

Marine Passenger Fee Allocation

The amount allocated to general government is based on a formula proposed by Assembly member Tom Garrett and approved by the AFC at the May 10, 2000 meeting.

The amount allocated is based on the number of hours cruise ship passengers spend in Juneau compared to the number of hours residents, independent visitors, conventioners, and embarking/disembarking passengers spend in Juneau on an annual basis. Independent visitors, conventioners and embarking/disembarking cruise passengers are excluded from the \$5 fee because they pay hotel taxes.

Specifically the original formula was calculated as follows:

The number of hours residents spend in Juneau annually =

The population X 24 hours X 365 days

The number of hours cruise passengers spend in Juneau annually =

The number of passengers X 9.5 hours X 1 (the numbers of days spent in Juneau per year)

The number of hours embarking/disembarking passengers spend in Juneau annually =

The number of embarking/disembarking passengers X 24 hours X 1.5 days

The number of hours independent visitors spend in Juneau annually =

The number of independent visitors X 24 hours X 3.8 days

The number of hours conventioners spend in Juneau annually =

The number of conventioners X 24 hours X 5.7 days

Each year the percentage is adjusted for changes in population and the number of visitors.

The percentage of time cruise passengers spend in Juneau is then applied against the general governmental expenditures (those functions funded through property and general sales tax).

Not all general governmental expenditures are used in the calculation but only those functions that are available for use by cruise ship passengers. These include but are not limited to: Emergency Medical Services, Libraries, Police, Parks and Recreation, Streets, Finance, Manager's Office. Support to the School District and Debt Service are not included in this calculation. Also excluded are any functions that are directly funded by the marine passenger fee, such as Tourism, Crossing Guards, Park Rangers, a portion of the City Museum and a portion of Capital Transit.

This support figure is calculated at the time of the preliminary budget and is not changed as increments are approved. The reason for this is because if the amount of support to general government were increased or decreased, less or more would be available to fund other projects that have been approved.

HISTORIC AMOUNTS

FY01 \$977,400

FY02 761,300

FY03 872,800

FY04 942,000

The FY01 amount included support for services in FY00.