

CITY COUNCIL REPORT
PUBLIC

DATE: April 14, 2016
TO: Mayor and Council Members
FROM: Rick Tadder, Management Services Director
CC: Josh Copley, Barbara Goodrich, Shane Dille, Leadership Team
SUBJECT: BBB TAX – REVENUE AND EXPENDITURES

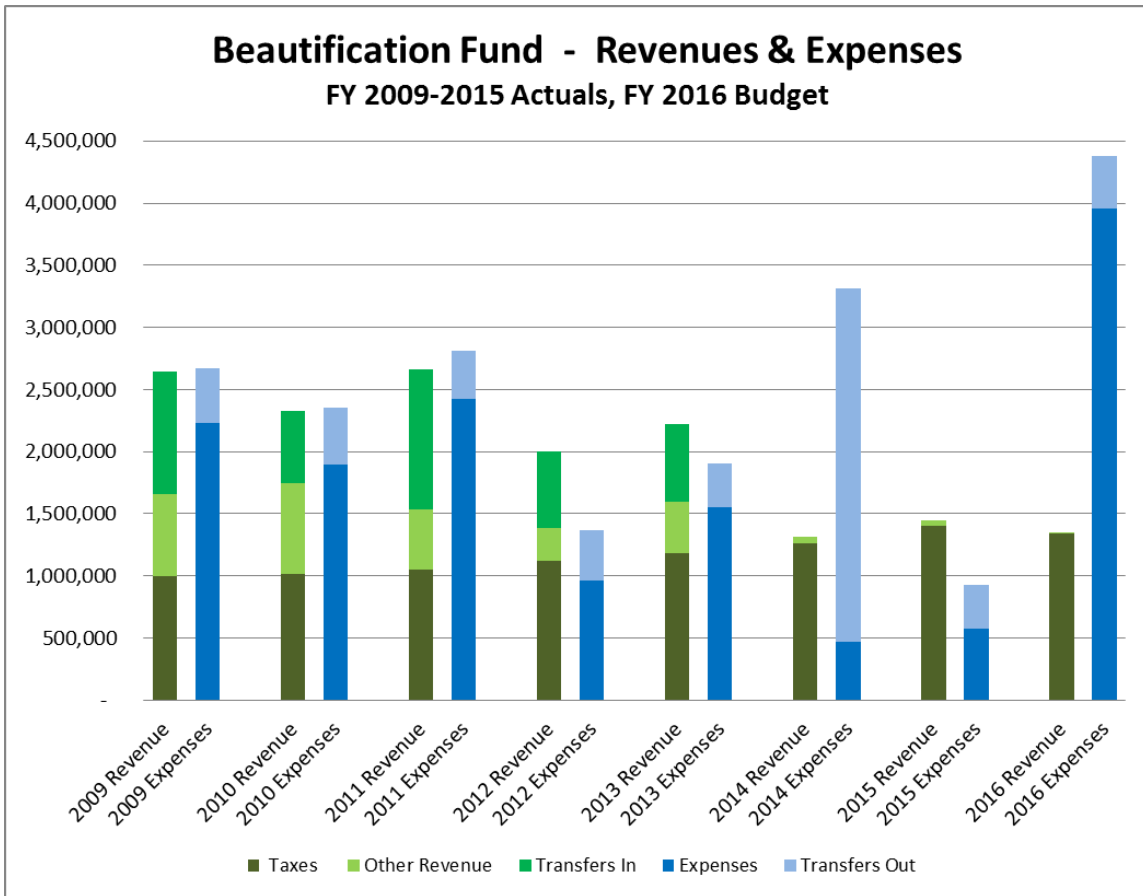
This CCR is in response to a council member's question regarding BBB Tax revenue and expenditure history.

DISCUSSION

The following information is presented for each fund that collects BBB Tax revenues. Under the revenue columns we include BBB Tax Revenue, Other Revenues, and Transfers In. Other revenues may be items such as grants, lease proceeds, interest revenue, and other financing sources. The expenditure column includes Expenses and Transfers Out.

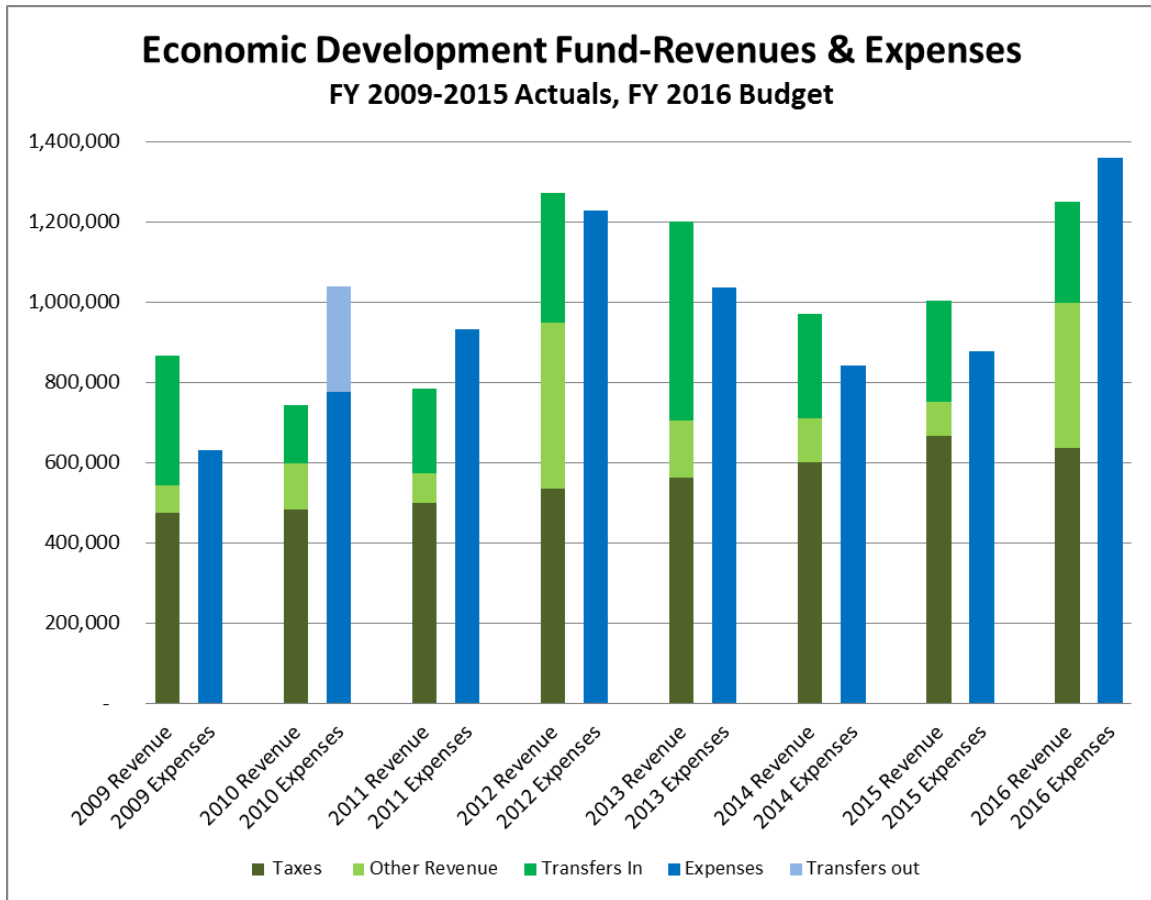
Report shows actual revenues and expenses for FY 2009 through FY 2015 and budget for FY 2016.

BEAUTIFICATION:



The Beautification Fund is primarily used for capital projects. Therefore you will see the expenditures vary from year to year. This fund also transfers resources to the General Fund to pay for maintenance of streetscape projects and Cityscape. In FY 2015 we created a separate FUTS Fund and transferred out the resources accumulated for these projects.

ECONOMIC DEVELOPMENT FUND:

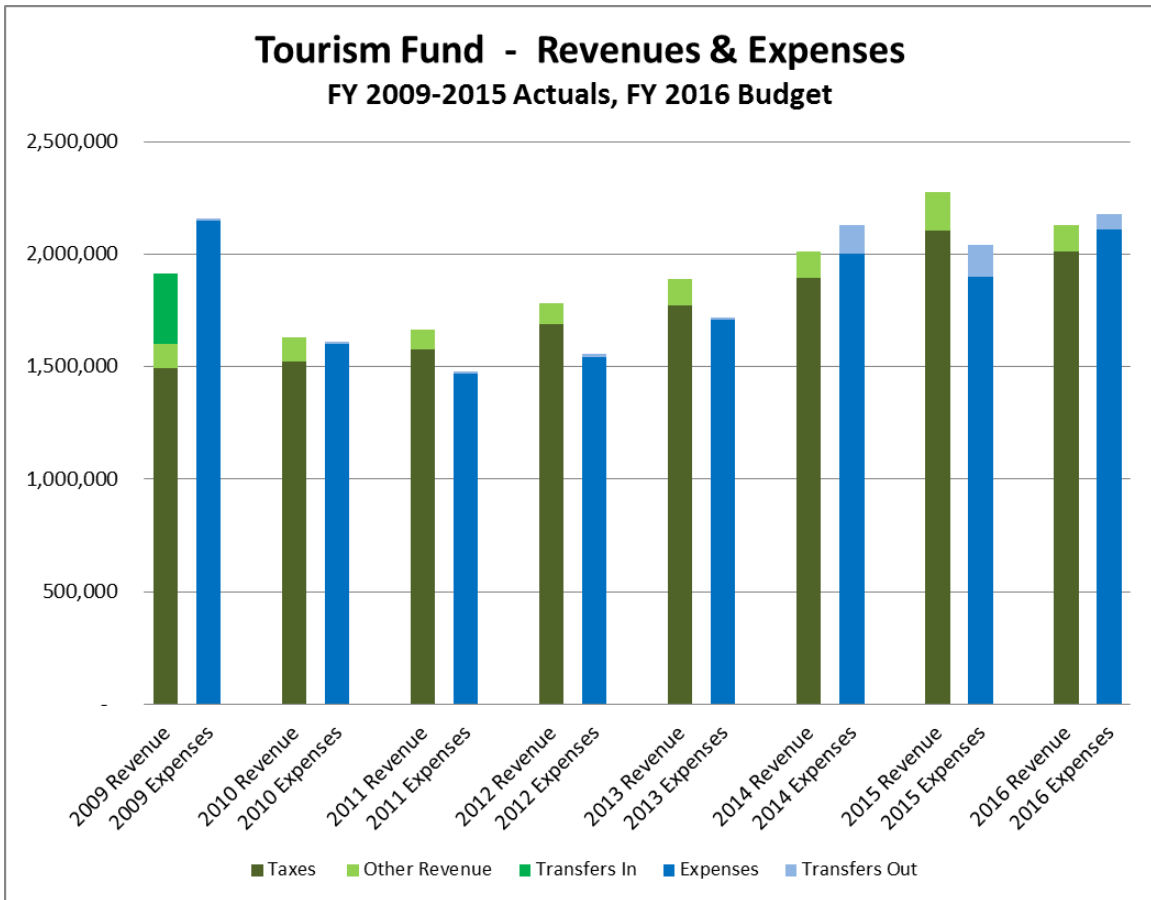


The Economic Development Fund other revenues include operating lease proceeds and grant funding. The General Fund also transfers resources to this fund to support the Incubator debt service. The primary expenses are related to the Business Retention and Expansion, Business Attraction, and operating expenses for the Incubator and Accelerator. This fund paid for several service partner contracts and membership to ECoNA. The history is provided below.

Economic Development								
Membership / Service Partners	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Economic Collaborative Of No AZ (1)	-	-	-	40,000	40,000	40,000	40,000	40,000
Rural Policy-University to Business	140,000	55,000	40,000	30,000	-	-	-	-
Rural Policy-Alliance Work	-	-	-	25,000	25,000	-	-	-
Science Foundation	50,000	50,000	50,000	50,000	50,000	-	-	-
SEDI (1)	25,000	20,000	20,000	20,000	20,000	20,000	-	-

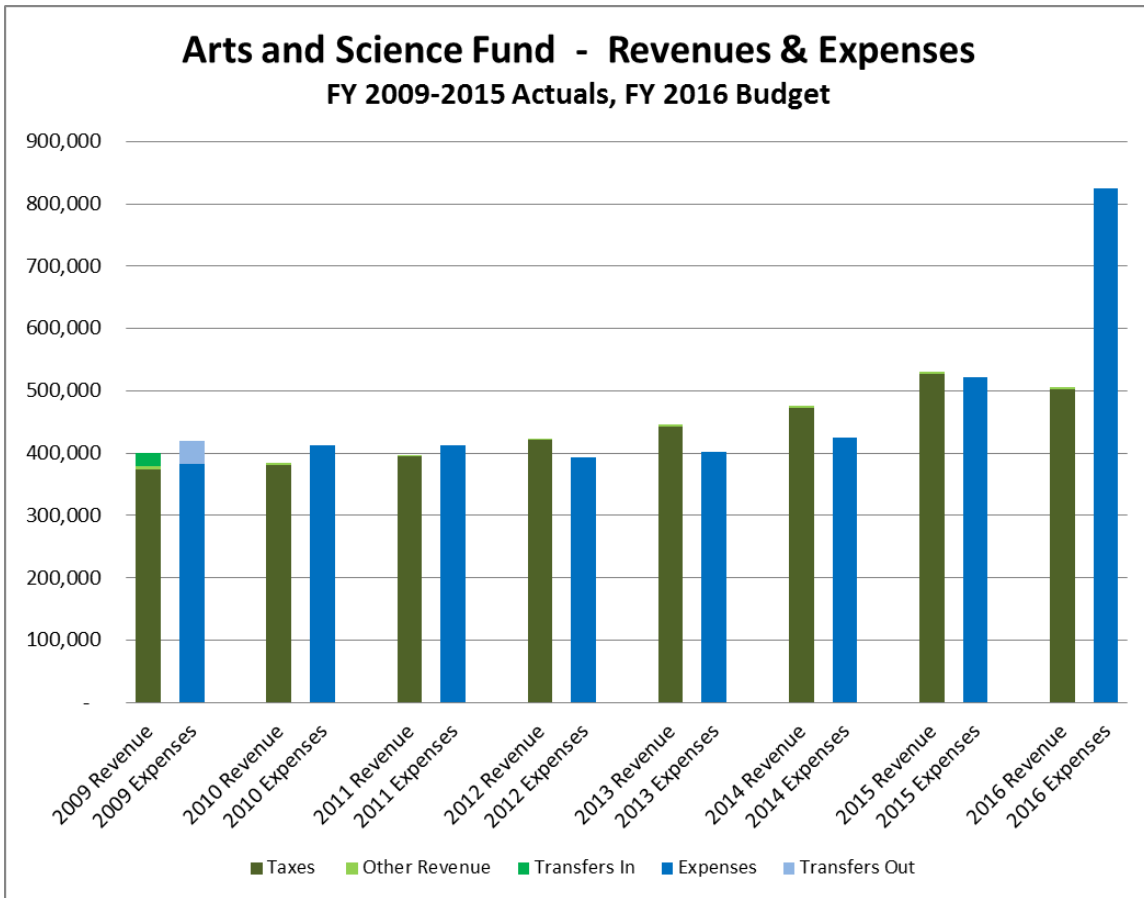
(1) Membership

TOURISM FUND:



The Tourism Fund other revenues include Visitor Center retail sales, building rents and advertising revenues related to Out of Market installations like the Flagstaff Cool Zone. This fund primarily has operation expenses for the Convention and Visitors Bureau and Visitor Center as well as the repairs and maintenance of the Train Station and Milligan House. This fund transfers resources to support the Cityscape, Library and Recreation events.

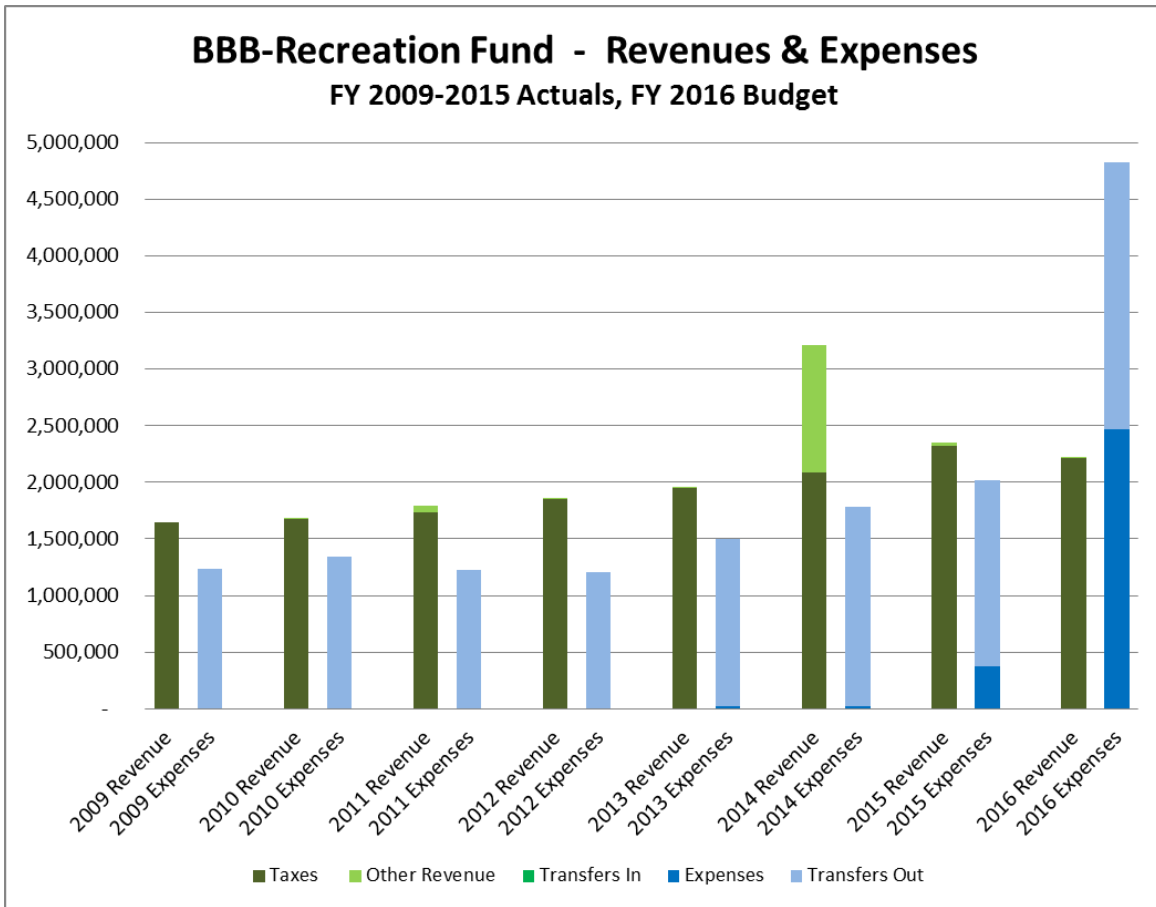
ARTS AND SCIENCE FUND:



The Arts and Science Fund other revenues include interest income. This fund supports public art projects however the primary expense is for service partner contracts. The history of service partner contacts is listed below.

Arts and Science								
Service Partner	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
FCP Administration Fee	73,500	69,825	69,825	69,825	65,000	65,000	69,000	71,070
FCP A&S Grant Awards	305,000	289,750	290,000	293,000	290,000	290,000	300,000	300,000
FCP A&S Grant to Agencies (1x)	-	-	43,000	-	-	-	-	-
Riordan Mansion	-	-	10,000	20,000	20,000	-	-	-
Science Foundation	-	-	-	-	-	50,000	40,000	25,000

BBB-RECREATION FUND:



The BBB-Recreation Fund other revenue included \$1.1M of bond funds in FY 2014. This fund primarily transfers resources to the General Fund to pay for FUTS and Parks improved with BBB funding. Beginning in FY 2010 we began transferring resources to the General Fund for recreation program support. In FY 2016, we used fund balance to complete many recreation facilities and parks improvements.

RECOMMENDATION / CONCLUSION

This report is for information only.