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Explore Minnesota Tourism

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AT A GLANCE

Explore Minnesota Tourism is the state's official tourism promotion agency. Through advertising, marketing, education and other programs, we support the thousands of businesses and organizations that make up Minnesota's tourism industry.

This industry generates:

SALES

- \$13.6 billion in gross sales
- More than \$37 million a day

JOBS

- 254,400 full- and part-time jobs
- 11% of total private sector employment
- \$4.7 billion in wages

REVENUE

- \$878 million in state sales tax
- 17% of state sales tax revenues

Note: Sales, jobs and revenue data for leisure & hospitality sector, 2014

RETURN ON INVESTMENT

- \$7 in state and local taxes
- \$75 in spending by travelers --for every \$1 invested in state tourism advertising

Source: Longwoods Int'l's ["Minnesota 2015 Tourism Advertising Evaluation and Image Study,"](#) 01/20/2016

PURPOSE

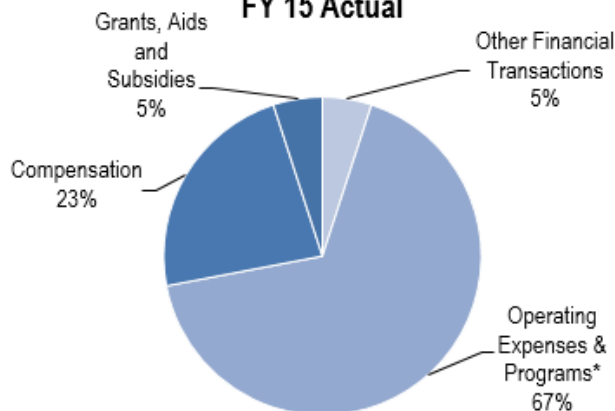
The mission of Explore Minnesota Tourism is to inspire consumers and facilitate their travel to and within Minnesota. We do this by marketing Minnesota tourism, including destinations, lodging, museums, attractions, restaurants, events and outdoor recreation, to consumers.

Through consumer advertising, public relations, publications, websites, social media, international marketing and other efforts, we reach millions of potential travelers each year.

Our work to promote tourism in Minnesota contributes to a **thriving economy that encourages business growth and employment opportunities.**

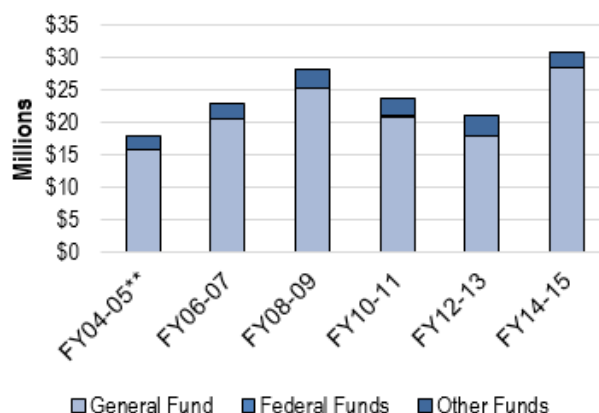
BUDGET

**Spending by Category
FY 15 Actual**



**Explore Minnesota's Operating Expenses include advertising, marketing, public relations and other tourism promotion efforts.*

Historical Spending



**Various pass-thru funds were appropriated each year, e.g., MN Film Board, Mississippi River Pkwy Commission, St. Louis Co., Shakespeare Festival, Upper MN Film Office, Northern Lights Music Festival and others.*

***Prior to FY05, Tourism was a division of Dept of Trade & Econ Development; spending figures for FY02-03 and 04 are based on MAPS expenditures data*

Source: Consolidated Fund Statement

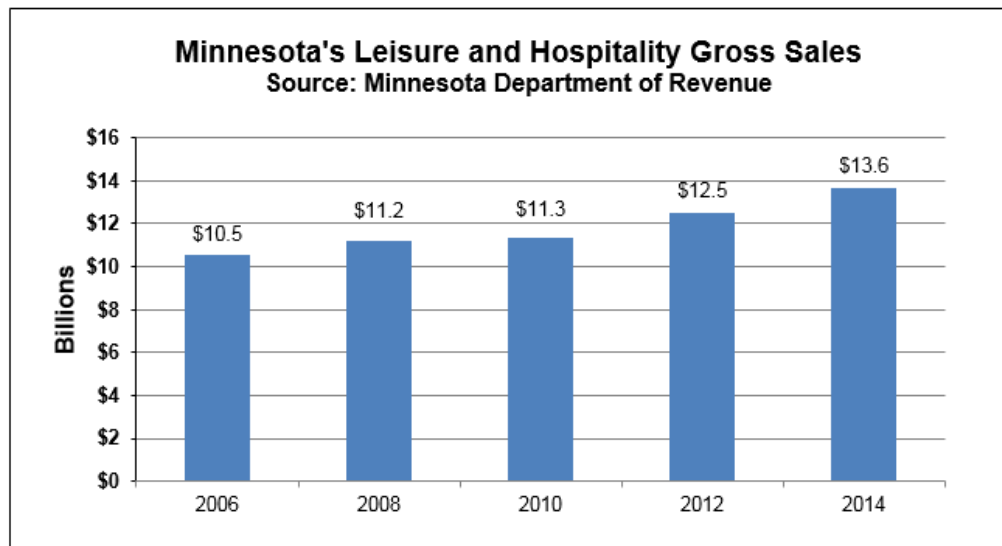
Explore Minnesota Tourism has a total biennial budget in FY16-17 of \$28 million in general fund appropriations, and \$1 million in revenue through advertising sales and marketing programs. We also partner with public and private organizations to maximize resources and reach more consumers. All of our funding is directly used to promote Minnesota tourism businesses.

STRATEGIES

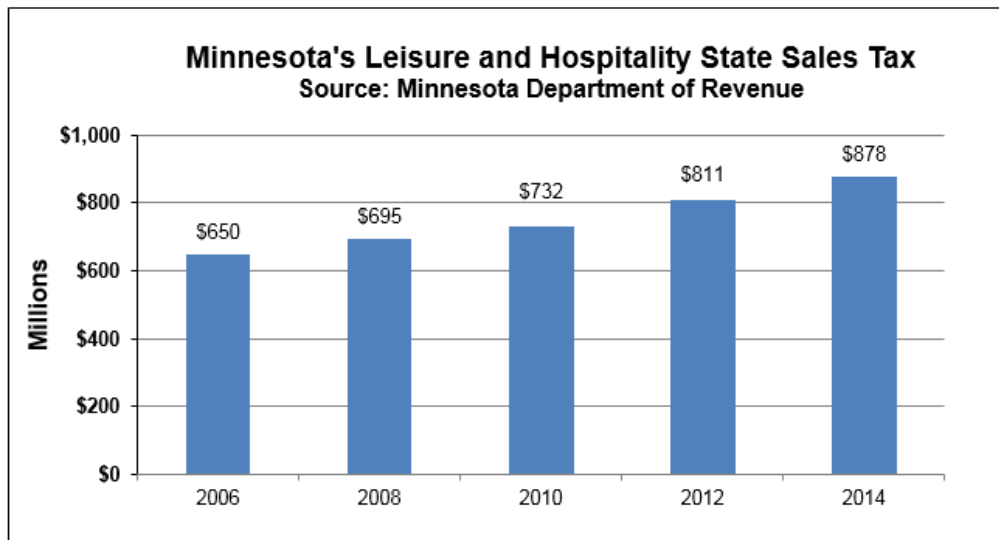
Explore Minnesota Tourism:

- Drives economic vitality by influencing visitation from domestic and international markets, and takes an entrepreneurial approach to invest in public/private partnerships.
- Creates innovative advertising and promotions that market Minnesota as a travel destination.
- Engages consumers via increased digital, social and public relations efforts.
- Delivers excellent customer service and comprehensive travel information in person, online, via phone and printed materials.
- Educates and leads Minnesota's tourism industry and other state agencies in their efforts to promote travel.
- Provides timely tourism research on economic impact, customers, travel trends and marketing effectiveness.

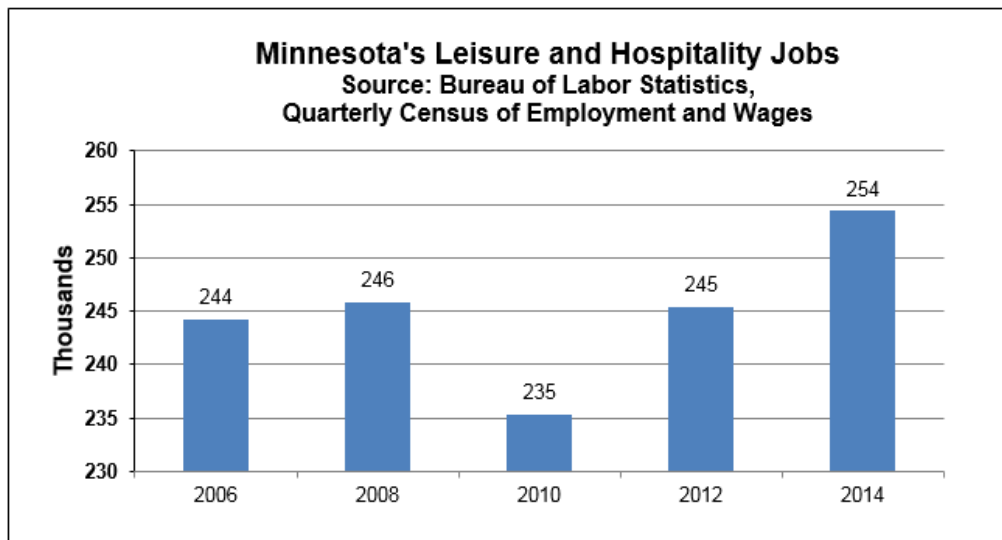
RESULTS



Minnesota's leisure and hospitality industry is a major provider of tourism services. The increase of gross sales in this sector illustrates the effect of successfully advertising travel to and throughout Minnesota.



Minnesota's leisure and hospitality industry is crucial to the state's vitality, accounting for 17% of total state sales tax revenue. This chart represents substantial 35% growth since 2006 compared with 19% growth over the same period for all other industries.



Minnesota's leisure and hospitality jobs account for 11% of total private sector employment in the state. The increase to 254,000 jobs in 2014 brought leisure and hospitality employment well beyond the pre-recession high for the industry.

MS116U.30 (<https://www.revisor.mn.gov/statutes/?id=116U>) provides the legal authority for Explore Minnesota Tourism.

(Dollars in Thousands)

Expenditures By Fund

	Actual FY14	Actual FY15	Actual FY16	Estimate FY17	Forecasted Base	
					FY18	FY19
1000 - General	14,165	14,296	13,858	15,580	14,248	14,248
2000 - Restrict Misc Special Revenue	1,305	1,151	1,325	2,274	1,372	1,372
Total	15,470	15,446	15,184	17,854	15,620	15,620
Biennial Change				2,122		(1,799)
Biennial % Change				7		(5)

Expenditures by Program

Program: Explore Minnesota Tourism	15,470	15,446	15,184	17,854	15,620	15,620
Total	15,470	15,446	15,184	17,854	15,620	15,620

Expenditures by Category

Compensation	3,454	3,524	3,590	3,846	4,058	4,090
Operating Expenses	11,239	11,113	10,852	12,202	10,828	10,796
Other Financial Transactions	40	15	-1	39	39	39
Grants, Aids and Subsidies	736	794	741	1,767	694	694
Capital Outlay-Real Property			2			
Total	15,470	15,446	15,184	17,854	15,620	15,620

Full-Time Equivalents

	46.2	45.7	46.5	46.5	46.5	46.5
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1000 - General

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	517	480	0	260	0	0
Direct Appropriation	13,988	13,988	14,118	15,321	14,248	14,248
Net Transfers	(19)	0	0	0	0	0
Cancellations	0	172	0	0	0	0
Expenditures	14,165	14,296	13,858	15,580	14,248	14,248
Balance Forward Out	322	0	260	0	0	0
<i>Biennial Change in Expenditures</i>				978		(943)
<i>Biennial % Change in Expenditures</i>				3		(3)
Full-Time Equivalents	46.0	44.9	45.8	45.8	45.8	45.8

2000 - Restrict Misc Special Revenue

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	571	686	806	903	0	0
Receipts	1,362	1,270	1,422	1,372	1,372	1,372
Expenditures	1,305	1,151	1,325	2,274	1,372	1,372
Balance Forward Out	627	805	903	0	0	0
<i>Biennial Change in Expenditures</i>				1,143		(856)
<i>Biennial % Change in Expenditures</i>				47		(24)
Full-Time Equivalents	0.1	0.8	0.7	0.7	0.7	0.7