



# Budget Hearing

May 9, 2017

Mike Holmes, Operations Program Manager  
Catherine Strickland, Marketing Program Manager

# Programs and Services

- Oversee 13 County owned Leased Property contracts
- Provide operational support and development
- Provide marketing and promotional assistance
- Administer funding agreements for 10 Board approved outside agencies in area of tourism and economic development

# Leased Properties

- Ajo Community Golf Course
- Arizona-Sonora Desert Museum
- Colossal Cave Mountain Park
- Crooked Tree Golf Course
- MC Motorsports Park
- Musselman Honda Circuit
- Old Tucson
- Pima Air and Space Museum
- Pima County Fairgrounds
- Rillito Park Racetrack
- Southwestern International Raceway
- Titan Missile Museum
- Tucson Speedway

# Outside Agencies

- Ajo Chamber of Commerce
- El Tour de Tucson
- Job Path
- Sun Corridor, Inc.
- Tucson Botanical Gardens
- Tucson Children's Museum
- Tucson Meet Yourself
- Tucson Pima Arts Council/Arts Foundation Tucson
- Davis-Monthan 50
- International Sonoran Desert Association

# Requested FY 17/18 Budget

- Revenue: \$1,251,480
- Expenditures: \$2,264,591
- Operating transfers: \$1,147,125
- Fund Impact: \$134,014
- FTE: 4.15

**The requested expenditures include \$1.5 million of Board-approved funds for our outside agency contracts, which is pre-determined and passed through.**

# Program Costs—FY 17/18 Requested Budget

• Outside agencies:	\$1,508,250
• Leased properties:	\$320,808
• <u>Personnel services:</u>	<u>\$435,533</u>
TOTAL	\$2,264,591

**The department receives an operating transfer of \$1.147 million to help offset the \$1.5 million pass through to the Board approved outside agencies providing tourism and economic development services. The balance comes from the department's budget.**

# Changes in FY 17/18 Requested Budget

- \$94,092 projected increase in revenues
  - \$92,088 AZ Hotel Motel Tax
  - \$2,004 Interest Fees and Misc. revenue
- \$8,841 net decrease in expenditures
  - \$32,248 saved in lobbying services
  - (\$23,397) pay raise/benefits
  - (\$2,010) miscellaneous expenses

**Our requested FY 17/18 budget projects an increase in revenues based on the forecasted increase to the AZ Hotel Motel Tax and a slight decrease in expenditures due to reduction in amount budgeted for lobbying services.**

# Budget Issues in FY 17/18

Possible variances that could impact the budget:

- Unforeseen infrastructure repairs and higher labor rates
- Personnel and fringe benefit expenses
  - Benefit pay-out for retiring director
- Board approved changes to Outside Agency funding levels



# Bottom line

- No additional supplemental funding requested
- Majority of budget is Board approved pass-through funding
- No major changes to the budget—net \$8,800 less
- Positive fund balance