



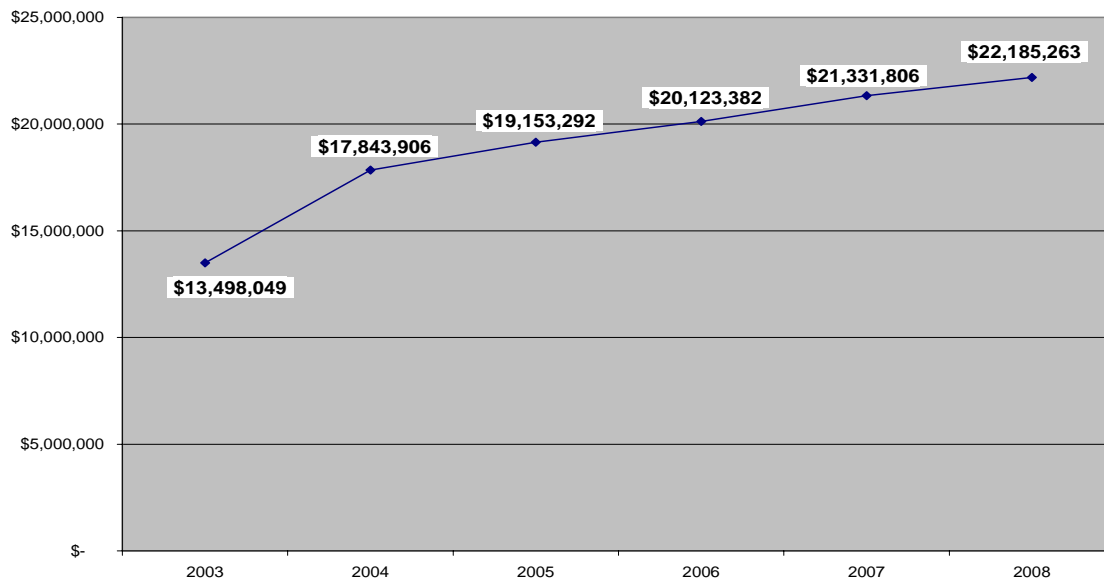
OFFICE OF THE PUBLIC AUDITOR

**Tourist Attraction Fund
FY 2008 Financial Highlights**

April 3, 2009

The Tourist Attraction Fund (TAF) ended fiscal year (FY) 2008 with a \$1 million loss compared to the \$1.8 million loss in 2007. The TAF, however, increased its revenues and reduced its expenditures in FY 2009. This also marked the first time in many years where revenues actually exceeded expenditures. Over the last six fiscal years, the TAF has seen a steady increase in its revenues going from \$13.5 million in FY 2003 to \$22.2 million in FY 2008. This increase is attributed to more hotel occupancy taxes being collected. According to the GVB General Manager, the overall arrivals in the Asia Pacific region declined in the last quarter of 2008 and prospects for 2009 remain bleak. See graph for the revenue trend of the TAF.

**Tourist Attraction Fund
Revenues FY 2003-2008**



The TAF was established to fund various recreational projects and visitor industry activities and is the major source of funding for GVB. Expenditures decreased by \$3.4 million, going from \$24.9 million in 2007 to \$21.5 million in 2008. This is largely due to a decrease in budget to GVB for its operations by \$1.6 million, going from \$15 million in 2007 to \$13.5 million in 2008.

Update on COLA Repayment Agreement

In October 2006, Public Law 28-151 appropriated \$4 million from the TAF Construction Fund to the General Fund for the payment of court-ordered COLA to retirees. A repayment agreement was entered into in December 2007 requiring the General Fund to pay \$500,000 monthly until May 2008. As of September 30, 2008, the \$4 million has been paid in full.

Auditors' Opinion and Compliance

The Independent Auditors, Deloitte and Touche, issued an unqualified or clean opinion in the FY 2008 financial statements. There were no deficiencies in internal control over financial reporting identified.