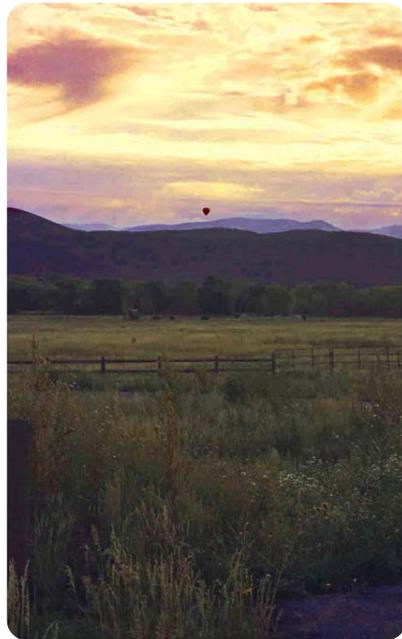


**Volume I
Executive Summary**



**Park City
Municipal Corporation**

Final Budget



**FY 2008 Adjusted Budget
FY 2009 Annual Budget**

**Prepared by:
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Bret Howser - Budget Officer
Jed Briggs - Budget Analyst
Nate Rockwood - Budget Intern**

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AS OF JULY 1, 2008

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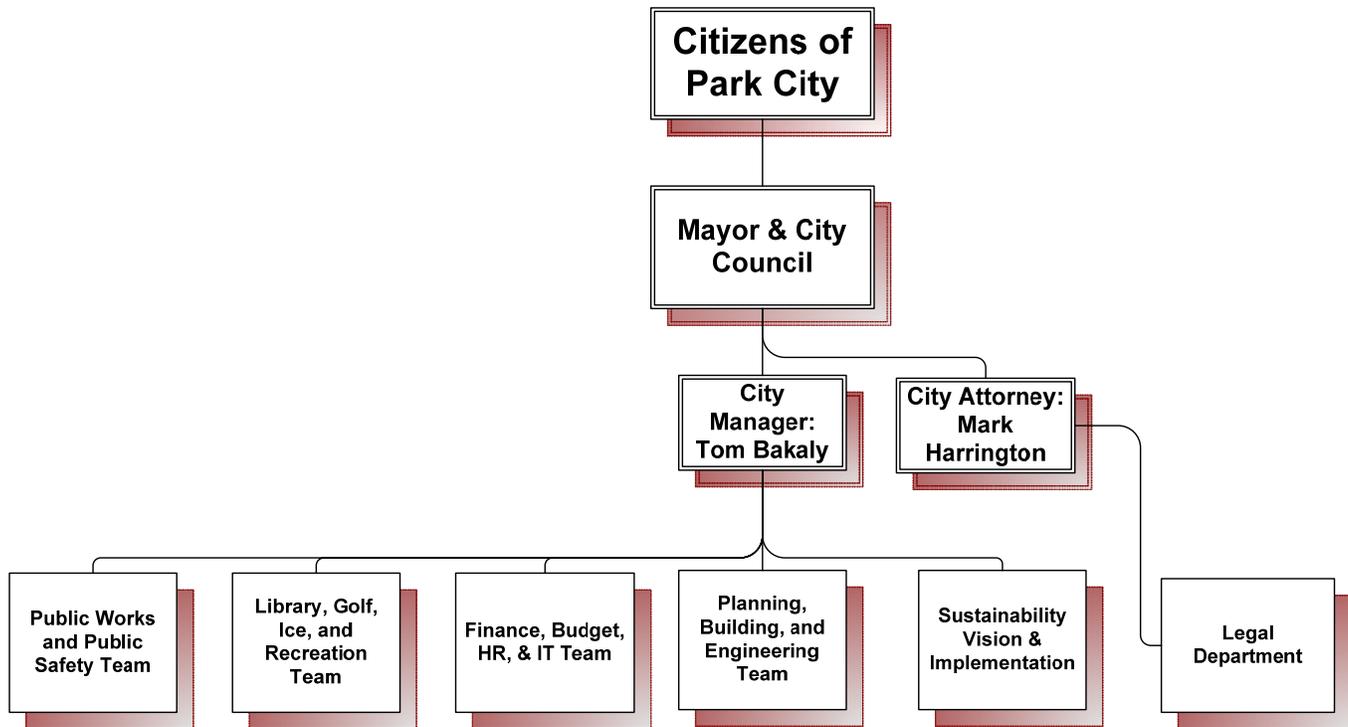
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GUIDE TO THE BUDGET DOCUMENT

PARK CITY MUNICIPAL FUNCTIONAL ORGANIZATION FY 2008



GUIDE TO THE BUDGET DOCUMENT

Park City Municipal Corporation’s Budget Document is divided into three documents each geared toward a certain reader:

Volume I: Executive Summary is intended for City Council and outlines the process, policies, and important issues of the FY 2008-09 financial plan for Park City Municipal Corporation. The principal objective of Volume I is to clearly describe the City’s budget process and highlight proposed changes to the budget. City Council can then use this tool to provide policy direction during the budget process.

Volume II: Technical Data displays Park City’s budget in a much more detailed fashion than Volume I. The first half of the document shows information organized by municipal function and department. Function organizational charts, department descriptions, and performance measures are all included here. The second half presents the data by fund. The data in Volume II is intended for City Council and staff, but is available for those in the general public who may be interested.

The Citizen’s Budget was designed to inform the general public about Park City’s financial plan. The document seeks to answer two basic questions: 1) How is the City funded? 2) How are those funds spent? The information in the Citizen’s Budget is quite intentionally lean on figures, charts, and technical jargon as it seeks to give those of a casual interest a general understanding of what the City does.

VOLUME I: EXECUTIVE SUMMARY

INTRODUCTION

Foreword and brief explanation of basic concepts necessary to grasp the contents of the document. This section outlines Park City’s goals and objectives as well as the process by which the budget puts those goals into action.

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Goals & Targets for Action.....	3
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GUIDE TO THE BUDGET DOCUMENT

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CITY MANAGER MESSAGE

April 28, 2008

To the Mayor, City Council, and Residents of Park City:

Pursuant to §10-6-109, Utah Code Annotated, the following budgets (Fiscal Year 2008 Adjusted, Fiscal Year 2009) have been prepared for Park City Municipal Corporation using budgetary practices and techniques recommended by the Governmental Accounting Standards Board (GASB) and the Governmental Finance Officers Association (GFOA). As required by State law, the proposed budget is balanced.

The proposed budget presented herein has been compiled with goals and objectives outlined by City Council during Council visioning as guiding principles.

In preparing this budget, City staff began with base budget levels set as part of the Fiscal Year 2008 Adopted Budget and Fiscal Year 2009 Plan approved by Council in June of 2007. Proposed changes to these approved budget levels were developed based on direction from City Council, input from the public, and in consultation with department managers, City staff, the Capital Improvement Projects Committee, the Pay Plan Committee, and various other task forces.

It is anticipated that the proposed budget will allow City staff to carry out Council's goals and mandated level of service within identified resources (i.e., without a property tax increase). Staff is committed to administering municipal services and managing the capital program with a high degree of efficiency at a minimum cost to residents and taxpayers. This, combined with a strong economic performance of the City over the past few years, affirms that the City is maintaining a sound financial footing.

Once again, I present the City Manager Recommended Budget for FY 2009 to City Council, residents of Park City, and other interested stakeholders for your review.

Sincerely,

A handwritten signature in black ink, appearing to read "T. Bakaly", written over a horizontal line.

Thomas B. Bakaly
City Manager
Park City Municipal Corporation

INTRODUCTION

PARK CITY MISSION STATEMENT

Through high quality service to our community and guests, we will provide a memorable and unique experience while preserving and enriching Park City's heritage, diversity and environment.

PARK CITY GOALS & TARGETS FOR ACTION

When the City Council met at its annual visioning workshop, the Mayor and Council reaffirmed their long-range vision for Park City and updated their annual action plan. At that time Council reviewed and re-approved nine goals for Park City which are highlighted below.

- Quality & Quantity of Water
- Preservation of Park City Character
- Effective Transportation and Parking System
- World Class, Multi-Seasonal/Resort Community
- Recreation, Open Space, and Trails
- Regional Collaboration and Partnerships
- Open and Responsive Government to the Community

The budget process is a way to link Council's policy goals to the day-to-day management operations of the City. Through the budget process, Council will adopt a budget and fiscal plan to accomplish its action targets and work towards the City's goals.

BUDGET PROCESS

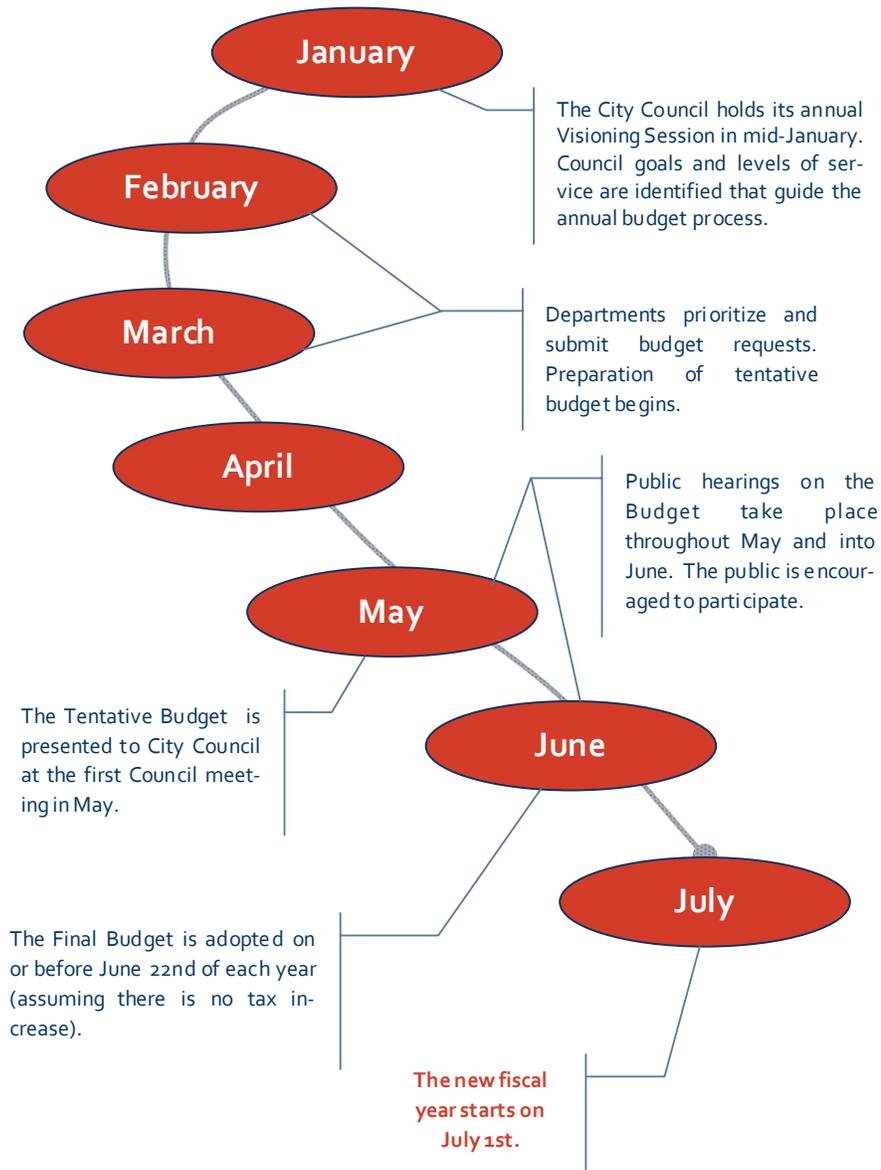
The budget process is an essential element of financial planning, management, control, and evaluation for the City. It provides the opportunity for the citizens paying for governmental services to be heard by their elected representatives.

The City begins the budget process in January with the City Council identifying objectives for the next year. Each department manager is responsible for preparing budget requests consistent with Council's vision, under the assumption that basic services will be maintained at current levels and adequately funded. Council objectives are addressed either in the current level budget or as additional options for enhanced, increased, or decreased service levels proposed by the departments. The City Manager reviews budget requests—including options—with each functional team and develops a proposed budget balanced within the limits of the current available resources or with a proposed increase in fees and/or tax revenues.

Utah State law requires that the City Manager present to Council a balanced budget at the first regularly scheduled Council meeting in May. A balanced budget is defined by Utah Code: "The total of the anticipated revenues shall equal the total of appropriated expenditures." (Utah State Code Title 10-6-110 (2)). The proposed budget must be available for public inspection during

INTRODUCTION

normal business hours after it has been filed with the City Council. Between the first City Council meeting in May and the presentation of the Final Budget on June 19, the Council had the opportunity to review the proposed budget, consider public comment, and finally, adopt a balanced budget. The Council held one public hearing on the proposed budget. Before June 22 the Council must adopt either a tentative budget if the certified tax rate is to be exceeded (tax increase) or a final budget and proposed tax rate (no tax increase). If there is a property tax increase, the Council holds an additional public hearing before adopting the budget in August.



Budgetary control of each fund is maintained at the department level. Department managers play an active and important role in controlling the budget. The City Council may amend the budget by motion during the fiscal year; however, increases in overall fund budgets (governmental funds) require a public hearing. Enterprise fund budgets may be increased by the City Council without a public hearing. Expenditures may not legally exceed appropriations at the department level.

INTRODUCTION

DISTINGUISHED BUDGET AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award for Distinguished Budget Presentation to Park City Municipal Corporation, Utah for its annual budget for fiscal years beginning July 1, 1991 and 1992; and the bienniums beginning 1993, 1997, 1999, 2001, 2003, 2005, and most recently, 2007.

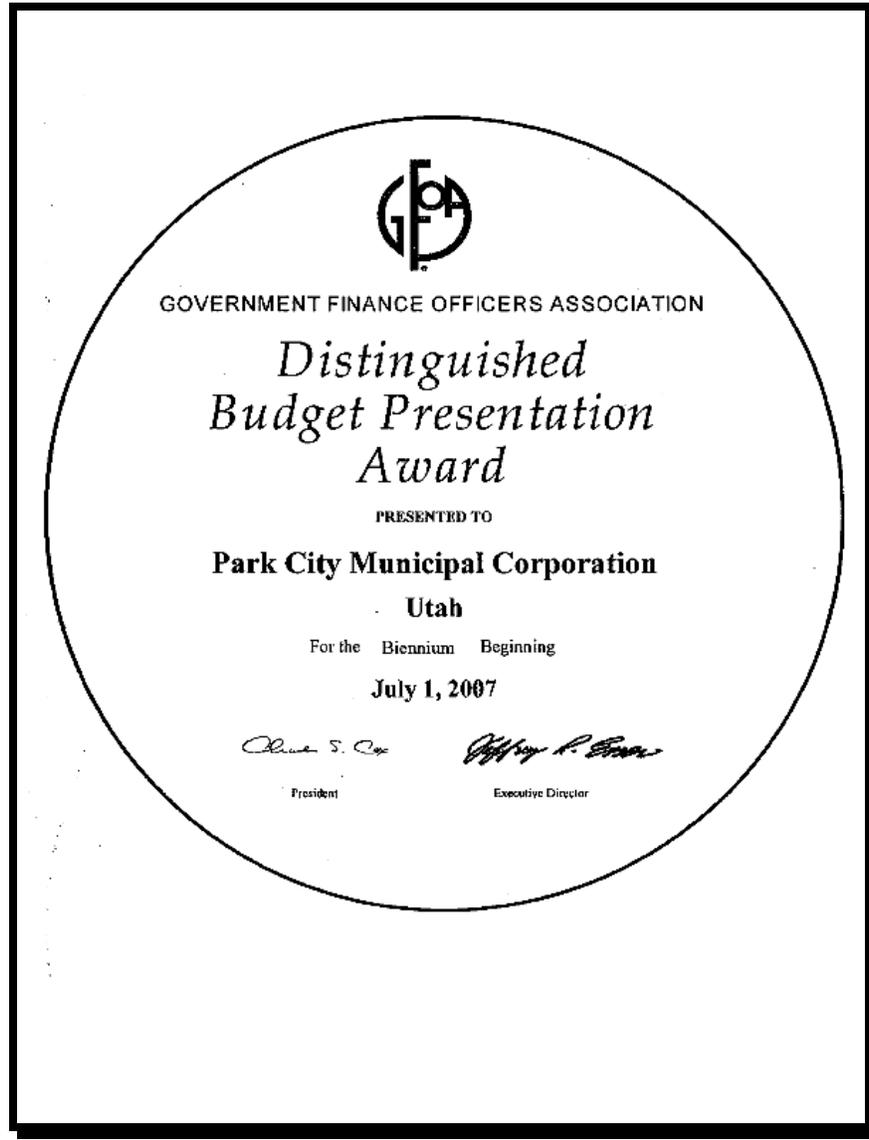
In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, operations guide, financial plan, and communication device.

A portion of the Park City's Policies and Objectives were included in the GFOA Best Practices in Public Budgeting in the 2001 Edition Narratives and Illustrations on CD-ROM.

The award is valid for a period of two years. We believe our current budget continues to conform to program requirements, and it will be submitted to GFOA to determine its eligibility for another award each budget cycle.

INTRODUCTION

Submitted by:
Thomas B. Bakaly, City Manager



BUDGET OVERVIEW

BUDGET ISSUES

This year's budget process is the second year of a two-year cycle; budget discussions will focus on variations from the FY 2008 Original Budget adopted by City Council last year. The following are a few of the more significant issues discussed with City Council during the budget hearings in May and June. For each of the budget hearings, Council received a staff report providing thorough details of all the issues that are expected to be discussed.

The FY 2008 Adjusted Budget reflects a 6.17 percent increase from the FY 2008 Original Budget and an overall 16.11 percent increase from FY 2007 actual expenses (with capital excluded).

The FY 2009 Final Budget increased to \$40,461,903 which is up approximately 2.15 percent from the FY 2008 Adjusted Budget. The largest changes to the FY 2009 Budget involve adjustments due to an increase in medical insurance costs as well enhanced service levels in the Ice Facility, Police, Water Operations, Golf Maintenance, and Transportation Operations Departments.

The FY 2008 Adjusted Budget reflects a marginal increase in personnel expenses of 2.76 percent, from the FY 2008 Original Budget. The FY 2009 Final Budget shows a 4.06 percent increase in personnel from the FY 2008 Adjusted Budget. The rest of the increases to personnel expenditures are due to either increased workload or enhanced levels of service in various departments, most notably: Legal, City Recreation, Water Operations, and Transportation Operations. Much of the increased personnel expense related to these options is offset with decreases in Materials, Supplies & Services budget. The table below shows Citywide expenditures by Major Object.

Expenditure Summary by Major Object - All Funds

	FY 2005	FY 2006	FY 2007	FY 2008 Ori Bud	FY 2008 Adj Bud	FY 2009 Plan	FY 2009 Bud
Personnel	14,553,051	15,924,342	17,443,771	18,359,029	18,866,127	18,669,797	19,632,843
Materials, Supplies & Services	8,426,189	9,438,806	10,358,236	11,527,229	13,641,700	11,687,413	12,893,175
Capital Outlay	15,959,485	20,495,911	19,870,601	25,837,649	85,621,514	9,540,465	39,058,853
Debt Service	13,943,132	5,966,048	6,310,364	6,594,956	7,101,239	6,395,885	7,310,885
Contingencies	0	0	0	825,000	0	955,000	625,000
Actual Budget	\$52,881,858	\$51,825,106	\$53,982,972	\$63,143,863	\$125,230,580	\$47,248,560	\$79,520,756
Budget Excluding Capital	\$36,922,372	\$31,329,195	\$34,112,371	\$37,306,214	\$39,609,066	\$37,708,095	\$40,461,903
Interfund Transfers	29,203,184	29,115,806	13,837,974	9,167,562	15,628,653	8,950,348	12,145,848
Ending Balance	79,321,857	78,045,276	88,030,246	24,480,008	30,732,166	26,436,583	26,152,650
Subtotal	\$108,525,041	\$107,161,082	\$101,868,220	\$33,647,570	\$46,360,819	\$35,386,931	\$38,298,498
Grand Total	\$161,406,899	\$158,986,188	\$155,851,192	\$96,791,433	\$171,591,399	\$82,635,491	\$117,819,254

Table B01 – Expenditure Summary by Major Object

BUDGET OVERVIEW

FINANCIAL IMPACT ASSESSMENT REPORT (FIAR)

In January of 2008 the Budget Department presented a Financial Impact Assessment Report to the City Council at its annual Visioning Session. This report was organized to forecast revenues and operating, capital, and debt service expenses for the General Fund. The purpose behind this report was to provide City Council members with a reference tool to estimate the impacts of additional operating and capital spending as well as policy decisions in future years. The report is presented to Council at the Visioning Session each year and then updated in the Tentative Budget to show the impact of the budget requests for the next two-year cycle. This will enable Council to see the estimated impacts of current budget decisions on future General Fund surpluses.

The table below is from the FIAR presented to Council in January. It has been adjusted to incorporate the FY 2008 Adjusted Budget and the FY 2009 Proposed Budget, which changes trickle through to have an effect on future projections. The figures below incorporate expenses and revenues from the General Fund as well as the Quinn's Recreation Fund, and are not designed to match the Budget Summaries due to different methods of accounting for the same information.

Ten-year Financial Impact Forecast										
National Inflation Measure	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
4.04%										
Revenue	\$27,548,963	\$27,165,080	\$28,202,915	\$29,228,649	\$31,091,140	\$32,062,874	\$32,885,570	\$33,699,501	\$34,505,119	\$35,138,905
Op. Expenses	\$21,299,607	\$21,535,111	\$23,439,311	\$24,555,268	\$25,820,564	\$27,022,831	\$28,129,103	\$29,280,066	\$30,477,522	\$31,723,352
CIP Expenses	\$5,889,349	\$5,220,209	\$3,381,209	\$1,748,979	\$1,640,709	\$1,640,709	\$1,640,709	\$1,640,709	\$1,640,709	\$1,532,709
Debt Service	\$183,684	\$181,859	\$891,712	\$889,412	\$1,547,237	\$1,547,262	\$1,551,162	\$1,913,662	\$1,919,912	\$1,917,012
Total Expenses	\$27,372,640	\$26,937,179	\$27,712,232	\$27,193,659	\$29,008,510	\$30,210,802	\$31,320,974	\$32,834,437	\$34,038,143	\$35,173,073
Rev/Exp - CPI	\$176,323	\$227,900	\$490,683	\$2,034,990	\$2,082,630	\$1,852,072	\$1,564,595	\$865,065	\$466,975	-\$34,168

Aggregate Surplus (Nominal \$)	\$9,727,065
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Table B02 – Ten-year Financial Impact Forecast

Operating expense projections are now using the service level associated with the 2009 Budget as the base level. The table above shows the FY 2009 service level inflated using the most common inflationary factor: the Consumer Price Index. Other differences from the previous FIAR report also include adjustments to more accurately reflect the budget for contingency and recreation revenue. Average surplus per year is around \$1 million. The projected surpluses for each year are shown in the following graph.

BUDGET OVERVIEW

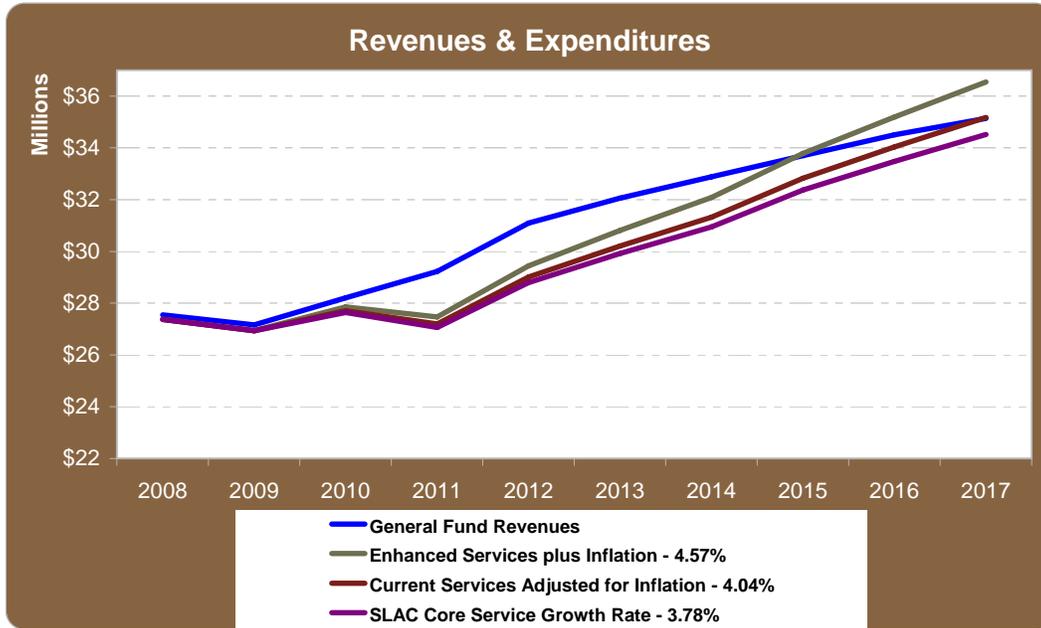


Figure B03 – Forecasted Revenues and Expenditures

During this year’s budget process, some of the anticipated surpluses for FY 2008 and 2009 were allocated to operating budget and capital requests. The budget requests were comprised of increases due to inflation and increases associated with a higher level of service. Capital requests were reviewed with the projected surpluses from the original Financial Impact Assessment Report being used as a reference. The following graph displays the original projected expenses from the FIAR presented in January and the allocation of the surplus above those expenses due to budget requests.

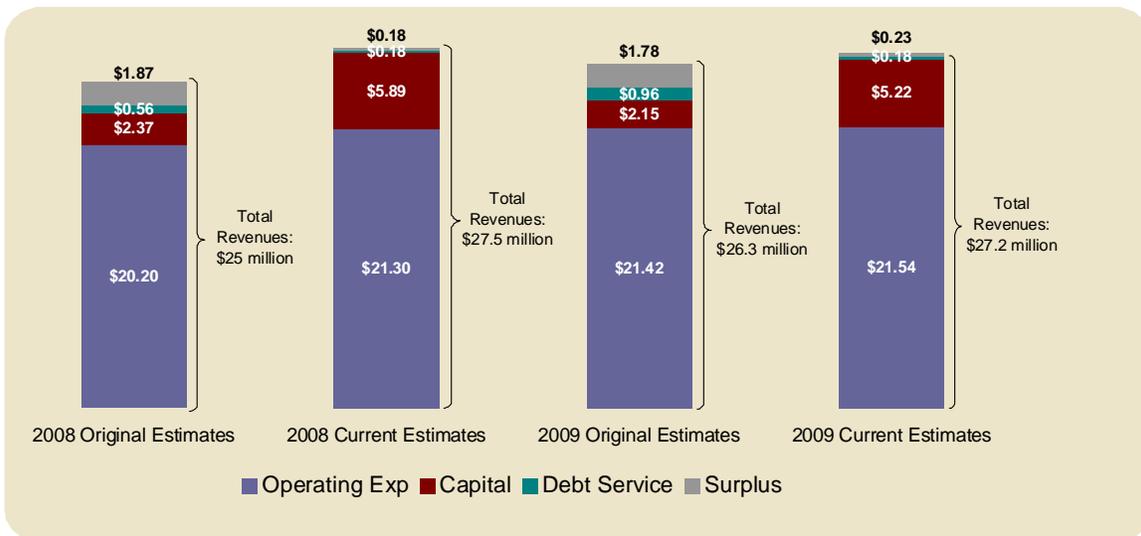


Figure B04 – Projected Expenses

BUDGET OVERVIEW

Per City policy, any additional surplus above budgeted expenses and anticipated (budgeted) surplus is to be allocated to previously identified capital improvement projects. This will help the City avoid unnecessary debt and remove restrictions on funds allocated to capital in the future. The table below displays the non-enterprise fund projects currently in the Five-year CIP that have estimated unfunded amounts.

Unfunded CIP Projects	
CIP # and Project Name	Unfunded
CP0043 - Public Works Storage Parcel	\$2,000,000
CP0072 - Relocated Utilities - Park Avenue.	\$4,894,000
CP0085 - Town Plaza	\$5,100,000
CP0087 - Woodside 8th-12th - Utility Relocation	\$568,000
CP0106 - Public Works Storage Bldg	\$500,000
CP0109 - Deer Valley Drive Neighborhood	\$213,443
CP0110 - Prospector Neighborhood/business enhance service request	\$30,000
CP0124 - Kearns Boulevard Improvements	\$8,650,000
CP0126 - Fiber extention to Quinn's Junction	\$200,000
CP0151 - China Bridge Control Equipment	\$145,000
CP0157 - OTIS Phase III(a)	\$3,742,485
CP0158 - OTIS Phase III(b)	\$4,570,204
CP0160 - Ice Facility Capital Improvements	\$150,000
CP0166 - WI-FI Wireless Infrastructure	\$250,000
CP0175 - School Bypass Road	\$4,100,000
CP0176 - Deer Valley Drive Reconstruction	\$924,730
CP0195 - Ice Expansion Fund	\$7,000,000
CP0196 - Downtown Projects - Phase III	\$500,000
CP0197 - Prospector Improvements	\$2,000,000
CP0199 - Sustainability/Environmental Initiatives	\$1,000,000
CP0219 - Emergency Management Recovery Fund	\$200,000
Grand Total	\$46,737,862

Table B05 – Unfunded CIP Projects

OPERATING BUDGET

Again, this year's budget cycle is the off-year of the City's current budget biennium. During the off-year the City will adjust the FY 2008 budget while revisiting the FY 2009 Plan, which acts as a template to formulate the FY 2009 budget.

As this is the second year of a two-year budget process, new requests are usually limited. All requests should have a corresponding expense reduction, revenue enhancement, or justification as to why the adjustment is necessary. This means that unless a request satisfies a preexisting issue already identified by or discussed with the Budget Department; is a direct response to direction received by City Council at Visioning Session; deals with same-level of service adjustments (i.e., inflationary adjustments); or other unforeseen but justifiable need; it should not be submitted by departments without expense or revenue offsets.

As always, this process begins with Council's Visioning Session in January. It is expected that department managers prepare operating and capital budget requests consistent with Council's

BUDGET OVERVIEW

goals and policy direction. As such, each request must be linked to one (or more) of the seven Council Goals. Managers are also required to utilize performance measures or other quantitative justifications as part of the rationale for their options.

Self-managed teams (i.e., managerial groups) are expected to discuss all their options together and rank them against each other before meeting with the City Manager. Attendance, regardless of whether or not a department has any requests, is mandatory for all managers. Below is the list of the City's self-managed teams:

- Public Works
- Public Safety
- Library, Golf, Ice & Recreation
- Finance, Budget, HR, & IT
- Planning, Building, & Engineering
- Sustainability (Vision & Implementation)
- Legal & City Manager

The self-managed teams are encouraged to consider that the CIP Prioritization Committee was also recommending various new projects for funding as well as increased funding for existing projects; and also that various committees and task forces have recommendations that may also potentially compete for limited surplus operating revenues. Managers were urged to consider all of these factors and competing interests as they formulated their operating requests.

Included in the Supplemental Section of this document is a list of Department Budget Requests. The requests or "budget options" are prioritized and sorted by *team*. These options reflect the incremental change from the current FY 2008 Budget and establish an FY 2009 Budget.

Pay Plan

The Pay Plan Committee convened last year in order to evaluate compensation benchmarks for the City's budgeted positions. The Pay Plan Committee typically meets biennially to review these benchmarks and provide a recommendation for the City Manager. This benchmarking process is done in an effort to ensure the uniform and equitable application of pay in comparison to the Utah and Colorado municipal employee market. Job positions are compared with similar positions or "benchmarks" to determine market pay for any given position. The City Manager chooses the metrics that determine how salaries should be set and defines a threshold at which positions should be reclassified. In FY 2007, the City Manager set the following metrics and thresholds:

- Comparison Metric: "Market" has been defined as the average pay of the top five comparison communities. Working level for most City positions is based on this definition of market, except:
 - Public Safety related positions, which are compared to the average of the top three.
- Reclassification Threshold: Any position 5 percent or more below market is recommended for reclassification to a new grade. In past years, this threshold had been closer to 15 percent. In FY 2004, the threshold was changed to 10 percent and in FY 2005 to 8 percent. The change to 5 percent has now brought Park City into what is

BUDGET OVERVIEW

considered an actual market plan. Since its adoption, all positions in the City are considered to be at market.

Being the off-year of a budget cycle, the Pay Plan has been adjusted up 2 percent in the FY 2009 Plan (already adopted last year) to bring all Exempt, Non-Exempt, Part-Time Non-Benefited, and Seasonal positions in line with market level pay. Additional information about the Pay Plan philosophy and process can be found in the Supplemental section of this document. Additionally, for FY 2009 there are a few new positions that are not in the current Pay Plan, but have still been benchmarked:

- Water Project Manager (E07)
- Budget Officer (E06)
- Transportation Project Manager (E06)

Special Service Contracts

As part of the budget process, the City Council appropriates funds to contract with organizations offering services consistent with the needs and goals of the City. According to City policy, up to one percent of the City's total budget is awarded. Payment may take the form of cash payment and/or rent contributions for the lease of City property in exchange for the value of in-kind services. For the FY 2008-09 cycle, \$738,792 (adopted last year) will be paid out for Special Service Contracts with \$145,700 for Youth Programming.

Public Service Contracts are awarded biennially through a competitive application process. A Request for Proposals was issued in February 2007 and announced through local media. Letters announcing the RFP were sent to previous awardees. Applications were accepted through April 2 and submitted to the Public Service Contract Subcommittee for review. This Subcommittee included Council Members Erickson and Hier and city staff. A Youth Advisory Committee reviewed the Youth Programming applications and made recommendations to the Public Service Contract Subcommittee. Last year the Youth Advisory Committee included two students, Ben Portwood and Stephanie LoPiccolo, and two citizens from the community, Donna Williams and Dave Staley.

CAPITAL BUDGET

The Budget Department has revamped the Capital Improvement Program (CIP) selection process. Structurally, the process is unchanged: project managers submit requests for their current projects as well as new projects, which are subsequently reviewed by the CIP Prioritization Committee. The Committee still makes a recommendation to the City Manager who incorporates final recommendations into the proposed budget.

This year's changes were intended to provide better information about project requests to the members of the CIP Committee so that each member would have the necessary knowledge to properly prioritize the project list. This not only helps the Committee to become more educated before ranking, but it helps the project manager by ensuring that their proposals are properly understood during the prioritization process.

BUDGET OVERVIEW

The CIP Budget is scheduled for discussion with City Council beginning on May 15, 2008. As will be discussed in some detail later in this document, Park City is experiencing moderate growth bolstered by a steady economy. It should be noted that revenue growth is largely attributable to sales tax—unpredictable due to spending behavior swings—and building, planning, & engineering fees, which should be considered one-time and will diminish as Park City approaches build-out. Park City experienced a nominal 2.90 percent increase in total sales tax revenue last year, yet still saw a considerable transfer of General Fund surplus to the CIP (approx. \$5.5 million). Last year constituted an all-time peak in sales tax collections (inflation is not taken into account), and while growth is expected to continue along a long-term trend, any kind of exponential growth is an unreasonable expectation.

The CIP recommendations included in the City Manager's Recommended Budget reflect a healthy transfer from the General Fund to the CIP (approx. \$5.4 million is anticipated, without knowing sales tax receipts for April-June 2008), the majority of which is dedicated to completing current projects, ensuring the maintenance of existing infrastructure, or securing funding for previously-identified needs. Projects in these categories include the Raquet Club Renovation, Marsac Seismic Upgrade, and the Walkable Community Projects.

Update on Major Projects

Shell Space

The City began construction on the Shell Space last summer at the end of May. Total estimated cost for the project is budgeted at \$1.87 million (partly funded by a \$1.1 million sale of the Watts property). Once the Shell Space is completed, it will become condominiumized: The top floor will be sold to KPCW and the bottom floor will be rented out to the Department of Alcoholic Beverage Control (DABC) to become a liquor store.

Marsac Seismic Upgrade

The Marsac City Hall Building will undergo seismic renovations and interior remodel beginning in June 2008. \$4.75 million was previously budgeted for this project. The budget includes a request for an additional \$2 million, which has already been agreed to by Council in the fall of 2007. This money comes from the Five-year CIP Fund Reserves and General Fund surplus in FY 2009; it would fund increases in construction costs.

Old Town Improvement Study (OTIS) Projects

The City has completed 3 of 21 street reconstruction projects outlined in the 2002 Old Town Improvement Study. The final projects of Phase I of OTIS (Lower Norfolk and Woodside – North of 13th) are budgeted in FY 2009 at a total cost of \$4.1 million. Phase II (a) of OTIS is also scheduled in the Five-Year CIP to begin in FY 2009, at a cost of \$4.5 million. That phase includes reconstruction of Sandridge in FY 2009, Hillside in FY 2010, and Empire and Upper Lowell in FY 2011.

The study identified sales tax revenue bonds as the recommended funding source for the projects. It is anticipated that the City will need to bond for approximately \$24.75 million in five different phases over the next 14 years to fund the remaining projects (\$7.5 million in FY 2009). Annual debt service will likely range from \$700,000 to \$2.2 million, depending upon the year.

BUDGET OVERVIEW

With General Fund surplus as the anticipated revenue source, it will be very important to monitor other competing needs. The proposed CIP outlines the OTIS Phases as a first step in this process. In the event that General Fund surplus exceeds expectations for a given year, staff advises that those funds be used to fund OTIS projects on an up-front cash basis rather than through debt financing. This has multiple benefits: (1) a previously identified need designated by the CIP Prioritization Committee as a primary concern (i.e., the OTIS Projects) would be funded sooner, (2) the funding would be guaranteed as the cash would be on-hand, and (3) the money saved by not having to pay interest on debt service could be used to fund other needs.

Water Projects

Water quality and delivery continue to be a top priority for Park City. As the rate of development in the Park City area continues at an all-time high, it is imperative that major water needs are identified early and that the cost of these improvements is fairly distributed between users and new development. CIP changes to the Water Fund are also reflective of the City's continuing commitment to secure Park City's water needs through improvements to the City's water infrastructure.

The Boothill Water Storage Tank and Pump Station projects have been completed and the Rockport Pump Station upgrade is scheduled for completion by September 2008. Projects impacting the CIP during this budget process include the meter reading technology project—with an increase in the budget request—and moving the Park City Water Infrastructure Project Phase I up on the schedule. The CIP will be funded primarily through water services fees and water impact fees.

Racquet Club Remodel

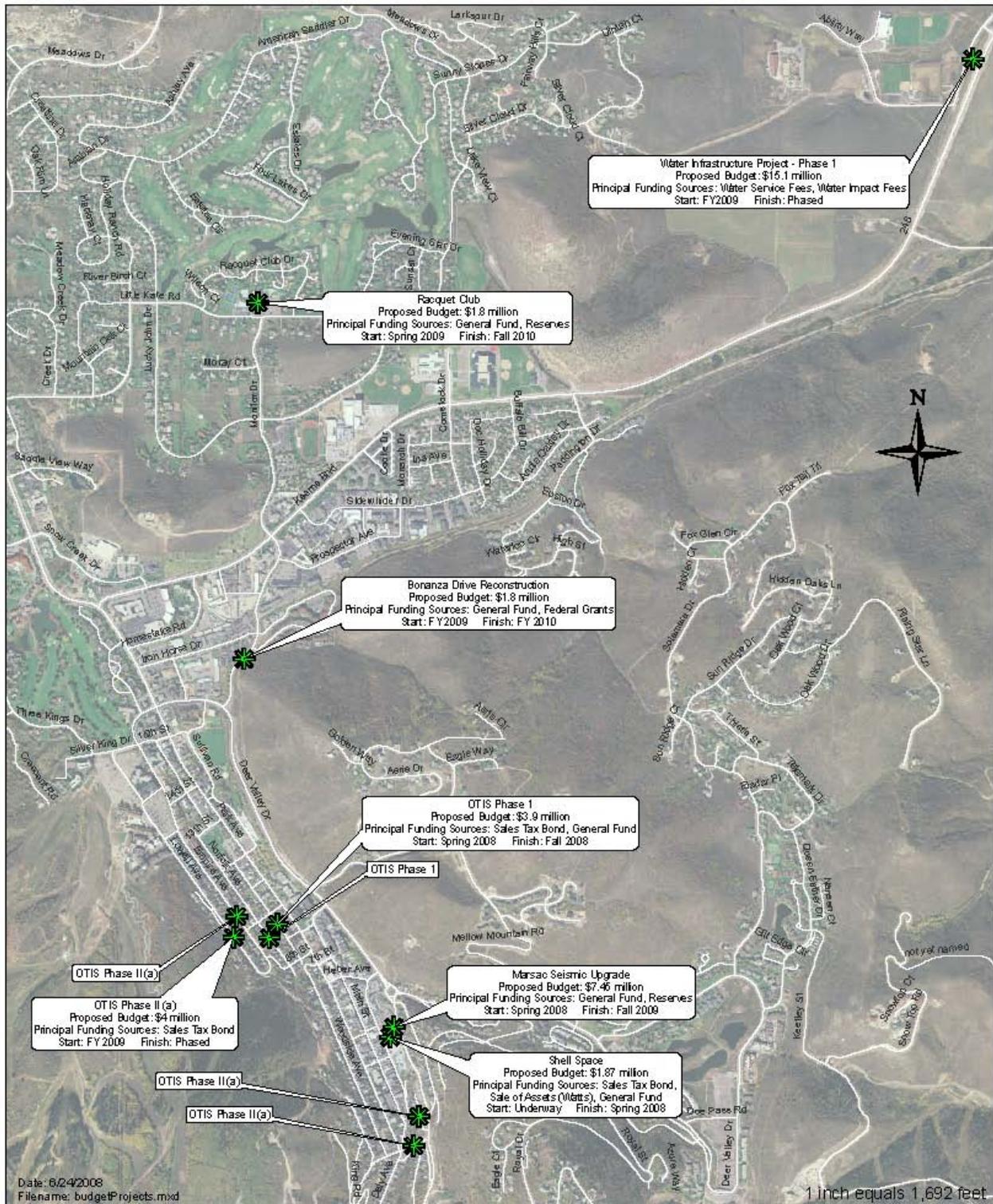
The goal of a remodeled recreational facility would meet the current and future recreational needs of the community. During the summer the Racquet Club is a vibrant recreation center with activities going on for the whole family. When the pools close, activities become more program oriented and visitation drops significantly. In the summer the facility has over 900 visitors a day, while in the winter that drops to 400 per day. A remodeled facility would become a community gathering place that residents not only visit for physical fitness, but a place where the whole family can come to recreate together.

In lieu of public support, the City conducted a study to determine differing options to renovate the facility—the current option comes in around \$8 million. Public opinion suggests renovating the existing Racquet Club (53%) versus building a new facility at a different location (7%) as being the most acceptable. Nineteen percent of those surveyed would equally support renovating/rebuilding the Racquet Club or building a new facility at a different location. The amenities that the public would like to see in a renovation project are related to adult fitness and wellness with an expanded weight room, group fitness space, and a walking jogging track. Expanded aquatic facilities and additional tennis courts were also highly rated by the public.

BUDGET OVERVIEW



Capital Projects



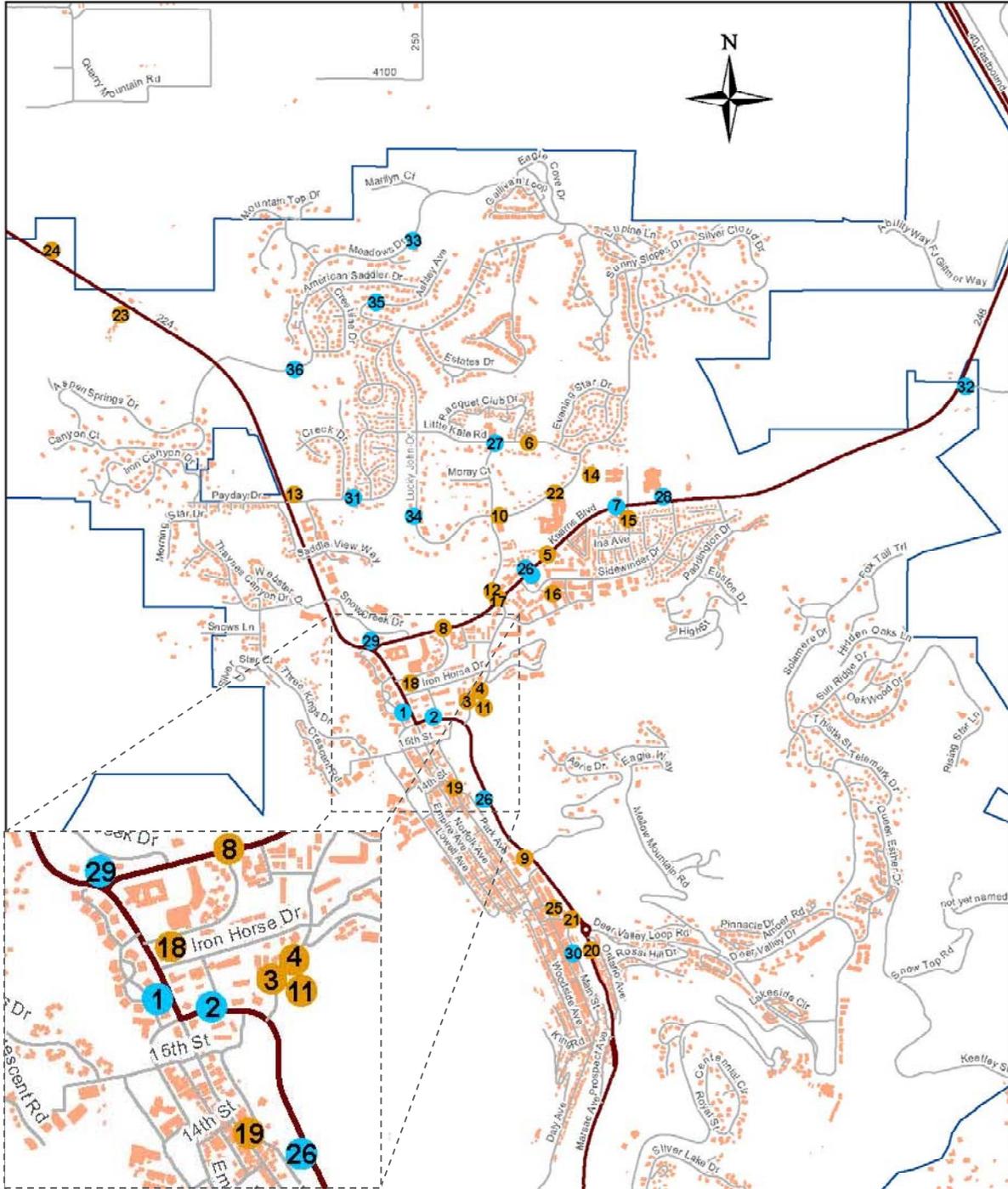
BUDGET OVERVIEW



WALC Projects

- 2008 - 2010 Budget Projects
- 3-5 Year CIP Projects
- Park City Limits

5/12/2008
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 1 inch equals 0.46 miles



Project #	Capital Cost	Start Date	Recommended Project Alternative
1	\$4,000,000	5 year CIP	From the intersection of SR-224 and SR-248, this 8' separated multi-use path would proceed south along SR-224 on west side of road. (In front of the Park Ave. condos and Cole Sport) It would conclude at the intersection of SR-224 and Silver King Dr./Park Ave
	\$11,000	5 year CIP	Install class III bike lane along Park Ave. from Deer Valley Dr. to Heber Ave.
	\$3,000	5 year CIP	Install curb cut & sign on SR-224 approximately 200 feet north of the SR-224 & SR-248 intersection (across from Squatters) to connect striped shoulder to existing sidewalk. (Striped shoulder on SR-224 south bound travel lane disappears at this location)
2	\$101,000	5 year CIP	From the intersection of SR-224 and Silver King/Park Ave., this 8' separated multi-use pathway on north side of road from Jan's to the Poison Creek trail located adjacent to Frontier bank. Install a crosswalk at the Short Line Dr. crossing.
	\$16,000	5 year CIP	Install Class 2 Bike lane
3	\$1,150,000	2009	Underpass below Bonanza Dr. connecting the Poison Creek Trail (west side of Bonanza) to just south of the Rail Trail (east side of Bonanza)
4	\$0	2009	Install bike lanes on Bonanza Dr.
5	\$75,000	2008	Pedestrian activated stoplight for crossing SR 248 @ LDS Seminary and High School (includes striping, see next row)
	\$4,000	2008	Install thermoplastic inlay crosswalk.
6		2009	Install 5-6' back of curb, sidewalk along the north side of Little Kate Dr. from Holiday Ranch Loop to Lucky John Dr. Additionally, install a 5-6' sidewalk along the east side of Lucky John from Little Kate to the School Drop-off area.
		2009	(1) Re-stripe to narrow travel lanes and widen shoulders. (2) Install class 3 bike lane signs (see key)
	\$305,000	2009	Little Kate sidewalk (HRL to Lucky John)
	\$53,000	2009	Lucky John sidewalk (LK to school drop)
	\$50,000	2009	Landscape mitigation along proposed sidewalks
	\$172,000	2009	Realign Little Kate & Monitor intersection
		2009	Crosswalks
	\$93,000	2009	Realign Little Kate & Lucky John intersection
		2009	Crosswalks
	\$250,000	2009	Install storm drains along the entire length of Little Kate to address drainage issues
7	\$3,050,000	2009	Underpass at SR-248 school area, exact location is yet to be determined
	\$72,000	5 year CIP	Environmental engineering to funnel peds to underpass
8			No project recommendation has been made for the area. The Committee has made reference to the future installation of a traffic signal (and crosswalk) at Homestake Dr. and Kearns Blvd.
9	\$900	2008	Way finding signage to direct riders to correct crossing points. These signs will be placed along the Poison Creek trail, specifically at the Lower Main St. spur, the Marriot Plaza, the Heber Ave. crossing, and Mellow Mountain Dr.
10	\$78,000	2008	Realign sidewalk along Lucky John, in front of the LDS church fix the gap & improve connectivity to existing trail.
11	\$85,000	2010	Bridge across Poison Creek from Rail Trail to Iron Horse Condo area. Exact location TBD
12	\$67,000	2009	Traffic calming physical improvements along Monitor Dr. between Kearns Blvd. and Lucky John Dr.
	\$7,800	2008	Restriping of travel lanes (narrow travel lanes, expand shoulders to allow bike travel)
	\$1,000	2008	Class III bike lane
13	\$24,000	2008	Thermoplastic inlay crosswalks (6) legs. SR-224 (2 lane road equals 4 legs) and Holiday Ranch Loop (1 leg) and Payday Dr. (1 leg)
	\$10,000	2009	Install countdown timers.
	\$5,000		Restriping of crosswalks.
14	\$2,500	2008	Way finding signage and restriping of connection through school zone, from Lucky John Dr. to SR-248
15	\$540,000	2010	Recrown & narrow Comstock roadway, build sidewalk on east side within existing pavement prism. Remove parking on east side of street. Do not remove landscaping.
	\$400,000	2010	Traffic calming along Comstock - (6) Bulb-outs (Little Bessie, Ina intersections)
		2010	Traffic Calming crosswalks along Comstock (little Bessie, Ina, across sidewinder), stop signs (2), other measures
		2010	Traffic Calming along Comstock- stop signs on Comstock at Ina & Little Bessie
16	\$400,000	2010	Prospector neighborhood
		2009	Sidewalk on south side of Sidewinder from Comstock to Gold Dust lane
		5 year CIP	Narrow mouth of Wyatt Earp and SR-248 intersection
		2010	Taper & square intersection of Wyatt Earp and Sidewinder,
		2008	Stripe shoulders & narrow travel lanes on Sidewinder from Wyatt Earp to Comstock
		2008	Crosswalk at Sidewinder and Wyatt Earp
	2008	3-way stop sign at Gold Dust lane and Sidewinder	
17	\$100,000	2008	Widen approximately 300 feet of Monitor Dr. roadway (near Kearns Blvd. Specifically the right-turn lane of the south bound travel lane) to accommodate cyclists.
18	\$25,000	2009	Make crossing of SR-224 near Albertson's safer
19	\$34,000	2008	Fix gap in sidewalk on east side of Park Ave. just south of the City Park entrance.
20	\$8,000	2009	Install (2) thermoplastic inlay crosswalks on Marsac Ave. One at the roundabout from Deer Valley Dr. to the transit center and the second at the Shorty's stairs crossing.
		2009	Way finding to direct pedestrians to the crosswalks stated above.
21	\$4,000	2008	Install way finding along Poison Creek Trail to direct Main St. and Deer Valley destined pedestrians to suggested routes. These signs will be placed at the Lower Main St. spur, Marriot Plaza, and the Transit Center.
22	\$0	2008	Install Class II bike lane on Lucky John from Monitor to Lake View Court.
23	\$50,000	2009	Install 8' multi purpose asphalt surface trail along the driveway to the McPolin barn, located on the west side of SR-224. The pavement will extend from the tunnel under SR-224, to existing pavement of Farm trail.
24	\$100,000	2009	Install 8' multi-purpose asphalt surface trail over the existing McLeod Creek trail, located along the east side of SR-224. This paved surface will extend from the Barn Trailhead north to county line.
25	\$16,000	2008	Thermoplastic inlay crosswalks on all (4) legs of Main St. and Heber Ave. intersection.
26	\$555,280	5 year CIP	Widen the existing Poison Creek & Kearns Blvd. paths to accommodate more traffic and improve safety. Poison Creek from Lower Main St. Spur. Kearns Blvd. trails north and south from Bonanza Dr. to the School area.
27	\$0	5 year CIP	Install 4 way stop at Monitor and Little Kate intersection, if Racquet Club remodel proposes consideration intersection
28	\$40,200	5 year CIP	Stripe and sign a Class II bike lane along SR-248 from Park Ave. to US 40
29	\$13,000	5 year CIP	Olympic Plaza. install 30 feet of sidewalk to connect to existing Snow creek sidewalk. Provide 1 ADA curb cut and way finding at exist of McLeod Creek trail to aid in pedestrian efficiency in the area.
30	\$12,000	5 year CIP	Install 3 thermoplastic inlays crosswalks on Swede Alley. 1. Flagpole lot 2. Transit Center 3. China Bridge
31	\$922,000	5 year CIP	Holiday Ranch Loop, from SR-224 to Little Kate Dr. - Narrow Roadway. Install 8' multiuse path back of curb, implement traffic calming measures.
32	\$0	5 year CIP	Provide a new multi-use trail to connect the NAC bike path and the Rail Trail, along the Gun Club Rd.
33	\$40,200	5 year CIP	Stripe and sign a class II bike lane in Park Meadows, from Lakeview Ct. to SR-224 along Meadows Dr.
34	214,00	5 year CIP	Traffic Calming Measures along Lucky John, from Little Kate to American Saddler
35		5 year CIP	Traffic Calming Measures along American Saddler Dr., from Lucky John to Meadows Dr.
36		5 year CIP	Traffic Calming Measures, from Meadows Dr., from American Saddler to SR-224

BUDGET OVERVIEW

Park & Ride Project

The Park & Ride Project will provide 750 parking spaces outside the City (Richardson Flat) to be utilized for employee, construction mitigation, and special events parking. The lot will be served by transit service. Funding in this CIP will be utilized to complete the access road (Wasatch County line) to the P&R entrance, provide for security enhancements (video surveillance and emergency call phones), landscaping, pedestrian-bike access, signage, and other enhancements not being provided by the developer.

Walkable Community Projects

In November of 2007 voters in Park City passed a \$15 million bond for community-wide walking and biking improvements. Council subsequently appointed the Walking and Biking Advisory Liaison Committee (WALC), which is a citizen's advisory committee to provide input and make recommendations on further prioritization of walkable/bikeable related capital projects as outlined in the Landmark Study.

On May 22 and 29 staff presented WALC's recommendations to City Council. WALC's recommendations consisted of approximately \$7 million in projects to be installed over the next 3 years. Project recommendations include among others, tunnels under Bonanza Drive (\$1.15 million) and Kearns Boulevard (\$3 million); new sidewalks along Little Kate and Lucky John (\$673,000 - from Holiday Ranch Loop to the schools), new sidewalk on Comstock and related traffic calming improvements (\$940,000). WALC also requested consideration that an additional \$5 million be considered long-term as a placeholder to address major "spine" trails along state highways.

City Council, who has final discretion on spending of bond money, will also be asked to consider on-going allocation of annual operations and maintenance budget for each of the recommended projects; including consideration of providing snow removal on new sidewalks.

OTHER ISSUES

Policies and Procedures

Each year, staff reviews the City's various policies including the Budget and Personnel Policies and Procedures documents. City Council generally adopts these policies, along with any changes, as a part of the budget process. This year, staff is recommending various changes to both documents which will be presented to City Council near the end of May and in June:

Five-year CIP

The Utah State Code (§ 9-4-914) as well as many rating agencies recommend that cities have a policy for capital reserve funds in order to maintain high bond ratings. In light of the recent growth Park City is experiencing as well as the continued need for capital project funds, a policy was made this year to the City's Policies & Procedures to ensure that the City will be able to repay bond obligations as well as maintain a high bond rating. (*See 'Policies and Procedures' – Chapter 2, Part VI.*)

BUDGET OVERVIEW

Asset Management Policy

The Asset Management Policy is an integral part of the City's long-term plan to maintain and replace the City's primary assets in a fiscally responsible manner. The policy establishes a fund and a fixed replenishment amount from operations revenues to that fund from which the City may draw for capital replacements and improvements on existing structures. The fund will maintain a sufficient amount to ensure that assets are effectively and efficiently supporting the operations and objectives of the City. (See *'Policies and Procedures' – Chapter 3, Part III.*)

Cost-Benefit Analysis Purchasing Policy

A new cost-benefit analysis purchasing policy will increase accountability and justification for large purchases over \$20,000, formal bids, and unanticipated items over \$10,000. These analyses will be carried out in a form approved by the Budget, Debt, & Grants Department. (See *'Policies and Procedures' – Chapter 5, Part II.*) .

CHANGES BETWEEN THE PROPOSED AND FINAL BUDGET

The following list details the changes made to the City Manager's Recommended Budget between the time it was presented in early May up until the final adoption on June 19. These changes have resulted from either (1) a request from Council for adjustment, (2) a request for adjustment from the City Manager and staff, or (3) a technical adjustment necessitated by changing projections, correction of previous errors, etc. Changes in the first two categories have been discussed with Council during the budget hearings. The last category is largely inconsequential from a policy standpoint. Nonetheless, significant technical adjustments are included in the list below.

(1) Interfund Transfer changes: A number of technical adjustments were made to the interfund transfers. These include changes to the transfers from operating funds to the Fleet Fund for increased fuel and maintenance costs (\$510,000 total - \$226,500 from General Fund, \$271,000 from Transit Fund, \$7,000 from Water Fund, and \$5,500 from Golf Fund).

(2) Final General Fund Transfer: \$7.075 million was transferred from the General Fund to capital projects funds—\$900,000 of that is actually from the MBA fund, but for accounting purposes must be transferred back to the General Fund before going to capital. The amount that would normally be considered the General Fund surplus is \$6,175,000; \$1,575,000 of this is going to the Water Fund to pay for the electronic meter reading technology; \$700,000 of it goes to the Equipment Replacement Fund for vehicle and computer replacement; \$1.7 million was already budgeted in the FY 2008 Original Budget for capital; \$2.2 million is newly appropriated to projects included in the FY 2008 Adjusted Budget. These projects have already been discussed and include the Racquet Club Remodel, Energy Efficiency Project, Marsac Seismic Upgrade, Emergency Operations Center, BioCell Remediation, and Neighborhood Parks.

(3) The Marsac Seismic Upgrade project was reduced from \$7.4 million to \$6.8 million in line with the guaranteed maximum price.

(4) \$7.7 million of anticipated bond revenue was put in the FY 2009 budget for Walkability projects, according to Council's direction to proceed with WALC recommendations.

BUDGET OVERVIEW

(5) Operating budget changes have already been discussed with Council. These include: \$100,000 for contract services for the Planning Department to assist with historic preservation program and general planning; \$45,000 for contract services for the Sustainability Department to establish a baseline carbon output; a reclassification for the Water Manager and the proposed Water Project Manager to E10 and E07 respectively; \$91,500 for water asset security (\$16,000 ongoing, \$75,500 one-time); and the retraction of a \$25,000 contract services option in the Finance Department.

(6) \$27,000 of RAP Tax money was added to the Display Screens and Security CIP account for the Ice Facility.

(7) Technical changes were made to Funds 21 and 22 (special revenue funds) to account for revenues received. These are not significant amounts.

(8) Debt Service adjustments were made to Fund 35 to account for the museum expansion pass-through debt payments.

(9) Much of the Water Fund budget was adjusted to be in line with the strategy presented to Council on May 29. This includes revenue adjustments to account for the rate increase, bond proceed adjustments, and capital expense adjustments. The only operating budget changes are listed in fifth change above.

(10) A small handful of projects were adjusted to reflect earmarked revenues: Pavement Management, the Conservation Reserve Program, Affordable Housing, the 5-Yr CIP, and Asset Management.

(11) The Norfolk and Woodside project was adjusted to accurately reflect carryforward.

(12) The Shell Space project was adjusted so that all of the funding came from the RDA fund. This was a zero-sum change.

(13) The Emergency Management Grant funds were added to the CIP.

(14) Revenues were adjusted for FY 2008 to reflect the latest year-end estimates. Aside from the Water Fund (see #9 above) and interest earnings (which were not previously budgeted) and some non-operating revenues directly tied to capital projects, there were no significant changes. The General Fund sales tax estimate increased a mere \$50,000 from the proposed budget.

Lastly, consistent with the vacancy factor administrative policies, departmental budgets were adjusted as necessary.

FUTURE ISSUES

The following issues may have a significant impact on the City's budget and financial policies and will be thoroughly addressed over the next year (summer of 2008 through spring 2009).

BUDGET OVERVIEW

- Pay Plan Committee will reconvene in FY 2009 to update the City's pay plan (see supplemental section for more Pay Plan information).
- Progress of OTIS, Marsac Seismic Upgrade, Downtown Projects (Shell Space and Town Plaza), Water Projects, and other major capital projects.
- Transfer of CIB Project funding for other projects in FY 2009.
- Continued monitoring of the Golf Fund performance.
- Continued monitoring of the Water Fund performance.

Potential State legislation regarding taxation continues to be a significant issue on Park City's horizon. It is anticipated that the State Legislature will discuss and possibly act on the following issues during the next year or two:

- **Sales Tax on Food:** The State removed a portion of their sales tax rate from unprepared food purchases during the 2006 General Session. This was followed by the removal of food and food ingredients from the resort and transit tax bases this year. There has been much public debate on the issue, and it is possible the legislative leadership may revisit the matter in the future sessions.
- **Streamlined Sales Tax (SST):** The State continues to move towards SST, a movement to simplify and unify sales tax rates nationwide—a long-term goal. The goal has many hang-ups and drawbacks, not the least of which is the diminished ability of municipalities to control their own sales tax rates and institute boutique taxes.
- **Single Statewide Sales Tax Rate:** This program serves as a stepping stone for the SST project. The effect on Park City of such legislation would be similar, if not identical, to SST.
- **Sales Tax Distribution Formula:** During the 2006 General Session, the State Legislature thoroughly reviewed the sales tax distribution formula and considered some changes. The only outcome of that discussion that resulted in legislation affecting Park City was the hold-harmless phase out (which is discussed under Sales Tax in the Revenue section of this document). However, it is probable that the discussion will resume during the upcoming legislative sessions. A change resulting in a heavier population weight in the distribution formula would significantly abate Park City's sales tax revenue and eventually lead to service cuts.
- **Property Tax Issues:** In future sessions the State Legislature may introduce more legislation addressing various property tax issues such as alleviating the property tax burden for the poor and elderly, limiting the property tax authority of certain local government entities, improving tax certainty for taxpayers, and assessment methods to stabilize the determination of fair market value.
- **Affordable Housing:** The current housing market creates challenges for Utahns with limited financial means who are seeking affordable housing. Several proposals addressing this concern may come under discussion in the future.

BUDGET OVERVIEW

- **Other Potential Issues:**
 - Zoning and Housing Development
 - Immigration

BUDGET OVERVIEW

BUDGET CALENDAR

May 1

Work Session

- Presentation of the Tentative Budget
 - Budget Overview & Timeline
 - Update of Financial Impact Report (FIAR)
 - Revenue/Expenditure Summary
 - Economic Outlook
- Operating Revenues

Regular Meeting

- [Public Hearing on the Tentative Budget](#)

May 15

Work Session

- Operating Expenditures
 - Departmental Requests
- Capital Improvement Projects (CIP)
 - FIAR update
 - CIP Prioritization Process Overview
 - CIP Alternative Matrix

Regular Meeting

- [Public Hearing on the Tentative Budget](#)

May 22

Work Session

- Ongoing Projects Update
 - OTIS
 - Town Plaza and Shell Space
 - Marsac Seismic Upgrade
- Walkability Project Overview
- New Projects
 - Racquet Club Renovation
 - Park & Ride
- Outstanding Budget Issues

Regular Meeting

- [Public Hearing on the Tentative Budget](#)

May 29

Work Session

- Capital Improvement Projects (continued)
 - Walkability Projects
 - Long-term / Unfunded Needs
- Water Fund
 - Operating
 - Capital
 - Fee Changes
- Outstanding Budget Issues

Regular Meeting

- [Public Hearing on the Tentative Budget](#)

June 5

Work Session

- Personnel Policies and Procedures (P&P) Manual
- City Fee Resolution
- Comprehensive Emergency Management Plan
- Budget Policies
 - Five-year CIP
 - Purchasing Policy (CBA Analysis)
 - Others
- Outstanding Budget Issues

Regular Meeting

- Adoption of the Personnel P&P Manual by Reso.
 - [Public Hearing on the Tentative Budget](#)
- Adoption of the Tentative Budget
 - [Public Hearing on the City Fee Schedule](#)
- Adoption of the City Fee Schedule by Resolution
- Adopt CEMP update by resolution

June 12

Work Session

- Outstanding Budget Issues (If necessary)

Regular Meeting

- [Public Hearing on the Final Budget](#)

June 19

Work Session

- Presentation of the Final Budget
- Outstanding Budget Issues

Regular Meeting

- [Public Hearing on the Final Budget](#)
- Adoption of the Final Budget by Ordinance

Redevelopment Agency Meeting

- [Public Hearing on the RDA Budgets](#)
- Adoption of the RDA Budgets by Resolution

Municipal Building Authority Meeting

- [Public Hearing on the MBA Budget](#)
- Adoption of the MBA Budget by Resolution

* Schedules and topics subject to change

Resources & Requirements - All Funds Combined									
Description	2005 Actual	2006 Actual	2007 Actual	2008 Original Budget	2008 Adj Budget	2009 Plan	2009 Budget	Change - 2008 to 2009	
								Increase (reduction)	%
RESOURCES									
Sales Tax	10,502,699	11,401,348	12,977,127	11,475,000	12,750,000	12,065,000	12,876,000	126,000	1%
Planning Building & Engineering Fees	4,722,862	4,980,807	6,090,176	5,588,000	5,904,294	5,362,000	4,941,000	(963,294)	-16%
Charges for Services	4,807,943	6,538,642	7,201,295	7,211,000	7,207,000	7,511,000	8,210,000	1,003,000	14%
Intergovernmental Revenue	2,995,291	962,305	3,926,496	7,454,546	7,247,488	1,694,000	3,597,200	(3,650,288)	-50%
Franchise Tax	2,309,090	2,715,184	2,529,915	2,587,000	2,746,000	2,730,000	2,758,000	12,000	0%
Property Taxes	12,608,114	12,694,990	12,744,480	13,014,909	13,947,094	13,748,909	13,924,909	(22,185)	0%
General Government	0	161,313	407,766	400,900	424,300	417,400	441,300	17,000	4%
Other Revenues	10,273,181	10,754,433	16,117,625	6,396,826	15,152,949	5,676,826	7,069,589	(8,083,360)	-53%
Total	<u>\$48,219,181</u>	<u>\$50,209,022</u>	<u>\$61,994,881</u>	<u>\$54,128,181</u>	<u>\$65,379,125</u>	<u>\$49,205,135</u>	<u>\$53,817,998</u>	<u>(\$11,561,127)</u>	<u>-18%</u>
REQUIREMENTS (by function)									
Executive	5,572,095	6,497,830	7,236,353	8,077,508	8,383,385	8,179,619	8,660,447	277,063	3%
Police	3,072,079	3,264,505	3,377,943	3,520,705	3,724,705	3,607,795	3,743,390	18,685	1%
Public Works	9,824,515	10,712,650	11,940,897	12,628,412	14,385,912	12,879,088	14,247,387	(138,525)	-1%
Library & Recreation	2,562,288	2,807,995	2,815,519	2,910,653	2,974,043	2,941,728	3,052,881	78,838	3%
Non-Departmental	1,620,744	1,748,612	2,112,448	2,315,007	2,605,809	2,315,007	2,387,940	(217,869)	-8%
Special Service Contracts	327,519	331,556	318,847	433,973	433,973	433,973	433,973	0	0%
Contingency	0	0	0	825,000	0	955,000	625,000	625,000	
Capital Outlay	222,696	297,094	267,579	736,660	769,002	665,992	762,492	(6,510)	-1%
Total	<u>23,201,936</u>	<u>25,660,241</u>	<u>28,069,586</u>	<u>31,447,918</u>	<u>33,276,829</u>	<u>31,978,202</u>	<u>33,913,510</u>	<u>636,682</u>	<u>2%</u>
REQUIREMENTS (by type)									
Personnel	14,553,051	15,924,342	17,443,771	18,359,029	18,866,127	18,669,797	19,632,843	766,716	4%
Materials, Supplies & Services	8,426,189	9,438,806	10,358,236	11,527,229	13,641,700	11,687,413	12,893,175	(748,525)	-5%
Contingency	0	0	0	825,000	0	955,000	625,000	625,000	
Capital Outlay	222,696	297,094	267,579	736,660	769,002	665,992	762,492	(6,510)	-1%
Total	<u>23,201,936</u>	<u>25,660,241</u>	<u>28,069,586</u>	<u>31,447,918</u>	<u>33,276,829</u>	<u>31,978,202</u>	<u>33,913,510</u>	<u>636,682</u>	<u>2%</u>
EXCESS (deficiency) OF RESOURCES OVER REQUIREMENTS									
	\$25,017,245	\$24,548,781	\$33,925,295	\$22,680,263	\$32,102,296	\$17,226,933	\$19,904,488	(12,197,809)	-38%
OTHER FINANCING SOURCES (uses)									
Bond Proceeds	29,173,976	0	0	7,257,927	1,643,417	0	21,123,242	19,479,825	1185%
Debt Service	(13,943,132)	(5,966,048)	(6,310,364)	(6,594,956)	(7,101,239)	(6,395,885)	(7,310,885)	(209,646)	3%
Interfund Transfers In	29,203,184	29,115,806	13,837,974	9,167,562	15,628,653	8,950,348	12,145,848	(3,482,805)	-22%
Interfund Transfers Out	(29,203,184)	(29,115,806)	(13,837,974)	(9,167,562)	(15,628,653)	(8,950,348)	(12,145,848)	3,482,805	-22%
Capital Improvement Projects	(15,736,790)	(20,198,817)	(19,603,022)	(25,100,989)	(84,852,512)	(8,874,473)	(38,296,361)	46,556,151	-55%
Total	<u>(505,946)</u>	<u>(26,164,865)</u>	<u>(25,913,386)</u>	<u>(24,438,018)</u>	<u>(90,310,334)</u>	<u>(15,270,358)</u>	<u>(24,484,004)</u>	<u>65,826,330</u>	<u>-73%</u>
EXCESS (deficiency) OF RESOURCES OVER REQUIREMENTS AND OTHER SOURCES (uses)									
	\$24,511,298	(\$1,616,084)	\$8,011,909	(\$1,757,755)	(\$58,208,038)	\$1,956,575	(\$4,579,516)	53,628,522	-92%
Beginning Balance	54,810,573	79,661,361	80,018,337	26,237,762	88,940,203	24,480,008	30,732,166	(58,208,037)	-65%
Ending Balance	79,321,857	78,045,276	88,030,246	24,480,008	30,732,166	26,436,583	26,152,650	(4,579,516)	-15%

BUDGET SUMMARIES

BUDGET OVERVIEW

Resources & Requirements - All Funds Combined								
Description	Budget (FY 2008)				Budget (FY 2009)			
	Original	Adjusted	Change from Original		Original	Adjusted	Change from Original	
			Total	%			Total	%
RESOURCES								
Sales Tax	11,475,000	12,750,000	1,275,000	11%	12,065,000	12,876,000	811,000	7%
Planning Building & Engineering Fees	5,588,000	5,904,294	316,294	6%	5,362,000	4,941,000	(421,000)	-8%
Charges for Services	7,211,000	7,207,000	(4,000)	0%	7,511,000	8,210,000	699,000	9%
Intergovernmental Revenue	7,454,546	7,247,488	(207,058)	-3%	1,694,000	3,597,200	1,903,200	112%
Franchise Tax	2,587,000	2,746,000	159,000	6%	2,730,000	2,758,000	28,000	1%
Property Taxes	13,014,909	13,947,094	932,185	7%	13,748,909	13,924,909	176,000	1%
General Government	400,900	424,300	23,400	6%	417,400	441,300	23,900	6%
Bond Proceeds	7,257,927	1,643,417	(5,614,510)	-77%	0	21,123,242	21,123,242	
Other Revenues	6,396,826	15,152,949	8,756,123	137%	5,676,826	7,069,589	1,392,763	25%
Sub-Total	\$61,386,108	\$67,022,542	\$5,636,434	9%	\$49,205,135	\$74,941,240	\$25,736,105	52%
Interfund Transfers In	9,167,562	15,628,653	6,461,091	70%	8,950,348	12,145,848	3,195,500	36%
Beginning Balance	26,237,762	88,940,203	62,702,441	239%	24,480,008	30,732,166	6,252,158	26%
Total	96,791,432	171,591,398	74,799,966	77%	82,635,491	117,819,254	35,183,763	43%
REQUIREMENTS (by function)								
Executive	8,077,508	8,383,385	305,877	4%	8,179,619	8,660,447	480,828	6%
Police	3,520,705	3,724,705	204,000	6%	3,607,795	3,743,390	135,596	4%
Public Works	12,628,412	14,385,912	1,757,500	14%	12,879,088	14,247,387	1,368,299	11%
Library & Recreation	2,910,653	2,974,043	63,390	2%	2,941,728	3,052,881	111,153	4%
Non-Departmental	2,315,007	2,605,809	290,802	13%	2,315,007	2,387,940	72,933	3%
Special Service Contracts	433,973	433,973	0	0%	433,973	433,973	0	0%
Contingency	825,000	0	(825,000)	-100%	955,000	625,000	(330,000)	-35%
Capital Outlay	736,660	769,002	32,342	4%	665,992	762,492	96,500	14%
Sub-Total	\$31,447,918	\$33,276,829	\$1,828,911	6%	\$31,978,202	\$33,913,510	\$1,935,308	6%
Debt Service	6,594,956	7,101,239	506,283	8%	6,395,885	7,310,885	915,000	14%
Capital Improvement Projects	25,100,989	84,852,512	59,751,523	238%	8,874,473	38,296,361	29,421,888	332%
Interfund Transfers Out	9,167,562	15,628,653	6,461,091	70%	8,950,348	12,145,848	3,195,500	36%
Ending Balance	24,480,008	30,732,166	6,252,158	26%	26,436,583	26,152,650	(283,933)	-1%
Total	96,791,433	171,591,399	74,799,966	77%	82,635,491	117,819,254	35,183,763	43%
REQUIREMENTS (by type)								
Personnel	18,359,029	18,866,127	507,098	3%	18,669,797	19,632,843	963,046	5%
Materials, Supplies & Services	11,527,229	13,641,700	2,114,471	18%	11,687,413	12,893,175	1,205,762	10%
Contingency	825,000	0	(825,000)	-100%	955,000	625,000	(330,000)	-35%
Capital Outlay	736,660	769,002	32,342	4%	665,992	762,492	96,500	14%
Sub-Total	\$31,447,918	\$33,276,829	\$1,828,911	6%	\$31,978,202	\$33,913,510	\$1,935,308	6%
Debt Service	6,594,956	7,101,239	506,283	8%	6,395,885	7,310,885	915,000	14%
Capital Improvement Projects	25,100,989	84,852,512	59,751,523	238%	8,874,473	38,296,361	29,421,888	332%
Interfund Transfers Out	9,167,562	15,628,653	6,461,091	70%	8,950,348	12,145,848	3,195,500	36%
Ending Balance	24,480,008	30,732,166	6,252,158	26%	26,436,583	26,152,650	(283,933)	-1%
Total	96,791,433	171,591,399	74,799,966	77%	82,635,491	117,819,254	35,183,763	43%

Expenditure Summary by Fund and Unit								
Expenditures	2005	2006	2007	2008 Budget		2009		
		(actual)		(original)	(adj)	(plan)	(budget)	% of Total
Park City Municipal Corporation								
011 General Fund	26,003,585	27,246,344	28,726,444	26,184,762	33,003,956	28,620,601	31,706,986	27%
012 Quinns Recreation Complex	0	292,298	325,914	64,323	(61,987)	(353,520)	(582,930)	0%
021 Police Special Revenue Fund	16,522	18,272	19,972	0	21,122	0	0	0%
022 Criminal Forfeiture Restricted Account	0	0	17,220	0	17,220	0	(0)	0%
031 Capital Improvement Fund	44,203,171	63,126,061	60,595,296	16,195,442	61,593,123	10,006,924	28,193,482	24%
038 Equipment Replacement Fund	3,194,701	3,304,087	3,558,279	908,320	3,521,921	908,320	707,320	1%
051 Water Fund	9,630,670	9,121,371	14,904,687	13,127,777	17,179,060	9,825,598	17,464,296	15%
055 Golf Fund	1,313,432	1,497,323	1,749,008	1,289,293	1,503,671	1,275,190	1,432,187	1%
057 Transportation & Parking Fund	13,354,462	12,518,485	17,827,462	15,056,183	23,606,052	9,810,209	12,222,641	10%
062 Fleet Services Fund	1,523,390	1,874,537	2,035,581	1,979,770	2,556,188	2,079,238	2,467,456	2%
064 Self Insurance Fund	3,598,352	3,678,970	3,731,296	3,378,224	3,412,433	3,225,152	2,796,360	2%
070 Debt Service Fund	22,169,151	18,623,532	4,698,294	3,679,765	4,107,639	3,556,297	3,984,171	3%
071 Sales Tax Rev Bonds Debt Svc Fund	11,204,532	2,915,010	2,881,539	2,721,922	2,739,884	2,738,831	2,756,793	2%
Park City Municipal Corporation Total	\$136,211,968	\$144,216,291	\$141,070,992	\$84,585,782	\$153,200,283	\$71,692,840	\$103,148,763	88%
Park City Redevelopment Agency								
033 Redevelopment Agency Lower Park Ave	6,408,644	7,103,302	7,997,865	4,737,877	7,554,295	5,546,877	6,914,464	6%
034 Redevelopment Agency Main St	2,561,905	2,681,990	2,651,344	3,620,610	4,652,516	1,545,610	1,706,114	1%
072 RDA Main Street Debt Service	1,264,903	1,011,653	112,581	0	0	0	0	0%
076 RDA Lower Park Ave Debt Service	2,364,721	2,440,324	2,505,968	2,405,579	2,512,445	2,408,579	2,515,445	2%
Park City Redevelopment Agency Total	\$12,600,173	\$13,237,269	\$13,267,758	\$10,764,066	\$14,719,257	\$9,501,066	\$11,136,024	9%
Municipal Building Authority								
035 Municipal Building Authority Fund	1,937,337	1,386,910	1,445,543	1,385,903	3,604,960	1,385,903	3,475,606	3%
073 MBA Debt Service Fund	10,595,838	81,999	0	0	0	0	0	0%
Municipal Building Authority Total	\$12,533,175	\$1,468,909	\$1,445,543	\$1,385,903	\$3,604,960	\$1,385,903	\$3,475,606	3%
Park City Housing Authority								
036 Park City Housing Authority	61,583	63,720	66,900	55,682	66,900	55,682	58,862	0%
Park City Housing Authority Total	\$61,583	\$63,720	\$66,900	\$55,682	\$66,900	\$55,682	\$58,862	0%
GRAND TOTAL	\$161,406,899	\$158,986,188	\$155,851,192	\$96,791,433	\$171,591,399	\$82,635,491	\$117,819,254	100%
Interfund Transfer	29,203,184	29,115,806	13,837,974	9,167,562	15,628,653	8,950,348	12,145,848	10%
Ending Balance	79,321,857	78,045,276	88,030,246	24,480,008	30,732,166	26,436,583	26,152,650	22%
GRAND TOTAL	\$52,881,858	\$51,825,106	\$53,982,972	\$63,143,863	\$125,230,580	\$47,248,560	\$79,520,756	67%

Expenditure Summary by Fund and Major Object (FY 2008)									
Description	Operating Budget		Capital	Debt Service	Contingency	Sub-Total	Interfund Transfer	Ending Balance	Total
	Personnel	Mat, Suppls, Services							
Park City Municipal Corporation									
011 General Fund	13,197,688	6,355,055	477,587	0	0	20,030,330	7,985,085	4,988,542	33,003,956
012 Quinns Recreation Complex	492,268	457,475	12,500	0	0	962,243	0	(1,024,230)	(61,987)
021 Police Special Revenue Fund	0	0	21,122	0	0	21,122	0	0	21,122
022 Criminal Forfeiture Restricted Account	0	0	17,220	0	0	17,220	0	(0)	17,220
031 Capital Improvement Fund	0	0	54,306,143	0	0	54,306,143	634,366	6,652,614	61,593,123
038 Equipment Replacement Fund	0	0	2,789,301	0	0	2,789,301	725,300	7,320	3,521,921
051 Water Fund	1,039,691	1,988,176	8,936,321	1,158,616	0	13,122,804	1,189,160	2,867,096	17,179,060
055 Golf Fund	561,058	408,627	221,579	31,543	0	1,222,807	130,685	150,179	1,503,671
057 Transportation & Parking Fund	2,982,986	551,680	12,279,950	0	0	15,814,616	2,484,057	5,307,378	23,606,052
062 Fleet Services Fund	592,435	1,846,297	5,000	0	0	2,443,732	0	112,456	2,556,188
064 Self Insurance Fund	0	924,390	0	0	0	924,390	0	2,488,043	3,412,433
070 Debt Service Fund	0	0	0	2,618,663	0	2,618,663	0	1,488,976	4,107,639
071 Sales Tax Rev Bonds Debt Svc Fund	0	0	0	2,195,000	0	2,195,000	0	544,884	2,739,884
Park City Municipal Corporation Total	\$18,866,127	\$12,531,700	\$79,066,723	\$6,003,822	\$0	\$116,468,372	\$13,148,653	\$23,583,258	\$153,200,283
Park City Redevelopment Agency									
033 Redevelopment Agency Lower Park Ave	0	695,000	2,032,831	0	0	2,727,831	630,000	4,196,464	7,554,295
034 Redevelopment Agency Main St	0	415,000	2,881,402	0	0	3,296,402	950,000	406,114	4,652,516
072 RDA Main Street Debt Service	0	0	0	0	0	0	0	0	0
076 RDA Lower Park Ave Debt Service	0	0	0	597,000	0	597,000	0	1,915,445	2,512,445
Park City Redevelopment Agency Total	\$0	\$1,110,000	\$4,914,233	\$597,000	\$0	\$6,621,233	\$1,580,000	\$6,518,024	\$14,719,257
Municipal Building Authority									
035 Municipal Building Authority Fund	0	0	1,632,520	500,417	0	2,132,937	900,000	572,023	3,604,960
073 MBA Debt Service Fund	0	0	0	0	0	0	0	0	0
Municipal Building Authority Total	\$0	\$0	\$1,632,520	\$500,417	\$0	\$2,132,937	\$900,000	\$572,023	\$3,604,960
Park City Housing Authority									
036 Park City Housing Authority	0	0	8,038	0	0	8,038	0	58,862	66,900
Park City Housing Authority Total	\$0	\$0	\$8,038	\$0	\$0	\$8,038	\$0	\$58,862	\$66,900
GRAND TOTAL	\$18,866,127	\$13,641,700	\$85,621,514	\$7,101,239	\$0	\$125,230,580	\$15,628,653	\$30,732,166	\$171,591,399

Expenditure Summary by Fund and Major Object (FY 2009)									
Description	Operating Budget		Capital	Debt Service	Contingency	Sub-Total	Interfund Transfer	Ending Balance	Total
	Personnel	Mat, Suppls, Services							
Park City Municipal Corporation									
011 General Fund	13,103,762	5,995,305	382,662	0	625,000	20,106,729	6,128,469	5,471,789	31,706,986
012 Quinns Recreation Complex	525,255	469,975	10,000	0	0	1,005,230	0	(1,588,160)	(582,930)
021 Police Special Revenue Fund	0	0	0	0	0	0	0	0	0
022 Criminal Forfeiture Restricted Account	0	0	0	0	0	0	0	(0)	(0)
031 Capital Improvement Fund	0	0	23,093,324	0	0	23,093,324	634,366	4,465,792	28,193,482
038 Equipment Replacement Fund	0	0	700,000	0	0	700,000	0	7,320	707,320
051 Water Fund	1,230,696	1,825,798	11,929,660	1,127,255	0	16,113,409	1,188,586	162,301	17,464,296
055 Golf Fund	567,171	408,627	153,505	31,542	0	1,160,845	130,685	140,658	1,432,187
057 Transportation & Parking Fund	3,599,347	562,783	628,119	0	0	4,790,249	2,483,742	4,948,650	12,222,641
062 Fleet Services Fund	574,483	1,846,297	5,000	0	0	2,425,780	0	41,676	2,467,456
064 Self Insurance Fund	32,131	674,390	0	0	0	706,521	0	2,089,840	2,796,360
070 Debt Service Fund	0	0	0	2,444,088	0	2,444,088	0	1,540,083	3,984,171
071 Sales Tax Rev Bonds Debt Svc Fund	0	0	0	2,193,000	0	2,193,000	0	563,793	2,756,793
<u>Park City Municipal Corporation Total</u>	<u>\$19,632,843</u>	<u>\$11,783,175</u>	<u>\$36,902,270</u>	<u>\$5,795,885</u>	<u>\$625,000</u>	<u>\$74,739,173</u>	<u>\$10,565,848</u>	<u>\$17,843,742</u>	<u>\$103,148,763</u>
Park City Redevelopment Agency									
033 Redevelopment Agency Lower Park Ave	0	695,000	200,000	0	0	895,000	630,000	5,389,464	6,914,464
034 Redevelopment Agency Main St	0	415,000	0	0	0	415,000	950,000	341,114	1,706,114
072 RDA Main Street Debt Service	0	0	0	0	0	0	0	0	0
076 RDA Lower Park Ave Debt Service	0	0	0	600,000	0	600,000	0	1,915,445	2,515,445
<u>Park City Redevelopment Agency Total</u>	<u>\$0</u>	<u>\$1,110,000</u>	<u>\$200,000</u>	<u>\$600,000</u>	<u>\$0</u>	<u>\$1,910,000</u>	<u>\$1,580,000</u>	<u>\$7,646,024</u>	<u>\$11,136,024</u>
Municipal Building Authority									
035 Municipal Building Authority Fund	0	0	1,956,583	915,000	0	2,871,583	0	604,023	3,475,606
073 MBA Debt Service Fund	0	0	0	0	0	0	0	0	0
<u>Municipal Building Authority Total</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,956,583</u>	<u>\$915,000</u>	<u>\$0</u>	<u>\$2,871,583</u>	<u>\$0</u>	<u>\$604,023</u>	<u>\$3,475,606</u>
Park City Housing Authority									
036 Park City Housing Authority	0	0	0	0	0	0	0	58,862	58,862
<u>Park City Housing Authority Total</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$58,862</u>	<u>\$58,862</u>
GRAND TOTAL	\$19,632,843	\$12,893,175	\$39,058,853	\$7,310,885	\$625,000	\$79,520,756	\$12,145,848	\$26,152,650	\$117,819,254

All Funds Combined								
Revenue	2005	2006	2007	2008		2009		
		(actual)		(original)	(adj)	(plan)	(budget)	% of Total
RESOURCES								
Property Taxes	12,608,114	12,694,990	12,744,480	13,014,909	13,947,094	13,748,909	13,924,909	12%
Sales Tax	10,502,699	11,401,348	12,977,127	11,475,000	12,750,000	12,065,000	12,876,000	11%
Franchise Tax	2,309,090	2,715,184	2,529,915	2,587,000	2,746,000	2,730,000	2,758,000	2%
Licenses	783,429	828,193	1,013,310	1,013,000	1,370,660	1,049,000	1,302,763	1%
Planning Building & Engineering Fees	4,722,862	4,980,807	6,090,176	5,588,000	5,904,294	5,362,000	4,941,000	4%
Other Fees	19,216	0	30,932	0	23,000	0	0	0%
Intergovernmental Revenue	2,995,291	962,305	3,926,496	7,454,546	7,247,488	1,694,000	3,597,200	3%
Charges for Services	4,807,943	6,538,642	7,201,295	7,211,000	7,207,000	7,511,000	8,210,000	7%
Recreation	2,172,128	2,411,737	2,475,541	2,361,600	2,532,600	2,389,600	2,456,600	2%
Other Service Revenue	102,708	100,661	75,304	84,000	86,000	85,000	101,000	0%
Fines & Forfeitures	767,959	656,295	750,817	808,500	723,500	808,500	813,500	1%
Misc. Revenue	2,907,257	5,232,798	9,887,563	2,059,726	8,766,801	1,274,726	1,403,726	1%
Interfund Transfers In	29,203,184	29,115,806	13,837,974	9,167,562	15,628,653	8,950,348	12,145,848	10%
Special Revenue & Resources	3,520,486	1,524,749	1,884,158	70,000	1,650,388	70,000	992,000	1%
Bond Proceeds	29,173,976	0	0	7,257,927	1,643,417	0	21,123,242	18%
Beginning Balance	54,810,573	79,661,361	80,018,337	26,237,762	88,940,203	24,480,008	30,732,166	26%
Total	161,406,913	158,824,876	155,443,426	96,390,532	171,167,098	82,218,091	117,377,954	100%

Change in Fund Balance									
Fund	2005 Actual	2006 Actual	2007 Actual	2008 Adjusted	Change - 2007 to 2008		2009 Budget	Change - 2008 to 2009	
					Increase (reduction)	%		Increase (reduction)	%
Park City Municipal Corporation									
011 General Fund	3,210,448	3,194,845	5,062,512	4,988,542	(73,970)	-1%	5,471,789	483,247	10%
012 Quinns Recreation Complex	0	(81,852)	(486,287)	(1,024,230)	(537,943)	111%	(1,588,160)	(563,930)	55%
021 Police Special Revenue Fund	16,522	17,972	19,772	0	(19,772)	-100%	0	0	
022 Criminal Forfeiture Restricted Account	0	0	17,220	(0)	(17,220)	-100%	(0)	0	
031 Capital Improvement Fund	36,547,934	45,447,764	48,655,592	6,652,614	(42,002,978)	-86%	4,465,792	(2,186,822)	-33%
038 Equipment Replacement Fund	2,543,098	2,833,979	2,821,921	7,320	(2,814,601)	-100%	7,320	0	0%
051 Water Fund	1,051,459	3,230,788	7,065,103	2,867,096	(4,198,007)	-59%	162,301	(2,704,795)	-94%
055 Golf Fund	168,883	342,016	201,071	150,179	(50,892)	-25%	140,658	(9,521)	-6%
057 Transportation & Parking Fund	6,400,299	7,748,809	9,964,940	5,307,378	(4,657,562)	-47%	4,948,650	(358,728)	-7%
062 Fleet Services Fund	181,076	137,862	201,188	112,456	(88,732)	-44%	41,676	(70,780)	-63%
064 Self Insurance Fund	3,157,652	3,209,978	3,104,115	2,488,043	(616,072)	-20%	2,089,840	(398,203)	-16%
070 Debt Service Fund	16,073,591	1,788,510	1,609,730	1,488,976	(120,754)	-8%	1,540,083	51,107	3%
071 Sales Tax Rev Bonds Debt Svc Fund	490,878	475,228	527,975	544,884	16,909	3%	563,793	18,909	3%
Park City Municipal Corporation Total	\$69,841,840	\$68,345,899	\$78,764,852	\$23,583,258	(\$55,181,594)	-81%	\$17,843,742	(\$5,739,516)	-7%
Park City Redevelopment Agency									
033 Redevelopment Agency Lower Park Ave	4,661,541	5,202,888	4,626,990	4,196,464	(430,526)	-9%	5,389,464	1,193,000	28%
034 Redevelopment Agency Main St	1,321,092	1,161,186	1,245,516	406,114	(839,402)	-67%	341,114	(65,000)	-16%
072 RDA Main Street Debt Service	360,936	112,581	0	0	0	0%	0	0	0%
076 RDA Lower Park Ave Debt Service	1,727,836	1,804,579	1,912,445	1,915,445	3,000	0%	1,915,445	0	0%
Park City Redevelopment Agency Total	\$8,071,405	\$8,281,234	\$7,784,952	\$6,518,024	(\$1,266,928)	-15%	\$7,646,024	\$1,128,000	14%
Municipal Building Authority									
035 Municipal Building Authority Fund	1,298,940	1,354,423	1,413,543	572,023	(841,520)	-60%	604,023	32,000	6%
073 MBA Debt Service Fund	48,089	0	0	0	0	0%	0	0	0%
Municipal Building Authority Total	\$1,347,029	\$1,354,423	\$1,413,543	\$572,023	(\$841,520)	-62%	\$604,023	\$32,000	2%
Park City Housing Authority									
036 Park City Housing Authority	61,583	63,720	66,900	58,862	(8,038)	-12%	58,862	0	0%
Park City Housing Authority Total	\$61,583	\$63,720	\$66,900	\$58,862	(\$8,038)	-13%	\$58,862	\$0	0%
Notes and Explanations of Change in Fund Balance:									
<p>- Fund Balance refers to the amount of revenues on hand in a given year that are not used for expenditures in that year. It is closely related to the concept of a balanced budget, where beginning fund balance (the amount of revenues on hand at the beginning of a year) and the revenues received that year are equal to the the expenditures for that year and the ending fund balance (or the amount of revenues remaining on hand at the end of the year). Fund balance is comprised of elements of reserves, funds dedicated to capital projects, and other earmarked funds. For budget purposes, fund balance is calculated on a cash basis and is not to be confused with the net assets or fund balance numbers presented in the Comprehensive Annual Financial Report.</p> <p>- Figures shown are the ending balance (or balance as of June 30) for each fiscal year. The beginning balance for any given year is the ending balance from the previous year.</p> <p>- A large increase in the General Fund balance is shown in FY 2009. The City finances much of its capital needs with excess operating funds. It is expected that the excess operating funds seen in '09 will be used to fund future capital. Also, some of these funds will go towards funding ongoing needs that will undoubtedly arise between now and the time the final FY 2009 budget is adopted.</p> <p>- Capital projects funds (Funds 31, 33, 34, 35, 36, 38) tend to show large decreases in fund balance between the prior year actual and current year adjusted budget. This is explained by the fact that much of fund balance in these funds is reserved for capital expenses which were budgeted in previous years. Unexpended capital budgets are rolled forward each year as part of the adjusted budget. So funding for capital projects shows up in fund balance <i>actual</i> figures, but disappears in the current year adjusted budget because there is an offsetting budgeted "carryforward" expense. This same phenomenon generally explains large decreases in fund balances for proprietary funds (such as Fund 51, 55, and 57).</p> <p>- The Water Fund shows a large decrease in fund balance in FY 2009. This is due to anticipated capital infrastructure improvements which will begin in FY 2009. Much of these improvements will be funded with accumulated impact fees, resulting in a sharp decrease in fund balance.</p> <p>- The Fleet Fund is an internal service fund which is intended to run a zero or near-zero balance. As such, any change in fund balance will appear drastic when viewed as a percent change, but the changes are simply the product of the nature of the fund.</p>									

REVENUES

Property and sales taxes are the most significant sources of City revenue, representing 48 percent in FY 2008 when Beginning Balance and Interfund Transfers are excluded. Intergovernmental Revenue, Charges for Service, Franchise Taxes, Licenses and Fees comprise the remaining portion of revenue. Figure R1 shows the makeup of Park City’s anticipated revenues for FY 2009.

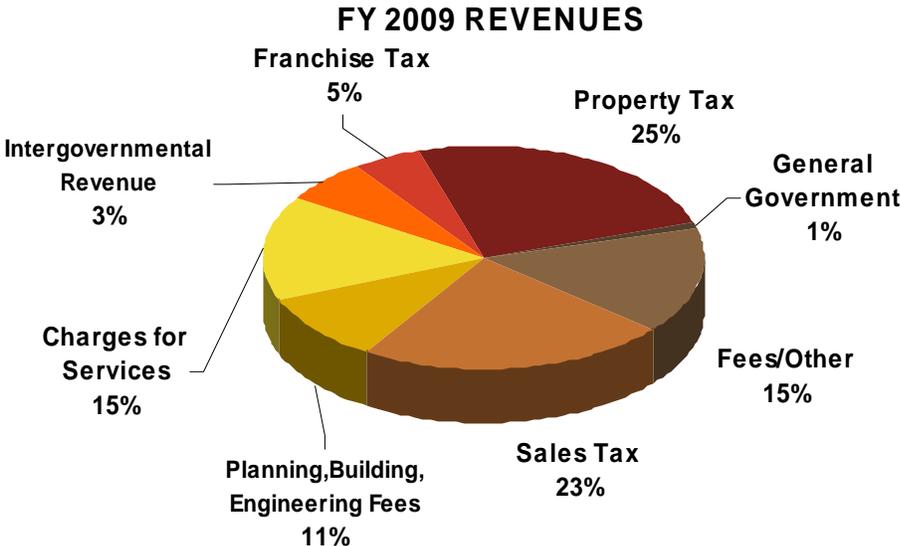


Figure R1 – Budgeted Revenue by Source

PROPERTY TAX

The Property Tax Act, Title 59, Chapter 2, Utah Code Annotated 1953, as amended, provides that all taxable property must be assessed and taxed at a uniform and equal rate on the basis of its "fair market value" by January 1 of each year. "Fair market value" is defined as "the amount at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts." Commencing January 1, 1991, "fair market value" considers the current zoning laws for each property. Section 2 of Article XIII of the Utah Constitution provides that the Utah State Legislature may exempt from taxation up to 45 percent of the fair market value of primary residential property.

During the 1995 legislative session, the exemption for primary residential property was increased from 29.5 percent to the constitutional maximum of 45 percent. The local effect of this action was to shift the burden of supporting education, public safety, and general government from primary residents to other classes of property, principally commercial property and vacation or second homes. A recent ruling by the Utah Supreme Court held this practice to be constitutional.

Summit County levies, collects, and distributes property taxes for Park City and all other taxing jurisdictions within the County. Utah law prescribes how taxes are levied and collected. Generally, the law provides as follows: the County Assessor determines property values as of January 1 of each year and is required to have the assessment roll completed by May 15. If any taxing district within the County proposes an increase in the certified tax rate, the County

REVENUES

Auditor must mail a notice to all affected property owners stating, among other things, the assessed valuation of the property, the date the Board of Equalization will meet to hear complaints on the assessed valuation, the tax impact of the proposed increase, and the time and place of a public hearing (described above) regarding the proposed increase. After receiving the notice, the taxpayer may appear before the Board of Equalization. The County Auditor makes changes in the assessment roll depending upon the outcome of taxpayer's hearings before the Board of Equalization. After the changes have been made, the Auditor delivers the assessment roll to the County Treasurer before November 1. Taxes are due November 30, and delinquent taxes are subject to a penalty of 2 percent of the amount of such taxes due or a \$10 minimum penalty. The delinquent taxes and penalties bear interest at the federal discount rate plus 6 percent from the first day of January until paid. If after four and one-half years (May of the fifth year) delinquent taxes have not been paid, the County advertises and sells the property at a tax sale.

Utah State law requires that each year a certified property tax rate be calculated. The certified tax rate is the rate which will provide the same amount of property tax revenue as was charged in the previous year, excluding the revenue generated by new growth. If an entity determines that it needs greater revenues than what the certified tax rate will generate, statutes require that the entity must then go through a process referred to as "Truth in Taxation." Truth in Taxation requires an entity to go through a series of steps which include proper notification of the proposed tax increase to the tax payers and a public hearing.

Park City's certified property tax rate is made up of two rates: (1) General Levy Rate and (2) Debt Service Levy Rate. The two rates are treated separately. The general levy rate is calculated in accordance with Utah State law to yield the same amount of revenue as was received the previous year (excluding revenue from new growth). The debt service levy is calculated based on the City's debt service needs pertaining only to General Obligation bonds. Figure R3 below shows Park City's property tax levies since 2003.

This budget anticipates that Park City will adopt the certified tax rate as proposed. In order to do so, the County Assessor must provide the necessary data to the City to set the certified rate. As this data is generally not provided to the City until after the budget is adopted, Council should, by resolution, authorize the Budget Officer to compute the City's property tax rate at a "No Tax Increase" rate and file with the County at a later date. The certified, equalized property tax rate for Park City for FY 2009 (calendar year 2008) should be set at 0.001404 (0.001087 general levy, and 0.000317 debt service levy).

REVENUES

Tax Rate	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
General Levy	0.001847	0.001855	0.001875	0.001748	0.001492	0.001288
Debt Levy	0.000319	0.000412	0.000662	0.000601	0.000489	0.000386
Total:	0.002166	0.002267	0.002537	0.002349	0.001981	0.001674

Tax Collected	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008 (ytd)
General	\$5,234,687	\$5,443,953	\$6,643,405	\$6,159,798	\$6,325,091	\$6,377,493
Debt	\$1,188,909	\$1,688,909	\$1,688,909	\$2,188,909	\$2,188,909	\$2,188,909
RDA Increment	\$3,184,461	\$3,409,202	\$3,473,064	\$3,527,898	\$3,776,412	\$3,928,305
Fee-In-Lieu	\$128,619	\$237,246	\$230,286	\$242,227	\$227,953	\$117,575
Delinq/Interest	\$493,207	\$495,023	\$392,964	\$351,802	\$226,115	\$89,504
Total:	\$10,229,883	\$11,274,333	\$12,428,628	\$12,470,634	\$12,744,480	\$12,701,786

Table R3 – Property Tax Rates and Collections

Park City does not anticipate an increase to the property tax levy for 2008. The 2008 certified tax rate will be calculated and submitted to the County Auditor’s office in July.

SALES TAX

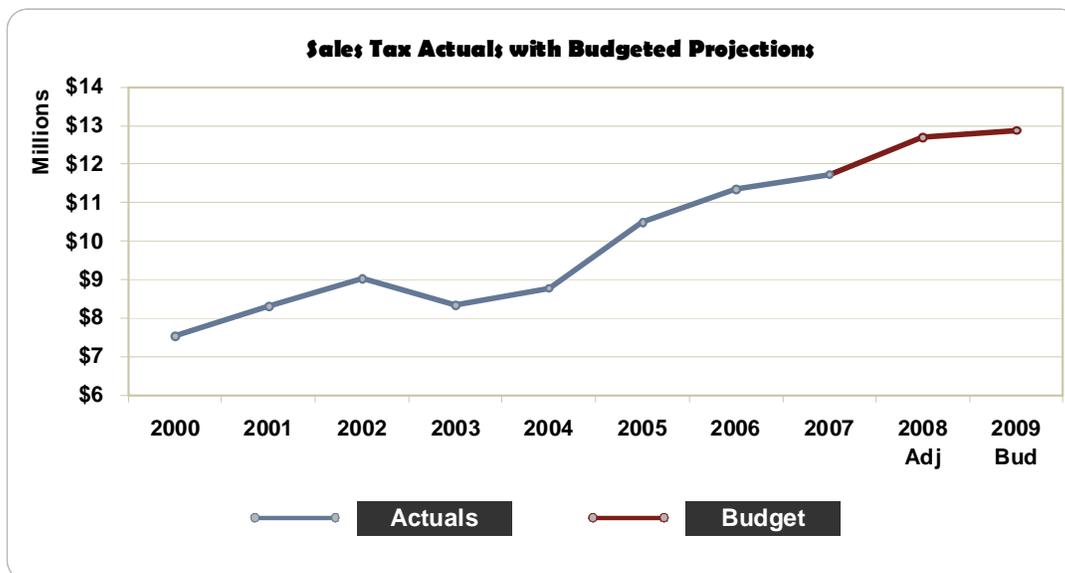


Figure R4- Sales Tax Actuals and Projections

Park City depends a great deal on sales tax revenue to fund City services. Sales tax also helps to fund the infrastructure to support special events and tourism. Of the 7.40 percent sales tax on general purchases in Park City, the municipality levies a 1 percent local option sales tax, a 1.10 percent resort community tax, and a 0.30 percent transit tax. Sales tax revenue growth has remained fairly consistent over the past several years. However the City has begun to use an econometric model to forecast and budget future sales tax revenues. This model uses factors such as visitor nights and quarterly historical trends in order to forecast sales tax revenue. It is assumed that there will be no significant changes in the local economy and that minor legislative changes at the State level which affect sales tax distribution will be measured in the quarterly

REVENUES

historical trends. Figure R4 shows actual sales tax amounts along with the forecasted amounts for FY 2008 and 2009.

Although sales tax revenue has maintained some consistency over the last 6 years, it is still considered a revenue source subject to national, state, and local economic conditions. These conditions fluctuate based on a myriad of factors. Using the econometric model to forecast sales tax revenue helps to smooth out larger fluctuations and conservatively budget the revenue source.

Sales tax revenue for FY 2008 is expected to reach a level similar to FY 2007 based on current collections and ski season indicators. FY 2009 budgeted figures are from the econometric model. Continued development of events and activities in the spring and summer months has helped to generate sales tax during the “off-season” months as well. Figure R5 displays the monthly sales tax revenue collections for FY 2008 in comparison with FY 2007 and a Five-year historical average.

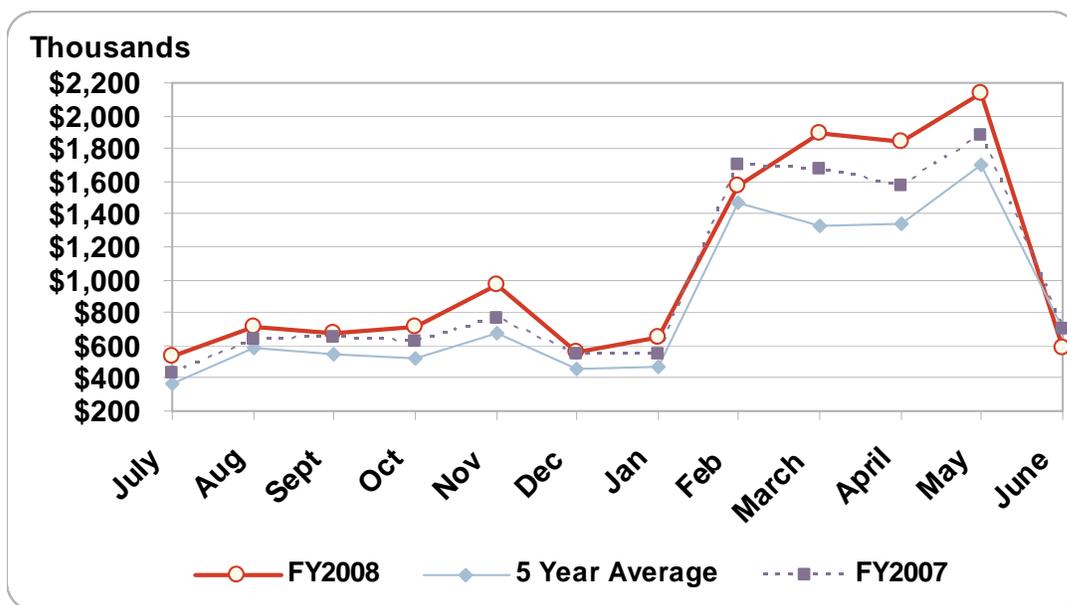


Figure R5 – Sales Tax for FY 2008 (Compared to a Five-year Average and FY 2007)

STATE LEGISLATION AND SALES TAX

As previously stated, Park City’s portion of sales tax is broken down into three components: local option (1%), resort community tax (1.1%), and transit tax (0.30%). Park City collects the full amount for the resort community and transit taxes, but the local option tax collection is affected by a State distribution formula. All sales taxes are collected by the State of Utah and distributed back to communities. Sales taxes generated by the local option taxes are distributed to communities based 50 percent on population and 50 percent on point of sale.

REVENUES

For communities like Park City where the population is low in comparison to the amount of sales, the State distributes less than the full 1 percent levy. The State had in the past instituted a “hold harmless” provision to ensure that communities in this situation receive at least three quarters of the local option sales tax generated in the municipality. Due to this provision, Park City had always received around 75 percent of the 1 percent local option tax. During the 2006 Legislative Session, the State removed the “hold harmless” provision. As part of that same legislation, Park City, as a “hold harmless” community, was guaranteed by the State to receive at least the amount of local option sales tax that was distributed in 2005, or \$3,892,401.

Due to natural economic growth Park City has surpassed the 2005 sales tax revenue. This has resulted in Park City receiving less than the 75 percent of the 1 percent local option sales tax. This will remain the case as long as the city population remains low in relation to the amount of sales. Park City currently receives around 64 percent of the 1 percent levy. Figure R6 shows the percentage of the sales tax revenue lost in FY 2007 compared to the pervious five year average. This amounts to an estimated loss of \$729,200 in sales tax revenue during FY 2007; current projections indicate a loss of \$844,382 for FY 2008.

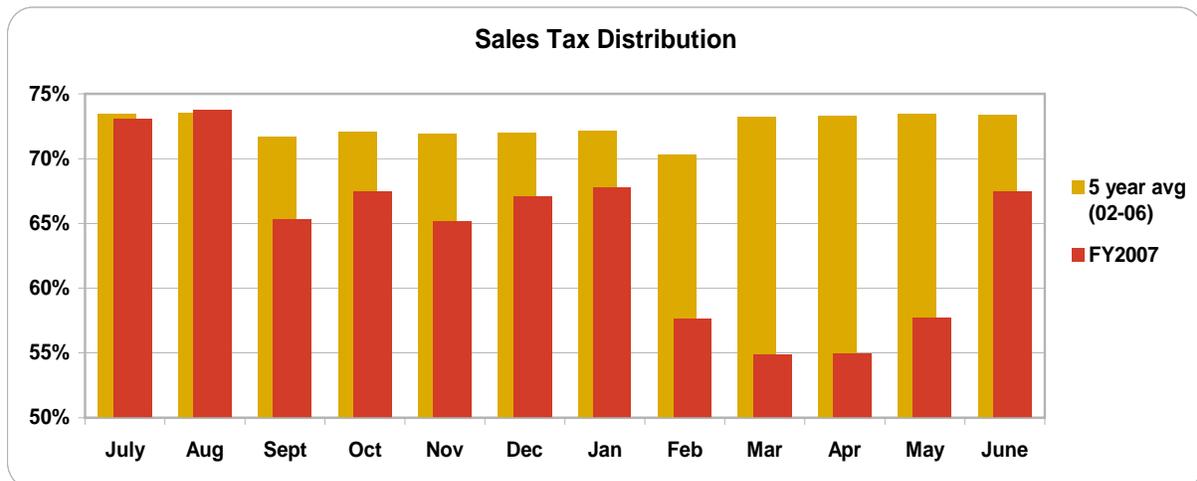


Figure R6 – Local Option Tax Distribution

The local option tax contributes a significant portion of the total sales tax revenue. Figure R7 shows the portions of total sales tax attributable to local option, resort community and transit taxes.

REVENUES

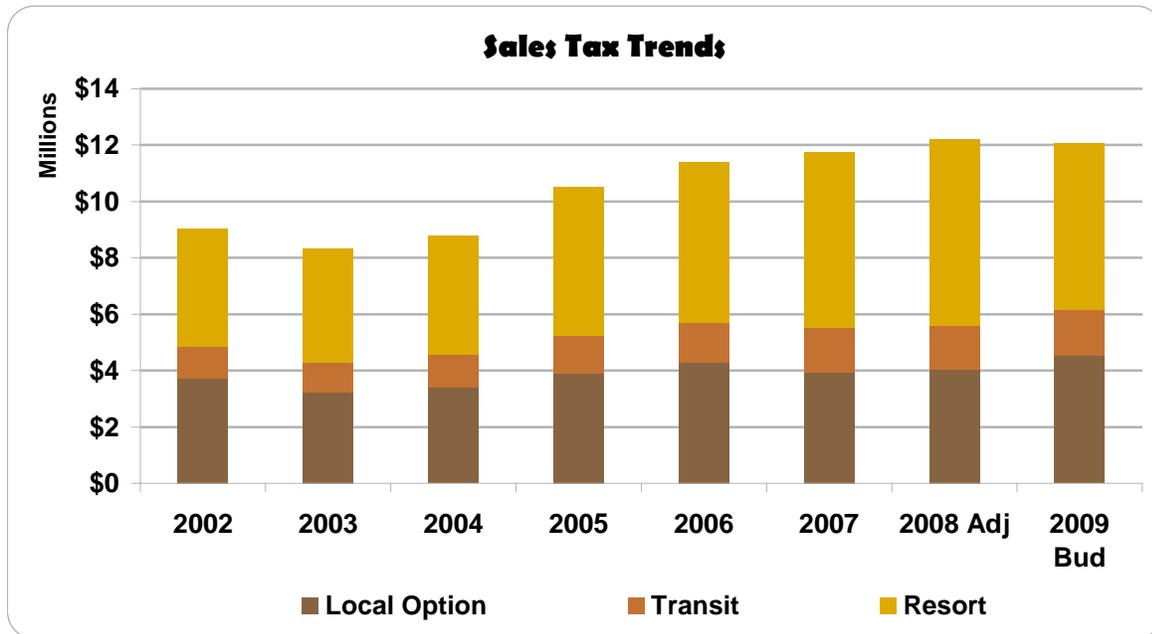


Figure R7 - Sales Taxes Breakdown

In the past two years, changes in taxation as a result of State Legislation have had a significant impact on Park City's revenue. In the 2007 Utah Legislative General Session, Senate Bill 223 was passed which removed food and food ingredients from taxable items for two of the three locally imposed sales taxes. These are the 1 percent resort community tax and the 0.25 percent transit tax. The removal of food from the tax base for these taxes results in an estimated loss of \$400,000 for Park City. Included in the language of Senate Bill 223 is the ability for municipalities to increase the resort community tax by 0.1 percent and the transit tax by 0.05 percent in order to maintain revenue neutrality. It should be noted that this bill also decreased the overall state sales tax by 0.1 percent on all taxable items. In January 2008 Park City increased the resort and transit taxes by 0.1 percent and 0.05 percent, respectively. These changes are summarized in the table R8.

Sales Tax Rates

Tax	Old Rate	New Rate	
		Food Sales	Non-Food Sales
State Sales Tax	4.75%	1.75%	4.65%
County Option Sales Tax	0.25%	0.25%	0.25%
County RAP Tax	0.10%	0.00%	0.10%
Local Option Sales Tax	1.00%	1.00%	1.00%
Resort Community Tax	1.00%	0.00%	1.10%
Mass Transit Tax	0.25%	0.00%	0.30%
Total Sales Tax Rate	7.35%	3.00%	7.40%

Table R8 – Sales Tax Rates

REVENUES

OTHER REVENUE

Revenue sources other than property and sales tax include fees, franchise taxes, grants, municipal bonds and other miscellaneous revenue. Total revenue from sources other than property and sales tax make up an estimated 34 percent of the total revenue. Other revenues amounted to \$9,356,194 in FY 2008. It is projected that revenue from other sources will total \$9,634,585 in FY 2009. Figure R9 shows a projected breakdown of other revenue by type and amount.

Other Revenue

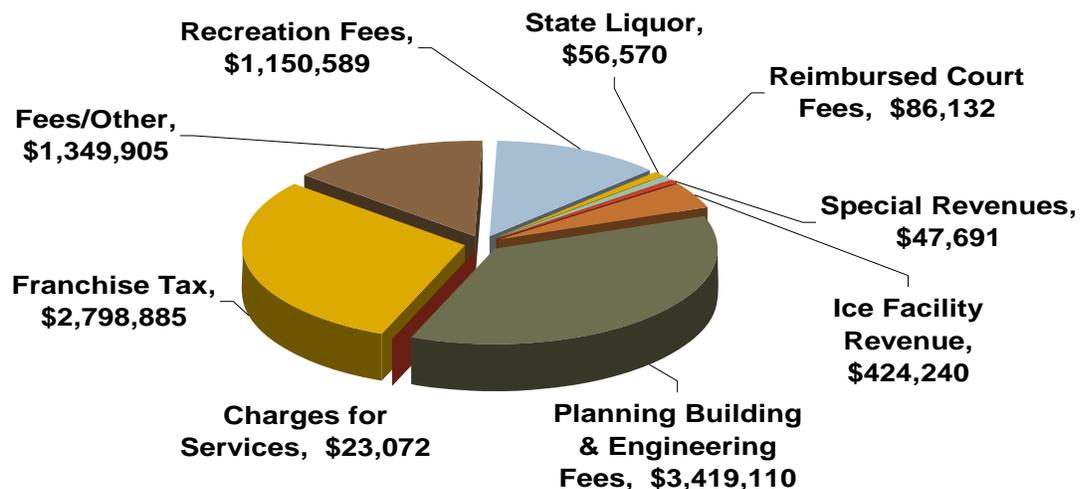


Figure R9 – Other Revenue

The City has fees associated with business licenses, recreation, water, planning, engineering, and building services. The franchise tax is a gross receipts tax levied by the City on taxable utilities made within the City to various utility companies. The Fees/Other category consist of license revenue, fines & forfeitures, and miscellaneous revenues. With the exception of water fees, and charges for services; revenues, such as fee revenue, business license revenue, and franchise taxes, are budgeted on a multi-year trend analysis and assume no significant changes in the local economy. These revenue sources are predicted using a linear trend model. Charges for services, is projected using a downward logarithmic trend which will allow the forecasted revenue to level off over time. Water fees are calculated on a multi-year trend analysis based on previous water consumption, but also incorporate a new growth factor.

Park City receives additional revenue by collecting development impact fees. These fees include street impact fees, public safety impact fees, and open space impact fees. These fees reflect the calculated cost of providing city services to new, private development, projects. State law requires that collected impact fees are applied to the capital facilities plan within three years of the collection date. Impact fees fluctuate greatly year to year based on annual development levels. The total estimated impact fees collected during FY 2008 was \$1,403,294. Figure R10 shows the breakdown of estimated impact fees collected in FY 2008.

Impact Fees

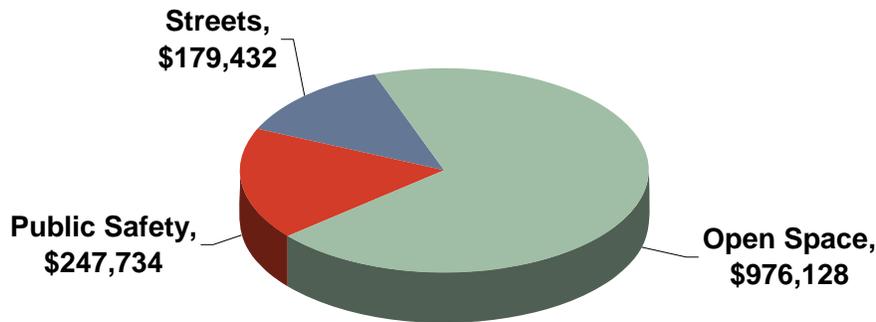


Figure R10 – Impact Fees

The Park City Golf Club receives revenue from greens fees, cart rental, pro-shop sales, golf lessons, and other miscellaneous fees and services. The Park City Golf Club is an enterprise fund; all revenues collected from the golf club are used to fund golf course operating and improvement costs. The estimated revenue of the Park City Golf Club in FY 2008 was \$1,282,008. Golf course uses and fees remain relatively consistent year to year. It is expected that the Park City Golf Club will see similar revenues in FY 2009 as in FY 2008.

Park City also receives grants from the federal, state, and county governments to fund various capital projects. These projects include public safety, transit, and water delivery programs. Grant monitoring and reporting is done through the Budget, Debt, and Grants department. All grants are budgeted when they are awarded.

Municipal bonds are another way for Park City to fund capital projects and the redevelopment agencies on Main Street and Lower Park Avenue. In 2006 Moody's upgraded Park City's General Obligation bond rating from Aa3 to Aa2 and the Sales Tax Revenue bonds issued in FY 2005 at A1. Both are strong ratings compared to other resort communities. The State of Utah limits a city's direct GO debt to 4 percent of assessed valuation. The City's debt policy is more conservative, limiting total direct GO debt to 2 percent of assessed valuation. Park City's direct debt burden in 2006 was approximately 0.38 percent or less than one-half of the City's 2 percent policy limits. For more information on Park City's debt management policies, see the Policies and Objectives section of this budget document.

EXPENSES

The FY 2008 Adjusted Budget reflects a 6.17 operating increase from the FY 2008 Original Budget and a 13.15 percent operating increase from FY 2007 Adjusted Budget. Two-thirds of the difference between the FY 08 adjusted and original operating budgets is accounted for in just two operating requests: (1) a \$800,000 increase in snow removal costs due to unusually high amount of snow accumulation this past winter, and (2) a \$250,000 increase to the Self Insurance Fund budget—paid from accumulated fund balance in that same fund for unanticipated legal services. FY 2008 adjusted capital budgets appear extremely high, but the vast majority of the \$85 million budgeted for capital is “carryforward” budget. Unlike operating budgets, capital projects may take multiple years to complete, thus the budgets for capital need to be renewed each year. At the end of each fiscal year, the unspent budget for each capital project is calculated and added to the new fiscal year’s budget as part of the adjusted budget. That “carryforward” amount for FY 2008 is \$55.7 million. The actual new request portion of the capital budget in FY 2008 is \$2.3 million. Interfund Transfers are up in the FY 2008 Adjusted Budget, which represents the end of year General Fund surplus transfer to the Capital Projects Fund currently estimated at \$3.7 million.

The FY 2009 Final Budget will increase to \$40,461,903, which is up approximately 2.15 percent from the FY 2008 Adjusted Budget. The FY 2009 Budget also shows a 7.30 percent increase from the FY 2009 Plan set last June. The largest changes to the FY 2009 Budget involve increasing health insurance costs, increased transit service to Summit County, anticipated operating expenses for the new park & ride at Quinn’s Junction, and reorganizations in the Water and Transit Departments. These changes are more fully discussed in the Budget Issues section along with details on other committee recommendations, operating budget changes, and major capital requests. The Five-Year CIP has \$38.3 million of capital projects expenditures scheduled for FY 2009. Of those requests, \$29.4 million were new requests (i.e., received and recommended for funding by the CIP Prioritization Committee during the current budget process) for FY 2009. New major projects and significant changes to existing projects are discussed in the Budget Issues section.

Expenditure Summary by Major Object - All Funds

	FY 2005	FY 2006	FY 2007	FY 2008 Ori Bud	FY 2008 Adj Bud	FY 2009 Plan	FY 2009 Bud
Personnel	14,553,051	15,924,342	17,443,771	18,359,029	18,866,127	18,669,797	19,632,843
Materials, Supplies & Services	8,426,189	9,438,806	10,358,236	11,527,229	13,641,700	11,687,413	12,893,175
Capital Outlay	15,959,485	20,495,911	19,870,601	25,837,649	85,621,514	9,540,465	39,058,853
Debt Service	13,943,132	5,966,048	6,310,364	6,594,956	7,101,239	6,395,885	7,310,885
Contingencies	0	0	0	825,000	0	955,000	625,000
Actual Budget	\$52,881,858	\$51,825,106	\$53,982,972	\$63,143,863	\$125,230,580	\$47,248,560	\$79,520,756
Budget Excluding Capital	\$36,922,372	\$31,329,195	\$34,112,371	\$37,306,214	\$39,609,066	\$37,708,095	\$40,461,903
Interfund Transfers	29,203,184	29,115,806	13,837,974	9,167,562	15,628,653	8,950,348	12,145,848
Ending Balance	79,321,857	78,045,276	88,030,246	24,480,008	30,732,166	26,436,583	26,152,650
Subtotal	\$108,525,041	\$107,161,082	\$101,868,220	\$33,647,570	\$46,360,819	\$35,386,931	\$38,298,498
Grand Total	\$161,406,899	\$158,986,188	\$155,851,192	\$96,791,433	\$171,591,399	\$82,635,491	\$117,819,254

Table E1 – Expenditures by Major Object (All Funds Combined)

Table E1 shows Citywide expenditures by Major Object. The FY 2008 Adjusted Budget reflects an increase in personnel expenses of 2.76 percent from the FY 2008 Original Budget. FY 2009

EXPENSES

shows a much more significant 5.16 percent increase in personnel due primarily to increased transit service to Summit County, increased transit and maintenance staff for the park & ride, and reorganizations in the Transit and Water Departments.

This year's budget continues to fund capital projects at an accelerated level. The Capital Improvement Plan (CIP) anticipates that General Fund contributions to the CIP will continue to be required to fund future projects as outlined in the Recommended Budget. Major changes to the CIP are highlighted in this document and were discussed in greater detail with City Council starting May 22 of 2008.

OPERATING BUDGET

The Operating Budget consists of Personnel, Materials, Supplies, and Services, Departmental Capital Outlay, and Contingencies for each department. Table E2 shows the total change to the Operating Budget from the FY 2008 Original Budget and FY 2009 Plan adopted by Council last June.

**Total Operating Budget Options by Fund
(Change from FY2008 Adopted Budget)**

	FY 2008 Adjusted Budget	FY 2009 Budget
Fund 11 General Fund	\$549,519	\$293,070
Fund 12 Quinn's Recreation Complex	\$52,000	\$88,805
Fund 51 Water Fund	\$304,166	\$272,309
Fund 55 Golf Fund	\$12,550	\$34,393
Fund 57 Transportation Fund	\$0	\$614,059
Fund 62 Fleet Fund	\$628,200	\$600,542
Fund 64 Self Insurance Fund	\$250,000	\$32,131
Total	\$1,796,435	\$1,935,308

Table E2 – Operating Budget Options by Fund

The major increases from the FY 2008 Original Budget to the FY 2008 Adjusted Budget are found in the General Fund and the Water Fund. The change in the General Fund is being driven mostly by an option to increase the Streets Department budget to cover dramatically increased snow removal costs this past winter. This is a one-time budget adjustment due to an unusually heavy snow accumulation. The Water Fund change is largely driven by increased legal fees and utility increases. Most of the change between the FY 2009 Plan and the FY 2009 Proposed Budget is due to increases in the Transit Fund for increased service to Summit County and new service provision to the forthcoming park & ride at Richardson Flat.

PERSONNEL

The Pay Plan Committee met last fiscal year to examine the benchmarks for the City's positions and propose a recommended pay plan to Council which was adopted as part of the FY 2008 Budget and FY 2009 Plan last June. More information about the philosophy behind the pay plan

EXPENSES

can be found in the Supplemental Section. Those changes included a 2 percent increase in pay grades for the off year of the budget (FY 2009). Staff continues to recommend this 2 percent increase which was adopted last year and appears as part of the base budget in this year's proposed budget.

In addition to last year's pay plan changes, departments submitted various personnel requests for both the FY 2008 Adjusted Budget and the FY 2009 Proposed Budget. Table E3 gives a summary of the personnel changes by fund.

**Total Personnel Options by Fund
(Change from FY2008 Adopted Budget)**

	FY 2008 Adjusted Budget	FY 2009 Budget
Fund 11 General Fund	\$471,203	\$154,185
Fund 12 Quinn's Recreation Complex	\$27,000	\$51,305
Fund 51 Water Fund	\$8,895	\$183,282
Fund 55 Golf Fund	\$0	\$1,843
Fund 57 Transportation Fund	\$0	\$567,959
Fund 62 Fleet Fund	\$0	-\$27,658
Fund 64 Self Insurance Fund	\$0	\$32,131
Total	\$507,098	\$963,046

Table E3 – Personnel Options by Fund

The Transit Fund shows the most increase in personnel at the moment, with four budget requests impacting personnel lines. First, three bus drivers are being added in FY 2009 for increased transit service to Summit County. These expenditures will be offset by reimbursement from the County, and the service will include a year-round shuttle to the Canyons. Second, two full-time regular (FTR) bus drivers and 2.25 full-time equivalents (FTEs) of seasonal bus drivers are being added in FY 2009 to provide service to the Richardson Flat Park & Ride. Third, 2.25 FTE's have been requested to provide maintenance service (including snow removal) at the Richardson Flat Park & Ride. Finally, transit is requesting a reorganization which would add a Transportation Project Manager at a grade Exempt 06. This option would also move the Deputy Public Works Director (currently budgeted between the General Fund, Water Fund, Fleet Fund, and Transit Fund) all into the Transit Fund. This organizational change would result in the Deputy Public Works Director focusing more attention on transit and transportation issues.

Most of the change in the General Fund results from two budget requests: (1) a new paralegal in the Legal Department beginning in FY 2008, and (2) an option increasing budgets for the rising costs of health insurance. The latter option affects all operating funds and would raise the amount of medical and dental insurance that we budget per FTR to the average that we pay per employee assuming a 10 percent increase in health insurance premiums this year. This option allows for the City to continue covering health insurance premiums without passing any more of the cost on to employees. The total cost of the option is \$125,000, with \$84,000 of that coming from the General Fund. Other noteworthy General Fund personnel requests include \$32,000 for a Tennis Pro, moving the Senior Recorder/Elections position from the Legal Department to a 50/50 split between the City Manager Department and the Self Insurance Fund (the position also handles risk management duties), a reclassification of the Budget Analyst IV to a Budget Officer in a

EXPENSES

grade E06, and shifting the Planning Director back from Sustainability to the Planning Department.

Other major personnel requests include a reorganization of the Water Department. This option adds a Water Project Manager at a grade Exempt 07 and a Water Analyst IV (grade N10), and reclassifies the Water Manager position to a grade Exempt 10 from a grade Exempt 09. These changes would help to manage water capital infrastructure projects, carry out water demand management, meter reading technology implementation, as well as assist with administration of water operations.

Also, a new Building Maintenance IV position is being added to the Ice Facility budget which will provide building maintenance and janitorial services for the ice complex. The position would also be trained as a backup supervisor, Zamboni driver, and skate sharpener. This request is being offset with money that was previously used to contract out for janitorial services.

Personnel is accounted for using a full-time equivalent (FTE) measure, where 1 FTE indicates the equivalent of a full-time position (2,080 annual work-hours), which could be filled by multiple bodies at any given time. Generally, one Full-time Regular employee is measured as 1 FTE, whereas a Part-time Non-benefited or Seasonal employee might account for a fraction of an FTE. Changes in FTE's per department for FY 2008 and FY 2009 are found in Table E4 on the following page.

EXPENSES

FTE Count; by Department

Department	FY 2008 Original	FY 2008 Change	FY 2008 Adjusted	FY 2009 Plan	FY 2009 Change	FY 2009 Budget
Budget, Debt, and Grants	3.25		3.25	3.25	(0.25)	3.00
Building	15.80		15.80	15.80		15.80
Building Maint.	5.00		5.00	5.00		5.00
City Manager	3.00	1.00	4.00	3.00	0.50	3.50
City Recreation	27.81		27.81	27.83	0.78	28.61
Communication Center (Dispatch)	9.00		9.00	9.00		9.00
Drug Education	0.16		0.16	0.16		0.16
Engineering	2.50		2.50	2.50		2.50
Fields	2.45		2.45	2.45	(0.45)	2.00
Finance	6.75		6.75	6.75		6.75
Fleet Services	8.75		8.75	8.75	(0.25)	8.50
Golf	7.01		7.01	6.75		6.75
Golf Maintenance	11.14		11.14	10.90		10.90
Human Resources	6.95		6.95	6.95		6.95
Ice Facility	7.70		7.70	7.70	0.67	8.37
Legal	7.75		7.75	7.75		7.75
Library	11.23		11.23	11.23		11.23
Parks and Cemetery	18.80		18.80	18.80		18.80
Planning	6.00		6.00	6.00	1.00	7.00
Police	34.62		34.62	34.62		34.62
Public Affairs and Comm.						
Public Works Administration	2.50		2.50	2.50		2.50
Self Insurance					0.50	0.50
State Liquor Enforcement	1.22		1.22	1.22		1.22
Street Maint.	15.81		15.81	15.81	(0.25)	15.56
Sustainability - Implementation	3.50		3.50	3.50		3.50
Sustainability - Visioning	4.50		4.50	4.50	(1.50)	3.00
Technical and Customer Services	9.80		9.80	9.80		9.80
Tennis	5.96		5.96	5.96	0.50	6.46
Transportation	63.54		63.54	63.59	10.20	73.79
Water Billing	1.00		1.00	1.00		1.00
Water Operations	15.25		15.25	15.25	2.25	17.50
Totals	318.74	1.00	319.74	318.31	13.70	332.01

Table E4 - FTE Changes by Department

EXPENSES

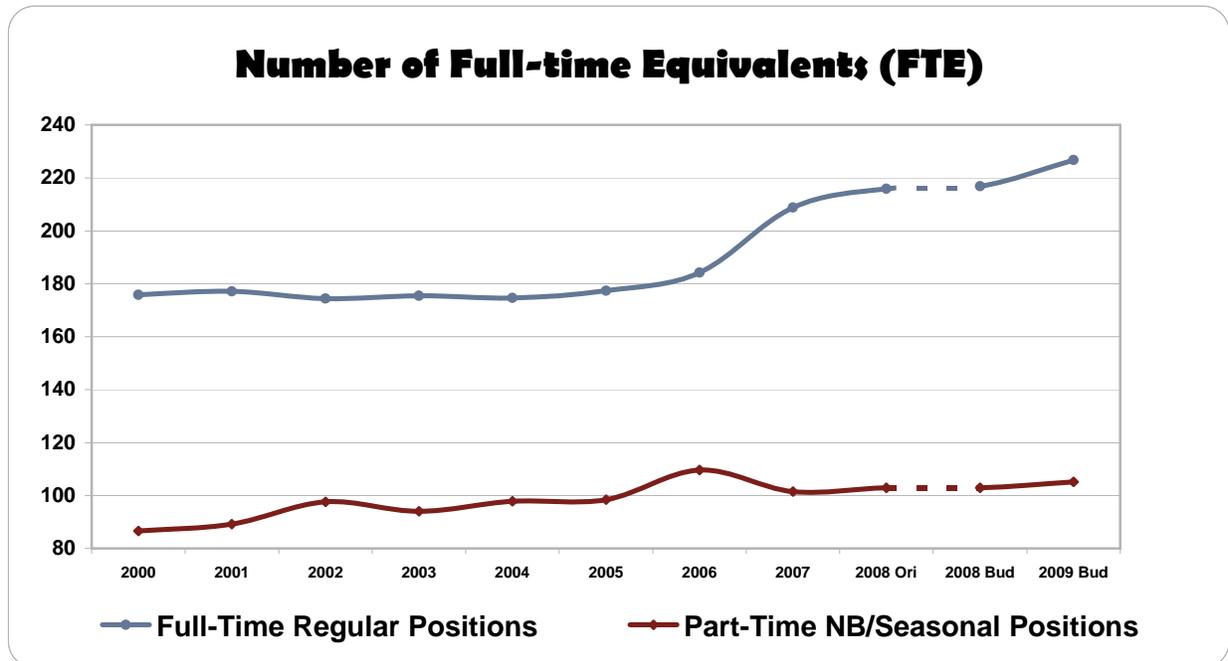


Figure E5 – FTE Totals

Most departmental FTE increases have been offset with reductions in department personnel or materials, supplies, and services budgets, or in some cases increased revenues. The dramatic shift between PTNB to FTR in FY 2007 was due to changing many of our Bus Driver positions over to FTR status. This trend continues as almost 75 percent of the new FTE's requested for FY 2009 are bus drivers. Figure E1 shows the total number of FTE's classified as Full-Time Regular or Part-Time Non-Benefited/Seasonal for the Adjusted FY 2008 Budget and the FY 2009 Budget. In prior years, the Part-Time Non-Benefited/Seasonal classification was referred to as Temporary.

The following table shows the changes in FTE's by fund. The General Fund is increasing by only 0.80 FTE's in FY 2009. The Transit Fund shows a marked increase in FTE's in FY 2007. Again, this is due to increased bus service to the County and the new park & ride, the former being offset by increased County contribution.

Fund	FY 2007 Actual	FY 2008 Original	FY 2008 Adjusted	FY 2009 Budget
General Fund	195.94	201.90	202.90	202.70
Quinn's Recreation Complex	8.00	10.15	10.15	10.82
Water Fund	16.00	16.25	16.25	18.00
Golf Fund	19.16	18.15	18.15	17.65
Transportation Fund	62.45	63.54	63.54	73.79
Fleet Services Fund	8.75	8.75	8.75	8.5
Self Insurance Fund	0.00	0.00	0.00	0.50
TOTAL	310.31	318.74	319.74	331.96

Table E6 - FTE Change by Fund

EXPENSES

The following charts display Park City's personnel growth rates compared with national and state statistics reflecting employment totals for local governments. Figure E7 shows the percentage change in Park City's full-time regular (FTR) positions compared with the percentage change in employment for local government in the state of Utah. This type of graph is helpful as a benchmark to evaluate changes in employment levels. The unusually high percentage increase in full-time positions in FY 2007 is attributed to the change of several temporary bus driver positions being made full-time.

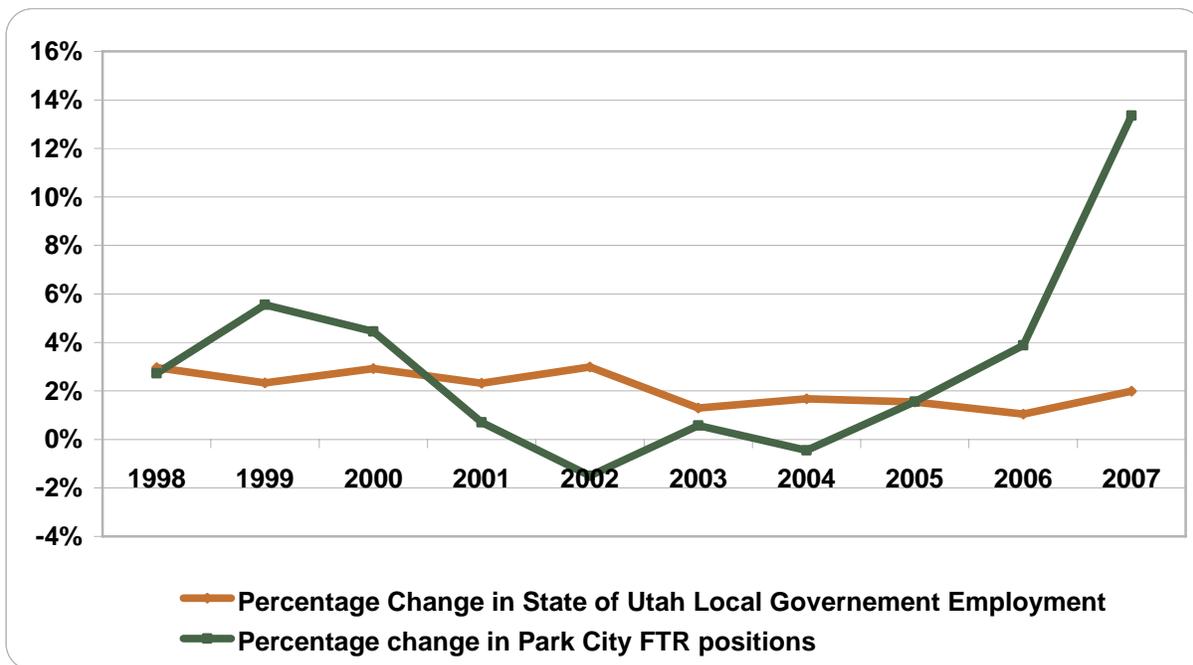


Figure E7 - Percentage Change In Park City and State Employment

The employment totals for Park City FTR positions and local government for the state of Utah are compared in Figure E8. Park City FTR positions saw an increase in FY 2006 after several years of remaining relatively stable. A comparative graph such as this can show whether or not a municipality is following a larger trend among similar local governments. Park City's personnel is growing faster than other cities in Utah in recent years. This is consistent with the growth in service demand.

EXPENSES

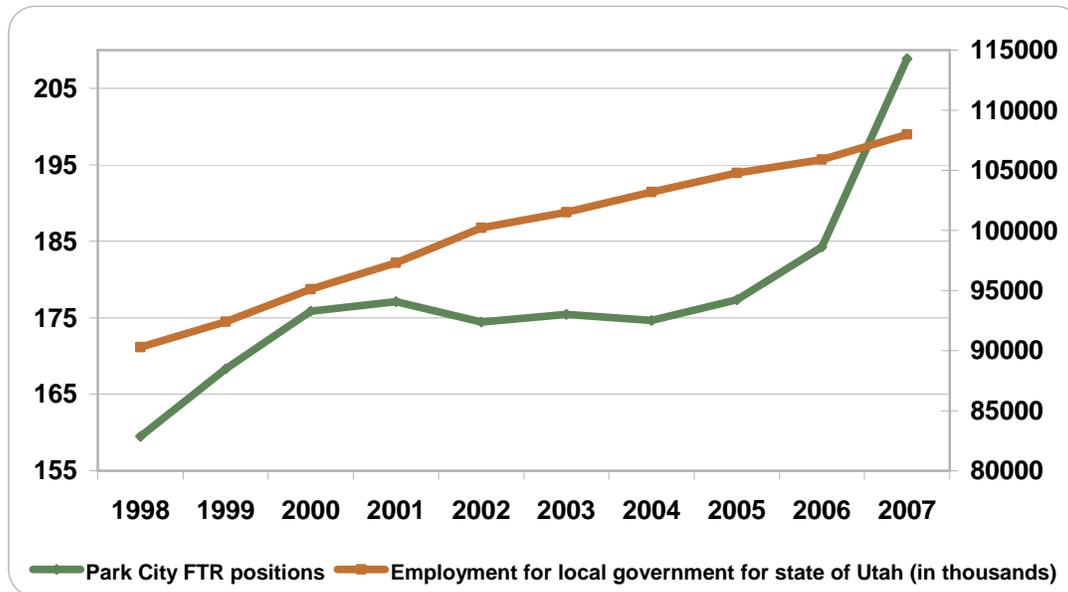


Figure E8 – Employment Totals for Utah Local Government and Park City FTR Positions

MATERIAL, SUPPLIES, AND SERVICES

The remaining Operating Budget changes relate to Materials, Supplies, and Services and are largely driven by adjustments to the Self Insurance, Water, and General Funds.

Additional detail for operating expenditures can be found under individual department tabs in Volume II of the budget. Each department will field questions about operating budget requests during the Budget Hearings.

Total Materials, Supplies & Services Options by Fund (Change from FY2008 Adopted Budget)

	FY 2008 Adj Bud	FY 2009 Budget
Fund 11 General Fund	\$903,316	\$496,385
Fund 12 Quinn's Recreation Complex	\$36,000	\$48,500
Fund 51 Water Fund	\$289,405	\$14,027
Fund 55 Golf Fund	\$7,550	\$7,550
Fund 57 Transportation Fund	\$0	\$11,100
Fund 62 Fleet Fund	\$628,200	\$628,200
Fund 64 Self Insurance Fund	\$250,000	\$0
Total	\$2,114,471	\$1,205,762

Table E9 – Material, Supplies, and Services by Fund

The most significant increase to the Materials, Supplies & Services budget is \$400,000 in the General Fund (\$50,000 from Contingency and \$350,000 of new request) relating to the unusual snow removal season this past winter. This is a one-time request for FY 2008. Other on-going requests in the General Fund include \$125,000 of contract services related to the new Emergency

EXPENSES

Management program and \$65,000 of contract services related to Sustainability Outreach and Visioning programs.

Other large increases to the materials, supplies, and services budget are seen in the Water Fund and Self Insurance Fund. These are related to legal one-time legal services and utility charges in FY 2008.

CAPITAL BUDGET

The capital budget, as proposed by the City Manager, continues to fund projects of priority four or higher. This capital plan is in line with Council direction and last year's adopted budget. The following table shows a summary of current major projects with proposed funding amounts.

Project	Proposed Budget	Principal Funding Sources	Scheduled Start	Scheduled Finish
Shell Space	\$1.87 million	Sales Tax Bond Sale of Assets (Watts) General Fund	Underway	Spring 2008
Marsac Seismic Upgrade	\$7.45 million	General Fund Reserves	Spring 2008	Fall 2009
OTIS Phase I (Lower Norfolk & Woodside)	\$4.1 million	Sales Tax Bond General Fund	Spring 2008	Fall 2008
Richardson Flat Park & Ride	\$1.5 million	Federal Grants	Summer 2008	Fall 2008
Walkable Community Projects	\$15 million	GO Bond	Spring 2009	Phased
Water Infrastructure Project - Phase 1	\$15.1 million	Water Service Fees Water Impact Fees	FY 2009	Phased
OTIS Phase II (a) Sandridge, Hillside, Empire, & Upper Lowell	\$4 million	Sales Tax Bond	FY 2009	Phased
Bonanza Drive Reconstruction	\$1.8 million	General Fund Federal Grants	FY 2009	FY 2010
Racquet Club	\$8 million	General Fund Reserves	Spring 2009	Fall 2010

Table E10 – Major Capital Projects

This year's CIP committee (Jerry Gibbs, Jon Weidenhamer, Ken Fisher, Chelese Rawlings, Bret Howser, and Matt Twombly) reviewed and ranked several new budget requests based on six criteria: Objectives, Funding, Necessity, Timing, Investment, and Cost/Benefit. Existing CIP's were also reviewed and reprioritized. These CIP requests are outlined in the Budget Issues section and a complete, detailed list is included in the Supplemental Section. The committee recommended the City scale back from an accelerated funding strategy (funding through Alternative 4) to an expanded funding strategy (funding through Alternative 3). The committee found it fiscally prudent to take a less aggressive approach as funding through Alternative 4 would have necessitated dipping into reserves and CIP Fund balance, which has historically provided a buffer against economic fluctuations and unexpected expenses.

After receiving this recommendation from the CIP Committee, further information came to light concerning some of the larger CIP requests. Due to these emergencies, the City Manager is

EXPENSES

recommending a continuation of the accelerated funding strategy with the notable exclusion of some CIP requests, which include the Town Plaza and the Emergency Recovery Fund.

The total proposed CIP budget for FY 2008 adjusted is \$88.9 million (\$25.1 million original budget, \$55.7 million carryforward budget, and \$4.1 million newly proposed budget). The proposed FY 2009 CIP budget is \$38.3 million (\$29.4 million in newly proposed requests). The following charts show funding sources for those expenses.

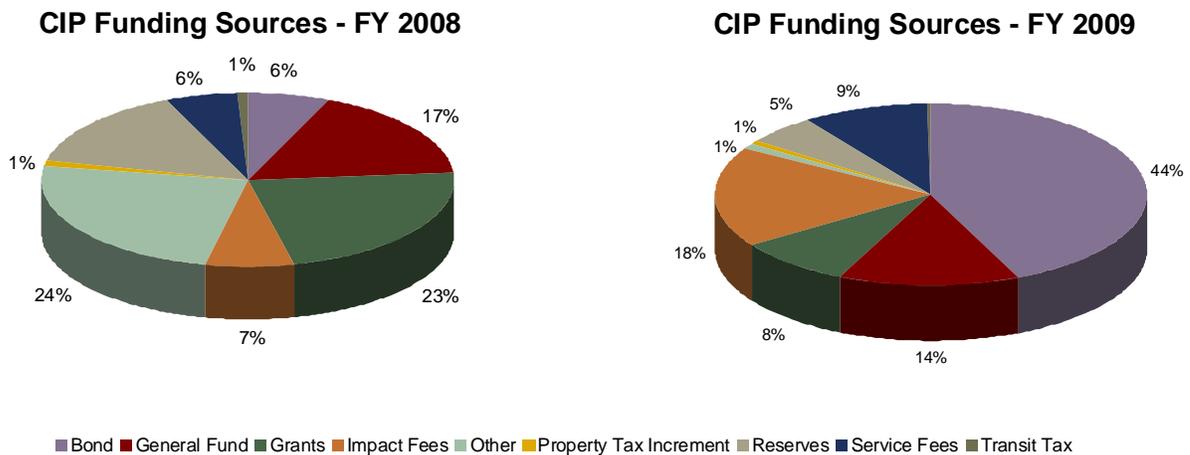


Figure E11 – CIP Funding Sources

OPERATING IMPACTS OF CAPITAL PROJECTS

A few capital projects are expected to have an impact on operating budgets. Most notably, the proposed Richardson Flat Park & Ride has necessitated increased operating expenditures in the Transportation Department. Two operating options (SMR and PKRD) were submitted this year by Public Works in the amount of \$268,000, which includes an increase of 4.25 FTE's (2.00 FTR and 2.25 PTNB) to provide transit service to the park & ride, as well as 1.20 FTE's (1.00 FTR and 0.20 PTNB) to provide maintenance service. The recommended budget also includes a one-time approval of \$35,000 for snow removal equipment and vehicles which will be used for the park & ride.

The Walkable Community Projects are also expected to impact operational budgets. These projects would create new trails and connections that would then require maintenance, including snow removal, to be handled by Public Works. While no operating budget options have been submitted this budget cycle related to Walkability Projects, staff expects future operating impacts to be in the vicinity of \$150,000 annually. Council will discuss the appropriate level of service for the various proposed trails, sidewalks, connectors, etc., during the budget hearings in May. Based on this discussion, staff will return with recommended operating budget increases for the FY 2010 budget next year.

EXPENSES

Staff anticipates some operating impact for the Marsac Building Seismic Renovation. Much of the City's administrative staff work in the Marsac building will need to be placed in temporary offices. The costs for temporarily relocating administrative employees, however, are included in the project itself, and increased operational costs due to the move are not expected to be handled within current operating budgets.

The Racquet Club Renovation is another new project which will likely impact the future operating budget. A feasibility study completed by Ken Ballard estimated that expenses in the Recreation and Tennis Department budgets will increase by \$205,000 to \$287,000, while expenses in Public Works are estimated to increase by \$152,000 to \$214,000.

Other new projects with an impact on operating budgets include GIS Development, Golf Course Improvements, Park City Ice Arena Information Screens, Ice Rink Conversion from propane to natural gas. These impacts are minimal and may even be absorbed into current budgets in the future.

Any other operating impacts from current or future projects have either been discussed in previous budget documents or are expected to be handled within existing allocations.

DEBT SERVICE

Park City has various bond issuances outstanding. The debt service to be paid on these bonds is as detailed in Figure E12. Debt service expense comprises just under 10 percent of the FY 2009 budgeted expenses.

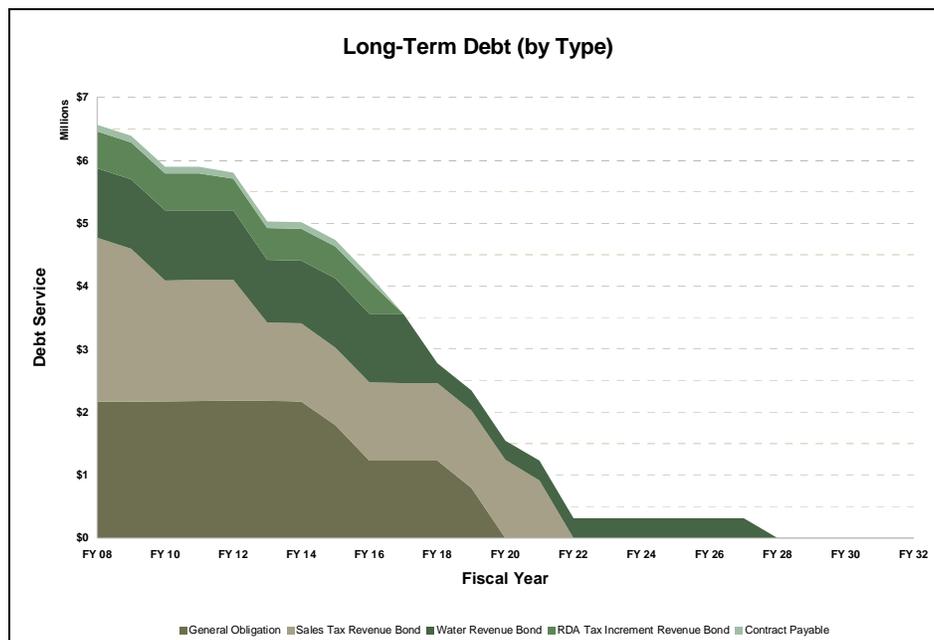
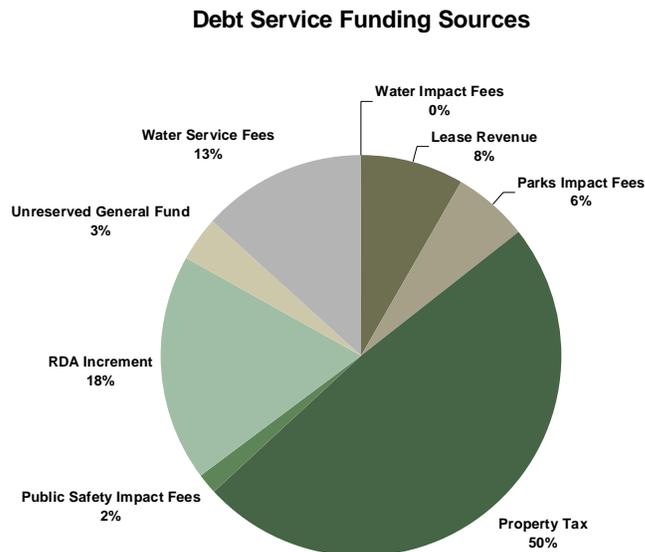


Figure E12 - Long Term Debt

EXPENSES

Funding sources for debt service payments in FY 2009 are detailed in Figure E13 below. General Obligation Bonds have property tax as a dedicated source for repayment, while Water Bonds generally have water service fees as a dedicated revenue source. RDA Bonds are backed by property tax increment. Sales Tax Bonds are backed by sales tax revenue, but the City has dedicated a number of revenue sources for repayment, including lease revenue, impact fees, and unreserved general fund revenue (i.e., sales tax).



A bond election was held in November 2007, and residents approved the issuance of \$15 million of General Obligation Debt for the Walkable & Bikeable Community Projects. Council created the Walkability Advisory Liaison Committee (WALC) to develop a strategy of implementation of these projects. Their recommendation is presented in the Budget Issues section. Council's decisions during the budget season regarding which projects to implement and when, will determine the schedule for issuance of these bonds.

Figure E13

The City's five year Capital Improvement Plan outlines a number of future projects for which it is anticipated the City expects to issue debt. The estimated impact to debt service due to possible future bonding can be seen in Figure E14. This anticipated debt includes a GO Bond issuance for Open Space (voter-approved in November 2006); a GO Bond issuance for Walkability (voter-approved in November 2007); a series of Sales Tax Bond issuances totaling \$24.75 million for street reconstruction projects related to the Old Town Improvement Study (OTIS); and \$20 million of Water Revenue Bond for water infrastructure projects.

EXPENSES

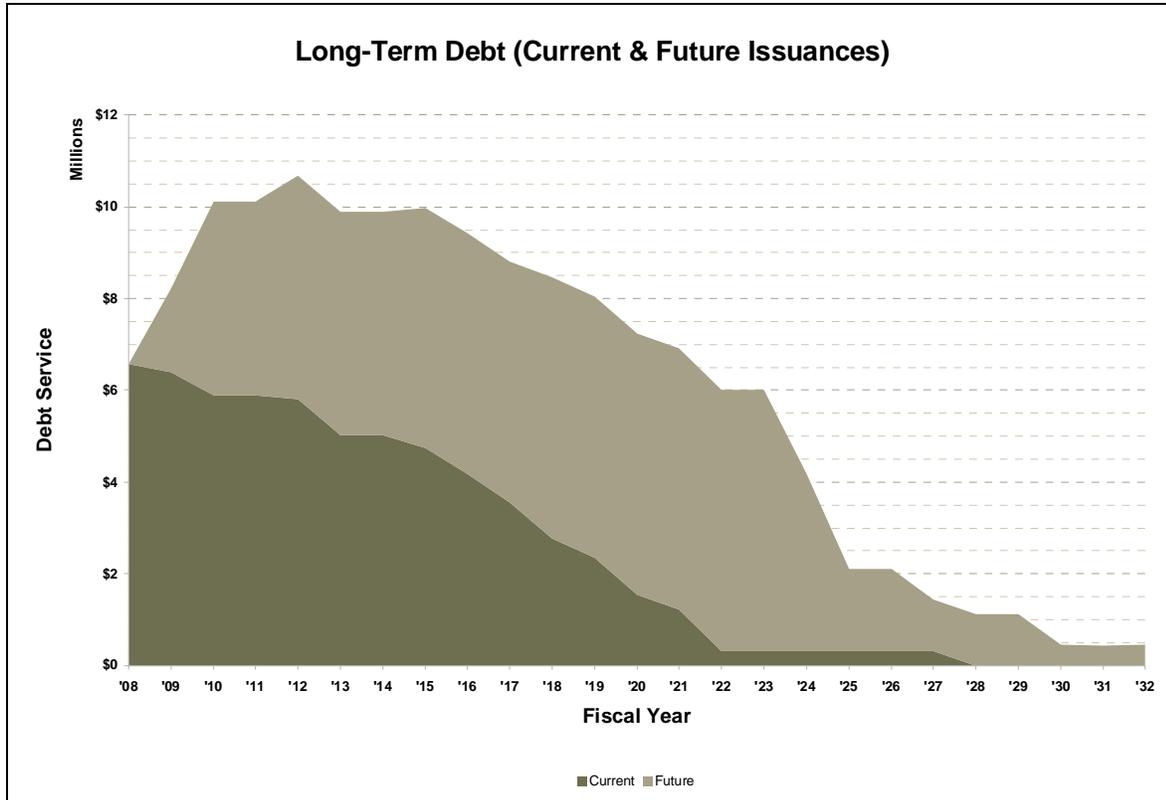


Figure E14 – Anticipated Future Debt Service Compared to Existing Debt

Perhaps the most significant measure related to debt service is the amount of debt that is secured by a non-dedicated revenue source. As previously discussed, the majority of the City’s debt service is paid for with dedicated revenue such as water fees, property tax, or property tax increment, all of which the City can influence through rate adjustments.

The majority of the debt service for the \$20 million sales tax revenue bonds issued in 2006 will come from dedicated revenue such as property tax increment pledged from the Main Street RDA and impact fees. A portion of the debt, however, will be paid for with unreserved or surplus General Fund revenue (sales tax). Figure E15 below shows how much of the City’s annual surplus is currently pledged for debt service as well as the amounts that are expected to be dedicated for debt service in the future.

EXPENSES

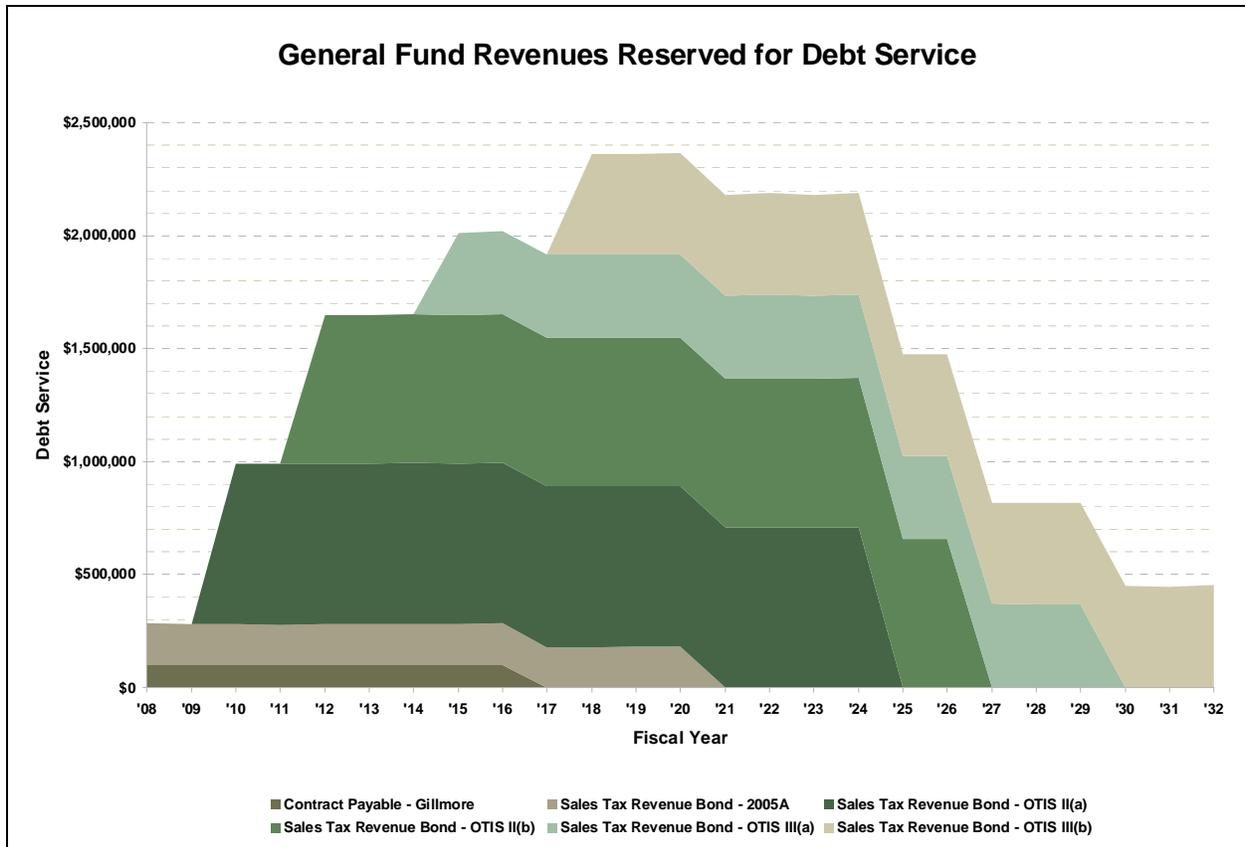


Figure E15 – General Fund Revenues Reserved for Debt Service

Note that approximately \$280,000 per year is currently pledged, but it is anticipated that all of the OTIS debt service will be paid for with General Fund surplus. At its peak, debt service for OTIS could cost as much at \$2.2 million annually. This means that \$2.5 million in General Fund surplus will have been spoken for. The City will need to carefully consider the prioritization of OTIS projects relative to other City needs before pledging any future “surplus” to new capital projects, unanticipated debt, or higher operating service levels.

ECONOMIC OUTLOOK

Park City is located in Summit County, Utah, in the heart of the Wasatch Mountains, 30 miles east of Salt Lake City and 40 minutes by freeway from the Salt Lake International Airport. Park City is one of the west's premier multi season resort communities with an area of approximately 12 square miles and a permanent resident population of approximately 8,000.

World renowned skiing is the center of activity being complemented throughout the year with major activities and events, such as the Sundance Film Festival, Arts Festival, concerts, sporting events, along with a variety of other winter and summer related activities.

Tourism is the major industry in Park City, with skiing, lodging facilities, and restaurants contributing significantly to the local economy. Park City is the home of two major ski resorts (Park City Ski Area and Deer Valley Ski Resort) with a third area (The Canyons) located only one mile north of the City limits.

In 1869, silver bearing quartz was discovered in the area of what is now Park City, and a silver mining boom began. From the 1930's through the 1950's, the mining boom subsided due to the decline of silver prices, and Park City came very close to becoming a historic ghost town. During that time, the residents began to consider an alternative to mining and began developing Park City into a resort town.

In 2002, Salt Lake City hosted the 2002 Winter Olympic Games with two athletic venues in Park City and one just north of the City limits. Deer Valley Resort hosted the slalom, aerial, and mogul competitions, Park City Ski Area hosted the Giant slalom, snowboarding slalom, and snowboarding half-pipe, and the Utah Winter Sports Park (Summit County) hosted Ski jumping, luge, and bobsled events. In addition to the athletic events, Park City and SLOC hosted Main Street Celebrations which included concerts, pin trading, sponsor villages, and other events creating a festive and well visited site for all. The 2002 Olympic Winter Games were an outstanding success. To commemorate this event the City has in the past year constructed several Olympic Legacies and will continue to build on the experience of hosting the Olympics and the world.

PARK CITY ECONOMY

Tourism is the backbone of the Park City economy and the majority of local tourism revolves around skiing and snowboarding. With the exception of the 2001-02 season, the year of the Olympic Winter Games, skier days at the three main resorts have increased significantly for the past five years. Skier days have increased 44.18 percent in the past decade for the Park City resorts. Encouraging tourism and the ski industry are objectives for Park City as well as for the State of Utah. With its close proximity to Salt Lake City and Salt Lake International airport, Park City is a major contributor to the State's goals. In the 2006-07 season, Park City area resorts claimed 42.78 percent of the total Utah skier day market share. Total skier days in Park City area resorts were 1,746,333, up 1.80 percent from the previous year.¹ With the local economy

¹ Source: Park City Chamber of Commerce, *Economic & Relocation Package*, Table 38: Skier Days (www.parkcityinfo.com/doc/Tourism.pdf).

ECONOMIC OUTLOOK

dependent on tourism and skiing, employment in Park City tends to decline in the spring and summer months. Park City hopes to mitigate this by diversifying recreational activities in the “off-season”.

Park City works cooperatively with the Park City Chamber of Commerce to successfully promote Park City as a year round recreational area. Some of the promotional events include mountain biking, weekly festival events, an international jazz festival, summer concert series, athletic events such as softball, rugby, and volleyball tournaments, hot air balloon rides and golfing. The Sundance Film Festival is the most recognizable event that occurs each year. In January of 2008, the Festival made its 28th appearance in Park City. It is estimated by the Sundance Institute that 29,027 out-of-state guests attended the festival in 2007. Total spending in Utah was approximately \$59.6 million during the festival, supplementing sales tax growth in Park City.

Closely connected to the tourist and ski industries in Park City is the real estate industry. During the past ten years, building activity within the City has gone from a low of \$51.0 million in 2002, on account of the reduced pace of construction caused by the Winter Olympic Games, to a high of \$239.7 million last year. Building activity over the last decade has averaged \$107.5 million. The calendar year of 2007 saw a 38.3 percent increase in building activity from the prior year (Figure EO1). Building activity is valued using the International Building Code and is based on square footage as well as types of construction and building use. The state of Utah has continued to experience a high level of new residential home construction. Park City’s growth is mainly attributed to interest rates that have remained low, Park City’s role as a bedroom community for Salt Lake City, and a strong local economy.

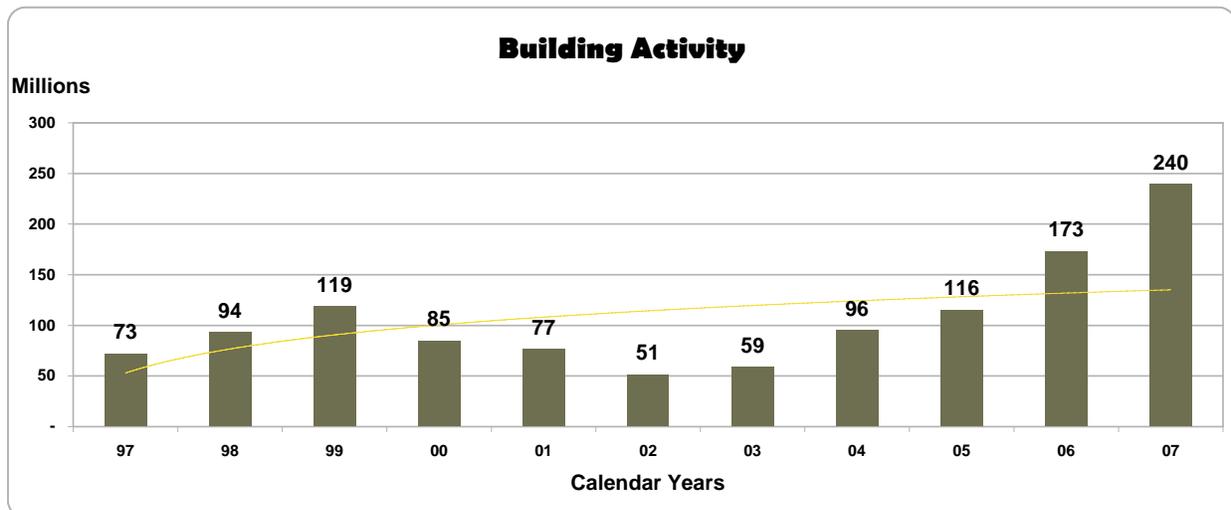


Figure EO1 – Annual Cost of Construction in Park City

Park City’s debt service expenditures have increased in amount and as a percentage of total expenditures during the past decade. Much of this is due to the voter approved General Obligation Bonds that were passed in 1999, 2000, 2005, 2006, and 2007 as well as the Sales Tax Revenue Bonds issued in 2005. The City’s bond rating was upgraded in May 2006 by Moody’s

ECONOMIC OUTLOOK

to Aa2, and continues with high ratings by resort standards with AA- by Standard and Poor's and Fitch. A bond rating of AA- (AAA is generally the highest rating) indicates that Park City as an issuer offers "excellent financial security." The issued Sales Tax Revenue Bond also received a rating of A+ from Standard & Poor's.

Revenues have been steadily increasing for Park City in the past ten years with no revenue source significantly changing as a percentage of total revenue. Taxes account for roughly 50 percent of total revenue.

Unemployment data is unavailable for Park City, however, the current Summit County unemployment rate (of which Park City is the largest city) is estimated at 2.2 percent—the state unemployment rate is 2.3 percent and the national rate is 4.4 percent. The unemployment rate of Summit County was 2.8 percent in 2006.

Park City will continue to expect a growing economy in future years. Diversification of resort activities, promoting additional special events, and sound financial policies will all aid in ensuring a thriving economy.

CITY SALES TRENDS

Park City has experienced exceptional economic growth in the last five years. Figure EO2 shows the growth in total estimated sales from 1995 to 2007. When adjusted for inflation, sales in Park City have seen an average growth rate of 3.63 percent from FY 1997 to FY 2007. For FY 2007, Park City collected roughly \$5.9 million in local option sales tax—equating to roughly \$594 million in estimated taxable sales—\$474,000 more than the previous year, \$2.7 million more than FY 1997, and the highest annual sales tax accumulation in Park City to date. Total sales are determined from the annual 1 percent local sales tax collected each year.

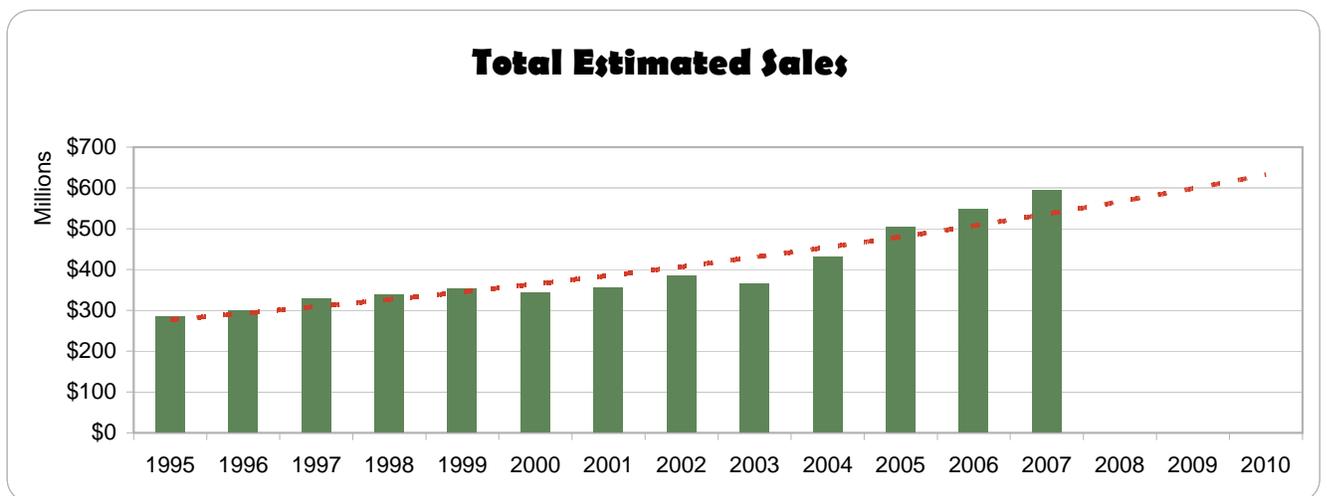


Figure EO2 – Total Estimated Sales

ECONOMIC OUTLOOK

Figure EO3 shows the sales trends by industry from 1997 to 2007. The Service Sector has experienced the greatest change with a 14.69 percent average growth rate in the last 5 years. The Retail Industry still leads all other sectors in absolute dollar terms, averaging 4.27 percent growth since 1997 and a 9.41 percent average annual growth rate since 2003.

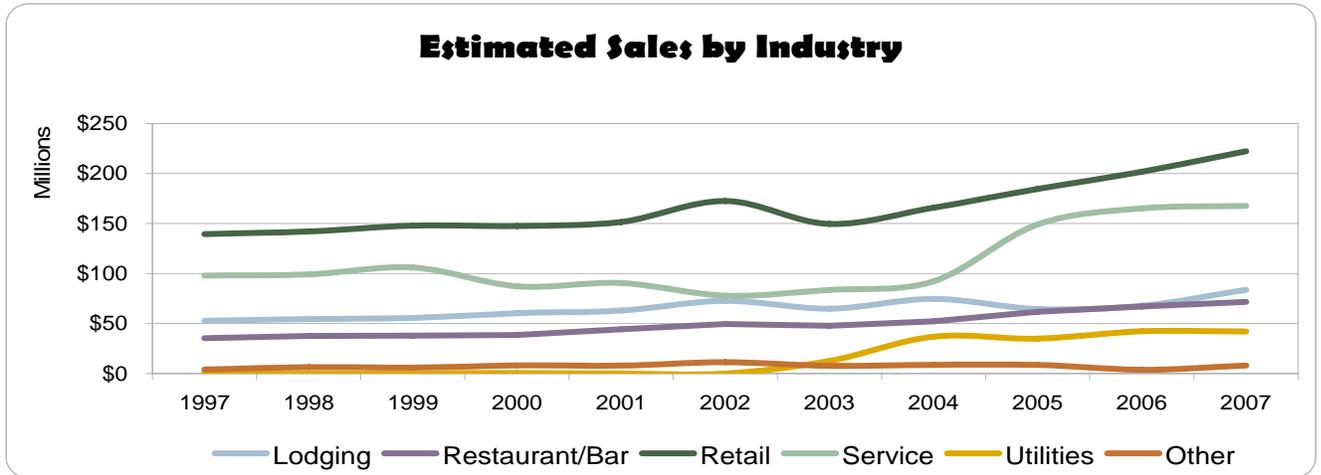


Figure EO3 – Estimated Sales by Industry

Because Park City’s economy relies heavily on the ski industry and tourism, sales tax revenues are extremely seasonal. Figure E04 represents seasonality by industry (based on a ten-year average). The Lodging Sector is the most seasonal with 55.93 percent of sales tax revenues coming during Quarter 3. The Service Sector—which includes skiing and entertainment amongst other services—is also highly seasonal; 54.72 percent of service-related sales come during Quarter 3. The Retail Sector showed the least seasonality with only 34.23 percent of total sales coming in Quarter 3, with the rest of its quarters demonstrating minimal variance of seasonality.

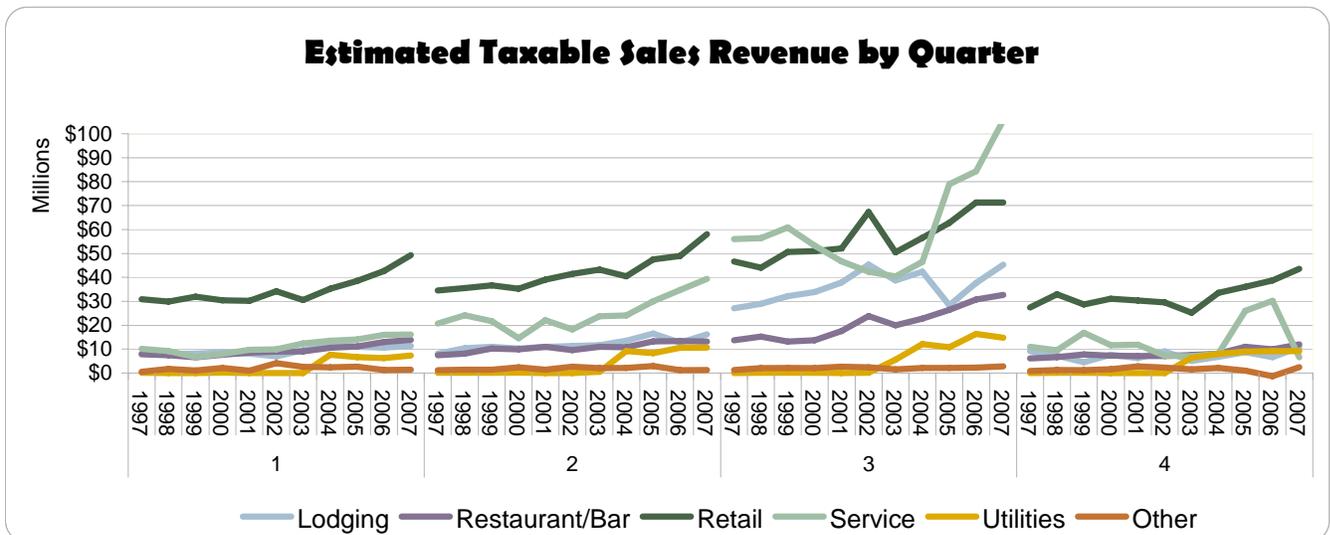


Figure EO4 – Estimated Taxable Sales Revenue by Quarter

ECONOMIC OUTLOOK

CITY FINANCIAL HEALTH INDICATORS

In May of 2003, the Citizens Technical Advisory Committee (CTAC) and the staff from Park City Municipal Corporation identified certain concepts in order to measure the financial health of Park City. The ultimate goal for these concepts was to specify indicators that would be monitored in the future and be included in future Budget Documents. These measures are designed to show the financial position of the City as a whole, while the performance measurement program focuses more specifically on each department within the City's organization.

TYPES OF FINANCIAL HEALTH INDICATORS

The International City/County Management Association (ICMA) produces a manual entitled Evaluating Financial Condition. Within this manual, various indicators and methods for analysis are outlined and recommended. According to the ICMA, the financial condition of a municipality can be defined as "...a government's ability in the long run to pay all the costs of doing business, including expenditures that normally appear in each annual budget, as well as those that will appear only in the years in which they must be paid." By recording the necessary data and observing these indicators, certain warning trends can be seen and remedied before it becomes a problem for the Park City government.

The following indicators were chosen with input from CTAC and the staff from the budget department.

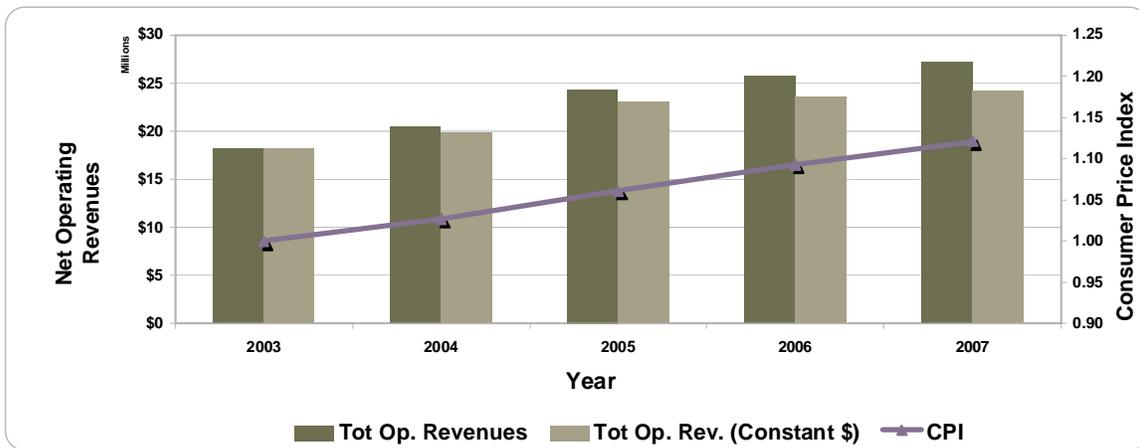
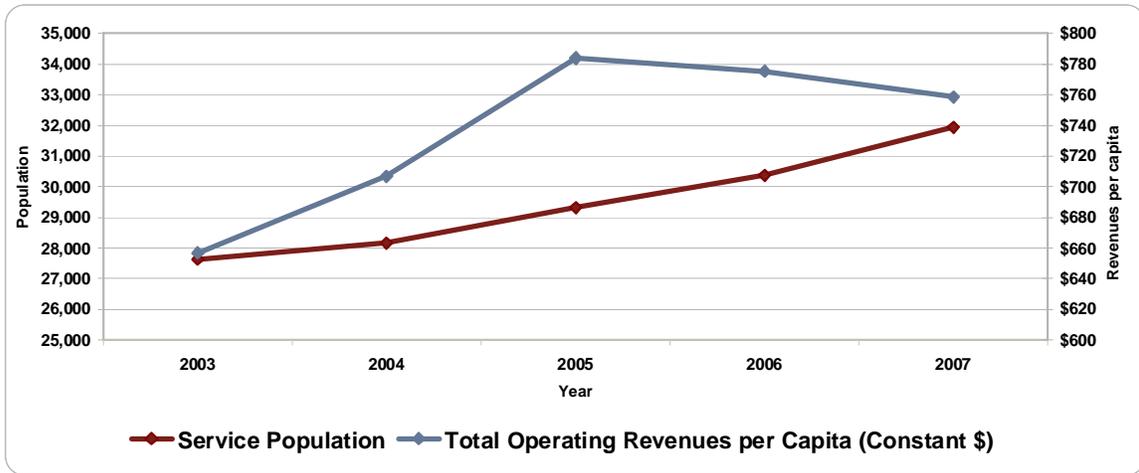
- A. Revenues per capita
- B. Expenditures per capita
- C. Municipal employees per capita
- D. Operating (deficit) surplus per capita
- E. Comparison of the liquidity ratio and long-term debt
- F. Long-term overlapping debt as a percentage of assessed valuation
- G. Administrative costs as a percentage of total operating expenditures
- H. Historical bond ratings

ECONOMIC OUTLOOK

Revenues per Capita

Revenues per Capita are total operating revenues per capita (service population*)

Description	2003	2004	2005	2006	2007
Total Operating Revenues	\$18,161,786	\$20,439,137	\$24,394,880	\$25,747,633	\$27,168,931
CPI	1.00	1.03	1.06	1.09	1.12
Total Operating Revenues (Constant dollars)	\$18,161,786	\$19,901,789	\$22,992,347	\$23,556,846	\$24,236,335
Service Population *	27,648	28,160	29,327	30,381	31,943
Total Operating Revenues per capita (Constant dollars)	\$656.89	\$706.74	\$784.00	\$775.39	\$758.73



Analysis

Total Operating Revenues includes the General Fund and the Debt Service Fund. Examining per capita revenues shows changes in revenue relative to changes in population size. By using the service population, one can factor in the impact that visitors and secondary homeowners have on sales tax revenue. The consumer price index is used to convert current total operating revenues to constant total operating revenues to account for inflation and display a more accurate picture of accrued revenues. The warning trend is decreasing total operating revenues as the population rises. The past year displays a decrease but the overall trend for Park City is upward.

Source

Total Operating Revenues - Statement of Revenues, Expenditures, and Changes in Fund Balances pg. 31. (General + Debt Service (Sales Tax Revenue and Refunding) Debt Service (Park City General Obligation).)

Also, note CAFR 00-04 Table 2, CAFR 05-06 Schedule 5 for Tax Revenue.

CPI - Bureau of Labor Statistics www.bls.gov, Population - Census Bureau, www.census.gov

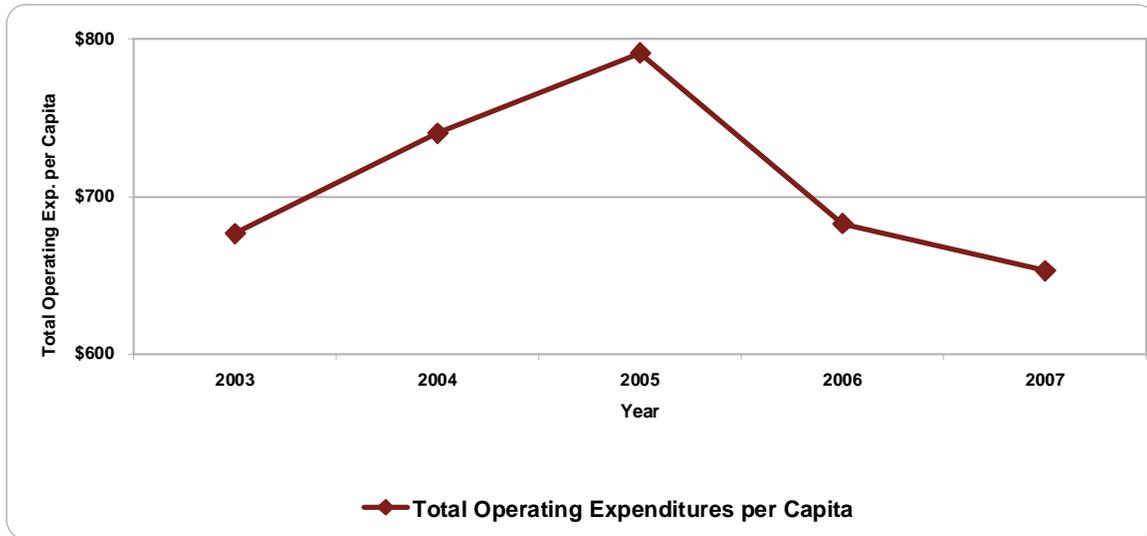
* Service Population = Permanent Population + Secondary Homeowners + Average Daily Visitors

ECONOMIC OUTLOOK

Expenditures per Capita

Expenditures per capita are net operating expenditures per capita (service population *)

Description	2003	2004	2005	2006	2007
Debt Service	\$4,683,950	\$5,813,844	\$8,614,018	\$5,672,895	\$5,357,113
Operating Expenditures	\$14,021,481	\$15,594,567	\$16,008,645	\$17,001,125	\$18,017,352
Total Operating Expenditures	\$18,705,431	\$21,408,411	\$24,622,663	\$22,674,020	\$23,374,465
CPI	1.00	1.03	1.06	1.09	1.12
Total Operating Expenditures (Constant dollars)	\$18,705,431	\$20,845,580	\$23,207,034	\$20,744,758	\$20,851,441
Service Population*	27,648	28,160	29,327	30,381	31,943
Net Operating Expenditures per capita (Constant dollars)	\$676.55	\$740.26	\$791.32	\$682.82	\$652.76



Analysis

Changes in per capita expenditures reflect changes in expenditures relative to changes in population. Taking into account the service population and the inflation factor, the indicator shows the increasing costs of providing city services. The rate, while increasing slightly, could be considered fairly stable. The decrease in 2006, when accounting for inflation, may be indicative of increased efficiencies.

Source

Population - Census Bureau, www.census.gov,

Debt Service excludes CIP debt service pg. 31 (Total Governmental Funds: Principal + Interest - CIP)

Net Operating Expenditures - CAFR 00-04 Table 1, CAFR 05-06 Schedule 4

Total Operating Expenditures pg. 31 (General Total).

CPI - Bureau of Labor Statistics www.bls.gov

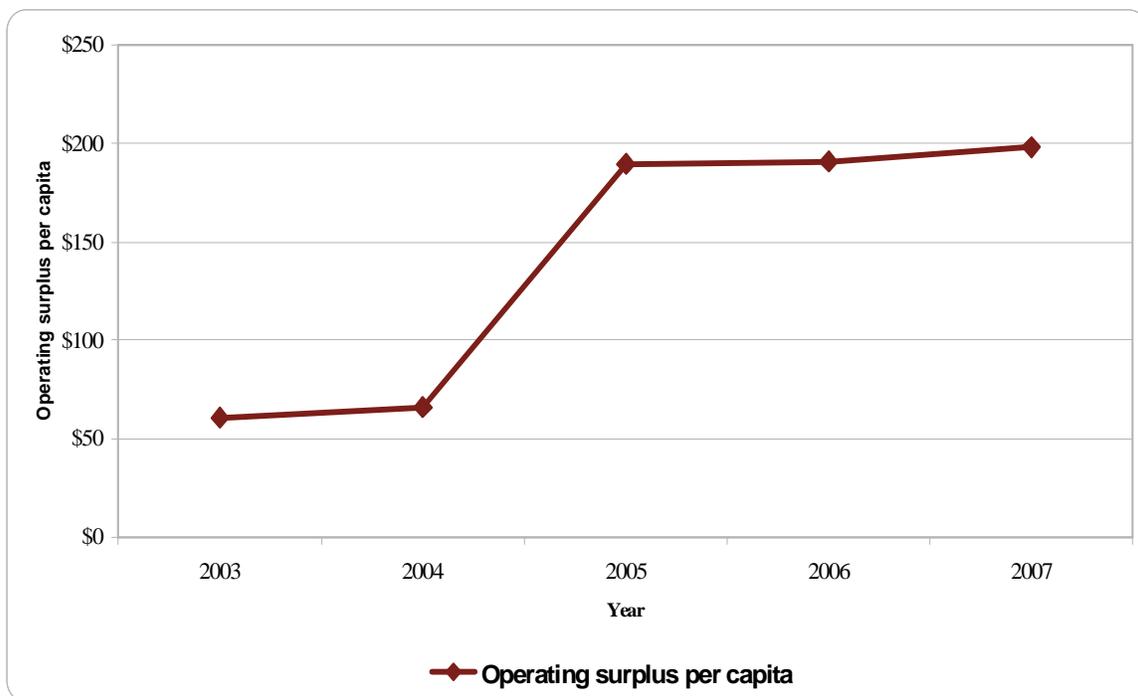
* Service Population = Permanent Population + Secondary Homeowners + Average Daily Visitors

ECONOMIC OUTLOOK

Operating (Deficit) or Surplus

Operating deficit or surplus as a percentage of operating revenues

Description	2003	2004	2005	2006	2007
Operating deficit or surplus	\$1,680,235	\$1,860,284	\$5,558,758	\$5,796,086	\$6,333,895
Net fund operating revenue	\$18,161,786	\$20,439,137	\$24,394,880	\$25,747,633	\$27,168,931
General fund operating surplus (deficit) as % of net fund operating revenues	9%	20%	23%	23%	23%
Service Population*	27,648	28,160	29,327	30,381	31,943
Operating surplus per capita	\$60.77	\$66.06	\$189.54	\$190.78	\$198.28



Analysis

An operating surplus is used to fund CIP and fund non-operating expenditures. The City has had a strong fund balance for several years and increased substantially in 2005 and 2006.

Source

General fund operating surplus/deficit - CAFR 05-06 pg.33, Net Fund Operating Revenues - CAFR 00-04 Table 2, CAFR 05-06 Schedule 5 for Tax Revenue; Statement of Revenues, Expenditures, and Changes in Fund Balances pg. 31 for all other revenues. (Includes debt service for investment income and rental and other miscellaneous)

ECONOMIC OUTLOOK

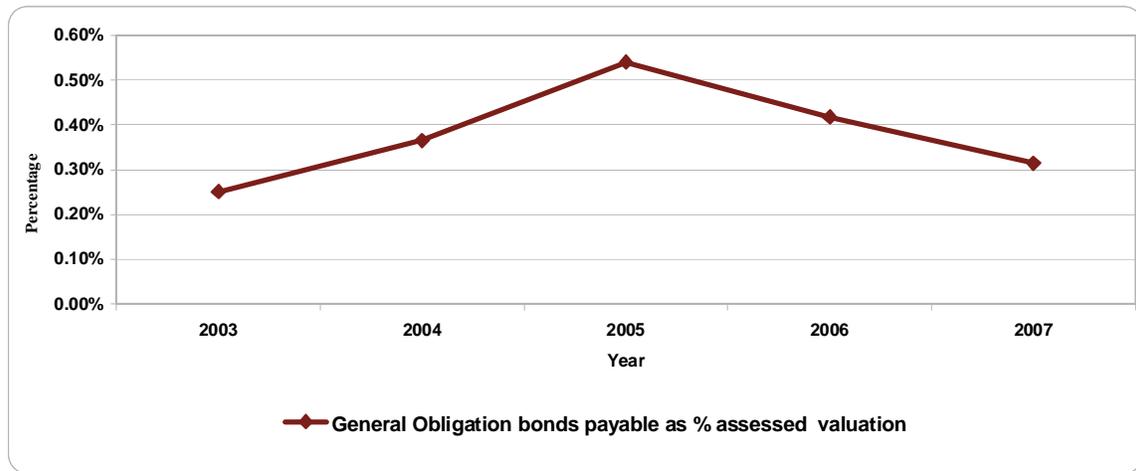
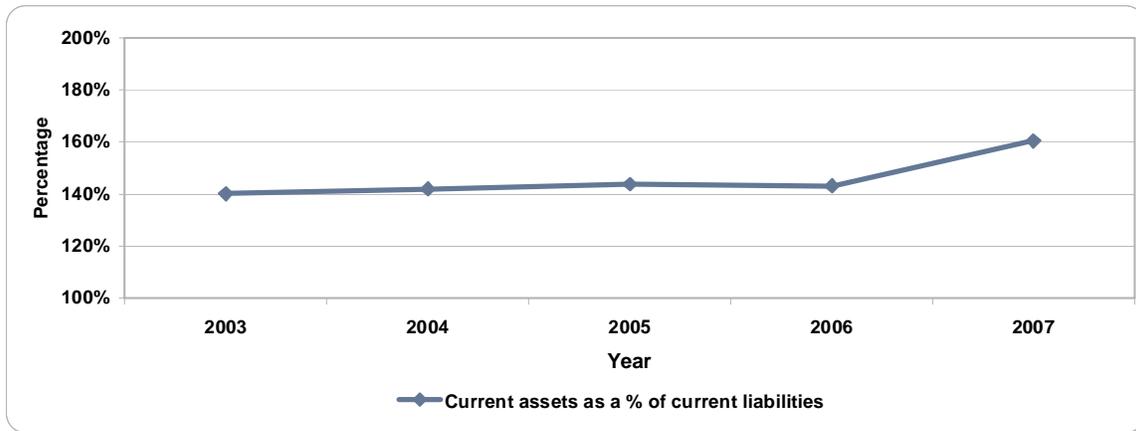
Liquidity & Long Term Debt

Liquidity is defined as cash and short-term investments as a percentage of current liabilities

Long-Term debt is defined as total General Obligation bonds payable as a percentage of assessed valuation

Description	2003	2004	2005	2006	2007
Cash and short-term investments	\$9,590,421	\$10,124,254	\$10,551,287	\$10,343,145	\$12,229,000
Current Liabilities	\$6,844,243	\$7,132,190	\$7,334,508	\$7,222,488	\$7,614,985
Current assets as a % of current liabilities	140%	142%	144%	143%	161%

Description	2003	2004	2005	2006	2007
Assessed valuation	\$3,248,321,363	\$3,366,693,788	\$3,688,014,044	\$4,445,057,404	\$5,457,931,458
Total G. O. bonds payable	\$8,155,000	\$12,300,000	\$19,915,000	\$18,570,000	\$17,175,000
General Obligation bonds payable as % assessed valuation	0.25%	0.37%	0.54%	0.42%	0.31%



Analysis - See following page

ECONOMIC OUTLOOK

Analysis

Liquidity determines the city's ability to pay its short-term obligations. In the private sector, liquidity is measured with the ratio of cash, short-term investments and accounts receivable over current liabilities. Public sector municipalities use the ratio of cash and short-term investments over current liabilities. According to the International City/County Management Association, both private and public sectors use the ratio of one to one or 100% or above to indicate a current account surplus.

The liquidity indicator for Park City has decreased over the time period shown due to the issue of General Obligation (or voter approved) bonds in 1999, 2000, 2003, 2004 and 2006. The majority of these G.O. bonds were allocated for the purchase of open space*. Issuing these bonds increases the long term debt and the current liability account, thus decreasing the liquidity ratio. The warning trend to be aware of in analyzing these measures, is a decreasing liquidity ratio in conjunction with an increase in long term debt. This indicates that a government might struggle to cover its financial obligations in the future.

Although it is apparent that the liquidity ratio has declined over the time period shown, it should be noted that the ratio is still above the 100% level, and that the issued G.O. bonds have a dedicated revenue source in property taxes. The Utah State Constitution states that direct debt issued by a municipal corporation should not exceed 4% of the assessed valuation, Park City has a more stringent policy of 2% of assessed valuation. Although the percentage of long-term debt to assessed valuation has been increasing, it is still well below the City policy of 2%.

* 1999 bond issue was passed by a voter margin of 78% & 2003 by 81%.

Source

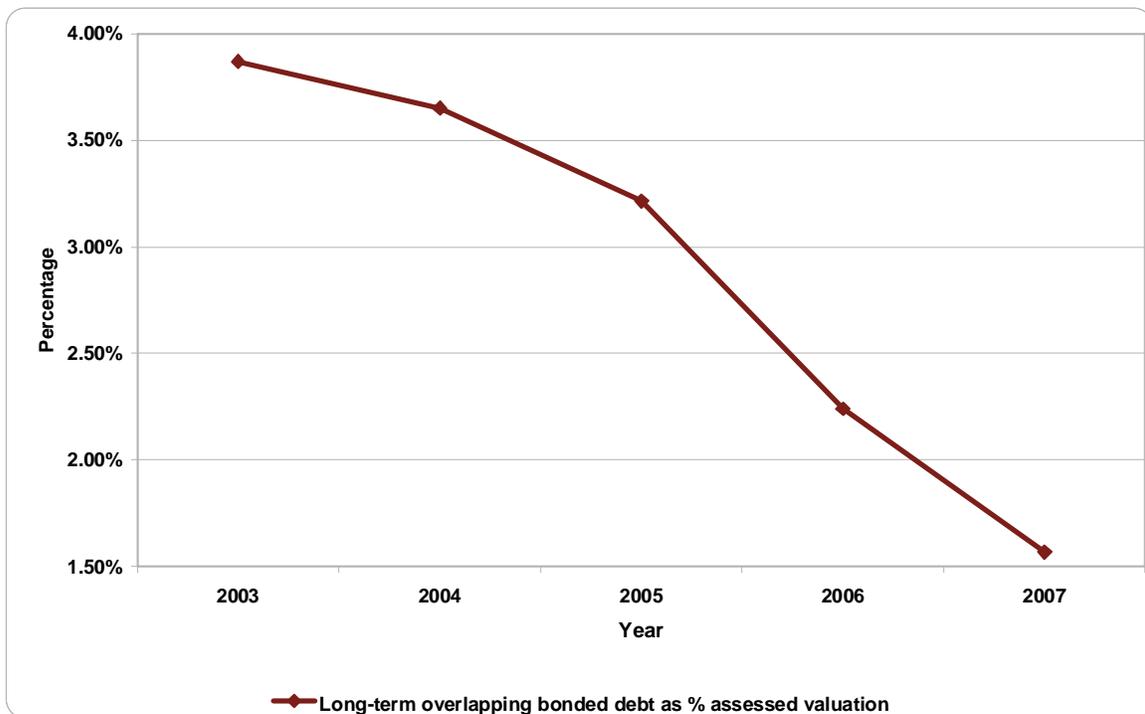
Current Assets - CAFR 05-06 pg. 29,(General - Total). Current Liabilities - CAFR 05-06 pg. 29, (General - Total). Assessed Valuation- Summit County Assessor's Office, Gross Bonded Long-Term Debt - CAFR 05-06 Schedule 13. Current Assets - CAFR 00-04, Current Liabilities - CAFR 00-04, Assessed Valuation- CAFR 00-04, Gross Bonded Long-Term Debt - CAFR 00-04 Table 9

ECONOMIC OUTLOOK

Overlapping Debt

Long-term overlapping bonded debt is the annual debt service on General Obligation Bonds as a percentage of the assessed valuation of the City

Description	2003	2004	2005	2006	2007
Park City	\$7,604,811	\$12,122,258	\$19,915,000	\$18,570,000	\$17,175,000
State of Utah	\$65,656,126	\$62,122,471	\$53,032,654	\$48,125,622	\$36,247,903
Summit County	\$13,005,836	\$11,051,500	\$11,244,000	\$5,419,885	\$2,521,348
Park City School District	\$29,089,570	\$27,817,496	\$26,295,854	\$20,306,303	\$23,810,641
Snyderville Basin Sewer District	\$4,725,300	\$4,280,100	\$2,649,317	\$2,602,414	\$1,678,554
Weber Basin Water Conservancy District	\$5,588,281	\$5,483,196	\$5,436,791	\$4,567,266	\$4,220,818
Total Long-term overlapping bonded debt	\$125,669,924	\$122,877,021	\$118,573,616	\$99,591,490	\$85,654,264
Assessed valuation	\$3,248,321,363	\$3,366,694,000	\$3,688,014,044	\$4,445,057,404	\$5,457,931,458
Long-term overlapping bonded debt as % assessed valuation	3.87%	3.65%	3.22%	2.24%	1.57%



Analysis

The overlapping debt indicator measures the ability of the City's tax base to repay the debt obligations issued by all of its governmental and quasi-governmental jurisdictions. Overlapping debt as a percentage of the City's assessed valuation has steadily decreased over the past four years due to increases in assessed valuation.

Source

Long-term overlapping bonded debt - CAFR 05-06 Schedule 14, Assessed valuation - Summit County Assessor's Office

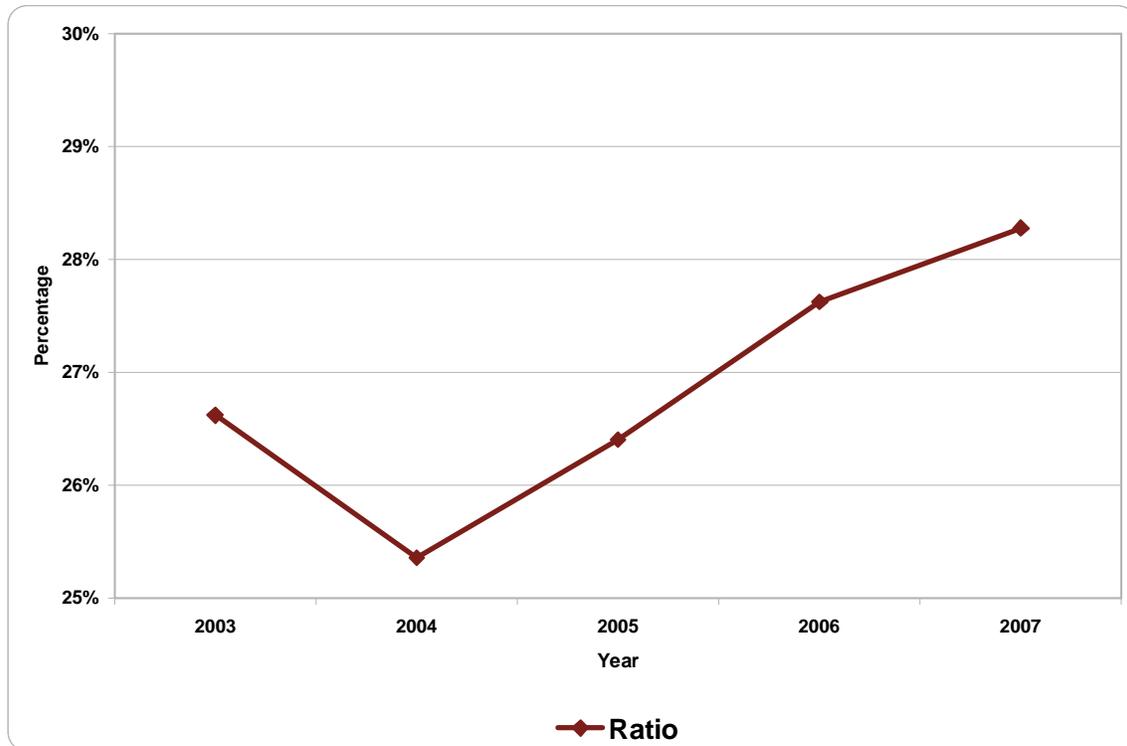
Long-term overlapping bonded debt - CAFR 00-04 Table 10, Assessed valuation - CAFR 00-04 Table 9

ECONOMIC OUTLOOK

Administrative Costs as a Percentage of Total Operating Expenditures

Administrative Costs were evaluated from specific functions of the municipal government as a percentage of net operating expenses

Description	2003	2004	2005	2006	2007
Administrative Costs	\$4,979,329	\$5,428,473	\$6,501,354	\$6,263,650	\$6,609,484
Net Operating Expenses	\$18,705,431	\$21,408,411	\$24,622,663	\$22,674,020	\$23,374,465
Ratio	27%	25%	26%	28%	28%



Analysis

Examining a function of the government as a percentage of total expenditures enables one to see whether that function is receiving an increasing, stable, or decreasing share of the total expenditures. Administrative expenses were totaled from the actual expenditures for the executive function of the City excluding the Ice Facility and have remained fairly stable for the past several fiscal years.

Source

Administrative costs 2001-2005 from 7-140 report, 2000 data from Trial Balance Report of FY2000 Net Operating Expenses - CAFR 00-04 Table 1, CAFR 05-06 Schedule 4 (Debt Service excludes CIP debt service pg. 31)

ECONOMIC OUTLOOK

Bond Ratings for Park City

Description	2003	2004	2005	2006	2007
Moody's	Aa3	Aa3	Aa3	Aa2	Aa2
S & P	AA-	AA-	AA-	AA-	AA-
Fitch	AA-	AA-	AA-	AA-	AA-

Bond Scales

Moody's	S & P	Fitch	Description	
Aaa	AAA	AAA	Highest	
Aa1	AA+	AA+	Top Quality; "Gilt-Edged" High Grade; Very Strong	
Aa2	AA	AA	Top Quality; "Gilt-Edged" High Grade; Very Strong	
Aa3	AA-	AA-	Top Quality; "Gilt-Edged" High Grade; Very Strong	Park City Bond Rating
A1	A+	A+	Upper Medium Grade; Strong	
A2	A	A	Upper Medium Grade; Strong	
A3	A-	A-	Upper Medium Grade; Strong	
Baa1	BBB+	BBB+	Medium Grade; Adequate	
Baa2	BBB	BBB	Medium Grade; Adequate	
Baa3	BBB-	BBB-	Medium Grade; Adequate	
Ba1	BB+	BB+	Speculative Elements; Major Uncertainties	
Ba2	BB	BB	Speculative Elements; Major Uncertainties	
Ba3	BB-	BB-	Speculative Elements; Major Uncertainties	
B1	B+	B+	Not Desirable; Impaired Ability to Meet Obligations	
B2	B	B	Not Desirable; Impaired Ability to Meet Obligations	
B3	B-	B-	Not Desirable; Impaired Ability to Meet Obligations	
Caa1	CCC+	CCC+	Very Speculative	
Caa2	CCC	CCC	Very Speculative	
Caa3	CCC-	CCC-	Very Speculative	
Ca	CC	CC	Very Speculative	
C	C	C	No Interest Being Paid	
D	DDD, DD, D		Default	

Analysis

A municipal bond rating informs an investor of the relative safety level in investing in a particular bond. As shown in the chart above, the current bond rating for Park City is described as Top Quality; "Gilt-Edged" High Grade; Very Strong with the three major bond rating companies.

Source

Park City bond ratings- Budget Documents 2000-2004, 1999 - Official Statement for 1999 issuance of G.O. bonds Bond Rating Scales- Zions Public Finance

ECONOMIC OUTLOOK

PARK CITY DEMOGRAPHIC INFORMATION

FY 2007 Census Bureau estimate of permanent population:	8,100
Service Population in 2007: <i>(Includes the permanent population, population estimate for secondary homeowners, and average daily visitors)</i>	31,943
City Size:	17.69 square miles
Government Type:	Elected Mayor and five member City Council / Council-Manager form of government (by ordinance).
Incorporation Date:	March 15, 1884
2007 Total Assessed Value:	\$5,924,979,783
2007 Total Taxable Value:	\$5,179,080,788
Median Household Income (2005):	\$62,200
Median Family Income (2001):	\$77,137
Median Age (2000 Census):	32.7
Enrolled School Population (2005):	4,344
Percent of persons 25 years old and over with:	
High School Diploma or Higher:	88.2%
Bachelor Degree or Higher:	51.7%
Annual Average Snowfall:	350"
Elevation Range:	6,500' to 10,000'
2006-07 Season Skier Days (3 area resorts):	1,746,333

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POLICIES & OBJECTIVES

CHAPTER 1 - BUDGET POLICY

PART I - BUDGET ORGANIZATION

- A.** Through its financial plan (Budget), the City will do the following:
1. Identify citizens' needs for essential services.
 2. Organize programs to provide essential services.
 3. Establish program policies and goals that define the type and level of program services required.
 4. List suitable activities for delivering program services.
 5. Propose objectives for improving the delivery of program services.
 6. Identify available resources and appropriate the resources needed to conduct program activities and accomplish program objectives.
 7. Set standards to measure and evaluate the following:
 - a. the output of program activities
 - b. the accomplishment of program objectives
 - c. the expenditure of program appropriations
- B.** All requests for increased funding or enhanced levels of service should be considered together during the budget process, rather than in isolation. A request relating to programs or practices which are considered every other year (i.e., the City Pay Plan) should be considered in its appropriate year as well. According to state statute, the budget officer (City Manager) shall prepare and file a proposed budget with the City Council by the first scheduled council meeting in May.
- C.** The City Council will review and amend appropriations, if necessary, during the fiscal year.
- D.** The City will use a multi-year format (two years for operations and five years for CIP) to give a longer range focus to its financial planning.
1. The emphasis of the budget process in the first year is on establishing expected levels of services, within designated funding levels, projected over a two-year period, with the focus on the budget.
 2. The emphases in the second year are reviewing necessary changes in the previous fiscal plan and developing long term goals and objectives to be used during the next two-year budget process. The focus is on the financial plan. In the second year, operational budgets will be adjusted to reflect unexpended balances from the first year.
- E.** Through its financial plan, the City will strive to maintain **Structural Balance**; ensuring basic service levels are predictable and cost effective. A balance should be maintained between the services provided and the local economy's ability to pay.

POLICIES & OBJECTIVES

- F.** The City will strive to improve productivity, though not by the single-minded pursuit of cost savings. The concept of productivity should emphasize the importance of *quantity* and *quality* of output as well as *quantity* of resource input.

PART II - ECONOMIC DEVELOPMENT GRANT POLICY (ADOPTED JUNE 15, 2006)

Annually, the City will allocate \$20,000 to be used towards attracting and promoting new organizations that will fulfill key priority goals of the City's current Economic Development Plan. Funding will be available for relocation and new business start-up costs only.

A. ED Grant Distribution Criteria

Organizations must meet the following criteria in order to be eligible for an ED Grant:

1. **Criteria #1:** The organization must demonstrate a sound business plan that strongly supports prioritized Goals of the current City Economic Development Plan.
2. **Criteria #2:** The organization must be unique and innovative; with a forecasted ability to generate overnight visitors who would spend dollars within the City's resort offerings.
3. **Criteria #3:** The organization must be new to Park City or represent a distinctly new enterprise supportive of the current priority Goals of the City's Economic Development Plan. Organizations must commit to and demonstrate the ability to do business in the City limits no less than three years. Funding cannot be used for one-time events.
4. **Criteria #4:** The organization must produce items or provide services that are consistent with the economic element of the City's General Plan; enhances the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the inhabitants of the City.
5. **Criteria #5:** Can forecast and demonstrate at the time of application an ability to achieve direct taxable benefits to the City greater than twice the City's contribution.
6. **Criteria #6:** Fiscal Stability and Other Financial Support: The organization must have the following: (1) A clear description of how public funds will be used and accounted for; (2) Other funding sources that can be used to leverage resources; (3) A sound financial plan that demonstrates managerial and fiscal competence.

The City's Economic Development Program Committee will review all applications and submit a recommendation to City Council, who will have final authority in judging whether an applicant meets these criteria.

B. Economic Development Grant Fund Appropriations

The City currently allocates economic development funds through the operating budget of the Economic Development & Capital Projects department. Of these funds, no more than \$20,000 per annum will be available for ED Grants. Unspent fund balances at the end of a year will not be carried forward to future years.

POLICIES & OBJECTIVES

C. ED Grant Categories

ED Grants will be placed in two potential categories:

- 1. Business Relocation Assistance:** This category of grants will be available for assisting an organization with relocation and new office set-up costs. Expenses that could be covered through an ED Grant include moving costs, leased space costs, and fixtures/furnishings/ and equipment related to setting up office space within the City limits.
- 2. New Business Start-up Assistance:** This category of grants will be available for assisting a new organization or business with new office set-up costs. Expenses that could be covered through an ED Grant include leased office space costs and fixtures/furnishings/ and equipment related to setting up office space within the City limits.

D. Application Process

Application forms may be downloaded from the City's www.parkcity.org website or available for pick-up within the Economic Development Office of City Hall. Funds are available throughout the City's fiscal year on a budget available basis.

E. Award Process

The disbursement of the ED Grants shall be administered pursuant to applications and criteria established by the Economic Development Department, and awarded by the City Council consistent with this policy and upon the determination that the appropriation is necessary and appropriate to accomplish the economic goals of the City.

ED Grants funds will be appropriated through processes separate from the biennial Special Service Contract and ongoing Rent Contribution and Historic Preservation process.

The Economic Development Program Committee will review all applications and forward a recommendation to City Council for authorization. All potential awards of grants will be publicly noticed 14 days ahead of a City Council action.

Nothing in this policy shall create a binding contract or obligation of the City. Individual ED Grant Contracts may vary from contract to contract at the discretion of the City Council. Any award of a contract is valid only for the term specified therein and shall not constitute a promise of future award. The City reserves the right to reject any and all proposals, and to waive any technical deficiency at its sole discretion. Members of the City Council, the Economic Development Program Committee, and any advisory board, Task Force or special committee with the power to make recommendations regarding ED Contracts are ineligible to apply for such Contracts. City Departments are also ineligible to apply for ED Contracts. All submittals shall be public records in accordance with government records regulations ("GRAMA") unless otherwise designated by the applicant pursuant to UCA Section 63-2-308, as amended.

POLICIES & OBJECTIVES

PART III - VENTURE FUND

In each of the Budgets since FY1990, the City Council has authorized a sum of money to encourage innovation and to realize opportunities not anticipated in the regular program budgets. The current budget includes \$50,000 in each of the next two years for this purpose. The City Manager is to administer the money, awarding it to programs or projects within the municipal structure (the money is not to be made available to outside groups or agencies). Generally, employees are to propose expenditures that could save the City money or improve the delivery of services. The City Manager will evaluate the proposal based on the likelihood of a positive return on the "investment," the availability of matching money from the department, and the advantage of immediate action. Proposals requiring more than \$10,000 from the Venture Fund must be approved by the City Council prior to expenditure.

PART IV - RECESSION/NET REVENUE SHORTFALL PLAN

- A.** The City has established a plan, including definitions, policies, and procedures to address financial conditions that could result in a net shortfall of resources as compared to requirements. The Plan is divided into the following three components:
- 1. Indicators** which serve as warnings that potential budgetary impacts are increasing in probability. The City will monitor key revenue sources such as sales tax, property tax, and building activity, as well as inflation factors and national and state trends. A set of standard indicators will be developed.
 - 2. Phases** which will serve to classify and communicate the severity of the situation, as well as identify the actions to be taken at the given phase.
 - 3. Actions** which are the preplanned steps to be taken in order to prudently address and counteract the anticipated shortfall.
- B.** The recession plan and classification of the severity of the economic downturn will be used in conjunction with the City's policy regarding the importance of maintaining reserves to address economic uncertainties. As any recessionary impact reduces the City's reserves, corrective action will increase proportionately. Following is a summary of the phase classifications and the corresponding actions to be taken.
- 1. ALERT: An anticipated net reduction in available reserves from 1% up to 9%.** The actions associated with this phase would best be described as delaying expenditures where reasonably possible, while maintaining the "Same Level" of service. Each department will be responsible for monitoring its individual budgets to ensure only essential expenditures are made.
 - 2. MINOR: A reduction in reserves in excess of 9%, but less than 23%.** The objective at this level is still to maintain "Same Level" of service where possible. Actions associated with this level would be as follows:
 - a.** Implementing the previously determined "Same Level" Budget.
 - b.** Intensifying the review process for large items such as contract services, consulting services, and capital expenditures, including capital improvements.

POLICIES & OBJECTIVES

PART II - ENTERPRISE FUND FEES AND RATES

- A.** The City will set fees and rates at levels that fully cover the total direct and indirect costs, including debt service, of the Water and Golf enterprise programs.
- B.** The City will cover all transit program operating costs, including equipment replacement, with resources generated from the transit sales tax, business license fees, fare revenue, federal and state transit funds, and not more than 1/4 of 1 percent of the resort/city sales tax, without any other general fund contribution. Parking operations will be funded through parking related revenues and the remaining portion of the resort/city sales tax not used by the transit operation. The City will take steps to ensure revenues specifically for transit (transit tax and business license) will not be used for parking operations. The administrative charge paid to the general fund will be set to cover the full amount identified by the cost allocation plan.
- C.** The City will review and adjust enterprise fees and rate structures as required to ensure they remain appropriate and equitable.

PART III - INVESTMENTS

A. Policy

It is the policy of the Park City Municipal Corporation (PCMC) and its appointed Treasurer to invest public funds in a manner that ensures maximum safety provides adequate liquidity to meet all operating requirements, and achieve the highest possible investment return consistent with the primary objectives of safety and liquidity. The investment of funds shall comply with applicable statutory provisions, including the State Money Management Act, the rules of the State Money Management Council and rules of pertinent bond resolutions or indentures, or other pertinent legal restrictions.

B. Scope

This investment policy applies to funds held in City accounts for the purpose of providing City Services. Specifically, this Policy applies to the City's General Fund, Enterprise Funds, and Capital Project Funds. Trust and Agency Funds shall be invested in the State of Utah Public Treasurer's Investment Pool.

C. Prudence

Investments shall be made with judgment and care under circumstances then prevailing which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment considering the probable safety of their capital and the probable income to be derived.

The standard of prudence to be used by the Treasurer shall be applied in the context of managing an overall portfolio. The Treasurer, acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes,

POLICIES & OBJECTIVES

provided derivations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

D. Objective

The City's primary investment objective is to achieve a reasonable rate of return while minimizing the potential for capital losses arising from market changes or issuer default. So, the following factors will be considered, in priority order, to determine individual investment placements: safety, liquidity, and yield.

- 1. Safety:** Safety of principal is the foremost objective of the investment program. Investments of the Park City Municipal Corporation shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.
- 2. Liquidity:** The Park City Municipal Corporation's investment portfolio will remain sufficiently liquid to enable the PCMC to meet all operating requirements which might be reasonably anticipated.
- 3. Return on Investment:** The PCMC's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the PCMC's investment risk constraints and the cash flow characteristics of the portfolio.

E. Delegation of Authority

Investments and cash management will be the responsibility of the City Treasurer or his designee. The City Council grants the City Treasurer authority to manage the City's investment policy. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Treasurer. The Treasurer shall be responsible for all transaction undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

F. Ethics and Conflicts of Interest

The Treasurer is expected to conduct himself in a professional manner and within ethical guidelines as established by City and State laws. The Treasurer shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. The Treasurer and other employees shall disclose to the City Manager any material financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the PCMC, particularly with regard to the time of purchase and sales.

G. Authorized Financial Dealers and Institutions

Investments shall be made only with certified dealers. "Certified dealer" means: (1) a primary dealer recognized by the Federal Reserve Bank of New York who is certified by the Utah Money Management Council as having met the applicable criteria of council

POLICIES & OBJECTIVES

rule; or (2) a broker dealer as defined by Section 51-7-3 of the Utah Money Management Act.

H. Authorized and Suitable Investments

Authorized deposits or investments made by PCMC may be invested only in accordance with the Utah Money Management Act (Section 51-7-11) as follows:

1. The Public Treasurer's Investment Fund (PTIF)
2. Collateralized Repurchase Agreements
3. Reverse Repurchase agreements
4. First Tier Commercial Paper
5. Banker Acceptances
6. Fixed Rate negotiable deposits issued by qualified depositories
7. United States Treasury Bills, notes and bonds

Obligations other than mortgage pools and other mortgage derivative products issued by the following agencies or instrumentalities of the United States in which a market is made by a primary reporting government securities dealer:

1. Federal Farm Credit Banks
2. Federal Home Loan Banks
3. Federal National Mortgage Association
4. Student Loan Marketing Association
5. Federal Home Loan Mortgage Corporation
6. Federal Agriculture Mortgage Corporation
7. Tennessee Valley Authority

Fixed rate corporate obligations that are rated "A" or higher
Other investments as permitted by the Money Management Act

I. Investment Pools

A thorough investigation of the Utah Public Treasurer's Investment Fund (PTIF) is required on a continual basis. The PCMC Treasurer shall have the following questions and issues addressed annually by the PTIF:

1. A description of eligible investment securities, and a written statement of investment policy and objectives.
2. A description of interest calculations and how it is distributed, and how gains and losses are treated.
3. A description of how the securities are safeguarded (including the settlement process), and how often are the securities priced and the program audited.
4. A description of who may invest in the program, how often and what size deposit and withdrawal.
5. A schedule for receiving statements and portfolio listings.
6. Are reserves, retained earnings, etc. utilized by the pool/fund?

POLICIES & OBJECTIVES

7. A fee schedule, and when and how is it assessed.
8. Is the pool/fund eligible for bond proceeds and/or will it except such proceeds.

J. Safekeeping and Custody

All securities shall be conducted on a delivery versus payment basis to the PCMC's bank. The bank custodian shall have custody of all securities purchased and the Treasurer shall hold all evidence of deposits and investments of public funds.

K. Diversification

PCMC will diversify its investments by security type and institution. With the exception of U.S. Treasury securities and authorized pools, no more than 50 percent of the PCMC's total investment portfolio will be invested in a single security type.

L. Maximum Maturities

The term of investments executed by the Treasurer may not exceed the period of availability of the funds to be invested. The maximum maturity of any security shall not exceed five years. The City's investment strategy shall be active and monitored monthly by the Treasurer and reported quarterly to the City Council. The investment strategy will satisfy the City's investment objectives.

M. Internal Control

The Treasurer shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures.

N. Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. The City's investment strategy is active. Given this strategy, the basis used by the Treasurer to determine whether market yields are being achieved by investments other than those in the PTIF will be the monthly yield of the PTIF.

O. Reporting

The Treasurer shall provide to the City Council quarterly investment reports which provide a clear picture of the current status of the investment portfolio. The quarterly reports should contain the following:

1. A listing of individual securities held at the end of the reporting period
2. Average life and final maturity of all investments listed
3. Coupon, discount, or earnings rate
4. Par Value, Amortized Book Value and Market Value
5. Percentage of the portfolio represented by each investment category

POLICIES & OBJECTIVES

The City's annual financial audit shall report the City's portfolio in a manner consistent with the Governmental Accounting Standards Board (GASB) market based requirements that go into effect in June of 1997.

P. Investment Policy Adoption

As part of its two-year budget process, the City Council shall adopt the investment policy every two years.

PART IV - SALVAGE POLICY

This policy establishes specific procedures and instructions for the disposition of surplus property. Surplus property is defined as any property that a department no longer needs for their day to day operations.

Personal Property of Park City Municipal Corporation is a fixed asset. It is important that accurate accounting of fixed assets is current. Personal property, as defined by this policy will include, but not limited to rolling stock, machinery, furniture, tools, and electronic equipment. This property has been purchased with public money. It is important that the funds derived from the sale be accounted for as disposed property.

A. Responsibility for Property Inventory Control

It is the responsibilities of the Finance Manager to maintain an inventory for all personal property. The Finance Manager will be responsible for the disposition of all personal property. The Finance Manager will assist in the disposition of all personal property.

B. Disposition of an Asset

Department heads shall identify surplus personal property within the possession of their departments and report such property to the Finance Manager for consideration. The department head should clearly identify age, value, comprehensive description, condition and location. The Finance Manager will notify departments sixty (60) days in advance of pending surplus property sales.

C. Conveyance for Value

The transfer of City-owned personal property shall be the responsibility of the Finance Manager. Conveyance of property shall be based upon the highest and best economic return to the City, except that surplus City-owned property may be offered preferentially to units of government, non-profit or public organizations. The highest and best economic return to the city shall be estimated by one or more of the following methods in priority order:

1. Public auction
2. Sealed competitive bids
3. Evaluation by qualified and disinterested consultant
4. Professional publications and valuation services
5. Informal market survey by the Finance Manager in case of items of personal property possessing readily, discernable market value

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Sales of City personal property shall be based, whenever possible, upon competitive sealed bids or at public auction. Public auctions may be conducted on-site or through an internet-based auction site at the determination of the Finance Manager. The Finance Manager may, however waive this requirement when the value of the property has been estimated by an alternate method specified as follows:

1. The value of the property is considered negligible in relation to the cost of sale by bid or public auction;
2. Sale by bidding procedure or public auction are deemed unlikely to produce a competitive bid;
3. Circumstances indicate that bidding or sale at public auction will no be in the best interest of the City; or,
4. The value of the property is less than \$50.

In all cases the City will maintain the right to reject any or all bids or offers.

D. Revenue

All monies derived from the sale of personal property shall be credited to the general fund of the City, unless the property was purchased with money derived from an enterprise fund, or an internal service fund, in which case, the money shall be deposited in the general revenue account of the enterprise or internal service fund from which the original purchase was made.

E. Advertising Sealed Bids

A notice of intent to dispose of surplus City property shall appear in two separate publications at least one week in advance in the Park Record. Notices shall also be posted at the public information bulletin board at Marsac.

F. Employee Participation

City employees and their direct family members are not eligible to participate in the disposal of surplus property unless;

1. Property is offered at public auction
2. If sealed bids are required and no bids are received from general public, a re-bidding may occur with employee participation

G. Surplus Property Exclusion

The Park City Library receives property, books, magazines, and other items as donations from the public. Books, magazines, software, and other items can be disposed from the library's general collection through the Friends of the Library. The Friends of the Library is a non profit organization which sponsors an ongoing public sale open to the public located at the public Library for Park City residents.

H. Compliance

Failure to comply with any part of this policy may result in disciplinary action.

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PART V - COMPREHENSIVE FINANCIAL MANAGEMENT PLAN

To provide the City with the opportunity to identify and resolve financial problems before, rather than after, they occur, the City intends to develop a strategy for fiscal independence. The proposed outline for this plan is below.

A. Scope of Plan

1. A financial review, including the following:
 - a. Cost-allocation plan
 - b. Revenue handbook (identifying current and potential revenues)
 - c. City financial trends (revenues & expenditures)
 - d. Performance Measures and Benchmarks
2. Budget reserve policies
3. Long Range Capital Improvement Plan
 - a. Project identification and prioritization
 - b. CIP financing plan
4. Rate and fee increases
5. Other related and contributing plans and policies
 - a. Water Management
 - b. Flood Management
 - c. Parking Management
 - d. Budget
 - e. Pavement Management
 - f. Property Management
 - g. Facilities Master Plan
 - h. Recreation Master Plan

B. Assumptions

1. Growth
 - a. Population
 - b. Resort
2. Inflation
3. Current service levels
 - a. Are they adequate?
 - b. Are they adequately funded?
4. Minimum reserve levels (fund balances)
5. Property tax increases (When?)

C. Findings, Conclusions, and Recommendations

1. Current financial condition and trends
2. Capital Improvement Program
3. Projected financial trends

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4. General operations
5. Capital improvements
6. Debt management

PART VI - RESERVES

A. General Overview:

1. Over the next two years the City will do the following:
 - a. Maintain the General Fund Balance at approximately the legal maximum.
 - b. Continue to fund the Equipment Replacement Fund at 100%.
 - c. Strive to build a balance in the Enterprise Funds equal to at least 20% of operating expenditures.

This level is considered the minimum level necessary to maintain the City's credit worthiness and to adequately provide for the following:

- a. Economic uncertainties, local disasters, and other financial hardships or downturns in the local or national economy.
 - b. Contingencies for unseen operating or capital needs.
 - c. Cash flow requirements.
2. The Council may designate specific fund balance levels for future development of capital projects that it has determined to be in the best long-term interests of the City.
 3. In addition to the designations noted above, fund balance levels will be sufficient to meet the following:
 - a. Funding requirements for projects approved in prior years that are carried forward into the new year.
 - b. Debt service reserve requirements.
 - c. Reserves for encumbrances
 - d. Other reserves or designations required by contractual obligations or generally accepted accounting principles.
 4. In the General Fund, any fund balance in excess of projected balance at year end will be appropriated to the current year budget as necessary. The money will be allocated to building the reserve for capital expenditures, including funding equipment replacement reserves and other capital projects determined to be in the best long-term interest of the City.

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B. General Fund:

1. Section 10-6-116 of the Utah Code limits the accumulated balance or reserves that may be retained in the General Fund. The use of the balance is restricted as well. The balance retained cannot exceed 18 percent of total, estimated, fund revenues and may be used for the following purposes only: (1) to provide working capital to finance expenditures from the beginning of the budget year until other revenue sources are collected; (2) to provide resources to meet emergency expenditures in the event of fire, flood, earthquake, etc.; and (3) to cover a pending year-end excess of expenditures over revenues from unavoidable shortfalls in revenues. For budget purposes, any balance that is greater than 5 percent of the total revenues of the General Fund may be used. The General Fund balance reserve is a very important factor in the City's ability to respond to emergencies and unavoidable revenue shortfalls. Alternative uses of the excess fund balance must be carefully weighed.

The City Council may appropriate fund balance as needed to balance the budget for the current fiscal year in compliance with State Law. Second, a provision will be made to transfer any remaining General Fund balance to the City's CIP Fund. These one-time revenues are designated to be used for one-time capital project needs in the City's Five Year CIP plan. Any amount above an anticipated surplus will be dedicated to completing current projects, ensuring the maintenance of existing infrastructure, or securing funding for previously-identified needs. The revenues should not be used for new capital projects or programming needs.

C. Capital Improvements Fund

1. The City may, in any budget year, appropriate from estimated revenues or fund balances to a reserve for capital improvements for the purpose of financing future specific capital improvements under a formal long-range capital plan adopted by the governing body. Thus the City will establish and maintain an Equipment Replacement Capital Improvement Fund to provide a means for timely replacement of vehicles and equipment. The amount added to this fund, by annual appropriation, will be the amount required to maintain the fund at the approved level after credit for the sale of surplus equipment and interest earned by the fund.
2. As allowed by Utah State Code (§ 9-4-914) the City will retain at least \$5 million in the Five-Year CIP, ensuring the ability to repay bond obligations as well as maintain a high bond rating. The importance of reserves from a credit standpoint is essential, especially during times of economic uncertainty. Reserves will provide a measure of financial flexibility to react to budget shortfalls in a timely manner as well as an increased ability to issue debt without insurance.

D. Enterprise Funds

1. The City may accumulate funds as it deems appropriate.

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CHAPTER 3 - CAPITAL IMPROVEMENTS

PART I - CAPITAL IMPROVEMENT MANAGEMENT

- A.** The public Capital Improvement Plan (CIP) will include the following:
1. Public improvements that cost more than \$10,000.
 2. Capital purchases of new vehicles or equipment (other than the replacement of existing vehicles or equipment) that cost more than \$10,000.
 3. Capital replacement of vehicles or equipment that individually cost more than \$50,000.
 4. Any project that is to be funded from building-related impact fees.
 5. Alteration, ordinary repair, or maintenance necessary to preserve a public improvement (other than vehicles or equipment) that cost more than \$20,000.
- B.** The purpose of the CIP is to systematically plan, schedule, and finance capital projects to ensure cost-effectiveness, as well as conformance with established policies. The CIP is a five year plan, reflecting a balance between capital replacement projects that repair, replace, or enhance existing facilities, equipment or infrastructure and capital facility projects that significantly expand or add to the City's existing fixed assets.
- C.** Development impact fees are collected and used to offset certain direct impacts of new construction in Park City. Park City has imposed impact fees since the early 1980s. Following Governor Leavitt's veto of Senate Bill 95, the 1995 State Legislature approved revised legislation to define the use of fees imposed to mitigate the impact of new development. Park City's fees were adjusted to conform to restrictions on their use. The fees were revised again by the legislature in 1997. The City has conducted an impact fee study and CIP reflects the findings of the study. During the budget review process, adjustments to impact fee related projects may need to be made. Fees are collected to pay for capital facilities owned and operated by the City (including land and water rights) and to address impacts of new development on the following service areas: water, streets, public safety, recreation, and open space/parks. The fees are not used for general operation or maintenance. The fees are established following a systematic assessment of the capital facilities required to serve new development. The city will account for these fees to ensure that they are spent within six years, and only for eligible capital facilities. In general, the fees first collected will be the first spent.

PART II - CAPITAL FINANCING AND DEBT MANAGEMENT

Capital Financing

- A.** The City will consider the use of debt financing only for one-time, capital improvement projects and only under the following circumstances:
1. When the project's useful life will exceed the term of the financing.

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- 2.** When project revenues or specific resources will be sufficient to service the long-term debt.
- B.** Debt financing will not be considered appropriate for any recurring purpose such as current operating and maintenance expenditures. The issuance of short-term instruments such as revenue, tax, or bond anticipation notes is excluded from this limitation.
 - C.** Capital improvements will be financed primarily through user fees, service charges, assessments, special taxes, or developer agreements when benefits can be specifically attributed to users of the facility.
 - D.** The City recently passed a second bond election for \$10,000,000 to preserve Open Space in Park City. This bond was the second general obligation bond passed in five years and represents the second general obligation bond passed by the city for Open Space with an approval rate of over 80 percent, the highest approval of any Open Space Bond in the United States.
 - E.** The City will use the following criteria to evaluate pay-as-you-go versus long-term financing for capital improvement funding:
 - 1.** Factors That Favor Pay-As-You-Go:
 - a.** When current revenues and adequate fund balances are available or when project phasing can be accomplished.
 - b.** When debt levels adversely affect the City's credit rating.
 - c.** When market conditions are unstable or present difficulties in marketing.
 - 2.** Factors That Favor Long-Term Financing:
 - a.** When revenues available for debt service are deemed to be sufficient and reliable so that long-term financing can be marketed with investment grade credit ratings.
 - b.** When the project securing the financing is of the type which will support an investment grade credit rating.
 - c.** When market conditions present favorable interest rates and demand for City financing.
 - d.** When a project is mandated by state or federal requirements and current revenues and available fund balances are insufficient.
 - e.** When the project is immediately required to meet or relieve capacity needs.
 - f.** When the life of the project or asset financed is 10 years or longer.

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PART III - ASSET MANAGEMENT POLICY

A. Purpose

The objective of the Asset Management Plan is to establish a fund and a fixed replenishment amount from operations revenues to that fund from which the City may draw for capital replacements and improvements on existing structures. The fund should be sufficient to ensure that assets are effectively and efficiently supporting the operations and objectives of the City. The Asset Management Plan is an integral part of the City's long-term plan to maintain and replace the City's primary assets in a fiscally responsible manner.

Goals of the Program:

1. Protect assets
2. Prolong the life of systems and components
3. Improve the comfort of building environments
4. Prepare for future needs

B. Management

A project is designated in the Five-year capital plan to which annual contributions are made from the General Fund for asset management. The amount to be contributed should be based on a 10-year plan, to be updated every fifth year, which outlines the anticipated replacement and repair needs for each of the City's major assets. In addition, 0.5 percent of the value of each of the major assets should be contributed annually to the project. The unspent contributions will carry forward in the budget each year, with the interest earned on that amount to be appropriated to the project as well.

A project manager will be appointed by the City Manager, with the responsibility of monitoring the progress of the fund, assuring a sufficient balance for the fund, controlling expenditures out of the fund, managing scheduled projects and associated contracts, making necessary budget requests, and updating the 10-year plan. In addition, a standing committee should be formed consisting of representatives from Public Works, Budget, Debt & Grants, and Sustainability which will convene only to resolve future issues or disputes involving this policy, requests for funding, or the Asset Management Plan in general.

C. Accessing Funds

When funds need to be accessed, a request should be turned in to the project manager. If the expense is on the replacement schedule as outlined in the 10-year plan or is a reasonably related expense under \$10,000 (according to the discretion of the project manager), the project manager should approve it. Otherwise, the Asset Management Committee should be convened to consider the request and decide whether it is an appropriate use of funds.

Requests that should require approval of the Asset Management Committee include:

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1. Expenses not anticipated in the 10-year plan, which are in excess of \$10,000.
2. Upgrades in technology or quality
3. Renovations, additions, or improvements that incorporate non-existing assets

PART IV - NEIGHBOURHOOD CIP REQUESTS POLICY

Staff will use this policy for considering and prioritizing CIP requests from Park City neighborhood and business districts.

A. Submission of petition to the Executive Office

1. Must be from a representative number of households/businesses of a given subdivision, business district, or a registered owners association. Accurate contact information and names of each petitioner must be provided along with designation of one primary contact person or agent.
2. Define Boundary - Who does the petition represent? Is it inclusive to a specific neighborhood or business district? Explain why assessment area should be limited or expanded.
3. Define issues - What is being requested?
4. Deadline – In order to be considered for the upcoming fiscal year, the petition must be submitted by the end of the calendar year.

B. Initial Internal Review

1. Identify staff project manager.
2. Present petition to Traffic Calming & Neighborhood Assessment Committee. Meeting called within one month of petition being submitted.
3. Define and verify appropriate, basic levels of service are being provided. If they are not, provide:
 - a. Health, safety, welfare
 - b. Staff's available resources and relative workload
 - c. Minimum budget thresholds not exceeded (below \$20k pre-budgeted – no council approval needed)
4. Define enhanced levels of service that are requested. Are these consistent with Council goals and priorities? If so, continue to step # 3.

C. Initial Communication to Council (Managers Report)

1. Inform Council of request for assistance - outlines specific issues/requests.
2. Inform Council of any basic service(s) Staff has begun to provide.
3. No input or direction from Council will be requested at this time.

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D. Comprehensive Internal Review

1. Assemble background/history & existing conditions. Identify all participants, relevant City ordinances, approval timeline, other pertinent agreements/studies & factors, etc.
2. Criteria to analyze request - What should be done and with what rationale?
 - a. Verify requested services are consistent with Council goals and priorities.
 - b. Cost/Benefit Analysis - Define budgetary implications of providing Enhanced level of services:
 - i. Define need & costs for any additional technical review
 - ii. Define initial capital improvement costs
 - iii. Define annual, ongoing maintenance and operational costs
 - iv. Gather input from City department identified as responsible for each individual item as listed
 - v. Identify available resources & relative workload

E. Initiate Public Forum (Applicant & Staff partnership)

1. Neighborhood meeting(s) - Create consensus from petitioner and general public
2. Identify issues and potential solutions:
 - a. Identify what we can accomplish based on funding availability
 - b. Use cost/benefit analysis to prioritize applicant's wish list
 - c. Funding partner – any district that receives “enhanced” levels of service should be an active participant in funding or, participate in identification of a funding source other than City budget
3. Identify agreeable solutions suited for recommendation for funding assistance

F. Communication to Council (Work Session or Managers Report)

1. Receive authorization for technical review - using “outside” consultants if necessary
2. Identify prioritized project wish list (unfunded)
3. Identify funding source for each item; or move to CIP committee review as “yet to be funded project” for prioritization comparison
4. Council decision whether or not to include in budget
5. Spring of each year, consistent with budget policies of reviewing all new requests at once.

CHAPTER 4 - INTERNAL SERVICE POLICY

PART I - HUMAN RESOURCE MANAGEMENT

- A.** The City will manage the growth of the regular employee work force without reducing levels of service or augmenting ongoing regular programs with Seasonal employees, except as provided in sections E and F below.
- B.** The budget will fully appropriate the resources needed for authorized regular staffing and limit programs to the regular staffing authorized.
- C.** Staffing and contract service cost ceilings will limit total expenditures for regular employees, Part-time Non-Benefited employees, Seasonal employees, and independent contractors hired to provide operating and maintenance services.
- D.** Regular employees will be the core work force and the preferred means of staffing ongoing, year-round program activities that should be performed by City employees, rather than independent contractors. The City will strive to provide competitive compensation and benefit schedules for its authorized regular work force. Each regular employee will do the following:
 - 1.** Fill an authorized regular position.
 - 2.** Receive salary and benefits consistent with the compensation plan.
- E.** To manage the growth of the regular work force and overall staffing costs, the City will follow these procedures:
 - 1.** The City Council will authorize all regular positions.
 - 2.** The Human Resources Department will coordinate and approve the hiring of all Full-time Regular, Part-time Non-Benefited, and Seasonal employees.
 - 3.** All requests for additional regular positions will include evaluations of the following:
 - a.** The necessity, term, and expected results of the proposed activity.
 - b.** Staffing and materials costs including salary, benefits, equipment, uniforms, clerical support, and facilities.
 - c.** The ability of private industry to provide the proposed service.
 - d.** Additional revenues or cost savings that may be realized.
 - 4.** Periodically, and prior to any request for additional regular positions, programs will be evaluated to determine if they can be accomplished with fewer regular employees.
- F.** Part-time Non-Benefited and Seasonal employees will include all employees other than regular employees, elected officials, and volunteers. Part-time Non-Benefited and Seasonal employees will augment regular City staffing only as extra-help employees. The City will encourage the use of Part-time Non-Benefited and Seasonal employees to meet

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peak workload requirements, fill interim vacancies, and accomplish tasks where less than regular, year-round staffing is required.

- G.** Contract employees will be defined as temporary employees with written contracts and may receive approved benefits depending on hourly requirements and length of contract. Generally, contract employees will be used for medium-term projects (generally between six months and two years), programs, or activities requiring specialized or augmented levels of staffing for a specific period of time. Contract employees will occasionally be used to staff programs with unusual operational characteristics or certification requirements, such as the golf program. The services of contract employees will be discontinued upon completion of the assigned project, program, or activity. Accordingly, contract employees will not be used for services that are anticipated to be delivered on an ongoing basis except as described above.
- H.** The hiring of Seasonal employees will not be used as an incremental method for expanding the City's regular work force.
- I.** Independent contractors will not be considered City employees. Independent contractors may be used in the following two situations:
 - 1.** Short-term, peak work load assignments to be accomplished through the use of personnel contracted through an outside temporary employment agency (OEA). In this situation, it is anticipated that the work of OEA employees will be closely monitored by City staff and minimal training will be required; however, they will always be considered the employees of the OEA, and not the City. All placements through an OEA will be coordinated through the Human Resources Department and subject to the approval of the Human Resources Manager.
 - 2.** Construction of public works projects and the provision of operating, maintenance, or specialized professional services not routinely performed by City employees. Such services will be provided without close supervision by City staff, and the required methods, skills, and equipment will generally be determined and provided by the contractor.

PART II - PROGRAM AND RESOURCE ANALYSIS

(Note – The Program and Resource Analysis was completed in FY 2002. The following information constitutes the final report and includes all of the major recommendations. It is included in the Policies and Objectives as a guide for future decisions.)

The City Council has financial planning as a top priority. This goal includes “identifying and resolving financial problems before, rather than after, they occur.” During the FY2001 budget process, Council directed staff to conduct a citywide analysis of the services and programs the City offers. The purpose of the Program and Resource Analysis is to provide a basis for understanding and implementing long-term financial planning for Park City Municipal Corporation (PCMC). The study has and will continue to inform the community of the fiscal

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issues facing the City and to provide Council and the community with tools to help make critical policy decisions for Park City's future.

The Program and Resource Analysis was split into six topics, with an employee task force responsible for each topic. In total, more than 40 employees volunteered and participated in the analysis, representing every department in the City. Each task force included about six employees and was chaired by a senior or mid-manager.

The Employee Steering Committee (ESC) was formed to coordinate with the various committees to insure no overlap occurred and to provide assistance in reviewing policy recommendations. In addition to employees of PCMC, members of the Citizens Technical Advisory Committee (CTAC) and of the City Council Liaison Committee (CCLC) were instrumental with the study.

CTAC consists of three representatives from the community to examine staff recommendations and to be a link between staff and the citizens of Park City. At the time of the original study this group worked with Program Service Level and Expenditure Committee (SLAC), the Recreation Report, and ESC. They advised these groups by providing an outside professional perspective that enriched discussions and add private sector insight. Since that time Council has continued to use the expertise of CTAC. Staff recommends that when appropriate, Council should appoint technical committees such as CTAC to assist with projects and analysis.

The CCLC was made up of two City Council members who served as liaisons between the City Council and the ESC. They attended ESC meetings and were able to comment and question the various group representatives on the ESC.

The six topics covered by this study are outlined and summarized below.

Resort Economy and General Plan Element (A)

This group examined the local economy and how it affects municipal finances and presented an update of the City General Plan.

Program Service Levels and Expenditures (B)

This group assessed the services, programs, and departments to analyze citywide increases in costs as they relate to the growth in the economy. It identified the services provided by Park City. After the analysis, the group was able to provide City Council with information regarding the level and scope of services provided by the City in the past and present, so as to change future expenditure patterns to better meet the needs of the City. (This particular analysis was instrumental in the development of Park City's current Performance Measurement program.)

Revenues and Assets (C)

This group examined PCMC's current and potential revenue sources. To do this analysis, it reviewed long-range revenue forecasts and policies and considered how the city could use its assets to maximize output. Some of the specific areas it looked at were taxes, economic impacts from special events, and general fund services fees.

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Capital Improvement Program (CIP) (D)

This group reviewed all the CIP project funding. It determined whether current project priorities that were identified through a comprehensive public prioritization process in 1999 are still appropriate. It ranked new projects to be added to the CIP and identified projects to be completed prior to the Olympics.

Intergovernmental Programs (E)

This group focused on the current and potential interactions of PCMC with other agencies. It did the following: (1) examined how well the interlocal agreements worked and about developing guidelines for such agreements, (2) determined whether PCMC should combine services and functions, and (3) addressed the creation of a policy that establishes a process for grants application and administration.

Non-Departmental/Interfund (F)

This group had two primary tasks. The first was to review the interaction between different City funds, which resulted in participation on the Recreation Fund Study Subcommittee. The second was to be responsible for making a recommendation to the City Manager regarding the two-year pay plan.

The Steering Committee for the Program and Resource Analysis recommended that the Council consider the following conclusions and policy recommendations as part of the budget process. The findings were subsequently included as a permanent part of the Budget Document and will continue to serve as guidance for future decisions.

A. Resort Economy and General Plan Element

Resort Economy: Wikstrom Economic & Planning Consultants conducted a study in 2000 showing that Park City is indeed a resort economy and receives more in revenues from tourism than it spends on tourists. The Wikstrom Report states the following (the report was updated in 2003 and reflects current figures):

Tourist-related revenues already outpace tourist-related expenditures in Park City, even without increasing tourist revenue streams. Our analysis indicates that visitors generate roughly 71 percent of all general fund revenues (not including interfund transactions), while roughly 40 percent of general fund expenditures are attributable to tourists. Therefore, based on information provided by the Utah League of Cities and Towns, Park City currently expends roughly \$3,561 for each existing full-time resident for selected services. Seventy one percent of this revenue, or \$2,528 per capita, is attributable to tourists, while forty percent, or \$1,424 goes to tourist-related costs, leaving a net gain of \$1,104 per capita that pays for activities that are not tourist-related. This benefit is seen in such areas as road maintenance, snow removal, libraries, technology and telecommunications, community and economic development, police services and golf and recreation programs. With an estimated population of 8,500 persons, Park City receives a direct net benefit of nearly \$9 million from tourism.

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Staff recommends Council take actions that preserve or enhance Park City's resort economy.

B. Program Service Levels and Expenditures

1. New/growth related service levels: Provision of new/growth related services should be offset with new or growth related revenues or a corresponding reduction in service costs in other areas.
2. Fee Dependent Services: If fees do not cover the services provided, Council should consider which of the following actions to take: (1) reduce services; (2) increase fees; or (3) determine the appropriate subsidy level of the General Fund.
3. Consider all requests at once: Council should consider requests for service level enhancements or increases together, rather than in isolation.
4. Consider ongoing costs associated with one-time purchases/expenditures: Significant ongoing costs, such as insurance, taxes, utilities, and maintenance should be determined before an initial purchase is made or a capital project is constructed. Capital and program decisions should not be made until staff has provided a five-year analysis of ongoing maintenance and operational costs.
5. Re-evaluate decisions: Political, economic, and legal changes necessitate reevaluation to ensure Council goals are being met. Staff and Council should use the first year of the two-year budget process to review programs.
6. Analyze the people served: With a changing population, staff should periodically reassess the number of people (permanent residents' verses visitor population) served with each program.
7. Evaluate the role of boards and commissions relating to service levels: The City Council should encourage boards and commissions to consider the economic impacts of recommendations and incorporate findings into policy direction.
8. New service implementation: Prior to implementing a new service, the City Council should consider a full assessment of staffing and funding requirements.
9. Provide clear City Council direction: City Council should achieve a clear consensus and provide specific direction before enhancing or expanding service.
10. Benchmarking and performance measurement: The City should strive to measure its output and performance. Some departments have established performance measures.

C. Revenues and Assets

1. Building and Planning Fees: Staff has identified revenues that can be increased, and recommends increasing building and planning fees this year.
2. Sewer Franchise Fee: Staff recommends imposing a franchise fee on the sewer district. The City can charge up to a 6 percent franchise fee on the sewer district.
3. Other revenues: Staff has identified the following as additional General Fund revenues, but does not recommend an increase at this time (Transit Room Tax, Sales Tax, and Property Tax).
4. Special Events: Staff does not recommend increasing fees for special events.

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5. Assets: Although Staff identified assets that could be sold; it does not recommend a sale of assets at this time.

D. Capital Improvement Program

1. Prioritized capital projects: Council should adopt the prioritized capital projects during the budget process.
2. Project manager for each capital project: Staff recommends each capital project to be assigned to a project manager at the manager level (unless otherwise directed).
3. Peer review: Staff recommends managers and related agencies offer appropriate peer review to identify and to plan for operating costs before projects are taken to Council.
4. Value Engineering: Staff recommends maintaining a dialogue with suppliers, contractors, and designers to ensure cost-effective projects.
5. Projects with a possible art component: Staff recommends the project manager to determine the necessity, selection, and placement of art on a project by project basis as funding, timing, complexity, and appropriateness may warrant.

E. Intergovernmental Programs

1. Regional Transit: The City should participate in the development of a regional transit action plan.
2. Recreation MOU: The City should decide whether to renew the Memorandum of Understanding with Snyderville Basin Recreation District or to discontinue it.
3. Communications: Staff recommends the decision of whether to combine Park City's and Summit County's communications systems be postponed until a decision on the City's role in the Countywide Communications Study is made.
4. Grants Policy: Staff recommends Council adopts a budget policy, outlining a comprehensive grants process that insures continuity in grants administration and access to alternative sources of funding.

F. Non-Departmental/Interfund

1. Employee Compensation Plan: Staff recommends Council adopt the pay plan as presented in this budget.
2. Recreation Fund: Staff endorses the findings and recommendations of the Recreation Analysis completed in February 2001.
3. Water Fund: Staff recommends a focus group be formed in the near future to research the feasibility of implementing a franchise tax on water usage.
4. Self Insurance Fund: Staff recommends leaving the reserve as it currently is, but consider using the reserve fund to pay insurance premiums, rather than using interfund transfers from each of the operating budgets. This recommendation has been implemented.

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G. Recreation Analysis

1. Fund Structure: The Wikstrom Report recommends continuing to use the enterprise fund if cost allocation procedures are established that clearly track the use of subsidy monies and individual program costs.
2. Indirect Costs: The Wikstrom Report recommends further evaluation of indirect costs, since present accounting methods do not clearly do so.
3. Adult Programs: The report identified adult programs as an area where policy direction should be received. Specifically, should all adult programs be required to cover their direct costs and indirect costs? Should all adult programs be held to the same standard of cost recovery, or should some programs be required to recover a higher level of costs than others? What level of subsidy is appropriate, on a per user basis, for adult programs? At what point should an existing adult program be eliminated? What criteria should be used in this decision?
4. CTAC Adult Programming: CTAC questioned the practice of subsidizing adult programs. A recommendation came forward from that group suggesting that all youth activities be moved into the General Fund with adult programs remaining in the enterprise fund without a subsidy.
5. Youth Programs: Should all youth programs be held to the same standard of cost recovery, or should some programs be required to recover a higher level of costs than others? What level of subsidy is appropriate, on a per user basis, for youth programs? Is the City willing to subsidize indirect costs of SBRD youth participants in order to increase the quality of life for Park City youth? At what point should an existing youth program be eliminated? What criteria should be used in this decision? Should all youth programs be held to the same standard or should there be a different standard for team sports as opposed to individual sports such as tennis or swimming?
6. Potential Revenue and Capital Funding Alternatives: Currently capital replacement of the Recreation Facility is funded with an unidentified revenue source. Wikstrom posed several policy questions intended to more fully understand this issue, such as the following: Is the City willing to institute a municipal transient room tax with a portion of the revenues dedicated to funding recreation? Is the City willing to request an increase in the resort tax to the legal limit of 1.5 percent, which is a ballot issue and requires voter approval? Is the City willing to request voter approval for a general obligation bond in the amount of roughly \$2 million?

H. Miscellaneous Analysis

1. A comprehensive analysis on the Water Fund is currently underway. The study includes a rate study and fee analysis. The intent of the study is to insure the City has the ability to provide for the present and future water needs (This analysis was updated in 2003 and again in 2004. The City Manager's recommended budget for FY 2005 will incorporate changes to the Water Fund as a result.)
2. Analyses to establish market levels and to study the financial condition of the Golf Fund were conducted in 2000 and 2001. An evaluation of the fund by Staff

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in spring 2004 revealed that additional changes to fees and expenditures are necessary. Staff will also conduct an in-depth analysis of the course and its operations (including a discussion of the course's underlying philosophy) beginning later this summer.

PART III - COST ALLOCATION PLAN

The City has developed a Cost Allocation Plan detailing the current costs of services to internal users (e.g., fees, rates, user charges, grants, etc.). This plan was developed in recognition of the need to identify overhead or indirect costs, allocated to enterprise funds and grants and to develop a program which will match revenue against expenses for general fund departments which have user charges, regulatory fees, licenses, or permits. This plan will be used as the basis for determining the administrative charge to enterprise operations and capital improvement projects.

Anticipated future actions include the following:

- A.** Maintain a computerized system (driven from the City's budget system) that utilizes the basic concepts and methods used in cost allocation plans.
- B.** Fine-tune the methods of cost allocation to ensure the fair and equitable distribution of cost.
- C.** Develop guidelines for the use and maintenance of the plan.
 - 1.** Long Range Capital Improvement Plan
 - a.** Project identification and prioritization
 - b.** CIP financing plan
 - 2.** Rate and fee increases
 - 3.** Other related and contributing plans and policies
 - a.** Water Management
 - b.** Flood Management
 - c.** Parking Management

CHAPTER 5 - CONTRACTS & PURCHASING POLICY

PART I - PUBLIC SERVICE CONTRACTS (AMENDED JUNE 2004)

As part of the budget process, the City Council appropriates funds to contract with organizations offering services consistent with the needs and goals of the City. Depending upon the type of service category, payment terms of the contracts may take the form of cash payment and/or offset fees or rent relating to City property in exchange for value-in-kind services. The use of the

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public service contracts will typically be for specific services rendered in an amount consistent with the current fair market value of said services.

A. Public Service Fund Distribution Criteria

In order to be eligible for a public service contract in Fund Categories 1-3, organizations must meet the following criteria:

1. **Criterion 1: Accountability and Sustainability of Organization** - The organization must have the following:
 - a. Quantifiable goals and objectives.
 - b. Non-discrimination in providing programs or services.
 - c. Cooperation with existing related programs and community service.
 - d. Compliance with the City contract.
 - e. Federally recognized not-for-profit status.
2. **Criterion 2: Program Need and Specific City Benefit** - The organization must have the following:
 - a. A clear demonstration of public benefit and provision of direct services to City residents.
 - b. A demonstrated need for the program or activity. Special Service Funds may not be used for one-time events, scholarship-type activities or the purchase of equipment.
3. **Criterion 3: Fiscal Stability and Other Financial Support** - The organization must have the following:
 - a. A clear description of how public funds will be used and accounted for
 - b. Other funding sources that can be used to leverage resources.
 - c. A sound financial plan that demonstrates managerial and fiscal competence.
 - d. A history of performing in a financially competent manner.
4. **Criterion 4: Fair Market Value of the Services** - The fair market value of services included in the public service contract should equal or exceed the total amount of compensation from the City unless outweighed by demonstrated intangible benefits.

B. Total Public Service Fund Appropriations

The City may appropriate up to 1 percent of the City's total budget for public service contracts for the Special Service Contract and Rent Contribution Categories described below. In addition, the City appropriates specific dollar amounts from other funds specifically related to Historic Preservation as described below.

C. Fund Categories and Percentage Allocations

For the purpose of distributing Public Service Funds, public service contracts are placed into the following categories:

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- 1. Special Service Contracts**
 - a. Youth Programming
 - b. Victim Advocacy/Legal Services
 - c. Arts
 - d. Health
 - e. Affordable Housing/Community Services
 - f. Recycling
 - g. History/Heritage
 - h. Information and Tourist Services
- 2. Rent Contribution**
- 3. Historic Preservation**

A percentage of the total budget (which shall not exceed 1 percent) is allocated for contracts in the Special Service Contract and Rent Contribution categories by the City Council. A specific dollar amount is allocated to Historic Preservation based on funds available from the various Redevelopment Agencies.

The category percentage allocation does not vary from year-to-year. However, as the City's budget fluctuates (up or down) due to economic conditions, the dollar amounts applied to each category may fluctuate proportionally. Unspent fund balances at the end of a year will not be carried forward to future years. It is the intent of the City Council to appropriate funds for specific ongoing community services and not fund one-time projects or programs.

D. Special Service Contracts

A portion of the budget will be designated for service contracts relating to services that would otherwise be provided by the City. Special services that fall into this category would include, but not be limited to the following: youth programming, victim advocacy/legal services, arts, health, affordable housing/community services, recycling, history/heritage, information and tourist services, and minority affairs. To the extent possible, individual special services will be delineated in the budget.

Service providers are eligible to apply for a special service contract every biennial budget process. The City will award special service contracts through a competitive bid process administered by the Service Contract Subcommittee and City Staff. The City reserves the right to accept, reject, or rebid any service contracts that are not deemed to meet the needs of the community or the contractual goals of the service contract.

Each special service provider will have a special service contract with a term of two years. Half of the total contract amount will be available each year. Eighty percent of each annual appropriation will be available at the beginning of the fiscal year, with the remaining 20 percent to be distributed upon demonstration through measures (quality and quantity) that the program has provided public services meeting its goals as delineated in the public service contract. The disbursement of all appropriations will be contingent upon council approval. Special service providers will be required to submit current

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budgets and evidence of contract compliance (as determined by the contract) by March 31 of the first contract year.

The City reserves the right to appoint a citizen's task force to assist in the competitive selection process. The task force will be selected on an ad hoc basis by the Service Contract Subcommittee.

All special service contract proposals must be consistent with the criteria listed in this policy, in particular criterion 1-4.

Youth Contracts: In addition to the above listed criteria, proposals for Youth Programming must meet the following requirements: (1) Provide a service to or enhancement of youth programs in the Park City community; and (2) Constitute a benefit to Park City area youth, community interests, and needs. Youth Programming funds must be used to benefit Park City area youth Citywide; this may be accomplished through one service contract or by dividing the funds between several contracts.

Deadlines: Beginning Fiscal Year 2004, all proposals for Special Service Contracts must be received no later than March 31. A competitive bidding process conducted according to the bidding guidelines of the City may set forth additional application requirements.

Emergency requests received after this deadline must meet all of the following criteria to be considered before the next fiscal year:

1. The request must meet all of the normal Public Service Fund Distribution Criteria and qualify under one of the existing Special Service Contract categories;
2. The applicant must show that the requested funds represent an unexpected fiscal need that could not have been anticipated before the deadline; and
3. The applicant must demonstrate that other possible funding sources have been exhausted.

E. Rent Contribution

A portion of the Special Service Contract funds will be used as a rent contribution for organizations occupying City-owned property and providing services consistent with criterion 1-4 pursuant to the needs and goals of the City. To the extent possible, individual rent contributions will be delineated in the budget. Rent contributions will usually be memorialized by a lease agreement with a term of five years or less, unless otherwise approved by City Council.

The City is required to make rent contributions to the Park City Building Authority for buildings that it occupies. Qualified Organizations may enter into a lease with the City to occupy City space at a reduced rental rate pursuant to criterion 1-4. The difference between the reduced rental rate and the rate paid to the Park City Building Authority will

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be funded by the rent contribution amount. Rent Contribution lease agreements will not exceed five years in length unless otherwise directed by the City Council. Please note that this policy only applies when a reduced rental rate is being offered. This policy does not apply to lease arrangements at "market" rates.

F. Historic Preservation

Each year, the City Council may appropriate a specific dollar amount relating to historic preservation. The City Council will appropriate the funding for these expenditures during the annual budget process. The funding source for this category is the Lower Park Avenue and Main Street RDA. The disbursement of the funds shall be administered pursuant to applications and criteria established by the Planning Department, and awarded by the City Council consistent with UCA § 17A-3-1303, as amended. In instances where another organization is involved, a contract delineating the services will be required.

G. Exceptions

Rent Contribution and Historic Preservation funds will be appropriated through processes separate from the biennial Special Service Contract process and when deemed necessary by City Council or its designee.

The Service Contract Sub-Committee has the discretion as to which categories individual organizations or endeavors are placed. Any percentage changes to the General Fund categories described above must be approved by the City Council. All final decisions relating to public service funding are at the discretion of the City Council.

Nothing in this policy shall create a binding contract or obligation of the City. Individual Service Contracts may vary from contract to contract at the discretion of the City Council. Any award of a service contract is valid only for the term specified therein and shall not constitute a promise of future award. The City Council reserves the right to reject any and all proposals, and to waive any technical deficiency at its sole discretion. Members of the City Council, the Service Contract Sub-Committee, and any Advisory Board, Commission or special committee with the power to make recommendations regarding Public Service Contracts are ineligible to apply for such Public Service Contracts, including historic preservation funds. City Departments are also ineligible to apply for Public Service Contracts. The ineligibility of Advisory Board, Commission and special committee members shall only apply to the category of Public Service Contracts that such advisory Board, Commission and special committee provides recommendations to the City Council. All submittals shall be public records in accordance with government records regulations ("GRAMA") unless otherwise designated by the applicant pursuant to UCA Section 63-2-308, as amended.

PART II - CONTRACTING AND PURCHASING POLICY

A. Purpose

These rules are intended to provide a systematic and uniform method of purchasing goods and services for the City. The purpose of these rules is to ensure that purchases

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made and services contracted are in the best interest of the public and acquired in a cost-effective manner.

Authority of Manager: The City Manager or designate shall be responsible for the following:

1. Ensure all purchases for services comply with these rules;
2. Review and approve all purchases of the City;
3. Establish and amend procedures for the efficient and economical management of the contracting and purchasing functions authorized by these rules. Such procedures shall be in writing and on file in the office of the manager as a public record;
4. Maintain accurate and sufficient records concerning all City purchases and contracts for services;
5. Maintain a list of contractors for public improvements and personal services who have made themselves known to the City and are interested in soliciting City business;
6. Make recommendations to the City Council concerning amendments to these rules.

B. Definitions

Building Improvement: The construction or repair of a public building or structure (Utah Code 11-39-101).

City: Park City Municipal Corporation and all other reporting entities controlled by or dependent upon the City's governing body, the City Council.

Contract: An agreement for the continuous delivery of goods and/or services over a period of time greater than 15 days.

CPI: The Consumer Price Index for All Urban Consumers as published by the Bureau of Labor Statistics of the United States Department of Labor.

Manager: City Manager or designee.

Public Works Project: The construction of a park, recreational facility, pipeline, culvert, dam, canal, or other system for water, sewage, storm water, or flood control (Utah Code 11-39-101). "Public Works Project" does not include the replacement or repair of existing infrastructure on private property (Utah Code 11-39-101), or emergency work, minor alteration, ordinary repair, or maintenance necessary to preserve a public improvement (such as lowering or repairing water mains; making connections with water mains; grading, repairing, or maintaining streets, sidewalks, bridges, culverts or conduits).

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Purchase: The acquisition of goods (supplies, equipment, etc.) in a single transaction such that payment is made prior to receiving or upon receipt of the goods.

C. General Policy

1. All City purchases for goods and services and contracts for goods and services shall be subject to these rules.
2. No contract or purchase shall be so arranged, fragmented, or divided with the purpose or intent to circumvent these rules.
3. City departments shall not engage in any manner of barter or trade when procuring goods and services from entities both public and private.
4. No purchase shall be contracted for, or made, unless sufficient funds have been budgeted in the year in which funds have been appropriated.
5. Subject to federal, state, and local procurement laws when applicable, reasonable attempts should be made to support Park City businesses by purchasing goods and services through local vendors and service providers.
6. All reasonable attempts shall be made to publicize anticipated purchases or contracts in excess of \$10,000 to known vendors, contractors, and suppliers.
7. All reasonable attempts shall be made to obtain at least three written quotations on all purchases of capital assets and services in excess of \$10,000.
8. When it is advantageous to the City, annual contracts for services and supplies regularly purchased should be initiated.
9. All purchases and contracts must be approved by the manager or their designee unless otherwise specified in these rules.
10. All contracts for services shall be approved as to form by the city attorney.
11. The following items require City Council approval unless otherwise exempted in these following rules:
 - a. All contracts (as defined) over \$20,000
 - b. All contracts and purchases awarded through the formal bidding process.
 - c. Any item over \$10,000 that is not anticipated in the current budget.
 - d. Accumulated "Change Orders" which would overall increase a previously approved contract by:
 - i. the lesser of 20% or \$20,000 for contracts of \$200,000 or less
 - ii. more than 10% for contracts over \$200,000.
12. Acquisition of the following Items must be awarded through the formal bidding process:
 - a. All contracts for building improvements over the amount specified by state code, specifically:
 - i. for the year 2003, \$40,000
 - ii. for each year after 2003, the amount of the bid limit for the previous year, plus an amount calculated by multiplying the amount of the bid limit for the previous year by the lesser of 3% or the actual percent change in the CPI during the previous calendar year.
 - b. All contracts for public works projects over the amount specified by state code, specifically:

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- i. for the year 2003, \$125,000
 - ii. for each year after 2003, the amount of the bid limit for the previous year, plus an amount calculated by multiplying the amount of the bid limit for the previous year by the lesser of 3% or the actual percent change in the CPI during the previous calendar year.
 - c. Contracts for grading, clearing, demolition or construction in excess of \$2,500 undertaken by the Community Redevelopment Agency.
13. The following items require a cost benefit analysis as defined by the Budget, Debt, and Grants Department before approved:
 - a. All contracts, projects and purchases over \$20,000
 - b. All contracts and purchases awarded through the formal bidding process.
 - c. Any item over \$10,000 that is not anticipated in the current budget process.

D. Exceptions

Certain contracts for goods and services shall be exempt from bidding provisions. The manager shall determine whether or not a particular contract or purchase is exempt as set forth herein.

1. Emergency contracts which require prompt execution of the contract because of an imminent threat to the safety or welfare of the public, of public property, or of private property; circumstances which place the City or its officers and agents in a position of serious legal liability; or circumstances which are likely to cause the City to suffer financial harm or loss, the gravity of which clearly outweighs the benefits of competitive bidding in the usual manner. The City Council shall be notified of any emergency contract which would have normally required their approval as soon as reasonably possible.
2. Projects that are acquired, expanded, or improved under the "Municipal Building Authority Act" are not subject to competitive bidding requirements.
3. Purchases made from grant funds must comply with all provisions of the grant.
4. Purchases from companies approved to participate in Utah State Division of Purchasing and General Services agreements and contracts and under \$100,000 are not subject to competitive bidding requirements.

E. General Rules

1. **Purchases of Materials, Supplies and Services** are those items regularly purchased and consumed by the City. These items include, but are not limited to, office supplies, janitorial supplies, and maintenance contracts for repairs to equipment, asphalt, printing services, postage, fertilizers, pipes, fittings, and uniforms. These items are normally budgeted within the operating budgets. Purchases of this type do not require "formal" competitive quotations or bids.
2. **Purchases of Capital Assets** are "equipment type" items which would be included in a fixed asset accounting system having a material life of three years or more and costing in excess of \$5,000. These items are normally budgeted within the normal operating budgets. Purchases of this type do not require "formal" bids.

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All reasonable attempts shall be made to obtain at least three written quotations on all purchases of this type. A reasonable attempt will be made to notify any business with a Park City business license that, in the normal course of business, sells the equipment required by the City.

3. **Contracts for Professional Services** are usually contracts for services performed by an independent contractor, in a professional capacity, who produces a service predominately of an intangible nature. These include, but are not limited to, the services of an attorney, physician, engineer, accountant, architectural consultant, dentist, artist, appraiser or photographer. Professional service contracts are exempt from competitive bidding. The selection of professional service contracts shall be based on an evaluation of the services needed, the abilities of the contractors, the uniqueness of the service, and the general performance of the contractor. The lowest quote need not necessarily be the successful contractor. Usually, emphasis will be placed on quality, with cost being the deciding factor when everything else is equal. The manager shall determine which contracts are professional service contracts. Major professional service contracts (\$20,000 and over) must be approved by the City Council.
4. **Contracts for Public Improvements** are usually those contracts for the construction or major repair of roads, highways, parks, water lines and systems (i.e., Public Works Projects); and buildings and building additions (i.e. Building Improvements). Where a question arises as to whether or not a contract is for public improvement, the manager shall make the determination.
Minor public improvements (less than the amount specified by state code.): The department shall make a reasonable attempt to obtain at least three written competitive quotations. A written record of the source and the amount of the quotations must be kept. The manager may require formal bidding if it is deemed to be in the best interest of the City.
Major public improvements (greater than or equal to the amount specified by state code): Unless otherwise exempted, all contracts of this type require competitive bidding.
5. **Contracts for Professional Services, where the Service Provider is responsible for Public Improvements (Construction Manager / General Contractor “CMGC” Method)** are contracts where the owner contracts with a Construction Manager for services to construct public improvements. The CMGC contract is exempt from competitive bidding. The selection of CMGC contracts shall be based on an evaluation of the services needed, the abilities of the contractors, the uniqueness of the service, the cost of service, and the general performance of the contractor. The lowest quote need not necessarily be the successful contractor. Usually, emphasis will be placed on quality, with cost being the deciding factor when everything else is equal. The manager shall determine which contracts are CMGC contracts. Major CMGC contracts (over \$20,000) must be approved by the City Council. The selected CMGC will then implement all bid packages under a competitive bid requirement.

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F. Bidding Provisions

1. **Bid Specifications:** Specifications for public contracts shall not expressly or implicitly require any product by any brand name or make, nor the product of any particular manufacturer or seller, unless the product is exempt by these regulations or the City Council.
2. **Advertising Requirements:** An advertisement for bids is to be published at least twice in a newspaper of general circulation, printed and published in the city and in as many additional issues and publications as the manager may determine, at least five days prior to the opening of bids. Advertising for bids relating to Class B and C road improvement projects shall be published in a newspaper of general circulation in the county at least once a week for three consecutive weeks.

All advertisements for bids shall state the following:

- a. The date and time after which bids will not be accepted;
 - b. The date that pre-qualification applications must be filed, and the class or classes of work for which bidders must be pre-qualified if pre-qualification is a requirement;
 - c. The character of the work to be done or the materials or things to be purchased;
 - d. The office where the specifications for the work, material or things may be seen;
 - e. The name and title of the person designated for receipt of bids;
 - f. The type and amount of bid security if required;
 - g. The date, time, and place that the bids will be publicly opened.
3. **Requirements for Bids:** All bids made to the city shall comply with the following requirements:
 - a. In writing;
 - b. Filed with the manager;
 - c. Opened publicly by the manager at the time designated in the advertisement and filed for public inspection;
 - d. Have the appropriate bid security attached, if required.
 4. **Award of Contract:** After bids are opened, and a determination made that a contract be awarded, the award shall be made to the lowest responsible bidder. "Lowest responsible bidder" shall mean the lowest bidder who has substantially complied with all prescribed requirements and who has not been disqualified as set forth herein. The successful bidder shall promptly execute a formal contract and, if required, deliver a bond, cashier's check, or certified check to the manager in a sum equal to the contract price, together with proof of appropriate insurance. Upon execution of the contract, bond, and insurance, the bid security shall be returned. Failure to execute the contract, bond, or insurance shall result in forfeit of the bid security.
 5. **Rejection of Bids:** The manager or the City Council may reject any bid not in compliance with all prescribed requirements and reject all bids if it is determined to be in the best interest of the City.
 6. **Disqualification of Bidders:** The manager, upon investigation, may disqualify a bidder if he or she does not comply with any of the following:

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- a. The bidder does not have sufficient financial ability to perform the contract;
 - b. The bidder does not have equipment available to perform the contract;
 - c. The bidder does not have key personnel available, of sufficient experience, to perform the contract;
 - d. The person has repeatedly breached contractual obligations with public and private agencies;
 - e. The bidder fails to comply with the requests of an investigation by the manager.
7. **Pre-qualification of Bidders:** The City may require pre-qualification of bidders. Upon establishment of the applicant's qualifications, the manager shall issue a qualification statement. The statement shall inform the applicant of the project for which the qualification is valid, as well as any other conditions that may be imposed on the qualification. It shall advise the applicant to notify the manager promptly if there has been any substantial change of conditions or circumstances which would make any statement contained in the pre-qualification application no longer applicable or untrue. If the manager does not qualify an applicant, written notice to the applicant is required, stating the reasons the pre-qualification was denied, and informing the applicant of his right to appeal the decision within five business days after receipt of the notice. Appeals shall be made to the City Council. The manager may, upon discovering that a pre-qualified person is no longer qualified, revoke pre-qualification by sending notification to the person. The notice shall state the reason for revocation and inform the person that revocation will be effective immediately.
8. **Appeals Procedure:** Any supplier, vendor, or contractor who determines that a decision has been made adversely to him, by the City, in violation of these regulations, may appeal that decision to the City Council. The complainant contractor shall promptly file a written appeal letter with the manager, within five working days from the time the alleged incident occurred. The letter of appeal shall state all relevant facts of the matter and the remedy sought. Upon receipt of the notice of appeal, the manager shall forward the appeal notice, his investigation of the matter, and any other relevant information to the City Council. The City Council shall conduct a hearing on the matter and provide the complainant an opportunity to be heard. A written decision shall be sent to the complainant.

CHAPTER 6 - OTHER POLICY

PART I - DEBT MANAGEMENT

- A. The City will not obligate the General Fund to secure long-term financing except when marketability can be significantly enhanced.
- B. Direct debt will not exceed 2% of assessed valuation.

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- C.** An internal feasibility analysis will be prepared for each long-term financing activity that analyzes the impact on current and future budgets for debt service and operations. This analysis will also address the reliability of revenues to support debt service.
- D.** The City will generally conduct financing on a competitive basis. However, negotiated financing may be used due to market volatility or the use of an unusual or complex financing or security structure.
- E.** The City will seek an investment grade rating (Baa/BBB or greater) on any direct debt and credit enhancements, such as letters of credit or insurance, when necessary for marketing purposes, availability, and cost-effectiveness.
- F.** The City will annually monitor all forms of debt, coincident with the City's budget preparation and review process, and report concerns and remedies, if needed, to the Council.
- G.** The City will diligently monitor its compliance with bond covenants and ensure its adherence to federal arbitrage regulations.
- H.** The City will maintain good communications with bond rating agencies regarding its financial condition. The City will follow a policy of full disclosure on every financial report and bond prospectus.

PART II - TRAFFIC CALMING POLICY (ADOPTED JULY 15, 2002)

The Traffic Calming Policy and adopted traffic calming programs will provide residents an opportunity to evaluate the requirements, benefits, and tradeoffs of using various traffic calming measures and techniques within their own neighborhood. The policy outlines the many ways residents, businesses and the City can work together to help keep neighborhood streets safe.

A. Goals

1. Improve the quality of life in neighborhoods
2. Improve conditions for pedestrians and all non-motorized movements
3. Create safe and attractive streets
4. Reduce accidents
5. Reduce the impact of motorized vehicles within a neighborhood
6. Balance the transportation needs of the various land uses in and around a neighborhood
7. Promote partnerships with Summit County, UDOT, and all other agencies involved with traffic calming programs

B. Objectives

1. Encourage citizen involvement in traffic calming programs

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2. Slow the speeds of motor vehicles
3. Improve the real and perceived safety for non motorized users of the street
4. Incorporate the preference and requirements of the people using the area
5. Promote pedestrian, cycle, and transit use
6. Prioritize traffic calming requests

C. Fundamental Principals

1. Reasonable automobile access should be maintained. Traffic calming projects should encourage and enhance the appropriate behavior of drivers, pedestrian, cyclists, transit, and other users of the public right-of-way without unduly restricting appropriate access to neighborhood destinations.
2. Reasonable emergency vehicle access must be preserved.
3. The City shall employ the appropriate use of traffic calming measures and speed enforcement to achieve the Policy objectives. Traffic calming devices (speed humps, medians, curb extensions, and others) shall be planned and designed in keeping with sound engineering and planning practices. The Public Works departments shall direct the installation and maintenance of traffic control devices (signs, signals, and markings) as needed to accomplish the project, in compliance with the municipal code and pertinent state and federal regulations.
4. To implement traffic calming programs, certain procedures shall be followed by the City in processing requests according to applicable codes and related policies within the limits of available resources. At a minimum, the procedures shall provide for:
 - a. A simple process to propose traffic calming measures
 - b. A system for staff to evaluate proposals
 - c. Citizen participation in program development and evaluation
 - d. Communication of any test results and specific findings to area residents and affected neighborhood organizations
 - e. Strong neighborhood support before installation of permanent traffic management devices
 - f. Using passive traffic controls as a first effort to solve most neighborhood speed problems
5. Time frames - All neighborhood requests will be acknowledged within 72 hours from the initial notification of the area of traffic concern. Following that, the time required by all parties involved will be dependent on the issue brought forward. It is expected that both City Staff and the requesting parties will act in a responsive and professional manner.

D. Communication Protocols

Park City Municipal Corporation will identify a Traffic Calming Project Manager to facilitate the communications and program steps deemed appropriate. The Project Manager will be the point person for all communications with the requesting neighborhood and internally with a Traffic Calming Program Review Committee. The Traffic Calming Program Review Committee will evaluate and recommend the action steps to be taken. The Review Committee will be comprised of the following people:

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1. Public Works Director
2. City Engineer
3. Police Department Representative - appointed by the Police Chief
4. Traffic Calming Project Manager - appointed by the Public Works Director

All coordination efforts, enforcement measures, and follow through responsibilities will be under the supervision of the Traffic Calming Project Manager.

E. Eligibility

All city streets are eligible to participate in a Traffic Calming Program. Any traffic management techniques desired to be used on Utah Department of Transportation (UDOT) owned streets must be approved by UDOT.

F. Funding Alternatives

1. 100% Neighborhood Funding
2. Capital Improvement Program
3. Neighborhood Matching Grants
4. City Traffic Calming Program Funds

G. Procedures

Phase I: Phase I consists of implementing passive traffic controls.

1. **Initiation:** Neighborhood complaint must include petition signed by at least 5 residents or businesses in the area to initiate Phase I of a traffic calming program.
2. **Phase I First Meeting:** Neighborhood meeting is held to determine goals of a traffic calming program, initiate community education, initiate staff investigation of non-intrusive traffic calming measures, discuss options, estimate of cost, timing, and process.
3. **Phase I Implementation:**
 - a. The Traffic Calming Program Review Committee reviews signing, striping, and general traffic control measures. Minimum actions include Residential Area signs, speed limit signs, review of striping, review of stop sign placement, review of turn restrictions, and review of appropriate traffic control devices.
 - b. Community watch program initiated. This program includes neighbors calling police to request increased speed limit enforcement, neighbors disseminating flyers printed by the City reminding the community to slow down, community watch for commercial or construction vehicles, etc.
 - c. Targeted police enforcement will begin to include real time speed control.
4. **Phase I Evaluation:** Evaluation of Phase I actions will occur over a 3 to 9 month period. Evaluation will include visual observations by residents and staff.
5. **Phase I Neighborhood Evaluation Meeting:** Phase I evaluation meeting will be held to discuss results of Phase I. It will be important that the City staff and the current residents also contact the relevant property owners to obtain their opinions and thoughts prior to taking any next steps.

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Phase II:

1. **Phase II Initiation:** Twenty-five percent (25%) of the residents within the proposed neighborhood area can request the initiation of Phase II.
2. **Define Neighborhood Boundary:** A neighborhood will include all residents or businesses with direct access on streets to be evaluated by Phase II implementation. Residents or businesses with indirect access on streets affected by Phase II implementation will be included in neighborhood boundary only at the discretion of staff.
3. **Phase II Data Collection and Ranking:** Staff performs data collection to evaluate and rank neighborhood problems and the ability to solve problems. Data collection will include the following and will result in a quantitative ranking.

Criteria	Points	Basis Point Assignment
Speed data (48 hour)	30	Extent by which the 85 th percentile traffic speed exceeds the posted speed limit (2 points per 1 mph)
Volume data (48 hour)	25	Average daily traffic volumes (1 point per 100 vehicles, minimum of 500 vpd)
Accident data (12 month)	20	Accidents caused by speeding (8 points per accident)
Proximity to schools or other active public venues	5	Points assigned if within 300 feet of a school or other active public venue
Pedestrian crossing, bicycle routes, & proximity of pedestrian generators	5	Points assigned based on retail, commercial, and other pedestrian generators.
Driveway spacing	5	For the study area, if large spaces occur between driveways, 5 points will be awarded. If more than three driveways fall within a 100 foot section of the study area, no points will be provided.
No sidewalks	10	Total points assigned if there is no continuous sidewalk on either side of the road.
Funding Availability	50	50 points assigned if the project is in the CIP or 100% funding by the neighborhood. Partial funding of 50% or more by the neighborhood 25 points, partial funding of 10 to 50% by the neighborhood 10 points.
Years on the list	25	5 points for each year
Total Points Possible	175	maximum points available

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4. **Phase II Implementation Recommendation:** The Traffic Calming Project Review Committee proposes Phase II traffic calming implementation actions and defines a project budget.
5. **Phase II Consensus Meeting:** A neighborhood meeting is held to present a Phase II implementation proposal including project budget, possible time frame, discuss temporary installation, etc. The estimated time frame is one to three years depending on funding availability.
6. **Phase II Petition:** Residents and businesses in neighborhood boundary are mailed/or hand delivered a petition by the City identifying Phase II actions, cost, and explanation of implications of vote. Petition provides ability to vote yes, no, or not return petition. Unreturned petitions count as no votes. Resident support for traffic calming is defined as 67 percent positive response. No more than four weeks is allowed for the return of a petition.
7. **Phase II Implementation:** Permanent installation will be implemented after the approval of funding by the City Council. Implemented actions will be continually monitored based on visual observation and accident data.
8. **Post Project Evaluation:** City staff will review impacts on traffic to determine if goals were met. Neighborhoods will have an opportunity to review data and provide comment.
9. **Removal (if required):** The Traffic Calming Program Review Committee will authorize removal of improvements upon receiving a petition showing 75 percent support by the neighborhood. Removal costs in all or part may be assessed to the defined neighborhood boundaries.

H. Traffic Management Devices (Definitions)

1. **Passive Controls** consist of traffic control mechanisms that are not self regulating. To be effective it is necessary for drivers to abide by traffic control devices.
 - a. Stop Signs - used to assign right-of-ways at intersections and where irremovable visibility restrictions exist.
 - b. Speed Limit Signs - sometimes installed as traffic calming mechanism. Numerous speed limit signs reinforce the posted speed.
 - c. Turn Prohibition Signs - used to prevent traffic from entering a street, thereby reducing traffic volumes.
 - d. Neighborhood Announcement Signs - used to advise the entering vehicles that they are moving through a particular type of neighborhood. Specific supplementary messages can also be placed here.
2. **Positive Physical Controls:**
 - a. Medians Islands - used to constrict travel lane width and provide an area for additional landscaping and signage.
 - b. Bulb-Outs (Chokers/Curb Extensions) - physical constrictions constructed adjacent to the curb at both intersections and mid-block locations making pedestrian crossings easier and space for additional landscaping and signage.

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- c. Speed Humps - are vertical changes in the pavement surface that force traffic to slow down in order to comfortably negotiate that portion of the street.
 - d. Chicanes - are a set of two or three landscaped curb undulations that extend out into the street. Chicanes narrow the street encouraging drivers to drive more slowly.
 - e. Traffic Circles and Roundabouts - circular islands located in the middle of street intersections that force traffic to deflect to the right, around a traffic island, in order to perform any movement through the intersection tending to slow the traffic speeds.
 - f. Rumble Strips - changes in the elevation of the pavement surface and/or changes in pavement texturing which are much less pronounced than speed humps.
 - g. Diverters - physical obstructions in intersections which force motorists to turn from the traveled way onto an adjacent intersecting street thereby reducing volume.
- 3. Driver Perception/Psychology:**
- a. Landscaping - the most effective way to change the perception of a given street environment.
 - b. Crosswalks - can be used to alter the perception of a street corridor and at the same time enhance the pedestrian environment.
Flashing Warning Beacons - can be used to alter driver psychology.
Real-time Speed Display - used to inform drivers of actual speed they are traveling.
 - c. Increased Enforcement - additional enforcement of regulations either by law enforcement personnel or citizen volunteer groups.
 - d. Pavement Markings - used to guide motorists, delineate on-street parking areas or create the impression of a narrowed roadway, all in an effort to slow traffic speeds.

PART III - SPECIAL EVENTS SERVICES

The City's role in supporting special events encompasses a wide range of services. Depending on the size and impact of a given special event the City may be required to provide:

- Police Services (Crowd, Traffic and Access control).
- Transit Services (Enhanced frequency or capacity).
- Parks Services (Field maintenance, Grounds maintenance, Trash).
- Streets Services (Street Sweeping, Electronic signage, Barricades).
- Parking Services (Special use of parking, Parking enforcement).
- Building Services (Inspections and Code enforcement).
- Special Events and Facilities Services (Facility leases).

Some of these services can be provided without incremental cost or loss of revenues. However, most special events services do have an impact on departmental budgets in the form of overtime labor, equipment, materials, or foregone revenue. The purpose of this policy is to ensure

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departments are properly funded to provide the special event support they are tasked with providing.

A. Procedures for Amending Departmental Budgets

For budgeting purposes special events can be categorized into two groups:

1. Those events that are managed under multi-year contracts with the City
2. Those year to year or one time events whose size and scope do not justify long term contracts.

B. Events Managed Under Multi-Year Contracts

For these events, Departments shall request budget adjustments during the first budget process after these agreements are signed. These budget adjustments will be based upon the level of services outlined in the special event contract and will remain in the budget only for the term of the contract.

C. Year to Year or One Time Events

For those events for which long term agreements do not exist the costs for providing services shall be estimated and included within Council's or the City Manager's review of the application. If through the approval process fees are waived these calculations will then serve as the justification for a one-time budget adjustment during the next budget process.

D. Funding Mechanisms for Special Event Budget Increases

The City uses a three tiered approach to fund special event services. Those three tiers are:

1. Special Event Fees
2. Economic Benefit Offset
3. Other General Fund Resources

E. Special Event Fees

Pre-approved fees will be set to recoup the incremental cost of providing the City services detailed in an event Master Festival or Special Event application. If an event requests and receives approval for a waiver of any or all fees, the City will first look to an Economic Benefit Offset to provide funding in lieu of the waived fees.

F. Economic Benefit Offset (EBO):

The economic benefit offset (EBO) of a given event can only be calculated for those events which are known to have a significant impact on sales tax collections and have at least one year of history to analyze. The EBO of an event is calculated using historic sales tax collection data to measure incremental sales tax growth attributable to that event. In the past Council has indicated a willingness to waive fees for up to half the incremental sales tax gained from major special events. The SEBC recommends that Council formally adopt this 50 percent waiver limit. If the Economic Benefit Offset is inadequate (on a fund specific basis) to offset waived fees, the City will then look to other General Fund sources to provide funding in lieu of waived fees.

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G. Other General Fund Resources

When the economic benefit of a special event (on a fund specific basis) cannot be calculated or is inadequate to offset the amount of waived fees, the SEBC recommends the City identify other general fund sources to offset any waived fees. Staff will communicate available sources to Council or the City Manager when presenting Master Festival or Special Event applications that contain a fee waiver request.

PERFORMANCE MEASUREMENT PROGRAM

In FY 2000, the City organized a group of community professional known as the Citizens Technical Advisory Committee (CTAC) to review the Program and Resource Analysis – a multi-year study to ensure the efficient use of City resources. The first phase of the study was devoted to determining what services the City provided and at what cost. The second phase entailed the creation of an executive budget summary and the Citizen’s Budget, a succinct summary document for the individual wanting an overview of the municipal budget.

Program & Resource Analysis Summary of Budget Process & Timeline					
June 2002	June 2003	June 2004	June 2005	June 2006	June 2007
1. Budget updated -Revenues -Reconcile Olympics -Recreation Fund -Major Capital Projects	1. Two-year Budget adopted -Pay Plan -CIP Reprioritized -Document Reformatted	1. Budget updated -Revenues -Major Capital Projects -Analytical Section added to Executive Summary	1. Two Year Budget adopted -Pay Plan -CIP Reprioritized - Enhanced Analytical Section	1. Budget Updated -Part-time Pay Plan updated -Asset Mgt Program created	1. Two Year Budget adopted -Pay Plan Benchmarked -CIP Reprioritized -Volume II Revamped
2. Phase II of Program & Resource Analysis done -Executive Summary -Citizen's Budget	2. Phase III of Program & Resource Analysis -Service Level updates -Output Measures -Benchmarking -Recreation Fund	2. Performance Measures and Benchmarking -Departmental measures updated -Financial Health indicators -Peer Group Benchmarking	2. Performance Measures and Benchmarking -Identify Peer Group - Electronic data entry for Performance Measures	2. Performance Measures and Benchmarking -Council Updated on Department Measures -Organizing benchmarking group demographic data	2. Performance Measures and Benchmarking -General Performance Measures Created -Resort Community Benchmarking Group financial health indicators data collected
3. Begin Community Vision	3. Community Vision done	3. Sales Tax Analysis (completed)			
4. Budget Policies adopted	4. Budget Policies adopted	4. Budget Policies adopted (completed)			3. Financial Impact Analysis Report delivered to Council

Figure S1 - Program and Resource Analysis

The Program and Resource Analysis has entered the third phase of study. The first two phases focused on what services and programs the city provides and approximately how much each activity costs. The next phase begins to answer the question of how well we provide services for the community and how those services compare to other communities (Figure S2). The optimal way to do this is through the use of performance measurement and benchmarks.

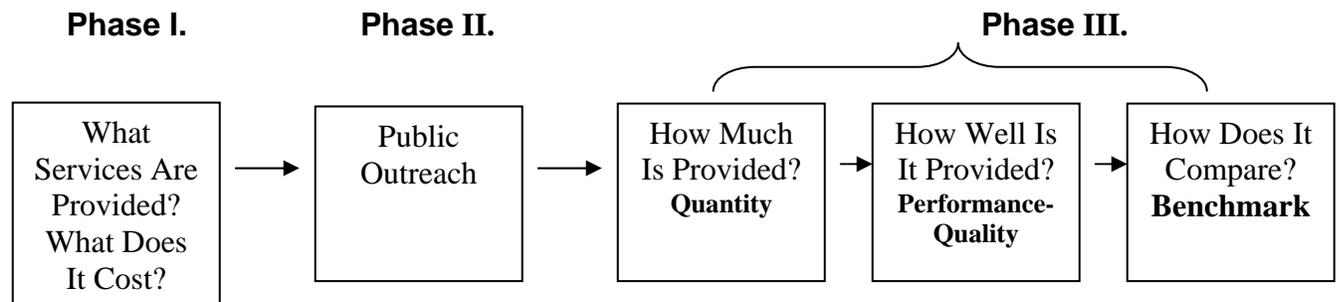


Figure S2 - Program and Resource Analysis Phases

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Phase III or the Development and Implementation of Performance Measures and Benchmarks is the next step in the process. City Council has listed benchmarking and performance measures as a priority.

The preliminary measures for some departments will be simply formalizing the measures you already use to monitor your programs. For some departments this will require going through the process of identifying division goals, programs, and services. In all cases the benefit of performance measures is dependent on the information you feel is important to accurately demonstrate the level of service your department provides. The City has already taken several steps toward implementing a performance measurement program. The Program and Resources Analysis has established the foundation. The City has identified programs and the associated cost of providing programs for the community. The next step is to identify and measure the success of the programs and services we already provide.

Each city is unique (especially Park City) and there is no “best cookie cutter” implementation process. We are challenged with the task of customizing our use of performance measures with Park City’s work and political environment. The concept of performance measures is neither new nor a major shift in the philosophy that exists in Park City. For years departments have identified goals and objectives in the budget document and have focused on meeting long term Council goals while attempting to exceed expectations with program delivery.

Simultaneously, the pay for performance culture, instant bonuses, and cost saving programs encourages efficiencies with the goal of providing a high level of customer service for the visitors and residents of Park City. The use of performance measures is the next logical step in determining the quality of service delivery provided by our departments. The following information is an outline that describes performance measures and outlines the performance measure implementation process developed for Park City. Information has been modified from several programs to match Park City’s needs.

WHAT IS PERFORMANCE MEASUREMENT?

Performance measurement is a process for determining how a program is accomplishing its mission, goals, and objectives through the delivery of products, services, or processes. In essence, performance measurement is a systematic process of evaluating outcomes of specific government programs and services that are delivered to customers with respect to effectiveness, efficiency, quality, and return on investment.

A **performance measure** is a specific quantitative measure or qualitative assessment of program results obtained through a program or activity. A performance measure summarizes the relationship between inputs and outputs in achieving outcomes with respect to effectiveness, cost, and quality (Guajardo and McDonnell p24). A performance measure is not simply an output. For example, it is not just measuring the number of road miles Park City plows in a year. A performance measure links an output to some other measure to define the quality of the output. The number of road miles plowed within the first hour after a significant snowstorm is such an example.

WHAT IS THE PURPOSE OF PERFORMANCE MEASUREMENT?

The purpose of performance measures is not to monitor the performance of individual employees or departments but to assess the cost and quality of services provided (Guajardo and McDonnell p1). The goal of performance measurement is to improve service delivery by identifying deficiencies in current work processes and through constant improvement better the product and process for the community.

The strongest argument for the use of performance measures is that it is a powerful tool for managers to use in improving the programs and services they are responsible for and justify why we do what “we do.” This is not to say that all management problems are solved with such an instrument, rather it will help us reach the goals that we are setting through the most efficient process.

The use of performance measures will also enable the City to respond to assumptions of wastefulness and inefficiency with information that demonstrates (Guajardo & McDonnell p29):

- How well program goals and objectives are being met;
- How well programs and services are delivered to customers; and
- Whether the government is achieving its intended outcomes.

Internally, performance measures will be useful to managers by helping to (Guajardo & McDonnell pp29-30):

- Improve program performance and service delivery by reengineering work processes;
- Improve budgeting and planning by assessing demands for programs and services;
- Improve management practices by examining how well resources are being used;
- Improve program administration and service delivery by identifying deficiencies and implementing enhancement strategies;
- Provide objective feedback on program and service performance;
- Revise programs and services to meet customer demands and ensure quality; and
- Strengthen accountability by demonstrating how well Park City Municipal uses tax dollars to provide key programs and services.

TYPES OF PERFORMANCE MEASURES

There are six categories or types of performance measures that you will use to measure your programs. Each is listed below and managers should assess the applicability of each type of measure depending on the program. Some of these measures are more appropriate than others for certain activities. Whatever measures you choose to use you should try to use different types of performance measures to assess your programs including at least one outcome measure (Guajardo and McDonnell).

Effectiveness

How well does Park City accomplish its programs and service delivery goals and objectives? Effective measures assess the degree to which predefined goals and objectives were met within the specified time frame: *What percentage of roads are plowed within six hours of a major snowstorm? How does this compare to expectations?*

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Efficiency

How much does a program consume in achieving their program goals and objectives? Efficiency measures assess the amount of outcome produced per unit amount of resources allocated to performing a predefined goal or objective within a time frame: *Number of water bills processed each week per FTE involved with the process (150/FTE).*

Outcomes

Did the departments' programs meet the intended results? *i.e., number of plans reviewed within 2 days per 100 applications (Planned – 95, Actual – 96.8).*

Outputs

What did the program or service produce in relation to its inputs? Output measures assess the quantity of work performed: *Number of pool passes issued (200 issued).*

Quality

Are internal and external clients satisfied with the performance of the government's programs and service delivery? Quality measures assess the level of satisfaction of customers in relation to goods and services delivered: *Percent of patrons satisfied with tennis lessons (95%).*

Workload

How many transactions were performed per employee for a program or service activity? Workload measures assess the productivity of staff in providing goods and services to customers: *Number of acres of golf course maintained divided by the number of staff (144/12 = 12 acres/person).*

Outcome Measures	Output Measures	Efficiency Measures	Input Measures
Percentage of clients rehabilitated	Number of clients served	Average cost per client served	Number of clients eligible for services
Percentage of entities in compliance with requirements	Number of inspections conducted	Average cost per inspection	Number of entities subject to inspection/regulation
Percentage of applications	Number of applications processed	Average time (days) to process license applications	Number of applications received

Source: Utah State Governor's Office of Planning and Budget (GOPB)

PERFORMANCE MEASURES CAN BE MANIPULATED!

A common argument is that performance measures, as with all analytical tools or statistics, can be manipulated to "paint a rosy picture." This will be one of the primary issues with implementing a legitimate performance measure process. The goal is to establish measures that

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paint an accurate picture of the programs and services we offer. Some measures will be more favorable than others, although all areas can improve, we should avoid impractical measures.

To help gain external validity, the City will have the draft performance measures you create reviewed by the Citizen's Technical Advisory Committee (CTAC) to verify that the measures reflect an accurate picture of what we are trying to measure. In addition to the initial review by CTAC, the Budget, Debt, and Grants Department will annually verify the information you are reporting for your performance measures as part of the budget process. The Government Finance Officers Association (GFOA) lists the following performance measure criteria for valid measures (Guajardo and McDonnell p28).

To be acceptable, credible, and useful both internally and externally, performance measures need to satisfy the following criteria:

Comprehensive

Are the performance measures and their results derived from all of the relevant program and financial information, and do they capture all of the work processes necessary for achieving program outputs and outcomes?

Meaningful and understandable

Are performance measures and their results easily understood?

Reliable

Are performance measures based on the same data sources and information so that they produce consistent results from year to year?

Simple

Are the performance measures easily calculated and interpreted?

Valid

Do performance measures accurately assess a program's outcomes and outputs in relation to its stated goals, objectives, and inputs?

Verifiable

Do the performance measures provide an audit trail enabling a reviewer to verify the accuracy and timeliness of the source data?

The key to performance measures is to create valid measures that are realistic and linked to specific goals, programs, objectives, and work processes. The goal of this exercise is not to have Budget, Debt, and Grants or CTAC develop measures for your programs. The purpose of this program is for you to determine what measures are useful to YOU as the manager to gauge your service delivery. Budget, Debt, and Grants will assist to develop the measures, provide analysis, and train you and your employees, but this will only work if you are committed to measuring your performance and (where applicable) improving your output.

As this program is beginning you will not be required to create and implement a large number of measures, outcomes, or objectives. The program will start off requiring very few measures and develop from there. The key is to set goals, measures and objectives that are a good indicator of what you are trying to accomplish with your program.

PERFORMANCE MEASURES CONSUME RESOURCES!

Another common argument against performance measures is that they can consume a lot of resources. This is a true statement if an organization is over zealous in the implementation of a performance measurement program. Often consultants are hired that try to overlay existing programs from an external perspective. We are taking a more conservative approach introducing the gradual development and use of performance measures instead of an immediate jump to a full-blown measurement program. As staff, Council, and the community become accustomed to the use of performance measures, departments can expand their use as needed. Some groups (Staff, Council, or the Community) may want to be over aggressive the first few years of program implementation. This is an option but not recommended.

Departments should focus on those goals and programs that are most critical for their organization. Again, the goal is not to implement a large cumbersome process beginning this first year. This is a gradual process for change, not a revolution to the organization.

Departments should focus on the information they are already collecting and use this as a foundation for their performance measures. In some cases we may need to ask the question of how well we are delivering current services. This may be used in conjunction with the information already on hand. Costs will escalate dramatically as we begin to measure outcomes that we do not currently use or that may have no value to the organization. As we begin to develop performance measures we should consider the impact of what we are trying to measure and be sure that what we are trying to measure is really the outcome of the goal.

Some may question the cost of staff resources used to measure performance. This is a legitimate concern if the data collected and used for measuring performance is of no value to the program. The benefit of staff time will outweigh the costs if we collect the correct information and can use that information to improve our service.

Performance measurement should be seen as an important tool in allocating resources, not the only tool. Care must be taken to avoid taking outcome-based budgeting to extremes, and to recognize that not all outcomes can be measured or quantified (Governor's Office of Planning and Budget).

As Park City begins the process of developing and implementing performance measurement, the benefits of accountability, focus on results, and a better-defined relationship between resources and mission can be achieved. But it is equally important to recognize that performance measurement is only one of a number of tools available to government managers and policy makers. The use of all of the tools in harmony with one another will result in a better process for the organization.

HOW DO WE IMPLEMENT PERFORMANCE MEASUREMENT?

This is the most complex part of the performance measure process. With an array of departments and programs it is difficult to identify the most effective methods for developing and implementing performance measures. The following is a hybrid flow chart that demonstrates the performance measure process. It is an evolutionary process that will develop as services and programs change to meet the needs of the community.

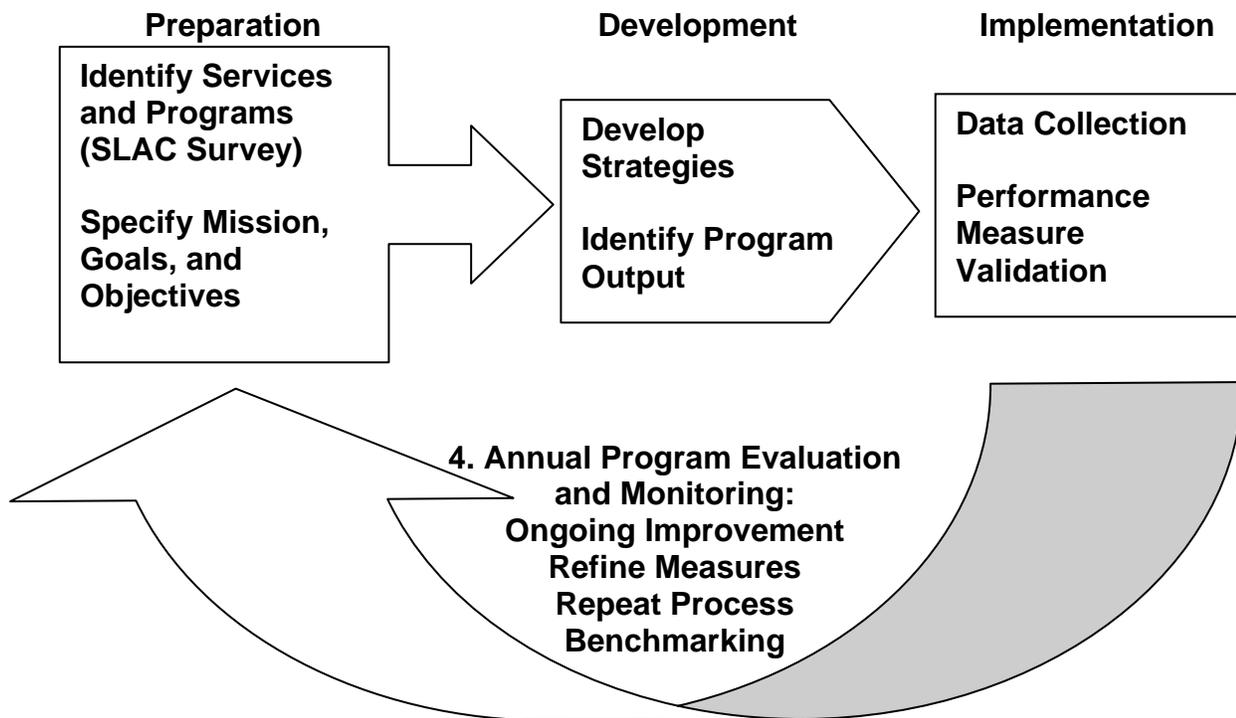


Figure S3 - Performance Measure Process

Park City, as a whole, has largely completed the first steps in the Preparation stage of the process with the Program and Resource Analysis, existing department and program goals, Council Goals, and the recently developed Park City Strategic Plan. Some departments already have goals, objectives, measures, and access to information that will be used to measure performance. Again the idea is to not recreate the wheel but rather take the information we already collect and take the next step by improving upon what we are currently doing. The steps listed in Figure S3 Performance Measure Process are outlined below.

1. Preparation: The preparation for performance measures is probably the most daunting part of implementing performance measures. Fortunately, this has largely been completed through earlier efforts with the Program and Resource Analysis, Council Goals, Program Development, and the Strategic Plan.

The first step is to identify the major programs and services your department currently provides. This was largely completed during the Service Level Analysis (SLAC) in fall of 2000. This also identifies the inputs (dollars) required to provide the service highlighted in the SLAC analysis.

Specifying mission, goals, and objectives has largely been completed through previous Council direction and the goals established for the City. In some cases program goals have been clearly articulated by Council, Boards, or Commissions while for other programs you may need to create the goal of the program yourself. The SLAC identified departmental programs (Attached) that may or may not be measurable based on your departmental needs. Please use this information as you identify your department's performance measures. This information may only reflect a starting point for what you may want to measure. Use your discretion as to what measures are most important for your divisions. It is anticipated that each division will have at least one or two performance measure for each program as a starting point. As we become accustomed to using performance measures we will begin using additional indicators for performance. Some departments may already be measuring more than this. Again the key point is to measure what is important for your department.

2. Performance Measurement Development: Once the mission, goals, and objectives have been identified for your department and programs, the development of performance measures will be simply a continuation of how to reach the stated program goal. Figure S4 represents the format the City will use for each program goal. Each section has a definition that explains the purpose of the section. In many cases the program goal, input, and objective have already been identified. In these cases departments will simply need to go to the next step in identifying strategies, desired results, and the actual performance measures. As departments determine what to monitor they should consider the difficulty that may be associated with collecting data. For the most part we will be collecting data that we already have access to or that can easily be gathered. A tendency with performance measures is to "measure what we can count" (Procurement Executives' Association). Again, if information is important there may be a need to collect data, but we should avoid creating measures that require cumbersome data collection efforts unless there is a persuasive need to capture this information.

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Department: Executive, Public Works, Etc...		Division: Division Name as listed on the Service Level Survey sheet.		
Program: Program Name as listed on the Service Level Survey sheet.				
Program Goal: What is the general purpose of your program? A program goal should include policy intentions and/or City Council direction specific to your program. Goals are both qualitative and quantifiable, but not quantified.				
Council Goal: To which Council Goal does this program relate?				
Input	Objectives	Strategy	Performance Measures	Desired Result/Outcome
What resources (\$) are allocated so that your program goals, objectives and desired results can be achieved?	Objectives are targets for specific action needed to meet the program goal. More detailed than goals, objectives have shorter time frames and may state quantity. An objective is achievable, measurable, and sets the direction for your strategy. One program goal will usually have several objectives.	How will you convert inputs into desired results so that your program goal and objectives can be accomplished? What methods will you use? What are your work processes?	How will you measure your desired results? Use one of the types of measures listed on Page 3 of this document (effectiveness, efficiency, outcomes, outputs, quality, workload).	What are the intended results that should be achieved from undertaking your program goal and objectives? What goods and services are produced through your program?

Figure S4 - Performance Measure Format (Source: State Governor’s Office of Planning and Budget)

The following are questions you will want to ask yourself as you identify measures for your programs (Guajardo and McDonnell p31).

- How can we measure if residents and visitors to Park City are satisfied with the programs and services offered by Park City Municipal Corporation?
- Will the program produce results consistent with its goals, objectives, and inputs?
- What is the quantity of output in relation to its inputs?
- What are the program costs incurred producing the desired result?

3. Implementation: The third step to performance measurement is the actual implementation process. For many departments this will be the easiest part of the process. For implementation we largely try to meet our program goals while collecting that data identified in the development process. Managers may on a monthly or quarterly basis review their goals and the outputs identified as a measure for their goals. Managers should use this information throughout the year and not just as an attachment at budget time.

4. Annual Program Evaluation and Monitoring: Performance measurement is an evolutionary process that will improve as the organization gains experience using performance measures. The performance measures developed by your department will be incorporated into the budget document and will annually be evaluated as part of the budget process. Each year Budget, Debt, and Grants will work with departments to ensure that the performance measures in

place are capturing the information you need to improve your programs and services.

In 2001, Park City was asked to participate in a benchmarking program along with 13 other Utah communities to collect and compare strategies from common programs. Benchmarking refers to the process of critically evaluating a program’s or service’s activities, functions, operations, and processes to achieve a desired level of performance (Guajardo and McDonnell p20). Budget, Debt, and Grants has since that time been gathering data from departments and participating in the benchmarking survey. Your assistance has been very beneficial in the collection of this data. This data will be used as an external reality check with other communities on the types and cost associated with providing services. Park City’s participation to this point has provided a starting point for benchmarking. There are inherent concerns associated with this type of analysis as with all other types of analytical tools. As with performance measures we will modify this tool as time passes or decide to use other cities for benchmarks.

LINKING PERFORMANCE MEASUREMENT TO PAY FOR PERFORMANCE

Is there a connection between the existing pay for performance program and the link between quantifiable goals, services, and outcomes? Currently the City participates in semi-annual and annual review for all regular employees. This process, although consistent in that it occurs on a regular basis, is inconsistent organizationally as to what level of information is tracked during the review process. The current review process allows for a great deal of autonomy from manager to manager in relation to the review requirements of regular employees. In some departments, goals are clearly outlined, reviewed, and incorporated into the process while in other departments this tool is not used at all. Figure S5 demonstrates the current process.

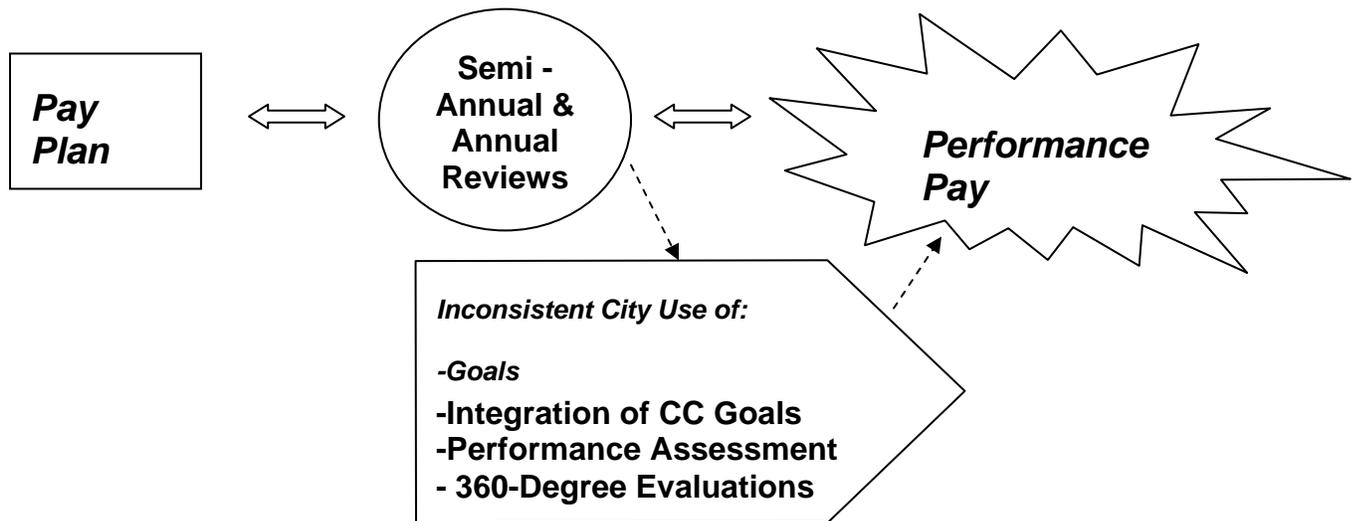


Figure S5 - Current Performance Reviews

In some departments goals and objectives are articulated and performance is measured on defined criteria. Currently, there is varying use of Council goal implementation, 360-Degree evaluations, and performance measures in individual personnel reviews. Implementing these

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measurement processes allows for greater manager involvement and more consistent performance evaluation.

The Park City Municipal Policies and Procedures manual dated November 18, 1999 states:

7.3(a.) It is recommended but not required that the supervisor request in advance of the evaluation meeting a written self-evaluation from the employee. In conjunction with the self-evaluation, it is also recommended that an employee identify goals he/she would like to accomplish during the next review period. The employee should identify the goal, the means by which to measure whether it has been accomplished, and the time frame in which it will be accomplished.

The supervisor should go through a similar process with his/her evaluation of the employee. First, reviewing and evaluating the accomplishments of previously set goals; second, identifying any additional accomplishments; third, establishing goals for the future that are measurable; and forth, identifying areas needing improvement. These areas of development may enhance the employee's ability to do his/her current job, or they may be to prepare him/her for upward mobility.

Returning to a question posed by the Pay Plan Task Force in July 2002: *Is there a relationship between pay, measured quantity and quality of service, employee moral and city resources?* The short answer is "there should be." A pay for performance philosophy without clearly defined criterion for what constitutes performance makes it difficult to understand what that relationship is. Currently, the "optional" nature of goals in the performance review makes it very difficult to clearly assess the effectiveness of performance evaluations.

In the spring of 2001, Council recommended as part of the Program and Resource Analysis that, "The City should strive to measure its output and performance" (PCMC FY2002 Annual Budget p. 71). Approximately 60 percent of regular employees currently have goals incorporated into their performance evaluations. The current review practice should be modified to require the use of goals and measurable criteria in an effort to monitor employee performance and provide consistency in the process. While this may increase the time required for managers to conduct an employee evaluation, it will provide a tool whereby managers can accurately measure the performance and progress of their employees.

GOALS AND PERFORMANCE MEASURES

For most departments a requirement to incorporate goals and performance measures will not be difficult. For other departments this change may require a shift in philosophy for both the manager and the employee. It is important to remember that it is the responsibility of the manager to clearly communicate goals and project expectations. Goals established during the semi-annual review can then be assessed and updated during the following six months. Goals should be designed to challenge the employee but not present unreal expectations for performance. Since each employee is different, the review process will allow managers to customize employee goals to meet the needs of the individual and modify them as needed.

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The use of performance measures is the current direction for budgeting resources. As part of the performance measurement program managers and supervisors will begin linking performance measures and goals in their employee's next review. As these measures and goals are developed they should be included in the employee review as applicable. Please ensure that the goals linked to performance reviews are goals that can be accomplished or enacted by the employee.

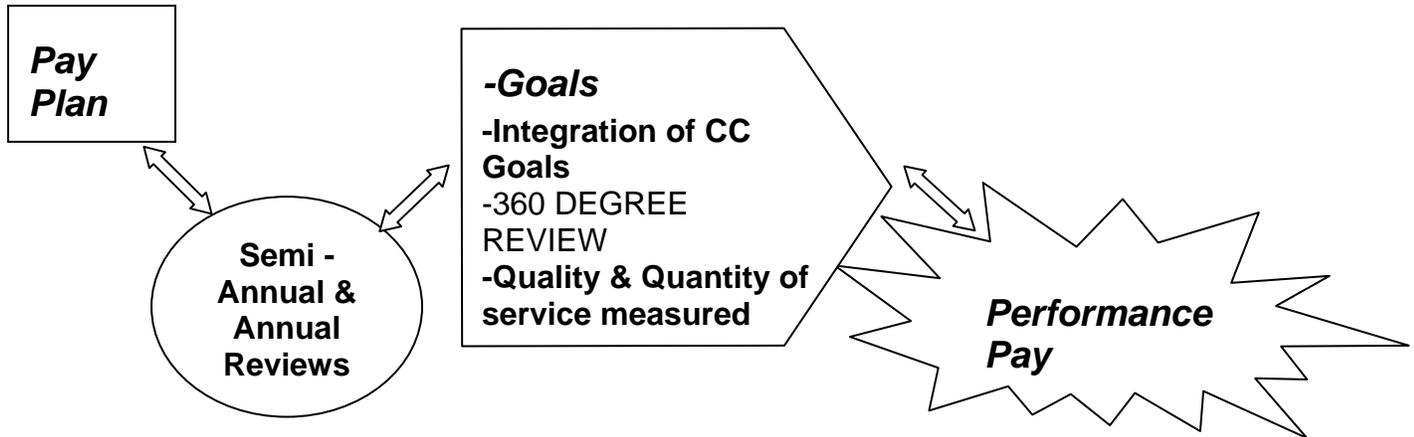


Figure S6 - Future Performance Reviews

There are currently many different levels of performance reviews taking place. Some departments are using performance measures, 360-Degree reviews, integrating Council goals, and employing other innovative way to measure performance. The following figure represents a potential model for our performance pay program. This program can only be achieved if the City begins to modify how we measure performance. The easiest way to do this without a revolutionary change in our culture is through a two step process: First, establish standard review criteria that will be incorporated into all regular employees' performance reviews. Second, implement more advanced methods to measure performance (i.e., 360 degree reviews) that will link employee performance to pay.

Personnel Review Criterion: At present there are no standardized criteria defined to assess performance, which makes implementing a formal process such as 360-degree evaluations difficult. In addition Park City enjoys the freedom of rewarding top performers. At a minimum the City should design uniform criteria or and guidelines that would be incorporated into each performance review. If the City uses the language in the policies manual each regular employees review would incorporate the following:

- Self Evaluation
- Review of previous goals
- Identify additional accomplishments for review period
- Goals for next review period
- A measure to gauge the accomplishment of the goal
- Other areas for improvement

The following are examples of criteria that could be adopted for citywide implementation in addition to the outline above. Not all criteria are applicable to every employee; the goal is to

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incorporate as many criteria as are appropriate for each individual employee. Implementation would occur after manager and employee training and be incorporated into each employee's next performance evaluation.

- A statement of whether or not the employee is meeting expectations (below, at, or above)
- Work Product Measure (Qualitative measure for performance this would address the deliverable product or output)
- Attitude Measure
- Work Ethic (attendance, punctuality where applicable)
- Development Goal (skills, knowledge, and abilities)
- Safety Goal (accident free, driver safety, work place safety where applicable)
- City Core Values

Maintaining this format will preserve cultural flexibility and insure consistency in what is required for evaluations. Senior managers should review the list of possible criteria and establish a uniform set of review standards for performance evaluations.

Other issues that were reviewed as part of this process are the use of 360-Degree evaluations using the Bozeman model, the use of a formal evaluation forms (Phoenix), and other standards of performance evaluation. Although this is not an exhaustive list of possibilities, all items have merit that should be reviewed as part of the Compensation Philosophy and Review Committee in two years. This will allow for a more formal process to be developed using standard criteria. If in two years there are still organizational inconsistencies, alternative solutions should be studied for possible implementation.

COMMITMENT TO A PERFORMANCE MEASUREMENT PROGRAM

Council goals indicate a commitment to the development and use of performance measures. This commitment also extends to the direction Park City has been moving for a number of years. Some of the driving factors are Council, the community, and other organizations. These reasons although compelling are not enough to undertake this change.

The best reason and motivation for this happening now is that it is the right thing to do. Park City is at a point where we provide a number of services and programs; yet we lack any sort of consistent performance indicator to verify the success of the program. We have started the process over the last few years and as part of the budget process it makes sense to take the next step now.

It is clear through the existing research that strong leadership is essential in creating a positive organizational climate for developing performance measurement. Senior and Mid-management leadership is vital throughout the performance measurement and improvement process. Managers should have frequent formal and informal meetings and conversations with employees to show support for improvement efforts and implementation initiatives.

Council will need to commit to not micromanage the implementation of performance measures by trying to predetermine or rush outcomes. The commitment of staff to this program will largely

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be determined by the information needed to assess their programs success if they develop the measure. This program will fail if Council or the community force measures on departments and programs. This is an improvement tool that if used properly will move Park City to a higher performance level. If used improperly performance measures will erode staff moral and negatively impact the organization.

To be successful, Council needs to recognize the limitations of performance measurement: the need to balance performance measures with other indicators, the high cost of developing some measures of effectiveness, the need to use the correct measures at the correct level of government, and recognize that City government often plays a limited role in determining societal outcomes. In reality some things can't be measured. Where specific information can be used to measure performance we should seek to improve the quality of service for the citizens and visitors of Park City (Utah State Governor's Office of Planning and Budget).

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FUND STRUCTURE

All City funds are accounted for in accordance with Generally Accepted Accounting Principles (GAAP).

General Fund

The General Fund is the principal fund of the City. The General Fund accounts for the normal recurring activities of the City (i.e., police, public works, community development, leisure services, and general government). These activities are funded principally by user fees, and property, sales, and franchise taxes. Accounting records and budgets for governmental fund types are prepared and maintained on a modified accrual basis. Revenues are recorded when available and measurable. Expenditures are prepared and recorded when services or goods are received and the liabilities are incurred.

Enterprise Funds

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private businesses. Accounting records for proprietary fund types are maintained on an accrual basis. Budgets for all enterprise funds are prepared on a modified accrual basis. Depreciation is not budgeted for in the City's enterprise funds. Included are the following:

- Water Fund - Accounts for the operation of the City's water utilities, including debt service on associated water revenue bonds.
- Transportation and Parking Fund - Accounts for the operation of the City's public transportation (bus and trolley) system and parking programs.
- Golf Course Fund - Accounts for the operation of the City's golf course.

Debt Service Funds

Accounting records and budgets for all debt service funds are prepared on a modified accrual basis.

Park City General Long-Term Debt Service Fund

The fund accounts for the accumulation of money for the repayment of the 1988, 1993 and 1999 A, 2000, and 2005 General Obligation Bonds and the 1992 Excise Tax Revenue Bond (Class "C"). The sources of revenue are property and fuel tax.

Sales Tax Revenue Debt Service Fund

This fund accounts for the accumulation of money for the repayment of the 2005 Series A & B Sales Tax Revenue Bonds. The sources of revenue are sales tax, some RDA proceeds, and Parks and Public Safety impact fees.

Redevelopment Agency Debt Service Fund

This fund accounts for the accumulation of money for the repayment of 1997 Main Street refunding bonds and the series 1998 Lower Park Avenue Bonds. The principal source of revenue is property tax increment from the redevelopment area.

Municipal Building Authority Debt Service Fund

This fund accounts for the accumulation of money for the repayment of the 1990, 1994, and 1996 series Lease Revenue Bonds. Rent is transferred from other funds of the City that lease assets from the Municipal Building Authority.

Internal Service Funds

Accounting records for all internal service funds are prepared on an accrual basis. Budgets for all internal service funds are prepared on a modified accrual basis. Depreciation is not budgeted for in the City's internal service funds. The internal service funds are used to account for the financing and operation of services provided to various City departments and other governments on a cost-reimbursement basis. Included are the following:

- Fleet Fund - Accounts for the cost of storage, repair, and maintenance of City-owned vehicles.
- Equipment Replacement Fund - Accounts for the accumulation of resources for the future replacement of fixed assets through a rental charge-back system.
- Self-Insurance Fund - Accounts for the establishment of self-insured programs including Worker's Compensation, Unemployment Compensation, and liability insurance.

Capital Project Funds

Accounting records and budgets for all capital project funds are prepared and maintained on a modified accrual basis. The capital project funds are used to account for the construction of major capital projects not included in the proprietary funds. The Capital Improvement Fund is used to account for capital projects of the City's general government. The Municipal Building Authority and the Redevelopment Agency also have separate capital project funds. The City has undertaken a major prioritization process for its CIP projects. This budget reflects that prioritization.

THE PARK CITY PAY PLAN

Park City has a market-based pay philosophy. The Pay Plan attempts to ensure the uniform and equitable application of pay in comparison to the Utah and Colorado municipal employee market.

Every two years Park City compares its employee compensation data with approximately 30 communities from the Wasatch Front, the Colorado Municipal League, and Summit County (the Wasatch Compensation Group). Job positions are compared with similar positions or "benchmarks" to determine market pay for any given position. The City Manager chooses the metrics that determine how salaries should be set and defines a threshold at which positions should be reclassified.

Two employee committees are formed to review the benchmark data and make recommendations for reclassification to the City Manager. The Technical Committee compares job descriptions with benchmarks and forms a preliminary recommendation for reclassification based on market data. For positions with no benchmarks (internal equity positions), the Technical Committee will interview managers to determine their scope of responsibility and then forward its recommendations and internal equity interviews to the City Manager's Pay Plan Committee.

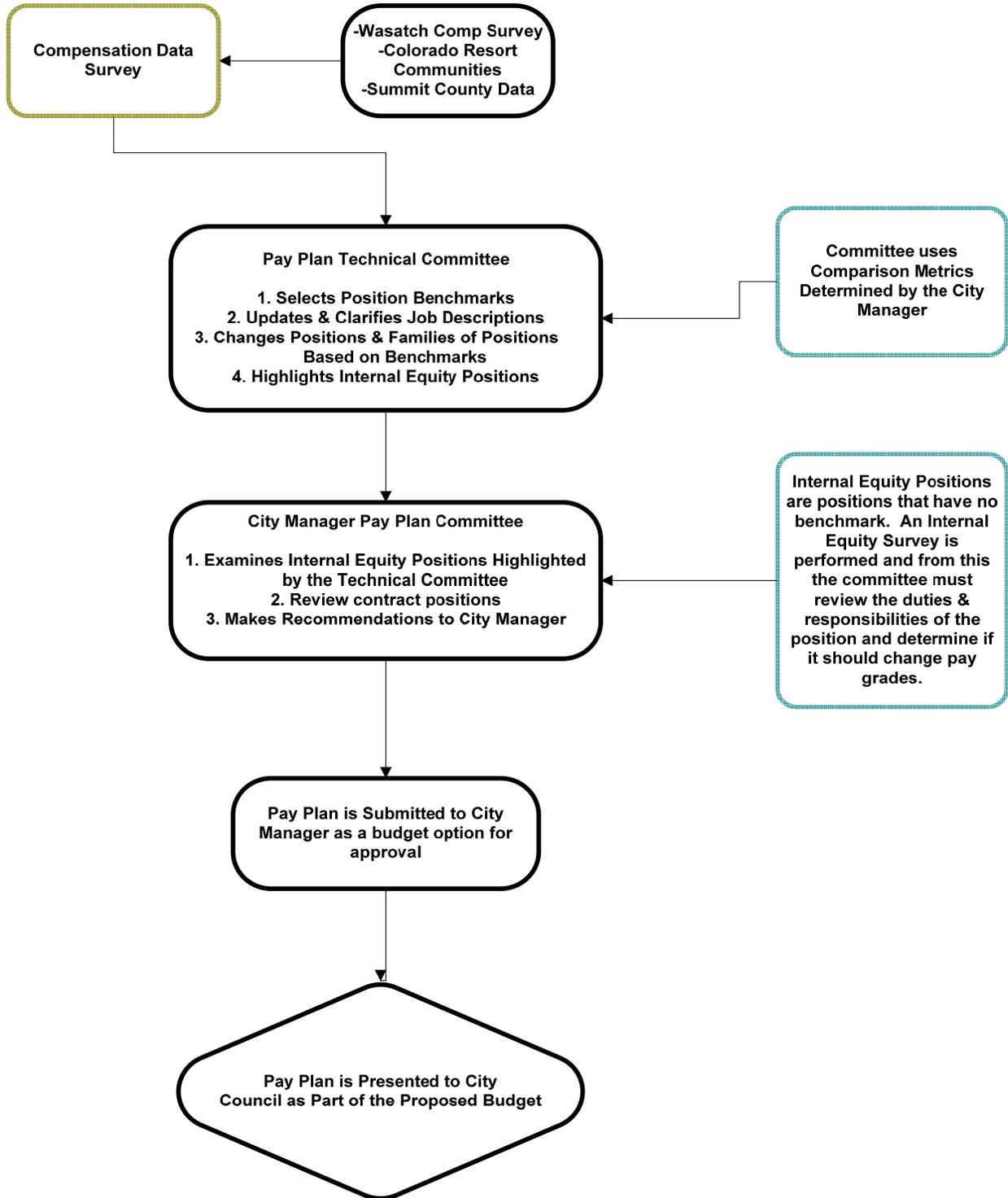
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The Pay Plan Committee has three major responsibilities:

1. Determine where internal equity positions should fit in the Pay Plan,
2. Review the recommendations of the Technical Committee, and
3. Review existing Special Employment Agreements (contracts) to ensure proper classification and compliance with the City's administrative policies.

As the City's Pay Plan philosophy develops, it is critical that the City's compensation and reclassification policies are monitored and adjusted as appropriate. Of particular concern is how an employee moves to working level, eligibility for a performance bonus, and professional development within families of positions.

PAY PLAN PROCESS



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Park City Pay Plan - FY 2008						
Grade	Exempt		Non-Exempt		Part-Time	
	Entry	Working	Entry	Working	Entry	Working
1	-	-	\$6.58	-	\$6.58	\$9.13
2	\$28,866	\$38,309	\$7.40	\$9.13	\$7.40	\$10.14
3	\$32,130	\$42,554	\$8.16	\$10.14	\$8.16	\$11.20
4	\$36,210	\$48,232	\$9.03	\$11.20	\$9.03	\$12.46
5	\$39,780	\$54,121	\$9.69	\$12.46	\$9.69	\$13.74
6	\$42,840	\$62,000	\$10.71	\$13.74	\$10.71	\$15.01
7	\$45,900	\$70,000	\$11.73	\$15.01	\$11.73	\$16.45
8	\$55,080	\$79,508	\$12.24	\$16.45	\$12.24	\$18.78
9	\$66,300	\$87,394	\$13.26	\$18.78	\$13.26	\$22.22
10	\$71,400	\$94,860	\$16.32	\$22.22	\$16.32	\$25.07
11	\$80,647	\$102,000	\$21.42	\$25.07	\$21.42	\$28.56
12	\$91,692	\$110,000	-	\$28.56	\$22.00	\$30.00
13	\$105,070	\$127,000	-	-	-	-
14	\$110,000	\$130,700	-	-	-	-

Park City Pay Plan - FY 2009						
Grade	Exempt		Non-Exempt		Part-Time	
	Entry	Working	Entry	Working	Entry	Working
1	-	-	\$6.71	-	\$6.71	\$9.31
2	\$29,443	\$39,075	\$7.55	\$9.31	\$7.55	\$10.34
3	\$32,773	\$43,405	\$8.32	\$10.34	\$8.32	\$11.42
4	\$36,934	\$49,197	\$9.21	\$11.42	\$9.21	\$12.71
5	\$40,576	\$55,203	\$9.88	\$12.71	\$9.88	\$14.01
6	\$43,697	\$63,240	\$10.92	\$14.01	\$10.92	\$15.31
7	\$46,818	\$71,400	\$11.96	\$15.31	\$11.96	\$16.78
8	\$56,182	\$81,098	\$12.48	\$16.78	\$12.48	\$19.16
9	\$67,626	\$89,142	\$13.53	\$19.16	\$13.53	\$22.66
10	\$72,828	\$96,757	\$16.65	\$22.66	\$16.65	\$25.57
11	\$82,260	\$104,040	\$21.85	\$25.57	\$21.85	\$29.13
12	\$93,526	\$112,200	-	\$29.13	\$22.00	\$30.00
13	\$107,171	\$129,540	-	-	-	-
14	\$112,200	\$133,314	-	-	-	-

Table S7 – The City’s Pay Plan

The City must maintain a competitive total compensation package in order to attract and retain a competent workforce. As part of the adopted budget, a two-year pay plan is included (Table S1). The pay plan is broken into exempt, nonexempt, and part-time non-benefited pay plans according to Fair Labor Standards Act (FLSA) definitions. Establishing a pay plan that will attract and retain quality employees while maintaining a fiscally responsible budget is

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challenging. Variables that may be considered in developing the City's pay plan include the following: (1) salary and total compensation rates for similar positions along the Wasatch Front and selected Colorado ski resorts; (2) supply and demand of qualified candidates; (3) internal equity; (4) the cost of living; and (5) available City resources.

Staffing Summary by Fund

<u>Class Code:</u>	<u>Position Name:</u>	<u>Grade:</u>	<u>Entry</u>	<u>Working</u>	<u>2008 FTEs</u>	<u>2009 FTEs</u>
011 General Fund						
<u>Full-Time Regular</u>						
1190	City Manager	E14	\$ 112,200	\$ 133,314	1.00	1.00
1290	City Attornev	E13	\$ 107,171	\$ 129,540	1.00	1.00
1280	Deputv City Attornev	E12	\$ 93,526	\$ 112,200	1.00	1.00
2190	Chief of Police	E12	\$ 93,526	\$ 112,200	1.00	1.00
4190	Public Works Director	E12	\$ 93,526	\$ 112,200	1.00	1.00
1590	Finance Manager	E11	\$ 82,260	\$ 104,040	1.00	1.00
1690	IT & Customer Service Director	E11	\$ 82,260	\$ 104,040	1.00	1.00
1390	Human Resources Manager	E10	\$ 72,828	\$ 96,757	1.00	1.00
1990	Budaget & Grants Manager	E10	\$ 72,828	\$ 96,757	1.00	1.00
3490	City Engineer	E10	\$ 72,828	\$ 96,757	1.00	1.00
4180	Deputv Public Works Director	E10	\$ 72,828	\$ 96,757	0.25	
1250	Attornev V	E09	\$ 67,626	\$ 89,142		1.00
1792	Environmental Affairs Director	E09	\$ 67,626	\$ 89,142	1.00	1.00
3080	Chief Building Official	E09	\$ 67,626	\$ 89,142	1.00	1.00
3290	Planning Director	E09	\$ 67,626	\$ 89,142	1.00	1.00
3392	Public & Community Affairs Director	E09	\$ 67,626	\$ 89,142	1.00	1.00
1250	Attornev V	E08	\$ 56,182	\$ 81,098		
1670	Network Engineer	E08	\$ 56,182	\$ 81,098	1.00	1.00
2080	Special Proiects & Economic Development Coc	E08	\$ 56,182	\$ 81,098	1.00	1.00
2180	Police Captain	E08	\$ 56,182	\$ 81,098	2.00	2.00
3280	Principal Planner	E08	\$ 56,182	\$ 81,098	1.00	1.00
4150	PW Operations Manager	E08	\$ 56,182	\$ 81,098	1.00	1.00
5490	Library Director	E08	\$ 56,182	\$ 81,098	1.00	1.00
1240	Attornev IV	E07	\$ 46,818	\$ 71,400	2.00	1.00
1580	Accounting Manager	E07	\$ 46,818	\$ 71,400	1.00	1.00
1660	GIS Administrator	E07	\$ 46,818	\$ 71,400	0.50	0.50
3070	Environmental Specialist	E07	\$ 46,818	\$ 71,400	1.00	1.00
3078	Assistant Building Official	E07	\$ 46,818	\$ 71,400	1.00	1.00
3224	Senior Planner	E07	\$ 46,818	\$ 71,400	2.00	2.00
5690	Golf Manager	E07	\$ 46,818	\$ 71,400	0.30	0.30
5790	Recreation Manager	E07	\$ 46,818	\$ 71,400	1.00	1.00

Staffing Summary by Fund

<u>Class Code:</u>	<u>Position Name:</u>	<u>Grade:</u>	<u>Entry</u>	<u>Working</u>	<u>2008 FTEs</u>	<u>2009 FTEs</u>
1680	Systems Administrator	E06	\$ 43,697	\$ 63,240	1.00	1.00
1980	Budget Officer	E06	\$ 43,697	\$ 63,240		1.00
2070	Parks Planner/Project Manager	E06	\$ 43,697	\$ 63,240	1.00	1.00
3024	Building Inspector Supervisor	E06	\$ 43,697	\$ 63,240	1.00	1.00
3222	Planner II	E06	\$ 43,697	\$ 63,240	2.00	2.00
1652	IT Coordinator III	E05	\$ 40,576	\$ 55,203	2.00	2.00
3050	Plan Check Coordinator	E05	\$ 40,576	\$ 55,203	1.00	1.00
5480	Senior Librarian	E05	\$ 40,576	\$ 55,203	2.00	2.00
2160	Sergeant	E04	\$ 36,210	\$ 48,232	1.00	
2160	Sergeant	N11	\$ 45,445	\$ 60,593	5.00	6.00
3022	Senior Building Inspector	N11	\$ 45,445	\$ 60,593	5.80	5.80
2142	Senior Police Officer	N10	\$ 34,625	\$ 53,189	16.00	16.00
2144	Detective	N10	\$ 34,625	\$ 53,189	1.00	1.00
2220	Dispatch Coordinator	N10	\$ 34,625	\$ 53,189	1.00	1.00
4120	Public Works Inspector	N10	\$ 34,625	\$ 53,189	1.00	1.00
5782	Recreation Supervisor	N10	\$ 34,625	\$ 53,189	3.00	3.00
7736	Analyst IV	N10	\$ 34,625	\$ 53,189	3.00	2.00
1112	Senior Recorder/Elections	N09	\$ 28,132	\$ 47,142	1.00	0.50
1890	Building Maintenance Supervisor	N09	\$ 28,132	\$ 47,142	1.00	1.00
3012	Sr. Code Enforcement Officer	N09	\$ 28,132	\$ 47,142	1.00	1.00
4490	Streets & Streetscape Supervisor	N09	\$ 28,132	\$ 47,142	1.00	1.00
5430	Cataloquina Librarian	N09	\$ 28,132	\$ 47,142	1.00	1.00
5590	Parks & Golf Supervisor	N09	\$ 28,132	\$ 47,142	0.50	0.50
7734	Analyst III	N09	\$ 28,132	\$ 47,142	5.00	5.00
1110	City Recorder	N08	\$ 25,968	\$ 39,844	1.00	1.00
2140	Police Officer	N08	\$ 25,968	\$ 39,844	4.00	4.00
3010	Code Enforcement Officer	N08	\$ 25,968	\$ 39,844	1.00	1.00
7732	Analyst II	N08	\$ 25,968	\$ 39,844	7.00	8.44
1514	Accounting Clerk III	N07	\$ 24,886	\$ 34,900	2.00	1.00
2206	Police Records Coordinator	N07	\$ 24,886	\$ 34,900	1.00	1.00
2210	Dispatcher	N07	\$ 24,886	\$ 34,900	5.00	6.00
4416	Streets IV	N07	\$ 24,886	\$ 34,900	2.00	2.00
5422	Circulation Team Leader	N07	\$ 24,886	\$ 34,900	2.00	2.00

Staffing Summary by Fund

<u>Class Code:</u>	<u>Position Name:</u>	<u>Grade:</u>	<u>Entry</u>	<u>Working</u>	<u>2008 FTEs</u>	<u>2009 FTEs</u>
5516	Parks IV	N07	\$ 24,398	\$ 34,216	4.00	3.00
5766	Front Desk Coordinator	N07	\$ 24,886	\$ 34,900	1.00	1.00
7730	Analyst I	N07	\$ 24,886	\$ 34,900	7.00	7.00
7732	Analyst II	N07	\$ 24,398	\$ 34,216	0.50	
1824	Building III	N06	\$ 22,722	\$ 31,845	4.00	4.00
2204	Records Clerk	N06	\$ 22,722	\$ 31,845	1.00	1.00
4414	Streets III	N06	\$ 22,722	\$ 31,845	6.00	6.00
5514	Parks III	N06	\$ 22,722	\$ 31,845	2.50	2.50
5516	Parks IV	N06	\$ 22,277	\$ 31,221	-1.00	
5763	Front Desk Team Leader	N06	\$ 22,722	\$ 31,845	2.00	2.00
2210	Dispatcher	N05	\$ 20,155	\$ 28,579	1.00	
7722	Office Assistant II	N05	\$ 20,558	\$ 29,151	2.50	2.50
1822	Building II	N04	\$ 19,158	\$ 26,435	1.00	1.00
<u>Part-Time Non-Benefitted/Seasonal</u>						
5110	Tennis Pro	T12	\$ 46,675	\$ 62,400	1.05	1.55
5754	Recreation Instructor VII	T12	\$ 46,675	\$ 62,400	4.27	4.27
1520	Accountant	T11	\$ 45,445	\$ 60,593	0.25	
2124	Special Events Police Officer	T09	\$ 27,581	\$ 46,218	0.40	0.40
5752	Recreation Instructor VI	T09	\$ 28,132	\$ 47,142		0.15
2124	Special Events Police Officer	T08	\$ 25,968	\$ 39,844	0.10	0.10
1514	Accounting Clerk III	T07	\$ 24,886	\$ 34,900	0.75	0.75
2122	Reserve Police Officer	T06	\$ 22,722	\$ 31,845	3.50	3.50
4414	Streets III	T06	\$ 22,722	\$ 31,845	7.92	7.92
5416	Senior Library Assistant	T06	\$ 22,722	\$ 31,845	0.25	0.25
5514	Parks III	T06	\$ 22,722	\$ 31,845	0.75	0.75
5730	Recreation Worker VI	T06	\$ 22,722	\$ 31,845	0.08	0.16
7724	Office Assistant III	T06	\$ 22,722	\$ 31,845	0.25	0.25
2110	Crossing Guard	T05	\$ 20,558	\$ 29,151	1.00	1.00
4412	Streets II	T05	\$ 20,558	\$ 29,151	1.15	1.15
5414	Library Assistant	T05	\$ 20,558	\$ 29,151	1.00	1.00
5728	Recreation Worker V	T05	\$ 20,558	\$ 29,151	1.88	1.88
5748	Recreation Instructor IV	T05	\$ 20,558	\$ 29,151	0.98	0.98
5512	Parks II	T04	\$ 19,158	\$ 26,435	6.25	6.25

Staffing Summary by Fund

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<u>Class Code:</u>	<u>Position Name:</u>	<u>Grade:</u>	<u>Entry</u>	<u>Working</u>	<u>2008 FTEs</u>	<u>2009 FTEs</u>
5726	Recreation Worker IV	T04	\$ 19,158	\$ 26,435	1.82	2.45
5760	Recreation Front Desk Clerk	T04	\$ 19,158	\$ 26,435	3.84	3.84
5724	Recreation Worker III	T03	\$ 17,312	\$ 23,762	1.60	1.60
5744	Recreation Instructor II	T03	\$ 17,312	\$ 23,762	0.85	0.85
8844	General Office Clerk III	T03	\$ 17,312	\$ 23,762	0.75	0.75
5412	Library Clerk	T02	\$ 15,700	\$ 21,513	1.25	1.25
5510	Parks I	T02	\$ 15,700	\$ 21,513	2.29	2.29
5714	Official/Referee II	T02	\$ 15,700	\$ 21,513	1.00	1.00
5742	Recreation Instructor I	T02	\$ 15,700	\$ 21,513	2.80	2.80
8852	Intern II	T02	\$ 15,700	\$ 21,513	2.30	2.30
1810	Assistant Custodian I	T01	\$ 13,960	\$ 19,370	0.33	0.33
5410	Library Aide	T01	\$ 13,960	\$ 19,370	1.48	1.48
5720	Recreation Worker I	T01	\$ 13,960	\$ 19,370	2.47	2.47
8850	Intern I	T01	\$ 13,960	\$ 19,370	4.45	3.95

012 Quinn's Recreation Fund

Full-Time Regular

3590	Ice General Manager	E07	\$ 46,818	\$ 71,400	1.00	2.00
3530	Ice/Fields Operation Supervisor	N10	\$ 34,625	\$ 53,189		
3580	Ice Arena Assistant Manager	N10	\$ 34,625	\$ 53,189		1.00
3530	Ice/Fields Operation Supervisor	N09	\$ 28,132	\$ 47,142	1.00	
3528	Ice Arena Operations Assistant	N08	\$ 25,968	\$ 39,844	1.00	1.00
1826	Building IV	N07	\$ 24,886	\$ 34,900		1.00
5516	Parks IV	N07	\$ 24,886	\$ 34,900	1.00	1.00
5764	Front Desk Supervisor	N07	\$ 24,886	\$ 34,900	1.00	1.00

Part-Time Non-Benefitted/Seasonal

5730	Recreation Worker VI	T09	\$ 28,132	\$ 47,142	0.45	0.45
3510	Hockey Coordinator	T07	\$ 24,886	\$ 34,900	0.75	0.75
3520	Skating Coordinator	T07	\$ 24,886	\$ 34,900	0.25	0.25
5512	Parks II	T04	\$ 19,158	\$ 26,435	1.00	1.00
5760	Recreation Front Desk Clerk	T04	\$ 19,158	\$ 26,435	1.00	0.22
5722	Recreation Worker II	T02	\$ 15,700	\$ 21,513	1.70	1.70

051 Water Fund

Full-Time Regular

4180	Deputy Public Works Director	E10	\$ 72,828	\$ 96,757	0.25	
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Staffing Summary by Fund

<u>Class Code:</u>	<u>Position Name:</u>	<u>Grade:</u>	<u>Entry</u>	<u>Working</u>	<u>2008 FTEs</u>	<u>2009 FTEs</u>
4590	Water Manager	E10	\$ 72,828	\$ 96,757		1.00
4590	Water Manager	E08	\$ 56,182	\$ 81,098	1.00	
1660	GIS Administrator	E07	\$ 46,818	\$ 71,400	0.25	0.25
4560	Water Project Manager	E07	\$ 46,818	\$ 71,400		1.00
4120	Public Works Inspector	N10	\$ 34,625	\$ 53,189	1.00	1.00
7736	Analyst IV	N10	\$ 34,625	\$ 53,189		1.00
4526	Water Worker IV	N09	\$ 28,132	\$ 47,142	4.00	4.00
7734	Analyst III	N09	\$ 28,132	\$ 47,142	1.00	1.00
4524	Water Worker III	N08	\$ 25,968	\$ 39,844	6.00	6.00
7732	Analyst II	N08	\$ 25,968	\$ 39,844	1.00	1.00
7722	Office Assistant II	N05	\$ 20,558	\$ 29,151	0.25	0.25
<u>Part-Time Non-Benefitted/Seasonal</u>						
4514	Water Laborer III	T06	\$ 22,722	\$ 31,845		0.50
4510	Water Laborer I	T04	\$ 19,158	\$ 26,435	1.50	1.50
055 Golf Fund						
<u>Full-Time Regular</u>						
5690	Golf Manager	E07	\$ 46,818	\$ 71,400	0.70	0.70
5590	Parks & Golf Supervisor	N09	\$ 28,132	\$ 47,142	0.50	0.50
7732	Analyst II	N08	\$ 25,968	\$ 39,844	0.56	0.56
5516	Parks IV	N07	\$ 24,886	\$ 34,900		1.00
5514	Parks III	N06	\$ 22,722	\$ 31,845	0.50	0.50
5516	Parks IV	N06	\$ 22,277	\$ 31,221	1.00	
<u>Part-Time Non-Benefitted/Seasonal</u>						
5650	Assistant Golf Pro	T06	\$ 22,722	\$ 31,845	3.00	3.00
5512	Parks II	T04	\$ 19,158	\$ 26,435	8.59	8.50
5614	Golf Course Starter	T03	\$ 17,312	\$ 23,762	1.00	1.00
5510	Parks I	T02	\$ 15,700	\$ 21,513	0.54	0.39
5612	Golf Course Ranger	T02	\$ 15,700	\$ 21,513	1.00	1.00
5610	Golf Cart Servicer	T01	\$ 13,960	\$ 19,370	0.75	0.49
057 Transportation and Parking Fund						
<u>Full-Time Regular</u>						
4180	Deputy Public Works Director	E11	\$ 82,260	\$ 104,040		1.00
4180	Deputy Public Works Director	E10	\$ 72,828	\$ 96,757	0.25	
4290	Fleet and Transit Manager	E08	\$ 56,182	\$ 81,098	0.50	0.50

Staffing Summary by Fund

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<u>Class Code:</u>	<u>Position Name:</u>	<u>Grade:</u>	<u>Entry</u>	<u>Working</u>	<u>2008 FTEs</u>	<u>2009 FTEs</u>
1660	GIS Administrator	E07	\$ 46,818	\$ 71,400	0.25	0.25
4270	Transit Project Manager	E06	\$ 43,697	\$ 63,240		1.00
4260	Transit Supervisor	N10	\$ 34,625	\$ 53,189	1.00	1.00
7736	Analyst IV	N10	\$ 34,625	\$ 53,189	1.00	1.00
4250	Transit Shift Supervisor	N09	\$ 28,132	\$ 47,142	4.00	4.00
4216	Bus Driver IV	N08	\$ 25,968	\$ 39,844	2.00	2.00
4214	Bus Driver III	N06	\$ 22,722	\$ 31,845	30.00	35.00
4414	Streets III	N06	\$ 22,722	\$ 31,845		1.00
7724	Office Assistant III	N06	\$ 22,722	\$ 31,845	1.00	1.00
7722	Office Assistant II	N05	\$ 20,558	\$ 29,151	1.25	1.25
<u>Part-Time Non-Benefitted/Seasonal</u>						
4112	Parking Adjudicator	T09	\$ 28,132	\$ 47,142	0.20	0.20
4214	Bus Driver III	T06	\$ 22,722	\$ 31,845		2.25
4414	Streets III	T06	\$ 22,722	\$ 31,845		0.20
4212	Bus Driver II	T05	\$ 20,558	\$ 29,151	22.05	22.05
4210	Bus Driver I	T04	\$ 19,158	\$ 26,435	0.04	0.09
062 Fleet Fund						
<u>Full-Time Regular</u>						
4180	Deputy Public Works Director	E10	\$ 72,828	\$ 96,757	0.25	
4290	Fleet and Transit Manager	E08	\$ 56,182	\$ 81,098	0.50	0.50
4652	Mechanic II	N09	\$ 28,132	\$ 47,142	3.00	3.00
4650	Mechanic I	N08	\$ 25,968	\$ 39,844	3.00	3.00
4610	Mechanic Assistant	N06	\$ 22,722	\$ 31,845	2.00	2.00
064 Self Insurance Fund						
<u>Full-Time Regular</u>						
1112	Senior Recorder/Elections	N09	\$ 28,132	\$ 47,142		0.50
					319.74	332.01

Budget Option Descriptions (by Team)

City Council/City Manager/Legal

	Option Code	Priority*	Option Description	Department	2008 Request	2009 Request
Approved						
Y	ANL3	1	Legal Analyst III Additional Analyst III to replace Senior City Recorder, which is now in Executive.	Legal	\$ 63,203	\$ 64,261
Y	CDR2	2	Professional Development Plan Reclassification of Attorney IV to Attorney V (Grade E07 to E08) in accordance with the Professional Development Policy.	Legal	\$ 0	\$ 10,660
Y	RCDR	3	Sr. City Recorder Sr. City Recorder transfer from Legal Dept. to City Manager Dept.	City Manager Legal Workers Comp	\$ 2,000	\$-30,131
Y	INSU	CM	Increased Medical Insurance Costs The costs of medical/dental insurance plans are increasing an expected 10%. This option increases medical/dental insurance budgets accordingly.	Operating Departments	\$ 0	\$ 8,482
Y	LAVR	CM	Attorney Reclass Attorney V reclassification from Grade E08 to Grade E09.	Legal	\$ 0	\$ 8,841
Y	CMEM	COM	Emergency Management Contract Fund position, supplies, and materials for Emergency Management.	City Manager	\$ 0	\$ 50,000
Y	VACA	TEC	Vacancy Factor Request According to City policy, departments can request to have the vacancy factor portion of their personnel expenses replaced in their operating budget. These requests are offset with contingency funds.	Bldg Maint Adm City Council City Manager Contingency Salary Finance Ice Facility Info Tech & Cust Serv Legal Police Public Works Admin. Sustainability - Implementation Tennis	\$ 85,000	\$ 0

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

City Council/City Manager/Legal

Option Code	Priority*	Option Description	Department	2008 Request	2009 Request
Total Approved Options for City Council/City Manager/Legal:				\$ 150,203	\$ 112,113

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Budget Option Descriptions (by Team)

Engineering/Building/Planning

	Option Code	Priority*	Option Description	Department	2008 Request	2009 Request
Approved						
Y	PDIR	3	Reintegration of the Planning Director The attached worksheet reflects the reintegration of the Planning Director into the Planning Dept. budget. Included are all items that went to Sustainability in the last budget cycle.	Planning Dept. Sustainability - Visioning	\$ 0	\$ 120,942
Y	INSU	CM	Increased Medical Insurance Costs The costs of medical/dental insurance plans are increasing an expected 10%. This option increases medical/dental insurance budgets accordingly.	Operating Departments	\$ 0	\$ 13,740
Y	PRES	CM	Historic Preservation Contract Contract Services for Historic Preservation and General Planning.	Planning Dept.	\$ 0	\$ 100,000
Total Approved Options for Engineering/Building/Planning:					\$ 0	\$ 234,683
Not Approved						
N	BVEH	1	Purchase 2 vehicles Vehicles. We need to purchase 2 vehicles for our newest employees. They are currently having to share vehicles or use their own which is not cost or time effective.	Building Dept.	\$ 50,000	\$ 0
N	BFAQ	2	New copy/fax machine Copy/fax machine. This was requested but not budgeted for in the prior budget year. It is now critical that we get a new machine because our current one is constantly broken & unable to be repaired.	Building Dept.	\$ 8,500	\$ 0
Total Not Approved Options for Engineering/Building/Planning:					\$ 58,500	\$ 0

* CM = Proposed during City Manager meetings
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Budget Option Descriptions (by Team)

HR/Budget/Finance/IT

<u>Option Code</u>	<u>Priority*</u>	<u>Option Description</u>	<u>Department</u>	<u>2008 Request</u>	<u>2009 Request</u>
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Budget Option Descriptions (by Team)

HR/Budget/Finance/IT

<u>Approved</u>	<u>Option Code</u>	<u>Priority*</u>	<u>Option Description</u>	<u>Department</u>	<u>2008 Request</u>	<u>2009 Request</u>
Y	CLK3	1	Front Desk Clerk To upgrade Part-time Accounting Clerk III that's already in budget to full-time regular status. This addresses increased workload issues in the Finance Department.	Finance	\$ 0	\$ 0
Y	EVNT	2	Increased attendance for City's family summer Increased numbers of employees attending the City's family summer event and the increased costs of this event and the annual service awards dinner.	Human Resources	\$ 5,000	\$ 10,000
Y	PRTY	3	Increased costs for Christmas party Costs for the Christmas party have increased in addition to invitations extended to all employees instead of just full time regulars increasing attendance by over 200 people.	Human Resources	\$ 0	\$ 5,000
Y	BREO	CM	Budget Dept Reorganization Reorganization of Budget Dept by replacing Analyst IV and Accountant with Budget Officer.	Budget, Debt & Grants	\$ 0	\$-1
Y	CDR3	CM	Professional Development Plan Reclassification of Accounting Clerk III to Analyst II in accordance with the Professional Development Policy.	Finance	\$ 0	\$ 0
Y	INSU	CM	Increased Medical Insurance Costs The costs of medical/dental insurance plans are increasing an expected 10%. This option increases medical/dental insurance budgets accordingly.	Operating Departments	\$ 0	\$ 11,592
Y	PCAL	CM	Car Allowance Car Allowance	Budget, Debt & Grants	\$ 0	\$ 3,463

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Budget Option Descriptions (by Team)

HR/Budget/Finance/IT

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	Option Code	Priority*	Option Description	Department	2008 Request	2009 Request
Y	HSGT	TEC	Homeland Security Grant Park City received a \$5,000 grant to cover contract administration costs for Emergency Preparedness. The Budget Department paid for these expenses in FY 2008.	Budget, Debt & Grants	\$ 5,000	\$ 0
Y	VACA	TEC	Vacancy Factor Request According to City policy, departments can request to have the vacancy factor portion of their personnel expenses replaced in their operating budget. These requests are offset with contingency funds.	Bldg Maint Adm City Council City Manager Contingency Salary Finance Ice Facility Info Tech & Cust Serv Legal Police Public Works Admin. Sustainability - Implementation Tennis	\$ 38,000	\$ 0
Total Approved Options for HR/Budget/Finance/IT:					\$ 48,000	\$ 30,053
<u>Not Approved</u>						
N	TRNG	4	Additional workplace training Recommendation from Legal for additional mandatory city-wide workplace training.	Human Resources	\$ 0	\$ 5,000
Total Not Approved Options for HR/Budget/Finance/IT:					\$ 0	\$ 5,000

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Budget Option Descriptions (by Team)

Non-Departmental

Option Code	Priority*	Option Description	Department	2008 Request	2009 Request
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Budget Option Descriptions (by Team)

Non-Departmental

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<u>Approved</u>	<u>Option Code</u>	<u>Priority*</u>	<u>Option Description</u>	<u>Department</u>	<u>2008 Request</u>	<u>2009 Request</u>
Y	SMOT	1	Snow Events Cost for snow events of January 2008. Cost for snow hauling due to above average snow storms.	Contingency General Contingency Salary Contingency Snow Removal Street Maintenance	\$-190,000	\$ 0
Y	SADJ9	2	Price Increase in Materials Drug Education; cost adjustment for DARE, which has increased in student participation, program is now in 2 schools and has twice double the number students participating.	Drug Education	\$ 0	\$ 4,000
Y	SINS	2	Self Insurance Fund One-time increase of \$250,000 in expenditure appropriations in the Self-Insurance Fund to cover increased outside legal fees related to litigation. This is to be paid for from fund balance (from the Self-Insurance Fund) and will affect the current fiscal year only.	Self Ins & Sec Bond	\$ 250,000	\$ 0
Y	RCDR	3	Sr. City Recorder Sr. City Recorder transfer from Legal Dept. to City Manager Dept.	City Manager Legal Workers Comp	\$ 0	\$ 32,131
Y	MSBI	CM	Main Street Business Improvement District Council created a Main Street Business Improvement District (BID) by ordinance in which fees are collected from businesses for the purpose of business promotion. These fees are to be used to contract out for business promotion services. This option sets aside the BID funds for this purpose.	Business Improvement District	\$ 40,802	\$ 40,802
Y	ARBI	TEC	Arbitrage Arbitrage - Technical adjustment.	Bond Debt 2002	\$ 5,866	\$ 0

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Budget Option Descriptions (by Team)

Non-Departmental

Option Code	Priority*	Option Description	Department	2008 Request	2009 Request	
Y	CONF	TEC	Confiscations Technical adjustment to show confiscations funds available for expenditure.	Police Special Revenue Fund	\$ 17,220	\$ 0
Y	HEAD	TEC	Health Insurance Adjustment This reverses an option from last year's budget process which increased the General Contingency Account to cover rising health insurance costs.	Contingency General	\$-70,000	\$-70,000
Y	TOBC	TEC	Tobacco Compliance Technical adjustment to show tobacco compliance funds available for expenditure.	Police Special Revenue Fund	\$ 21,122	\$ 0
Y	VACA	TEC	Vacancy Factor Request According to City policy, departments can request to have the vacancy factor portion of their personnel expenses replaced in their operating budget. These requests are offset with contingency funds.	Bldg Maint Adm City Council City Manager Contingency Salary Finance Ice Facility Info Tech & Cust Serv Legal Police Public Works Admin. Sustainability - Implementation Tennis	\$-435,000	\$ 0
Y	WCAD	TEC	Workers Compensation Adjustment This reverses an option from last year's budget process which increased the General Contingency Account to cover rising workers compensation costs.	Contingency General	\$-130,000	\$-260,000
Total Approved Options for Non-Departmental:				\$-489,990	\$-253,067	

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Budget Option Descriptions (by Team)

Non-Departmental

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Option Code	Priority*	Option Description	Department	2008 Request	2009 Request
Not Approved					
N	SMSC	5	Increase Snow Removal Contingency Fund This option will increase our snow removal contingency fund from 50k to 200k providing additional snow hauling from our streets	Contingency Snow Removal	\$ 200,000 \$ 200,000
Total Not Approved Options for Non-Departmental:				\$ 200,000	\$ 200,000

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Budget Option Descriptions (by Team)

Public Safety

<u>Approved</u>	<u>Option Code</u>	<u>Priority*</u>	<u>Option Description</u>	<u>Department</u>	<u>2008 Request</u>	<u>2009 Request</u>
Y	SADJ8	1	Price Increase in Materials Communication Dept.; Software Maintenance costs for Spillman Police Records Management Software.	Communication Center	\$ 0	\$ 15,178
Y	SADJ7	3	Various Increases in Supplies Police Dept; increased costs for supplies in areas such as uniforms, photo copies and office supplies.	Police	\$ 0	\$-8,700
Y	INSU	CM	Increased Medical Insurance Costs The costs of medical/dental insurance plans are increasing an expected 10%. This option increases medical/dental insurance budgets accordingly.	Operating Departments	\$ 0	\$ 22,618
Y	POLC	CM	Police Contract \$75k for Emergency Management contract services	Police	\$ 0	\$ 75,000
Y	VACA	TEC	Vacancy Factor Request According to City policy, departments can request to have the vacancy factor portion of their personnel expenses replaced in their operating budget. These requests are offset with contingency funds.	Bldg Maint Adm City Council City Manager Contingency Salary Finance Ice Facility Info Tech & Cust Serv Legal Police Public Works Admin. Sustainability - Implementation Tennis	\$ 204,000	\$ 0
Total Approved Options for Public Safety:					\$ 204,000	\$ 104,096

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Budget Option Descriptions (by Team)

Public Safety

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	Option Code	Priority*	Option Description	Department	2008 Request	2009 Request
Not Approved						
N	POL2	4	Citation Module Citation module for Spillman - automative traffic citations.	Police	\$ 0	\$ 24,720
N	POL3	5	Equipment Maintenance Module Equipment maintenance module for Spillman.	Police	\$ 0	\$ 7,840
N	POL5	6	Laser Printers for Police Bldg (2) Laser printers for police bldg - Operations & Investigations	Police	\$ 0	\$ 1,800
N	POL4	7	Alarm Tracking and Billing Module Alarm tracking and billing module for Spillman.	Police	\$ 0	\$ 15,600
N	POL1	8	Equity Adjustment for Detective Position Equity adjustment for detective position to supervisor grade to reflect job duties - Senior Detective.	Police	\$ 0	\$ 118
Total Not Approved Options for Public Safety:					\$ 0	\$ 50,078

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Budget Option Descriptions (by Team)

Public Works

<u>Option Code</u>	<u>Priority*</u>	<u>Option Description</u>	<u>Department</u>	<u>2008 Request</u>	<u>2009 Request</u>
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COM = Committee Recommended

Budget Option Descriptions (by Team)

Public Works

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<u>Approved</u>	<u>Option Code</u>	<u>Priority*</u>	<u>Option Description</u>	<u>Department</u>	<u>2008 Request</u>	<u>2009 Request</u>
Y	CNTY	1	County Transit This option provides for expanded county transit. Service expenses are offset by county payment. Includes year round Canyons shuttle.	Transportation Oper	\$ 0	\$ 141,906
Y	GMVE	1	Golf Maintenance Vehicle On call vehicle for golf maintenance. Currently staff is logging miles in personal vehicles for reimbursement.	Golf Maintenance	\$ 0	\$ 20,000
Y	QRSV	1	Ice/Fields Operation Supervisor Cross training program to develop administrative skills needed for an ice rink managers position.	Fields Ice Facility	\$ 0	\$-6,506
Y	SMOT	1	Snow Events Cost for snow events of January 2008. Cost for snow hauling due to above average snow storms.	Contingency General Contingency Salary Contingency Snow Removal Street Maintenance	\$ 800,000	\$ 0
Y	WLEG	1	Outside Legal Services Outside legal services: due diligence (one-time expense).	Water Operations	\$ 100,000	\$ 0
Y	CDR1	2	Professional Development Plan Water Worker IV position	Water Operations	\$ 0	\$ 0
Y	SMPR	2	Park & Ride Maint Staffing, equipment, materials & supplies to maintain Richardson Flat Park & Ride (snow removal, sweeping, striping, lighting)	Transportation Oper	\$ 0	\$ 99,304
Y	TREO1	2	Transportation Division Reorganization This option will provide for support necessary to consolidate/coordinate walkability, traffic mgmt & entry corridor mgmt. Under one organizational division.	Fleet Services Dept Street Maintenance Transportation Oper Water Operations	\$ 0	\$ 89,251

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Budget Option Descriptions (by Team)

Public Works

	Option Code	Priority*	Option Description	Department	2008 Request	2009 Request
Y	PKRD	3	Park & Ride Transit Svc This option will provide for transit service to Richardson Flat park & ride.	Transportation Oper	\$ 0	\$ 168,264
Y	TREQ2	3	Transportation Division Reorganization This option will provide for support necessary to consolidate/coordinate walkability, traffic mgmt & entry corridor mgmt. Under one organizational division.	Public Works Admin. Water Operations	\$ 0	\$ 25,000
Y	WREQ	3	Water Resource Needs 2 FTE - 1 FTE for Water Capital Infrastructure Projects, 1 FTE for Water Demand Mgmt; meter reading technology project/conservation/assist w/ administration of water ops & billing; increase for water manager; 1/3 FTE for water biling support - answering and processing customer service calls, backup for Analyst II; 1/4 FTE for GBA work order production & entering.	Water Operations	\$ 0	\$ 180,903
Y	CAN4	4	Contract Analyst IV FY 08 Personnel adjustment - Contract Analyst IV to manage water meter reading technology project, water demand reduction program.	Water Operations	\$ 15,000	\$ 0
Y	UINC	6	Utility Increase Utility increase due to increased water production - power bill.	Water Operations	\$ 78,000	\$ 0
Y	WAAS	7	Water Assessment Water Assessment - Salt Lake City did not bill in FY07 for calender year 2006. They are billing for it now!	Water Operations	\$ 76,000	\$ 0
Y	TDWR	9	Thaynes Dirty Water Thaynes dirty water - one-time adjustment for overtime and laboratory expenses.	Water Operations	\$ 29,300	\$ 0

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Budget Option Descriptions (by Team)

Public Works

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	<u>Option Code</u>	<u>Priority*</u>	<u>Option Description</u>	<u>Department</u>	<u>2008 Request</u>	<u>2009 Request</u>
Y	WCEP	10	Water Conservation Education Program Water Conservation Education Program - Water audits, conservation education items pilot program.	Water Operations	\$ 0	\$ 10,000
Y	INSU	CM	Increased Medical Insurance Costs The costs of medical/dental insurance plans are increasing an expected 10%. This option increases medical/dental insurance budgets accordingly.	Operating Departments	\$ 0	\$ 51,992
Y	WSEC	CM	Water Security To provide increased security for water related assets.	Water Operations	\$ 0	\$ 91,236
Y	BADJ	TEC	Base Level Adjustment Zero-sum changes to budget lines within a department	Multiple Departments	\$ 0	\$ 0
Y	FLET	TEC	Fleet Fund Adjustments Technical adjustments to Fund 62 to bring the internal service fund in line with actuals.	Fleet Services Dept	\$ 628,200	\$ 628,200
Y	FLVA	TEC	Fleet Vacancy Factor Adjustment Adjust Out Vacancy Factor for Fleet Fund	Fleet Services Dept	\$ 0	\$-1,936
Y	IFTA	TEC	Technical Adjustment Move all Ice positions into Ice Facility Department Budget	Fields Ice Facility	\$ 0	\$-28,965

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Budget Option Descriptions (by Team)

Public Works

	<u>Option Code</u>	<u>Priority*</u>	<u>Option Description</u>	<u>Department</u>	<u>2008 Request</u>	<u>2009 Request</u>
Y	VACA	TEC	Vacancy Factor Request According to City policy, departments can request to have the vacancy factor portion of their personnel expenses replaced in their operating budget. These requests are offset with contingency funds.	Bldg Maint Adm City Council City Manager Contingency Salary Finance Ice Facility Info Tech & Cust Serv Legal Police Public Works Admin. Sustainability - Implementation Tennis	\$ 36,000	\$ 0
Total Approved Options for Public Works:					\$ 1,762,500	\$ 1,468,648
<u>Not Approved</u>						
N	BMVE	4	Maintenance vehicle This request is for a maintenance vehicle for the recently approved building maintenance position. Currenty we are renting a vehicle.	Bldg Maint Adm	\$ 0	\$ 25,000
N	OSLG	5	Outside Legal Support Support on various water projects, water rights agreements.	Water Operations	\$ 0	\$ 100,000
N	WFCS	8	Financial Consulting Services Financial consulting services - \$25 for water role reviews, \$15 k for Impact Fee reviews. Financial reviews are to cover services that are no longer available internally due to job reassignments.	Water Operations	\$ 40,000	\$ 40,000
N	SMSB	CM	Skid Steer Snow Blower This option would be exercised with the replacement of the 1999 Parks skid steer loader, which was originally on a seven year replacement.	Street Maintenance	\$ 0	\$ 15,000
Total Not Approved Options for Public Works:					\$ 40,000	\$ 180,000

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Budget Option Descriptions (by Team)

Recreation/Library/Golf/Ice Facility

Option Code	Priority*	Option Description	Department	2008 Request	2009 Request
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* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Recreation/Library/Golf/Ice Facility

<u>Approved</u>	<u>Option Code</u>	<u>Priority*</u>	<u>Option Description</u>	<u>Department</u>	<u>2008 Request</u>	<u>2009 Request</u>
Y	QRSV	1	Ice/Fields Operation Supervisor Cross training program to develop administrative skills needed for an ice rink managers position.	Fields Ice Facility	\$ 0	\$ 13,513
Y	INVE	2	Reallocation to Maintenance personnel Request to fund \$10,000 of the \$20,000 that was reallocated to Maintenance personnel. This budget request has a revenue offset of \$14,000.	Golf Pro Shop	\$ 10,000	\$ 10,000
Y	QMKT	2	Marketing & Events Coordinator Upgrade Marketing & Events Coordinator position to grade 10 contract. This position is critical to soliciting & overseeing events, marketing ice & fields and selling advertising. This position has responsibility to integrate cross marketing efforts within the Rec/Library Team as well as work with the Sustainability Implementation Team to realize and promote the use of the sports complex as an economic development tool.	Ice Facility	\$ 0	\$ 44,500
Y	LLCE	3	Library Catalog Enhancement To continue to offer an enhanced user interface with book jackets, annotations and reviews. This enhancement was added on a trial basis in FY 07 using a Library Services and Technology Grant.	Library	\$ 1,046	\$ 1,046
Y	SADJ1	3	Increase in office supplies Same level of service request for increased costs of office supplies.	Golf Pro Shop	\$ 300	\$ 300
Y	SADJ2	4	Increase in American Mailing Service Same level of service request for American Mailing Service for mail delivery and deposits.	Golf Pro Shop	\$ 2,250	\$ 2,250

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Budget Option Descriptions (by Team)

Recreation/Library/Golf/Ice Facility

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	<u>Option Code</u>	<u>Priority*</u>	<u>Option Description</u>	<u>Department</u>	<u>2008 Request</u>	<u>2009 Request</u>
Y	TSPC	4	<p>Summer Programing</p> <p>Historically the length of summer is 10 weeks due to a change in the school calender this summer is 11 weeks long (June 6 thru August 25). This gives the department an extra week to supply programming (summer day camp, swim lessons, skateboard clinics etc...) to the community. This is a same level of service adjustment for \$10,300 in personnel & \$325 for supplies for a total of \$10,625. The extra week of summer will result in a revenue offset of \$16,825.</p>	City Recreation	\$ 0	\$ 11,107
Y	QPRO	5	<p>Natural Gas (Propane)</p> <p>Improper regulator sized initially on propane tank. When adjusted, bills almost doubled. Increased fuel costs and more usage also play a part in this increase. We are averaging \$10,000 per month vs \$5,800 per month last season. This should decrease substantially when a natural gas line is installed.</p>	Ice Facility	\$ 25,000	\$ 35,000
Y	SADJ6	6	<p>Same Level Programing</p> <p>Various programs have fee increases for the same level of service. Summer Day Camp will have increased transportation costs of \$1,890 due to fuel surcharge, youth springs soccer have increased uniform costs of \$750, Adult basketball had a pay increase from \$20 a game to \$22 for an increase of \$840 and volleyball officials had a per game increase of \$2 for an adjustment of \$1,260. Total same level adjustment of \$4,740.</p>	City Recreation	\$ 2,850	\$ 4,740

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Budget Option Descriptions (by Team)

Recreation/Library/Golf/Ice Facility

Option Code	Priority*	Option Description	Department	2008 Request	2009 Request
Y	7	<p>FT Building Maintenance</p> <p>Move away from contracted cleaning services and add a FT building maintenance for the Ice Arena. This will allow better supervision as well as training this person as a backup supervisor - to drive the resurfacers & sharpen skates.</p>	Ice Facility	\$ 0	\$ 99
Y	8	<p>Play Magazine Printing & Postage</p> <p>The City splits the cost of printing the Play Magazine with Basin Recreation based on the percentage of pages each entity has in the publication. The City has increased its number of pages by eight (ice programs & additional information). The cost to print the Play Magazine has increased from \$1.52 each to \$1.83 due to the increased number of pages as well as the cost of printing. This is a \$3,300 same level budget adjustment. The cost of postage has increased by \$725 for a same level adjustment. Total adjustment \$4,025.</p>	City Recreation	\$ 4,025	\$ 4,025
Y	9	<p>Tennis Bubble</p> <p>A new tennis bubble was recently purchased and in the past the bubble was stored in a bus bay. This space is no longer available due to the use by Public Works. The bubble will now need to be stored in 2 moveable storage containers. The cost to store the bubble from April until October is \$1,950. The cost to put the bubble up and take it down has increased by \$5,000. This is a same level of service budget request for \$6,950.</p>	Tennis	\$ 6,950	\$ 6,950

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Budget Option Descriptions (by Team)

Recreation/Library/Golf/Ice Facility

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	Option Code	Priority*	Option Description	Department	2008 Request	2009 Request
Y	SADJ3	12	Contract Services This is a same level of service request for Peak Alarm, American Mailing Services, and Model Linen. The cost associated with these services has gone up by \$7,500.	City Recreation	\$ 7,500	\$ 7,500
Y	TAYP	14	Additional Youth Programming Adventure Camp, Dirt Jump Clinics, Swim Lessons, Soccer League, Soccer Camp and Skateboard Clinics have seen increased participation and demand for increased program offerings with over 120 kids on the wait list last year. Due to demand Recreation would like to expand participation levels by offering additional sessions. Expanding the service level for youth programs will require a budget increase of \$6,000 in personnel with a revenue offset of \$9,500. The revenue is generated through increased participation.	City Recreation	\$ 0	\$ 6,200

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Budget Option Descriptions (by Team)

Recreation/Library/Golf/Ice Facility

Option Code	Priority*	Option Description	Department	2008 Request	2009 Request
Y	15	<p>Contract Tennis Pro</p> <p>The recreation department completed a community needs assessment this past spring which identified a high unmet need for tennis lessons and clinics. In order to attempt to meet this need the tennis department must teach more lessons and clinics. Currently it is very difficult to schedule a lesson with a pro or to add additional programming because the current staff is teaching at capacity. In order to recruit a USPTA teaching pro we must be able to offer a competitive contract with a minimum of single health insurance. To provide this increased level of service the tennis department needs a \$64,697 increase in personnel costs. This budget request has an offset of \$98,500 in revenue from the increased fees collected associated with the services the tennis pro will provide.</p>	Tennis	\$ 0	\$ 31,813
Y	16	<p>Group Fitness</p> <p>The recreation department completed a community needs assessment this past spring which identified a high unmet need for group fitness/wellness classes. In order to attempt to meet this need the recreation department must offer more classes and a variety of classes. To provide this increased level of service the recreation department needs a \$15,000 increase in personnel costs. This budget request has an offset of \$21,900 (30 passes at \$730 each) in revenue from the increased fees collected.</p>	City Recreation	\$ 0	\$ 7,210

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Budget Option Descriptions (by Team)

Recreation/Library/Golf/Ice Facility

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	Option Code	Priority*	Option Description	Department	2008 Request	2009 Request
Y	TCMO	17	<p>Community Outreach</p> <p>Per Council direction, the work of the Recreation Advisory Board Subcommittee and the department's involvement in ACT (Agenices Coming Together) the department is working to engage the underserved population of the community. We will be running programs onsite at various housing developments, expanding the number of scholarships given for fee reduction and offering expanded programs targeted at the underserved population. This is a request for \$5,000 expanded level of service and will have minimal offset.</p>	City Recreation	\$ 0	\$ 5,000
Y	SADJ4	18	<p>Software Licensing</p> <p>The Racquet Club, Recreation, Ice Rink & Human Resources all use the Class Software system for Econnect, point of sale, program registration and several other modules. The annual software licensing fees will increase by 5% each year for the next 2 years. The revenue offset would come from program fees and facility use fees. The request is for a budget adjustment of \$2269 for recreation's share of the fees.</p>	City Recreation	\$ 2,269	\$ 2,269
Y	TJCT	19	<p>Rescheduled Tennis Tournament</p> <p>Due to a scheduling change with Utah Tennis the Junior Classic tournament that has been held in August will now be held in June. Due to this schedule change it is causing us to have the tournament twice in the same fiscal year. This is a one time same level adjustment for \$2,200 in expense with a revenue offset of \$4,500.</p>	Tennis	\$ 2,200	\$ 0

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Budget Option Descriptions (by Team)

Recreation/Library/Golf/Ice Facility

	<u>Option Code</u>	<u>Priority*</u>	<u>Option Description</u>	<u>Department</u>	<u>2008 Request</u>	<u>2009 Request</u>
Y	INSU	CM	Increased Medical Insurance Costs The costs of medical/dental insurance plans are increasing an expected 10%. This option increases medical/dental insurance budgets accordingly.	Operating Departments	\$ 0	\$ 12,751
Y	BADJ	TEC	Base Level Adjustment Zero-sum changes to budget lines within a department	Multiple Departments	\$ 0	\$ 0
Y	IFTA	TEC	Technical Adjustment Move all Ice positions into Ice Facility Department Budget	Fields Ice Facility	\$ 0	\$ 28,337
Y	VACA	TEC	Vacancy Factor Request According to City policy, departments can request to have the vacancy factor portion of their personnel expenses replaced in their operating budget. These requests are offset with contingency funds.	Bldg Maint Adm City Council City Manager Contingency Salary Finance Ice Facility Info Tech & Cust Serv Legal Police Public Works Admin. Sustainability - Implementation Tennis	\$ 51,000	\$ 0
Total Approved Options for Recreation/Library/Golf/Ice Facility:					\$ 115,390	\$ 234,609

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Budget Option Descriptions (by Team)

Recreation/Library/Golf/Ice Facility

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	Option Code	Priority*	Option Description	Department	2008 Request	2009 Request
Not Approved						
N	LCEM	10	Continuations An error/miscommunication regarding billing from a vendor resulted in standing order items not being fully paid in 2004-2006. Bills for this account were changed to electronic vs. paper and it is not clear where the electronic bills were being sent. Thus, the library has a past due balance for standing order items.	Library	\$ 2,842	\$ 0
N	QCMP	11	Compressor Maintenance Due to new equipment, this line was not budgeted. 2008 actual is \$5K + this year and will continue. We have a service contract for annual maintenance and on-scheduled service at a discounted rate.	Ice Facility	\$ 5,000	\$ 5,000
N	QCNT	13	Other Contract Services Temporary Flooring storage (\$172/mo.), Cooling tower maintenance (\$200/mo.), additional facility cleaning costs (\$500/mo.) and increased waste collection (due to more events and unbudgeted recycle costs). If custodial position is approved, 2009 can be reduced to \$5,000.	Ice Facility	\$ 10,000	\$ 15,000
N	TTBP	20	Tennis Balls Due to the increased number of tennis participants and the increased cost of purchasing tennis balls there needs to be a \$3,000 same level of service adjustment. There is a revenue offset but it is hard to determine the amount since it is built into the cost of the service.	Tennis	\$ 3,000	\$ 3,000
Total Not Approved Options for Recreation/Library/Golf/Ice Facility:					\$ 20,842	\$ 23,000

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Budget Option Descriptions (by Team)

Sustainability

<u>Option Code</u>	<u>Priority*</u>	<u>Option Description</u>	<u>Department</u>	<u>2008 Request</u>	<u>2009 Request</u>
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Budget Option Descriptions (by Team)

Sustainability

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<u>Approved</u>	<u>Option Code</u>	<u>Priority*</u>	<u>Option Description</u>	<u>Department</u>	<u>2008 Request</u>	<u>2009 Request</u>
Y	OUTR	1	Outreach/Visioning Consultant/contract services for Community Outreach/Visioning consistent with Council direction at Visioning. Funds are required in the event the FTE associated with Planning Director is removed from our budget. This project is a significant project requiring specific skills/expertise that will need to be contracted for with the loss of our teammate there would not be sufficient internal resources within the City to undertake should the FTE be removed without the addition of add'l professional/consulting funds.	Sustainability - Visioning	\$ 0	\$ 55,125
Y	PDIR	3	Reintegration of the Planning Director The attached worksheet reflects the reintegration of the Planning Director into the Planning Dept. budget. Included are all items that went to Sustainability in the last budget cycle.	Planning Dept. Sustainability - Visioning	\$ 0	\$-120,942
Y	SIMC	6	Meeting, Conference, & Travel Allows each staff member to attend a conference, and recognizes additional meeting necessary to address event logistics as well an Economic development strategy.	Sustainability - Implementation	\$ 0	\$ 750
Y	CARB	CM	Carbon Footprint Analysis To conduct carbon footprint analysis for Park City Municipal as well as the City of Park City.	Sustainability - Visioning	\$ 0	\$ 45,000

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Budget Option Descriptions (by Team)

Sustainability

	Option Code	Priority*	Option Description	Department	2008 Request	2009 Request
Y	INSU	CM	Increased Medical Insurance Costs The costs of medical/dental insurance plans are increasing an expected 10%. This option increases medical/dental insurance budgets accordingly.	Operating Departments	\$ 0	\$ 4,241
Y	SVCS	CM	Contract Services Increase in Contract Services	Sustainability - Visioning	\$ 0	\$ 20,000
Y	BADJ	TEC	Base Level Adjustment Zero-sum changes to budget lines within a department	Multiple Departments	\$ 0	\$ 0
Y	SISR	TEC	Sundance Reimbursement Reimbursement check from Sundance for City services.	Sustainability - Implementation	\$ 23,674	\$ 0
Y	VACA	TEC	Vacancy Factor Request According to City policy, departments can request to have the vacancy factor portion of their personnel expenses replaced in their operating budget. These requests are offset with contingency funds.	Bldg Maint Adm City Council City Manager Contingency Salary Finance Ice Facility Info Tech & Cust Serv Legal Police Public Works Admin. Sustainability - Implementation Tennis	\$ 21,000	\$ 0
Total Approved Options for Sustainability:					\$ 44,674	\$ 4,173

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Budget Option Descriptions (by Team)

Sustainability

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	Option Code	Priority*	Option Description	Department	2008 Request	2009 Request
Not Approved						
N	TRCO	3	Trails Coordinator FTE 2009 N08 - This position will fund a Trails Coordinator, needed to meet a basic level of service identified by the Trails Master Plan. This was discussed during visioning and relates to Council goal #5. HR is currently benchmarking the position.	Sustainability - Implementation	\$ 0	\$ 56,588
N	TMPL	4	Trails Master Plan Services To provide basic level of service identified in Trails Master Plan, including parking/trailhead parking maint, signs markers, tree trimming, re-grading & other general maintenance, trash removal. (New walkability main \$ in PW Budget addresses only urban trails, not backcountry) - Goal #5	Sustainability - Implementation	\$ 0	\$ 20,000
N	CSVC	5	Carrying Capacity Study 2008 adjustment request for \$16k to allow a total of \$35k for the Carrying Capacity Study identified as a priority during the 2008 Visioning Session.	Sustainability - Implementation	\$ 0	\$ 16,000
Total Not Approved Options for Sustainability:					\$ 0	\$ 92,588
Total Approved Options:					\$ 1,834,777	\$ 1,935,308
Total Not Approved Options:					\$ 319,342	\$ 550,665

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