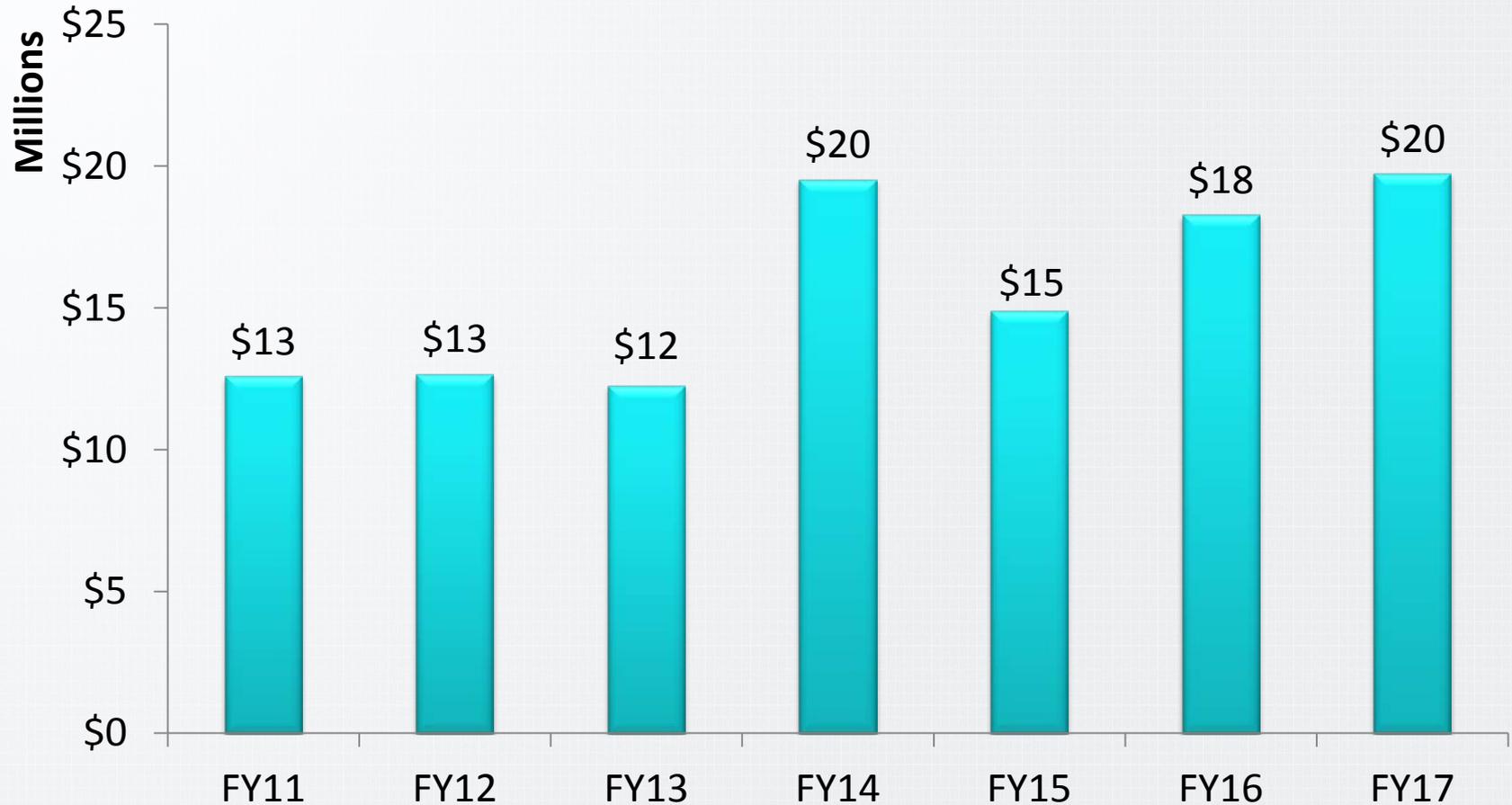
	Rural Task Force Program Requests	Agency	Cost Increase
1.	Ag Launch – 3 Years	Agriculture	\$2,550,000
2.	Ag Enterprise Adjustment Fund – Recurring	Agriculture	2,000,000
3.	Access to Healthy Foods – Non-Recurring	Agriculture	480,000
4.	Rural Development Fund – Non-Recurring	ECD	16,000,000
5.	Rural Opportunity Fund (ROF) – 3 Years	ECD	2,500,000
6.	Rural Small Business & Entrepreneur Assistance	ECD	1,732,000
7.	Rural Education Network - Recurring	Education	185,000
8.	Rural Teacher Initiative – 5 Year (Pilot)	Education	100,000
9.	Healthcare Provider Incentives – Non-Recurring	Health	271,400
10.	Oral Health Pilot – Non-Recurring	Health	145,000
11.	Recidivism Summit – Non-Recurring	Labor	100,000
<b>12.</b>	<b>Rural Opportunity Act of Reinvestment (ROAR) – Recurring</b>	<b>Tourist Development</b>	<b>2,500,000</b>
<b>13.</b>	<b>Made in Tennessee Branding Program – Non-Recurring</b>	<b>Tourist Development</b>	<b>352,500</b>
	<b>Total Request</b>		<b>\$28,915,900</b>



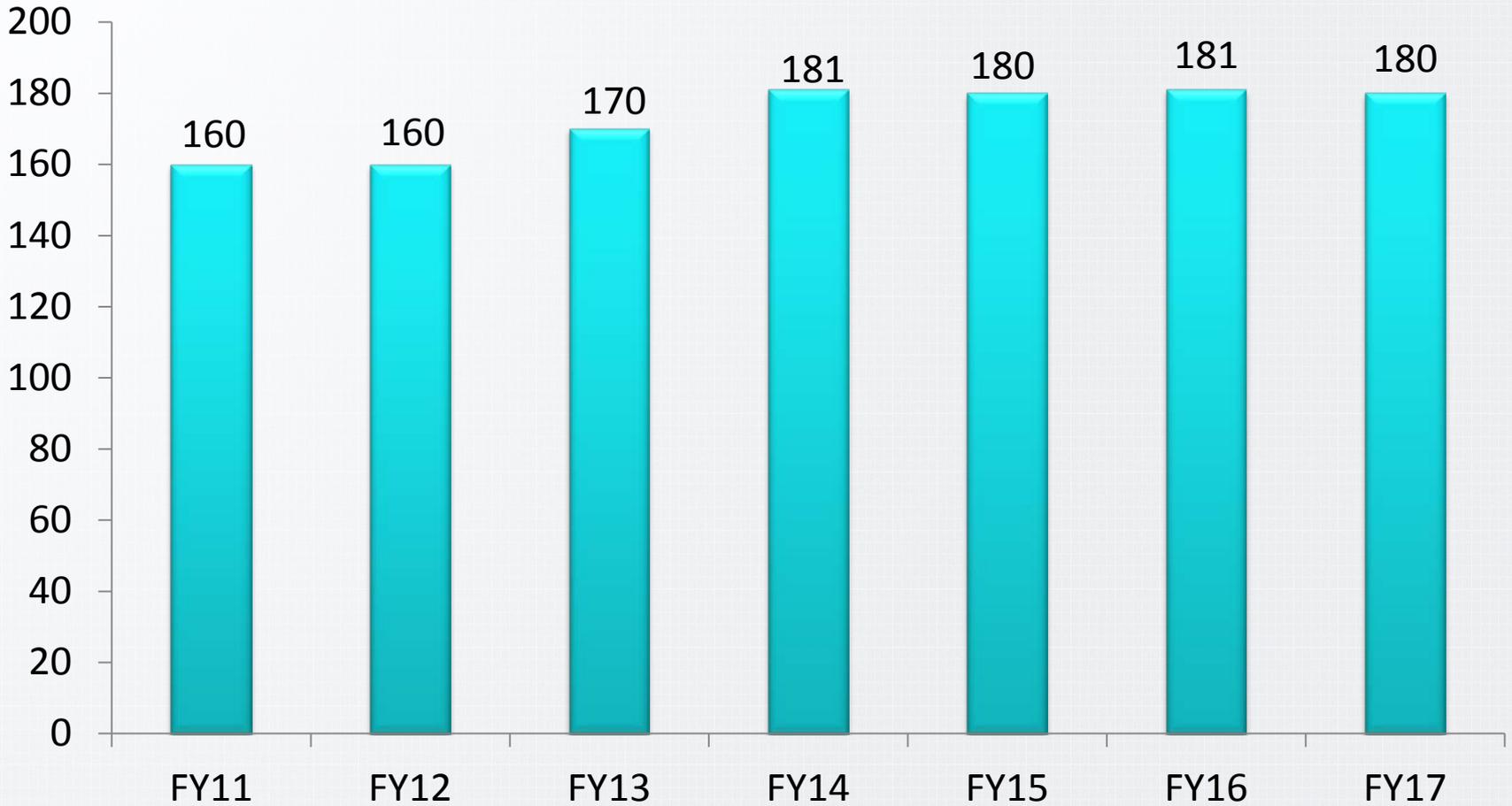
# 2% Savings Plan

	Description	State Dollars
1.	Reduce operational expenditures in supplies and travel	\$116,200
	<b>Total Savings</b>	<b>\$116,200</b>
	<b>Savings Target</b>	<b>\$116,200</b>

# Change In Appropriations

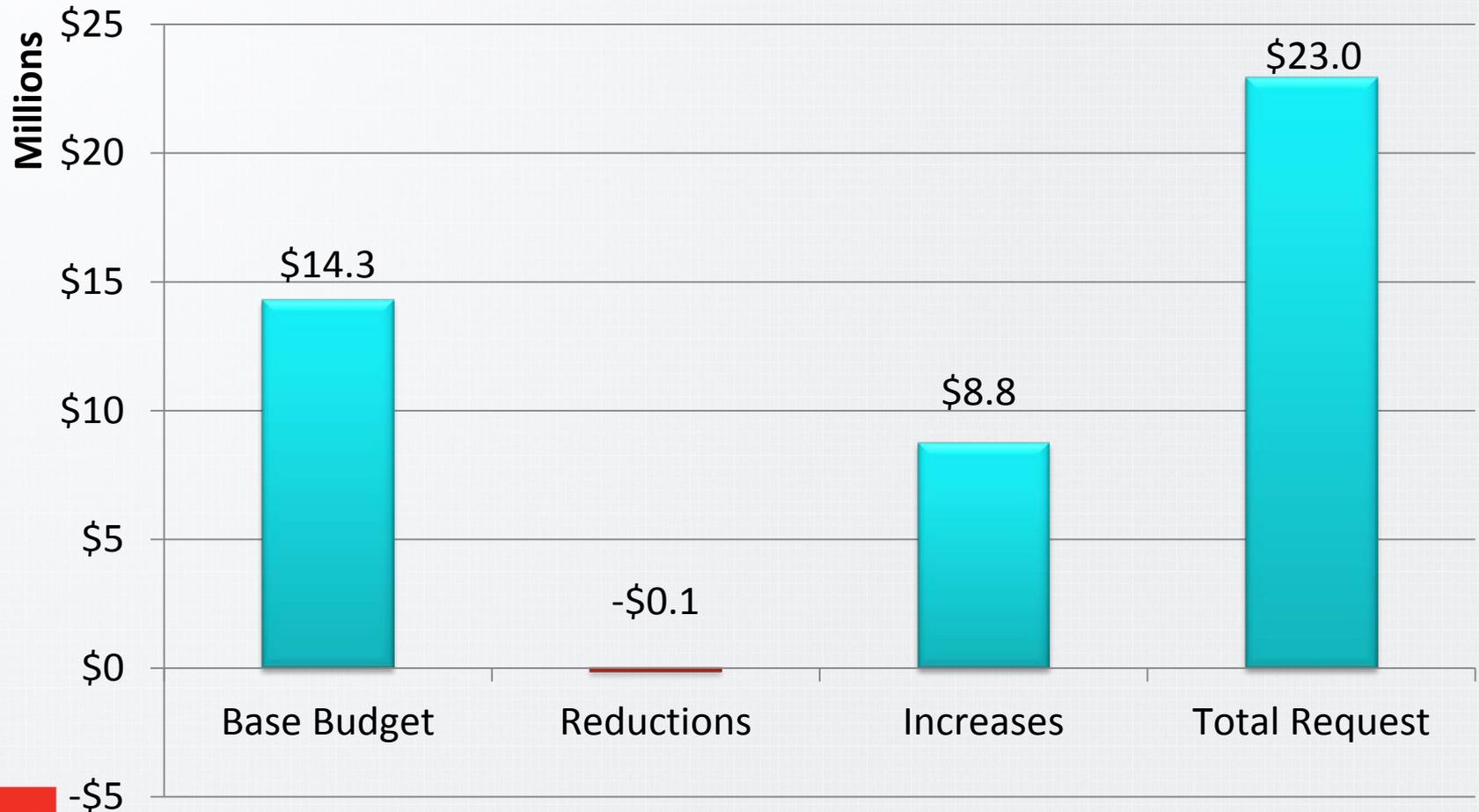


# Change In Positions



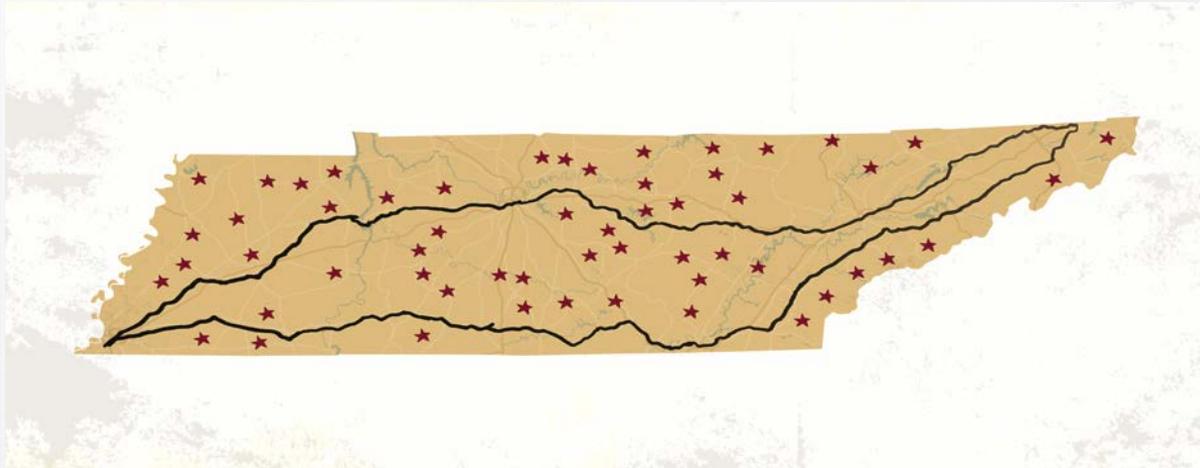
# Request Summary

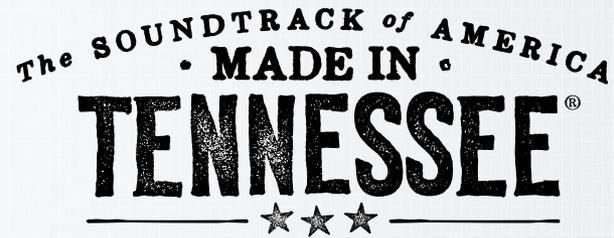
## *State Appropriations*



# Capital Request

	Increase	Total	State	Federal	Bonds
1.	Tennessee Music Pathway Phase I	\$2,500,000	\$2,500,000	\$0	\$0
	Total Capital	<b>\$2,500,000</b>	<b>\$2,500,000</b>	<b>\$0</b>	<b>\$0</b>





# Tennessee Music Pathway ROI Projections

## \$4M estimated cost

No. Out of State Tourists per Year	Visitors' Spending	State Sales Tax Collections	Payback Period (For a \$4mm state investment)	Annual Rate of Return (on a \$4mm state investment)
50,000	\$25,935,000	\$1,815,450	2.2 years	52.0%
100,000	\$51,870,000	\$3,630,900	1.1 years	104.1%
150,000	\$77,805,000	\$5,446,350	0.7 years	156.1%
250,000	\$129,675,000	\$9,077,250	0.4 years	260.2%
500,000	\$259,350,000	\$18,154,500	0.2 years	520.3%

\* ROI Study completed in partnership with E&CD



**THANK YOU**