

PARK CITY

FISCAL YEAR 2016 BUDGET

BEST MANAGED RESORT TOWN IN AMERICA

**CITY COUNCIL ADOPTED BUDGET
ADJUSTED BUDGET FISCAL YEAR 2015
ANNUAL BUDGET FISCAL YEAR 2016
SUBMITTED TO PARK CITY COUNCIL**

PREPARED BY :
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JOHN UMBEL – CAPITAL BUDGET, DEBTS, AND GRANTS ANALYST

VOLUME 1: EXECUTIVE SUMMARY

PARK CITY MUNICIPAL CORPORATION

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AS OF JULY 1, 2015

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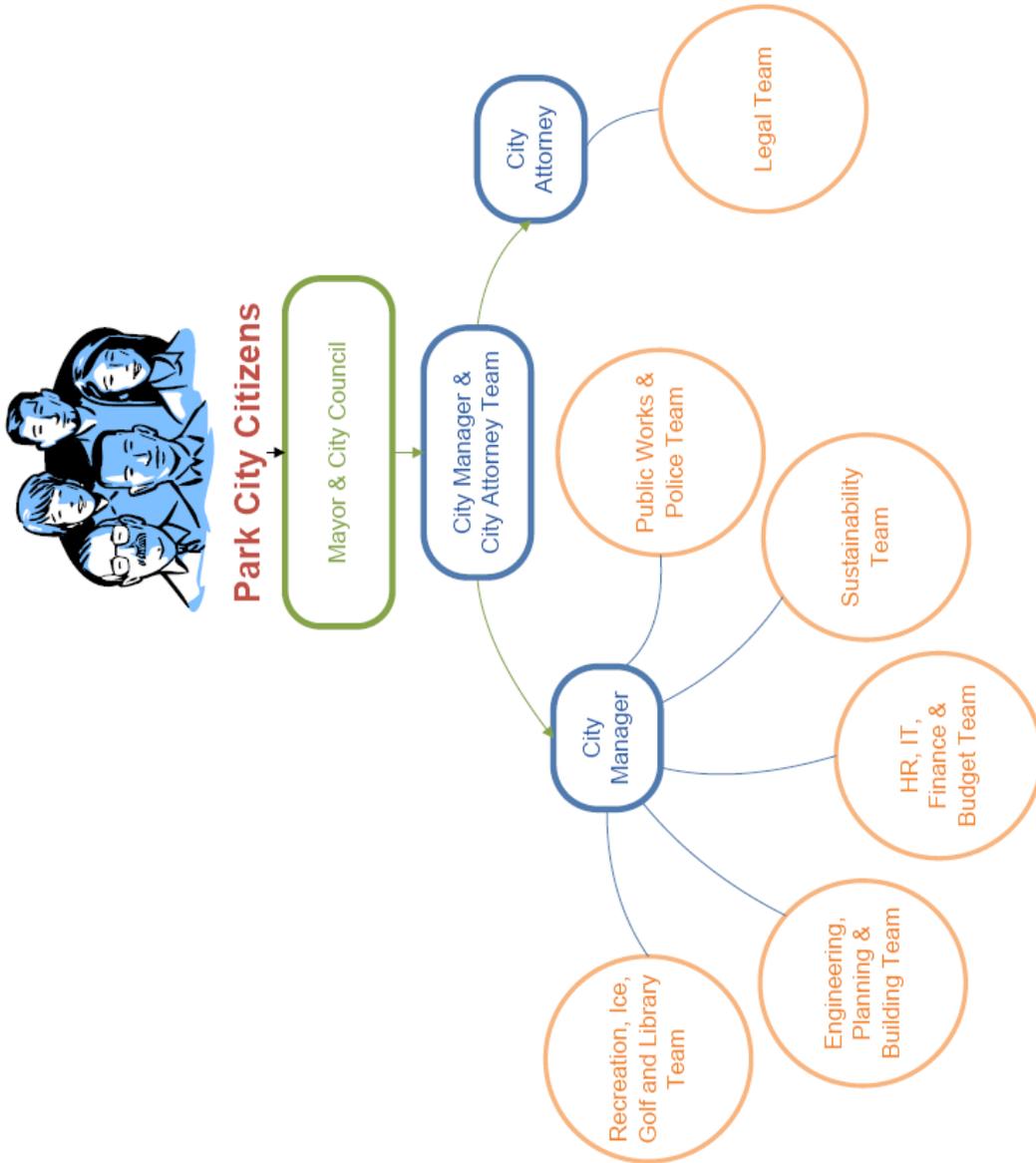
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Nate Rockwood- Capital Budget, Debt, and Grants Manager

GUIDE TO THE BUDGET DOCUMENT



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 2015 & 2016 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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GUIDE TO THE BUDGET DOCUMENT

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CITY MANAGER MESSAGE

May 4, 2015

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

Pursuant to §10-6-109, Utah Code Annotated, the following budgets: Fiscal Year 2015 Adjusted Budget and Fiscal Year 2016 Budget 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 both the December 2014 Study Session on Council's Critical Priorities the 2015 City Council Retreat as guiding principles.

The City employs a Budgeting for Outcomes (BFO) process that focuses on Council priorities and objectives as the driving factor for determining the annual budget. BFO provides a comprehensive review of the entire organization, identifying every program offered and its cost, evaluating the relevance of every program on the basis of the community's priorities, and ultimately guiding elected and appointed officials to the policy questions they can answer with the information gained from the process. We are confident BFO provides us with the tools we need to build a budget that reflects our city's values and needs. This budget process will help us do this by focusing on outcomes that matter to our residents and others who have a stake in this community.

The development of the City Manager Recommended Budget is a bit of a misnomer in Park City; the following members of the Results Team, who spend more than a week's time evaluating departmental budget proposals against City Council's Priorities, have done the bulk of the development of the operating budget recommendation along with the members of the CIP Committee who do the same for the Capital Improvement Project Budget:

FY 2016 Results Team

Leader: Jed Briggs
Kayla Sintz
Matt Abbott
Jason Christensen
Clint Dayley
Brooke Moss
Phil Kirk
Vaughn Robinson

FY 2016 CIP Committee

Leader: Nate Rockwood
Blake Fannesbeck
Jon Weidenhamer
Ken Fisher
Marina Smith
Matt Cassel
Scott Robertson
Kayla Sintz
Matt Twombly

It is anticipated that the proposed budget will allow City staff to carry out Council's goals and high levels of service without the need to recommend a property tax increase in the FY 2016 Budget. Staff's commitment to administering municipal services and managing the capital program with a high degree of efficiency at a minimum cost to residents and taxpayers affirms that the City is maintaining a sound financial footing.

On behalf of the many staff members who contributed to the development of this budget, and with special thanks to Jed Briggs and Nate Rockwood, I present the City Manager Recommended Budget for FY 2016 to City Council, residents of Park City, and other interested stakeholders for your review.

Sincerely,

Diane Foster
City Manager
Park City Municipal Corporation

INTRODUCTION

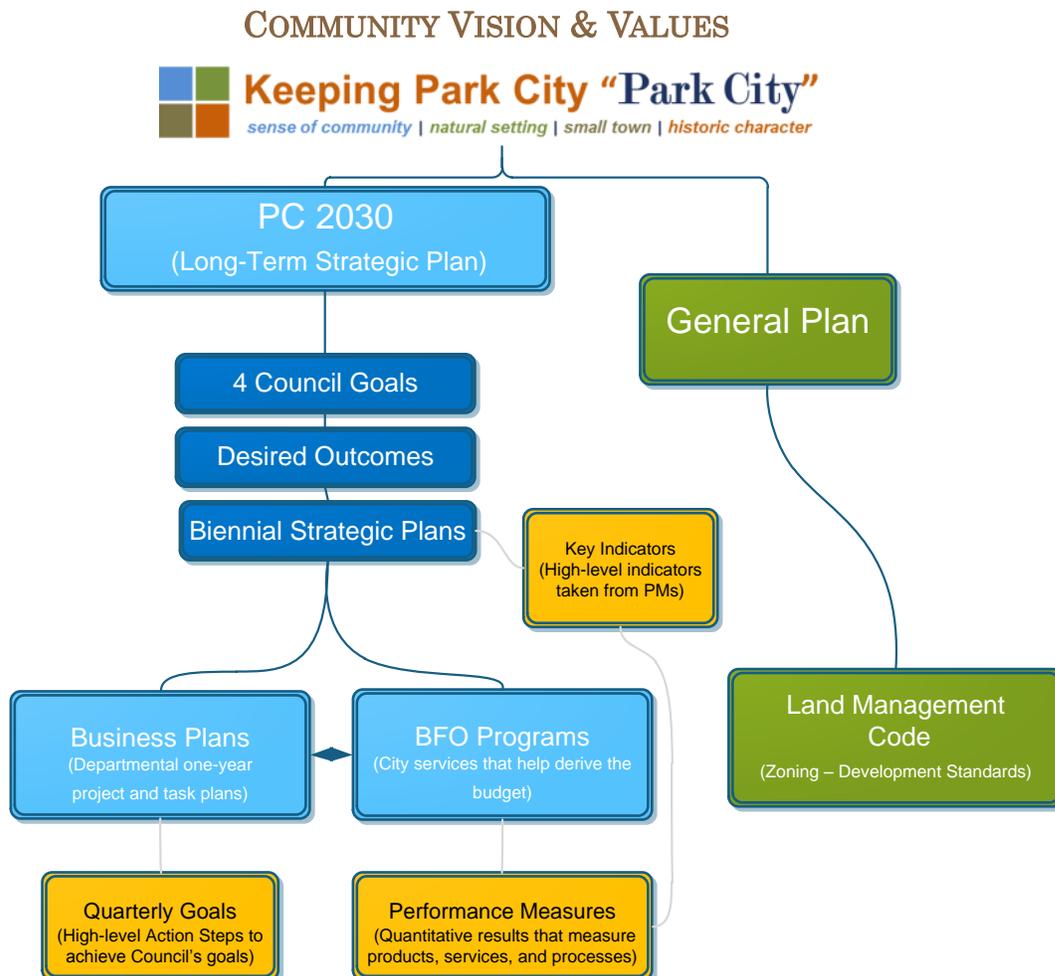
PARK CITY MISSION STATEMENT

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 in January, 2014, at its annual retreat, the Mayor and Council reaffirmed their long-range vision for Park City and updated their annual action plan. At that time Council reviewed and approved four goals for Park City which are highlighted below:

- Preserving & Enhancing the Natural Environment
- World Class, Multi-Seasonal Resort Destination
- An Inclusive Community of Diverse Economic and Cultural Opportunities
- Responsive, Cutting-Edge & Effective Government



INTRODUCTION

The four Council Goals represent what the leadership of Park City Municipal Corporation believes is most essential to focus its attention and resources on in order to realize the Community Vision. The Goals are a key component of Park City's Strategic Plan, not only for Council but for residents and Park City staff as well. They provide a philosophical foundation for the Council in its role as a policymaking body. For residents, the Goals provide a detailed definition of success. For Park City staff, they provide guidance on how to manage finite resources in the face of nearly infinite expectations.

Each year City Council establishes their City Council Priorities that define areas in which City Council would like additional focus placed. The 2015 City Council Priorities are as follows:

Critical Priorities - If we don't get these right, it could have a significant negative impact on our community:

1. Middle Income, Attainable & Affordable Housing
2. Transportation: Congestion reduction; local & regional plans

Top Priorities - Items for which City Council would like to see significant progress:

3. Increase citizen involvement through outreach /gov't holistic decision making
4. Historic Preservation: Main St preservation plan & keep national historic site designations
5. Lower Park Avenue Redevelopment Plan

High Priorities - Items for which City Council would like to see progress:

6. Increase Green Building Standards
7. Open Space Acquisition
8. Water Conservation
9. Community wide renewable energy policy & action plan
10. Plan for Safe Clean Soils
11. Regional Collaboration
12. Broadband/fiber

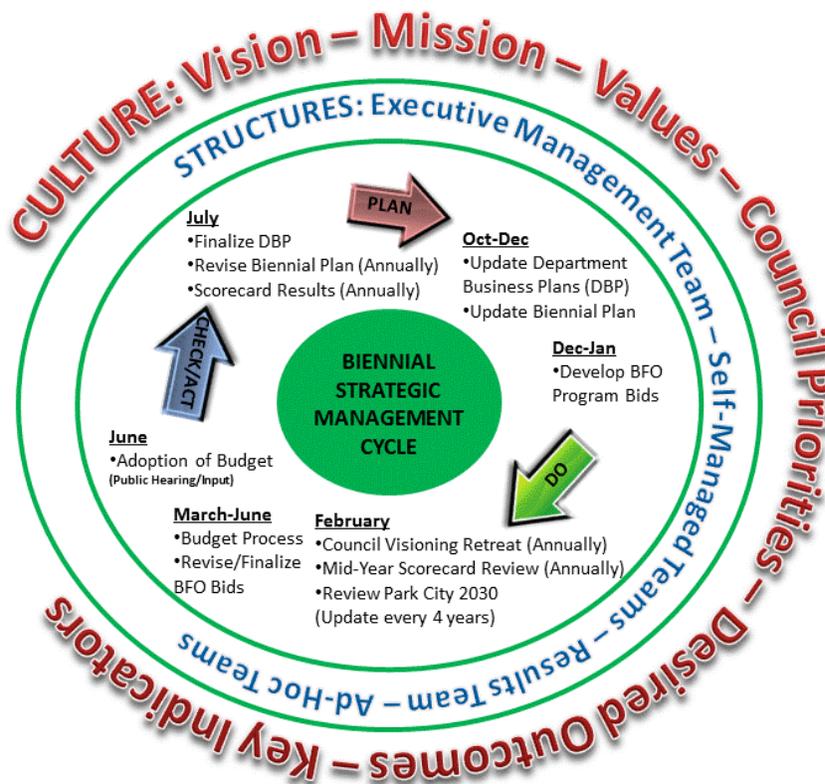
In order to ensure results and accountability, Desired Outcomes and Key Indicators were built into the Biennial Strategic Plans. The Desired Outcomes are observable effects that visibly demonstrate success in each Goal area. They are the guideposts for making funding and planning decisions. Similarly, the Key Indicators are high-level measures that gauge effectiveness and allow Park City stakeholders to compare their performance to that of similar service providers and monitor their efforts over time. They also help determine if we are moving the "dial" on achieving the Desired Outcomes. The Key Indicators selected do not represent the totality of measures that could be used, rather they are those that best communicate whether we are meeting the expectations set forth in the community visioning process. Both the Desired Outcomes and Key Indicators are tied to the Budgeting for Outcomes process, which helps ensure that resources are allocated to the most effective efforts related to achieving the community's vision.

INTRODUCTION

BUDGET PROCESS

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

PARK CITY MUNICIPAL CORPORATION STRATEGIC MANAGEMENT SYSTEM



Currently, the City employs a Budgeting for Outcomes (BFO) process that focuses on Council priorities and objectives as the driving factor for determining the annual budget. BFO is a way to link Council's policy goals to the day-to-day management operations of the City. Council's Goals are taken into account when department managers identify which Desired Outcomes will be met when requesting budget operating and capital options. Furthermore, to ensure that Council's goals are carried out, department managers must also identify and refer to them when making Quarterly Goal Action Steps, which are high-level projects and/or tasks.

BFO provides a comprehensive review of the organization, identifying every program offered and its cost, evaluating the relevance of every program on the basis of the community's priorities, and ultimately guiding elected officials to the policy questions they can answer with the information gained from the process. Thus, BFO will inform the development of the City's 2016

INTRODUCTION

Budget and serves as a tool to identify potential service reductions and eliminations. By creating Desired Outcomes within Council goals and then receiving offers from City departments, the City can make better-informed decisions regarding the prioritization and cost of City services and programs.

BFO informs the development of the City's 2015 and 2016 Recommended Budget and serves as a tool to identify potential service reductions and eliminations. The evaluation of programs as part of this process may also identify potential duplication of efforts or opportunities to consolidate similar programs and/or services that are delivered through partnership with other governmental agencies, non-profit agencies, or the private sector.

Department Manager's Role

Bids or offers can be submitted by one department or multiple departments working in partnership/collaboration with each other. A proposal (or bid), submitted in response to a Desired Outcomes, describes what a service, program, or activity will do to help achieve the Council-approved goals. Managers need to explain the scope of the service and any enhancements or decreases to level of service. The total expenditure and revenue budgeted amounts are included in the bid as well as FTEs.

Managers are encouraged to explain any cost savings, innovation, or collaboration that their program would be able to accomplish during the next fiscal year. There's also a section on the bid that explains the consequences of funding it a lower level. And finally the bid ends with performance measures tailored specifically to that service used to measure its success. Performance measures are taken from the usual department performance measures, the National Citizen's Survey, or ICMA's Center for Performance Measurement.

When submitting budget requests, managers are encouraged to have a corresponding expense reduction, revenue enhancement (e.g., fee or rate increase, state and federal grants, profit gains, etc.), or justification as to why the adjustment is necessary. Managers bringing budget requests to the Results Team were asked to look first within their existing departmental or team budget. By enhancing or adding a service with the same amount of current budget the City is able to build efficiencies and make the cost of doing service more effective.

Also, managers were encouraged to look for opportunities to find cost savings in their current operations, to think creatively and collaborate with others, inside and outside of City Hall, to identify ways that they could achieve the same or better results at lower costs. Managers' hard work will help to craft a more streamlined budget and fund the services necessary to achieve the community priority outcomes despite the current economic times.

The Results Team

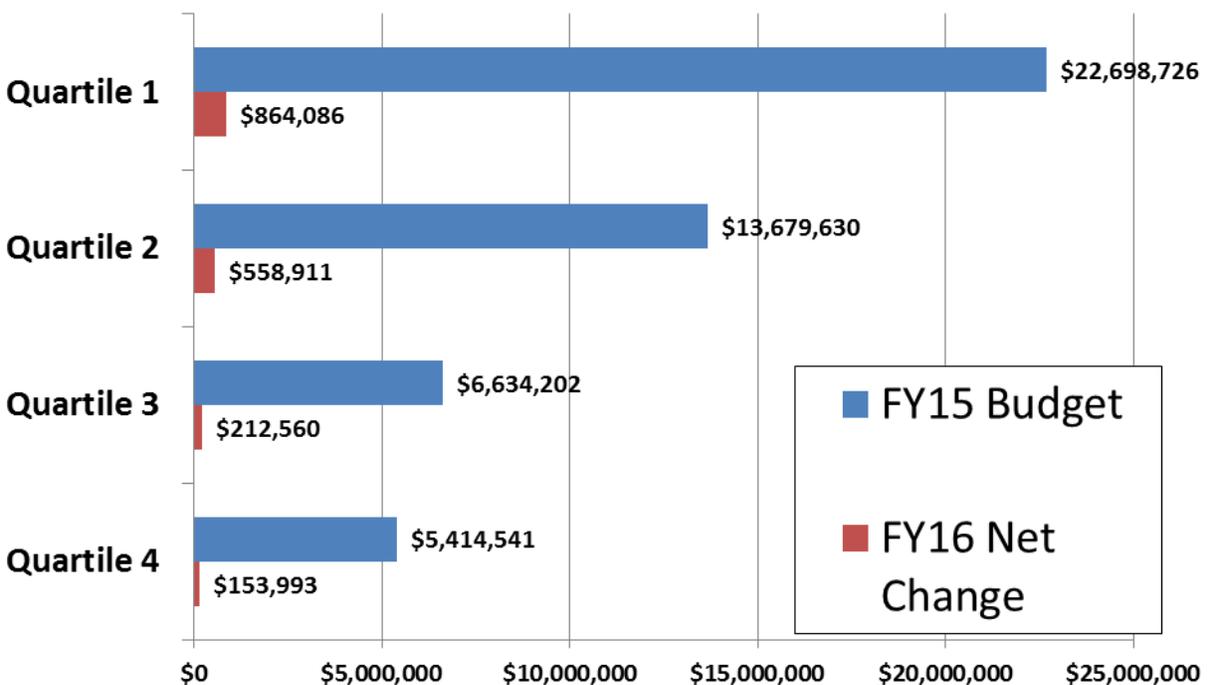
The Results Team (staff-led budget committee) receives service proposals (bids) for programs and activities in each Council goal. These BFO programs are scored by departmental managers based off of scoring criteria that were discussed during the Council Retreat. The Results Team reviews these scores and changes them to arrive at a composite score agreed on by the group. This provides the ranking of proposals within each Council goal with a quartile ranking as well, numbered from 1 to 4, with 1 being the highest ranking and 4 the lowest.

INTRODUCTION

The Results Team then identifies questions or gaps in specific proposals and requests additional information from the proposal owner, including potential implications of level of service adjustments or the suggestion of additional collaboration. The scoring and prioritization of the BFO programs is the start of the discussion on where to fund programs—not the end. Decisions on budget enhancements or decreases are based on the scoring of each BFO program, as well as the department manager’s rationale, established need, and availability of resources. The team discusses their overall rankings and rationale for budget enhancements or decreases and prepares a final recommendation to the City Manager, who examines and refines this recommendation and may include it in the overall budget recommendation.

The figure below shows how the ranking breaks out, by quartile, in the FY2016 recommended budget.

BFO Budget Allocation by Quartile (All Funds)



BFO Budget Changes Highlighted

It is important to note that a high rating of a program will not guarantee that a program will be recommended to be retained; nor does it guarantee that a lower-ranking program will be proposed for elimination. Also, the rankings do not reflect whether a program is being delivered in the most efficient manner. The prioritization process provides valuable information for budget proposal development and City Council deliberation. It is not the "only answer" on to how best to determine the City’s budget.

Budget Constraints

It is the intention of BFO for managers to submit the most cost-effective program budgets. In theory, this could result in budget decreases from previous fiscal years, however, in most cases

INTRODUCTION

managers feel that their current budget level is the lowest it can be without impacting levels of service. If anything, some managers feel that their current budgets are not adequate enough to provide the level of service required, due to existing and projected demands levels and because of extensive budget cuts during the recession years.

Most cities start using BFO or a similar tool when experiencing significant decreases in revenues because it allows them the opportunity to cost out and prioritize all the cities services and decrease or cut the services that score low. With modest revenue increases projected and knowing that further cuts could result in a decrease to levels of service, the Results Team made the decision to recommend a budget that minimally cuts departmental budgets and increases only for items that score high and an immediate need was obvious. Albeit, there are still programs that scored high that are not included in the proposed FY16 budget, simply due to budget constraints.

Throughout the budget process Council will have many opportunities to consider service level reductions and corresponding program budget cuts as well as to consider program funding or program increases not recommended in the proposed FY2016 budget.

BFO Summary

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.”¹ The proposed budget must be available for public inspection during 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 18, the Council has the opportunity to review the proposed budget, consider public comment, and finally, adopt a balanced 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 managed 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 overall department level.

The City Manager’s Recommended Budget is what is what is being presented to City Council. The budget changes this year will be presented through the lens of the Desired Outcomes and Council goals. We are confident BFO provides us with the tools we need to build a budget that reflects our city’s values and needs. This budget process will help us do this by focusing on outcomes that matter to our residents and others who have a stake in this community.

¹ Utah State Code Title 10-6-110 (2)

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 biennia beginning 1993, 1997, 1999, 2001, 2003, 2005, 2007, 2009, 2011, 2013 and most recently, 2014.

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 cycle.

INTRODUCTION

Submitted by:
Diane Foster, City Manager



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Park City Municipal Corporation

Utah

For the Biennium Beginning

July 1, 2014

Executive Director

BUDGET OVERVIEW

This year's budget process is the first of a two-year budget cycle; budget discussions will focus on FY 2016. The following are a few of the more significant issues to be discussed with City Council during the budget hearings in May and June. For each of the budget hearings, Council will receive a staff report providing thorough details of all the issues that are expected to be discussed.

The FY 2015 Adjusted Budget reflects a 23% increase from the FY 2015 Original Budget and an overall 28% increase from FY 2014 actual expenses (with capital excluded). Most of this increase has to do with an increase in debt service and, to a lesser extent, an increase to the Self-Insurance and the Ice Fund.

The proposed FY 2016 budget increased by \$2 million over the FY 2015 adjusted budget. Much of this increase is due to inflationary pressure.

Expenditure Summary by Major Object - All Funds

| | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 Budget | FY 2015 Adj Budget | FY 2016 Budget |
|---------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Personnel | 21,002,701 | 22,750,251 | 23,724,613 | 25,570,623 | 28,284,962 | 28,349,287 | 29,182,048 |
| Materials, Supplies & Services | 12,194,207 | 13,330,837 | 14,135,698 | 13,565,499 | 14,894,402 | 16,192,736 | 15,811,249 |
| Capital Outlay | 32,453,266 | 29,823,669 | 15,277,156 | 24,038,380 | 35,895,710 | 95,027,448 | 33,113,957 |
| Debt Service | 13,212,086 | 10,399,905 | 10,562,058 | 13,065,007 | 10,812,058 | 22,082,555 | 11,366,742 |
| Contingency | 21,850 | 3,946 | | 0 | 346,000 | 346,000 | 350,000 |
| Actual Budget | \$78,884,110 | \$76,308,608 | \$63,699,525 | \$76,239,510 | \$90,233,132 | \$161,998,026 | \$89,823,996 |
| Budget Excluding Capital | \$46,430,844 | \$46,484,939 | \$48,422,369 | \$52,201,130 | \$54,337,422 | \$66,970,578 | \$56,710,039 |
| Interfund Transfers | 9,898,612 | 9,177,643 | 7,667,140 | 13,929,137 | 9,097,113 | 22,945,673 | 11,483,513 |
| Ending Balance | 68,377,411 | 71,208,563 | 70,184,139 | 76,584,096 | 33,905,045 | 36,196,143 | 40,580,080 |
| Subtotal | \$78,276,023 | \$80,386,206 | \$77,851,279 | \$90,513,233 | \$43,002,158 | \$59,141,816 | \$52,063,593 |
| Grand Total | \$157,160,133 | \$156,694,814 | \$141,550,804 | \$166,752,743 | \$133,235,290 | \$221,139,842 | \$141,887,589 |

Table B01 – Expenditure Summary by Major Object

FINANCIAL IMPACT ASSESSMENT REPORT (FIAR)

On February 26, the budget department presented the 2015 Financial Impact Assessment Report (FIAR). This FIAR report is organized to forecast revenues and operating, capital, and debt service expenses for the General Fund. The information contained in the report is intended to inform decision makers in the budget process by illustrating the potential impacts of current financial decisions on the financial health of the City in both the near and distant future. The figures presented in the FIAR help set the funding limits for both the operating and capital budget process as related to the general fund and general fund capital transfer.

The figures below incorporate expenses and revenues from the General Fund as well as the general fund transfer to the CIP.

Operating expense projections are shown using the service level associated with the 2015 Budget as the base year. The table below shows the FY 2015 service level projected over ten years using the 4.5% growth rate identified in the 2010 Service Level Assessment Committee (SLAC) update. The projected surpluses (or deficits) for each year are shown in the following graph.

BUDGET OVERVIEW

Ten-year Financial Impact Forecast

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|-----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Revenue | \$31,751 | \$32,814 | \$33,529 | \$34,310 | \$35,134 | \$36,019 | \$36,875 | \$37,714 | \$38,548 | \$39,336 |
| Op. Expenses (Base) | \$27,044 | \$27,072 | \$27,044 | \$27,044 | \$27,044 | \$27,044 | \$27,044 | \$27,044 | \$27,044 | \$27,044 |
| Inflationary Growth | \$0 | \$835 | \$1,697 | \$2,588 | \$3,508 | \$4,459 | \$5,441 | \$6,456 | \$7,505 | \$8,589 |
| Operating LOS Growth | \$0 | \$347 | \$700 | \$1,058 | \$1,421 | \$1,789 | \$2,163 | \$2,542 | \$2,928 | \$3,318 |
| CIP Expenses | \$3,490 | \$2,732 | \$2,395 | \$2,115 | \$2,105 | \$2,205 | \$2,305 | \$2,355 | \$2,405 | \$2,455 |
| Debt Service | \$180 | \$183 | \$179 | \$178 | \$181 | \$182 | \$0 | \$0 | \$0 | \$0 |
| Total Expenses | \$30,714 | \$31,170 | \$32,015 | \$32,982 | \$34,258 | \$35,679 | \$36,953 | \$38,398 | \$39,881 | \$41,406 |
| Rev/Exp | \$1,037 | \$1,644 | \$1,514 | \$1,328 | \$875 | \$341 | -\$78 | -\$684 | -\$1,334 | -\$2,070 |

*In Thousands (x1,000)

| | |
|--|--------------------|
| Aggregate Surplus/(Shortfall) Over Ten-Years (2015 to 2024) | \$2,572,794 |
|--|--------------------|

Table B02 – Ten-year Financial Impact Forecast

The FIAR projections are based on long-range historical trends. As the economic environment of a resort economy ebbs and flows, the FIAR is intended to act as a long-range measure and reference for future financial decisions. As the City moves forward, revenue growth will be added and evaluated in the contexts of the historical trends and will help form an updated FIAR projection in 2016 which will guide the City in the subsequent biennium budget process.

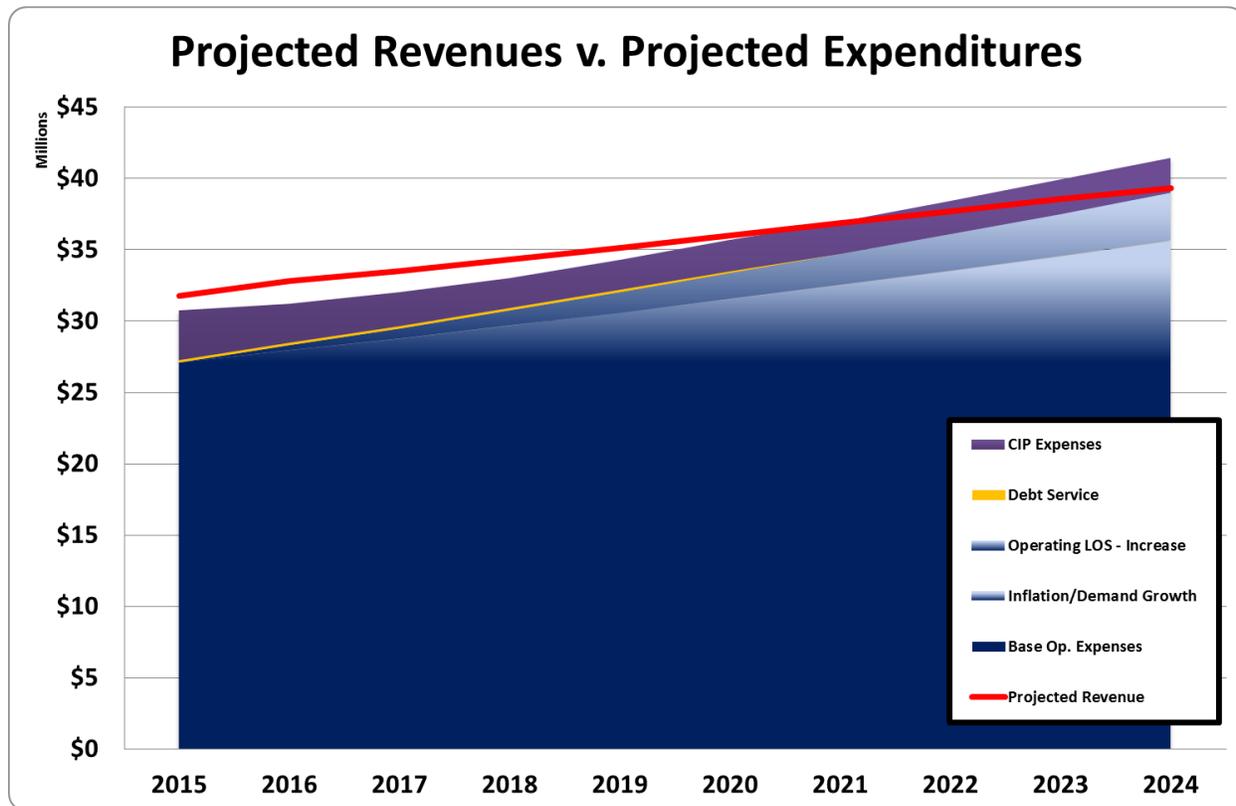


Figure B03 – Financial Impact Assessment Trends

For more detailed explanations of projection methodology and long-range financial planning, please consult the February 2015 FIAR document, a copy of which can be obtained from the Budget Department or at this website: <http://www.parkcity.org/index.aspx?page=95>

BUDGET OVERVIEW

CITY'S LONG-TERM BUDGET STRATEGIES

This budget season will be the second year of the budget biennium. Between now and June we will be working on adjusting the FY 2015 Budget as well as developing the FY 2016 Budget.

The City Manager's Recommended Budget is constructed drawing upon Council input and direction received during the Council Retreat in January/February, as well as Council input received during work sessions and study sessions throughout the year. During a Council work session (Feb. 26), Council was presented with the Financial Impact Assessment Report (FIAR) projection of the City's expenditures and revenues over the next ten years. In essence, the FY16 budget has to fit within the confines of the FIAR's projected expenditure increases (based off of a 10-year historical analysis of an average annual increase of Park City's expenditures), approved by Council. The funding level recommendation has to account for what could be considered "inflationary" increases like Pay Plan, health insurance, and retirement as well as more discretionary increases like Affordable Care Act (ACA) provisions, departmental requests, CIP enhancement, etc.

Below are the City's Long-Term Budget Strategies for crafting the City Manager's Recommended Budget:

1. Budget draws upon Council input from Council Retreat and FIAR projections as a guide
 - Priority-driven operating budget based upon Council's goals, objectives, and desired outcomes
2. Two-year budget process with fewer budget requests coming in the "off-year" (the "off-year" is FY16 in this particular biennium budget)
 - Second-year budget requests that will be considered are ones that
 - i. will come with revenue offsets;
 - ii. are accompanied by expense reductions, or that;
 - iii. are required by law; or
 - iv. are necessitated by market/environment changes that happened since the last budget adoption (since the adoption of the FY15 budget, in this case)
3. Budget committees' recommendations will be considered
 - Committees include Results Team as well as CIP, Pay Plan, Benefit, and Fleet committees and any other ad hoc committees needed for unique circumstances
 - Results Team will make recommendations by considering BFO score, manager's bid request, established need, available resources, and performance measures
4. All operating and capital budget requests should be considered during the budget process
5. General Fund budget surplus should be used for capital projects

BUDGET RECOMMENDATIONS



Figure B04 – Budget Recommendations to City Manager by Committee

BUDGET OVERVIEW

MAJOR OPERATING BUDGET ITEMS

| Budget Estimates | FY16 | Requests |
|---------------------------------------|--------------|----------------------|
| Benefits Committee Recommendation | \$300k | |
| 2% Market Pay Increase | \$300k | |
| Utah Retirement System (URS) | \$0k | |
| Utilities | \$50k | |
| Executive Recommendations | \$170k | |
| Non-Discretionary Operating Items | \$45k | |
| Results Team Recommendation | \$335k | \$900k |
| 4.5% Increase Over FY15 (Base) | Total | \$1.2M |
| | | \$2.1M (7.9%) |

Table B05 – Major Operating Items in General Fund

Health Insurance Costs (Benefits Committee Recommendation)

The City maintains a health and dental insurance plan through Regence Blue Cross Blue Shield of Utah. Each year Regence examines the City’s “use” of the plan and its total costs to Regence and then determines the price for the following year. National averages in health insurance annual increases range from 10-12%. This year, the City is in line with those averages at 9.74%. However, to keep up with changes in the industry overall, as well as to observe our benefits compensation philosophy, we are considering a change to the employee’s deductible within the Regence Bluepoint plan, which is the healthcare plan used by the majority of staff. Currently, the City’s health insurance deductible is \$250 for individuals, and \$500 for family coverage. The Benefits Committee proposes that the City increase these amounts to \$375 and \$700 respectively.

With the savings created from both the increase in the employee deductible as well as self-funded dental, staff is recommending to increase employee pay to cover the change in deductible. This year, staff would like to offer employees a grossed up amount equal to the change in their insurance deductible. Employees with single coverage would receive a lump sum payment of \$125, and those with family coverage would receive \$200. This would make the change to the health plan a \$0 net change for staff. Next year, on July 1, employee pay for all staff would be increased by \$200. This would absorb the savings of both changes to the health insurance plan, and keep them whole at all levels compensation. This would also keep us further away from the threshold of the Cadillac Tax.

BUDGET OVERVIEW

Pay Plan

The Pay Plan Committee convened this year to evaluate compensation benchmarks for the City's budgeted positions. Members include Phyllis Robinson, Ann Ober, Kim Atkinson, Destry Pollard, Darwin Little, and Jason Christensen. The Pay Plan Committee typically meets biennially to review these benchmarks and provide a recommendation for the City Manager. The Pay Plan Committee meets in the first year (on-year) of the budget biennium. 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 pay plan increase for FY 2016 is a 2% increase for all grades over FY 2015. The total increase for this will be \$459K.

Retirement Expense

All Full-time Park City employees are part of the Utah Retirement System (URS) defined benefit program. The City is required by statute to contribute a certain percentage of employee pay toward the URS pool annually. During FY 2015, URS required a 18.47% contribution for general municipal employees (34.04% for sworn officers). For FY 2016, URS will not increase, and will remain the same as in FY 15 18.47% for general municipal employees (34.04% for sworn officers). This results in no increase in costs for Retirement for FY 2016.

Utility Increases

Two years ago the Budget Department decided to centralize the budget monitoring of utilities for all funds. Over the last several years utility budget increases were not being recommended as they were difficult to predict. With wild swings in utility costs it was decided to have the Budget Department incorporate these costs into our other predictive models. Due to the mild winter this last year most departments' utility costs were fairly low and below budget. At this time the Budget Department is not recommending to change utility budgets dramatically as the recommended increase is only \$50k for the General Fund. This is largely made up of security alarm contract cost increases that the City has incurred for FY15 and will need to continue into FY16.

Executive Recommendations

The City's budget process takes into account committees' recommendations which include the Results Team as well as CIP, Pay Plan, Benefit, and Fleet committees and any other ad hoc committees needed for unique circumstances. At times, it becomes necessary for the City Manager to become more involved in the budget process because of emergencies or budget issues that go outside the scope of a committee's directive. For FY16 there are numerous examples: creation of the new Community Development Team, Building Department personnel grade increases, retirement increases for Dispatch employees, budget increases for personnel that have an employment agreement, and Bus Driver grade increases. The total amount for these Executive Department recommendation increases to the General Fund is \$170k.

Non-Discretionary Items (Technical Adjustments)

In addition, there is about \$40k in technical adjustments in the General Fund that need to be added to the FY16 budget. These include adjustments for personnel benefits like housing allowance, workers' compensation, and disability benefits. The Budget Department always tries

BUDGET OVERVIEW

to budget for actuals and these benefits are tied to individual employees that need to be adjusted at times. There is also miscoding errors from the last budget cycle that need to be cleared up as well. This can result in an increase to line-items budgets if it was not done properly in the past.

Discretionary Operating Items (Results Team Recommendation)

The Results Team has to make tough decisions in order to fit their recommendation within the confines of the FIAR's projected expenditure increase, which also has to cover inflationary costs like Pay Plan, health insurance, retirement, and any other non-departmental budget increases. On May 28 the Results Team will present their recommendations organized through the Biennial Strategic Plans. The recommended budget increase needed to come in under \$335k in the General Fund. The General Fund net increase (once revenue and expenditure offsets are taken into account) is \$334k with \$900k in requests. Below are some of the highlights:

| Dept | Request | Description | Recommendation |
|--------------------|----------------|---------------------------------|-----------------------|
| Building* | \$239,000 | Personnel, Materials & Supplies | \$30,000 |
| Library | \$220,000 | Personnel, Materials & Supplies | \$145,000 |
| Engineering | \$124,000 | Personnel | \$124,000 |
| Planning | \$100,000 | Contract Services | \$35,000 |
| Recreation | \$78,000 | Personnel | \$23,000 |
| Bldg Maint | \$53,000 | Materials & Supplies | \$53,000 |
| Others | \$85,000 | Personnel, Materials & Supplies | \$71,000 |
| | \$899,000 | | \$481,000 |
| | | Expenditure & Revenue Offsets | -\$147,000 |
| | | Net Increase | \$334,000 |

Table B06 – Departmental Budget Reports

*The Building Department personnel request was bumped to Executive and a \$60k option is recommended. Also, \$54k in computer software was requested, but this was moved to the CIP process and recommended in the CIP.

CAPITAL IMPROVEMENT PLAN (CIP)

Being the second year of a budget biennium, the CIP Committee ranked and evaluated new projects and placed them in the current 5 Year Capital Improvement Plan. This year's CIP committee (Blake Fannesbeck, Jon Weidenhamer, Ken Fisher, Marina Smith, Nate Rockwood, Matt Cassel, Scott Robertson, Kayla Sintz and Matt Twombly) scored and prioritized all new projects and all projects with significant changes in funding types or amounts and integrated them into the 5-Year Capital Improvement Plan. These projects were reviewed and ranked based on five criteria: Objectives (City Council Goals), Funding, Necessity, Previous Investment, and Cost/Benefit. In addition, this year projects were also evaluated and scored based on projects which significantly contributed to Councils identified critical priorities. The CIP requests and recommendations are highlighted in the Expenditures section of the City Manager's Recommended Budget Vol. 1, with a complete detailed CIP report included in the Volume II.

At the time of prioritization, projections showed a general fund transfer to the CIP Fund of approximately \$4.4 million in FY 2015, \$4.3 million in FY 2016, \$3.9 million in FY 2017, \$3.4

BUDGET OVERVIEW

million in FY 2018 and \$2.9 million in FY 2019. These figures include approximately \$900K to \$1 million in transfers from the General Fund for equipment replacement.

The Committee recommended funding projects requiring operating General Fund transfer in the amount of \$4,422,000 in the current fiscal year, \$4,407,000 in FY 2016 and \$3,940,000 FY 2017, \$3,475,000 in FY 2018 and \$3,180,000 FY 2018 and \$2,830,000 in FY 2020. The recommended project totals then taper from \$3.1 million in FY 2019 to \$2.8 million in FY 2020 to match the amount required to fund the ongoing CIP projects. The City Manager made one adjustment to the CIP committee recommendation, which was to include funding for the Building Permit Issuance Software for the amount of \$18,000 in FY 2016.

As part of the 2015 Council Retreat, Council evaluated and selected two projects to be funded in FY 2015 as part of the Innovation Challenge. Funding for the projects comes from the additional transfer from the General Fund to the CIP (fund 031) remaining in FY 2014. The two projects selected were the Bus Stop Play Project for \$20,000 and the LED Street Light Retrofit Phase I project for \$78,000. The budget for FY 2015 has been adjusted to include these projects. With the adoption of the 2015 Tentative Adjusted Budget these projects will be formally included and approved as part of the FY 2015 Capital Budget.

The total proposed CIP budget (all funds combined) for the FY 2015 Adjusted Budget is \$92.7 million (\$31.3 million original budget and \$61.4 million carry-forward budget). The proposed FY 2016 CIP budget is \$39.7 million; FY 2017 CIP is \$40.3 million. The CIP includes significant debt financing including anticipated debt issuance in the Water Fund, Lower Park Redevelopment Area and in the Capital Fund (fund 031). The General Fund surplus required to fund projects in FY 2015 will be approximately \$4 million—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 Pavement Management, Trails Master Plan Implementation, Traffic Calming, Asset Management, Walkability and Asset Management.

The list below details each of the new projects recommended for funding in the 5-Year CIP for the first time this year:

BUDGET OVERVIEW

| New Project Requests (All Funds Combined) | | | | | | | | | | | | |
|---|-------|--|-----------------|------|---------------------|----------------------------|---------|-----------|--------------|-----------|-----------|-----------|
| New Projects Recommended in 5-Year CIP | | | | | | | | | | | | |
| New CIP # | Score | Project Name | Project Manager | Fund | Revenue | Total Project Cost By Fund | FY 2015 | FY2016 | Total Budget | | | |
| | | | | | | | | | FY 2017 | FY 2018 | FY 2019 | FY 2020 |
| CP0350 | 25.81 | 1450-60 Park Avenue | Robinson | 33 | LOWER PARK RDA | 2,261,750 | | 2,261,750 | | | | |
| CP0360 | 23.50 | Old Town Housing | Robinson | 33 | LOWER PARK RDA | 3,205,000 | | | | 50,000 | 3,155,000 | |
| CP0358 | 23.47 | Private Land Development #1 | Robinson | 33 | LOWER PARK RDA | 2,884,000 | | 2,884,000 | | | | |
| CP0359 | 23.00 | 13th Avenue Corridor | Robinson | 33 | LOWER PARK RDA | 1,886,000 | | | | 266,000 | 1,620,000 | |
| CP0369 | 21.97 | Paid Parking Infrastructure for Main Street Area | Fonnesbeck | 57 | TRANSIT FUND | 525,000 | 525,000 | | | | | |
| CP0357 | 21.81 | Private Land Acquisition #1 | Robinson | 31 | ADD RESORT TAX | 250,000 | | 250,000 | | | | |
| CP0363 | 21.72 | Traffic Management Cameras | Cashel | 57 | TRANSIT FUND | 175,000 | 50,000 | 75,000 | 50,000 | | | |
| CP0362 | 20.06 | Neighborhood Preservation Program | Robinson | 33 | LOWER PARK RDA | 10,650,000 | | 1,750,000 | 2,225,000 | 2,225,000 | 2,225,000 | 2,225,000 |
| CP0365 | 19.69 | Comstock Tunnel Discharge | Ober | 31 | TRANS FR GEN FUND | 150,000 | 150,000 | | | | | |
| CP0361 | 19.69 | Land Acquisition/Banking Program | Robinson | 31 | ADD RESORT TAX | 5,000,000 | | 2,000,000 | 750,000 | 750,000 | 750,000 | 750,000 |
| | | | | 33 | LOWER PARK RDA | 5,000,000 | | 2,000,000 | 750,000 | 750,000 | 750,000 | 750,000 |
| CP0349 | 19.14 | Payment for snow storage lot | McAfee | 31 | TRANS FR GEN FUND | 170,000 | | 170,000 | | | | |
| CP0368 | 19.08 | Video Storage Array | Robertson | 31 | TRANS FR GEN FUND | 40,000 | | 40,000 | | | | |
| CP0366 | 18.69 | HR: Applicant Tracking Software (Recruiting software) | Robertson | 31 | TRANS FR GEN FUND | 6,000 | | 6,000 | | | | |
| | | | | 51 | WATER SERVICE FEES | 2,000 | | 2,000 | | | | |
| | | | | 55 | GOLF FEES | 1,000 | | 1,000 | | | | |
| | | | | 57 | TRANSIT SALES TAX | 6,000 | | 6,000 | | | | |
| CP0367 | 18.56 | Replacement of Data Backup System | Robertson | 31 | TRANS FR GEN FUND | 100,000 | 100,000 | | | | | |
| | 18.42 | Public Art | Rockwood | 31 | TRANS FR GEN FUND | 225,000 | | 75,000 | 75,000 | 75,000 | | |
| | | | | 31 | LOWER PARK RDA | 75,000 | | 25,000 | 25,000 | 25,000 | | |
| CP0352 | 18.31 | Parks Irrigation System Efficiency Improvements | Fonnesbeck | 31 | TRANS FR GEN FUND | On going | | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| CP0348 | 18.19 | McPolin Farm Barn Seismic Upgrade | Carey | 31 | TRANS FR GEN FUND | 800,000 | | 800,000 | | | | |
| CP0354 | 18.00 | Streets and Water Maintenance Building | McAfee | 31 | TRANS FR GEN FUND | 2,700,000 | | 385,221 | 1,442,418 | 872,361 | | |
| | | | | 51 | WATER FUND | 2,700,000 | | | 2,700,000 | | | |
| | | | | 57 | TRANSIT FUND | 650,000 | | | 650,000 | | | |
| CP0356 | 17.17 | Expand Rental Locker Capacity | Noel | 31 | TRANS FR GEN FUND | 8,518 | 8,518 | | | | | |
| CP0353 | 17.00 | Remote snow storage site improvements | McAfee | 31 | TRANS FR GEN FUND | 100,000 | | 25,000 | 25,000 | 50,000 | | |
| CP0378 | 16.19 | Legal Software for Electronic Document Management and Workflow | Robertson | 31 | TRANS FR GEN FUND | 35,000 | 35,000 | | | | | |
| CP0351 | 15.94 | Artificial Turf Replacement Quinn's | Fonnesbeck | 31 | TRANS FR GEN FUND | 600,000 | | | | | | 600,000 |
| CP0364 | 15.67 | Master Plan for Recreation Amenities | Fisher | 31 | IMPACT FEES OPEN | 126,000 | 101,000 | 25,000 | | | | |
| CP0374 | 15.61 | Building Permit Issuance Software (City Manager Recommended) | Robertson | 31 | TRANS FR GEN FUND | 18,000 | | 18,000 | | | | |
| CP0376 | | Bus Stop Play Project | Fisher | 31 | BEGINNING BALANCE | 20,000 | 20,000 | | | | | |
| CP0372 | | Regionalization Fee | McAfee | 51 | WATER SERVICE FEES | 200,000 | | | | | | 200,000 |
| CP0371 | | C1 - Quinns WTP to Boothill - Phase 1 | McAfee | 51 | WATER SERVICE FEES | 1,101,080 | | | | | | 1,101,080 |
| CP0370 | | C7 - Neck Tank to Last Chance | McAfee | 51 | WATER SERVICE FEES | 320,707 | | | | | | 320,707 |
| CP0375 | | LED Streets Lights Phase I | Fonnesbeck | 31 | BEGINNING BALANCE | 78,000 | 78,000 | | | | | |
| CP0373 | | Operational Water Storage Pond | McAfee | 51 | WATER SERVICE FEES | 2,700,000 | | | | 2,700,000 | | |
| CP0377 | | Park City Disc Golf | Rockwood | 31 | IMPACT FEES OPEN | 35,000 | 35,000 | | | | | |
| CP0380 | | Parks and Golf Maintenance Buildings | Fonnesbeck | 31 | TRANS FR GEN FUND | 426,000 | | | 426,000 | | | |
| | | | | 33 | LOWER PARK RDA | 204,000 | | | 204,000 | | | |
| | | | | 51 | WATER SERVICE FEES | 770,000 | | | 770,000 | | | |
| | | | | 57 | TRANSIT FUND | 100,000 | | | 100,000 | | | |
| CP0379 | | Little Bessie Storm Drains | Cassel | 31 | 2015 SALES TAX BOND | 270,000 | 270,000 | | | | | |

Figure B07 – Recommended New CIP Amounts

The following figure shows projects that were not recommended for funding in the 5-Year CIP:

| New Project Requests (All Funds Combined) | | | | | | | | | | | | |
|--|-------|---|-----------------|------|-------------------|----------------------------|---------|-----------|-------------------------------------|--------------------------------------|---------------------------------|---------|
| New Projects Not Recommended in 5-Year CIP | | | | | | | | | | | | |
| New CIP # | Score | Project Name | Project Manager | Fund | Revenue | Total Project Cost By Fund | FY 2015 | FY2016 | Total Budget | | | |
| | | | | | | | | | FY 2017 | FY 2018 | FY 2019 | FY 2020 |
| 000374 | 17.78 | Energy Management Project | Noel | 31 | TRANS FR GEN FUND | 128,000 | 53,000 | 37,500 | 20,000 | 17,500 | | |
| 000364 | 15.47 | LED Street lights Phase II | Fonnesbeck | 31 | TRANS FR GEN FUND | 135,000 | | | | 135,000 | Funded with revolving loan fund | |
| 000397 | 15.11 | HR: Human Resource Management System | Robertson | 31 | TRANS FR GEN FUND | 65,000 | | 35,000 | 30,000 | | | |
| 000375 | 15.03 | Redundancy Projects | Noel | 31 | TRANS FR GEN FUND | 40,000 | 15,000 | 25,000 | Funded by ice assessment management | | | |
| 000393 | 14.47 | Upper Silver Creek LOMA | Cassel | 31 | TRANS FR GEN FUND | 75,000 | | | 75,000 | | | |
| 000335 | 14.31 | Feasibility & Conceptual Design Indoor Field Space | Fisher | 31 | TRANS FR GEN FUND | 33,000 | | | 33,000 | Funded by impact fees in Master Plan | | |
| 000333 | 13.78 | Feasibility & Conceptual Design for Indoor Aquatics | Fisher | 31 | TRANS FR GEN FUND | 33,000 | | | 33,000 | Funded by impact fees in Master Plan | | |
| 000377 | 13.42 | Ice Rink Expansion | Noel | 31 | DEBT SERVICE | 8,000,000 | | 8,000,000 | | | | |
| 000389 | 13.36 | Library Book Sorter | Twombly | 31 | TRANS FR GEN FUND | 110,000 | | 110,000 | | | | |
| 000348 | 12.92 | Additional Parking/ P.C. Police Building | Gustafson | 31 | TRANS FR GEN FUND | 1,500,000 | | 1,500,000 | | | | |
| 000394 | 12.83 | Innovation program with U of U Civil Engineering Department | Cassel | 31 | TRANS FR GEN FUND | 10,000 | | 10,000 | | | | |

Figure B08 – New CIP Amounts Not Recommended

BUDGET OVERVIEW

The CIP requests and recommendations are highlighted in the Expenditures section of this document, with a complete detailed CIP report included in Volume II.

CHANGES BETWEEN PROPOSED AND ADOPTED BUDGETS

Changes to FY 15 Adjusted Budget:

- Added \$20K into 023-43328-04520-000-380 to pay for an Economic Development grant in FY15.
- Added \$54K to Workers Compensation revenue 064-36991. This money would be added to this fund at the end of the year anyways, when Finance closes out all holding accounts.
- Added \$5K to the Workers Compensation Department (064-40139).
- Added \$179K to 064-40132-04124-000-000 for a Self-Insurance adjustment. This brings the budget in line with this year's actuals, due to actuals (claims, insurance premiums, legal services).
- Adjusted the Ice budget up by \$78,347. This will pay for overages in utilities, inventory retail and marketing.
- Adjusted the Building Maintenance utilities budget up by \$33K.
- Increased Engineering's Engineering Service line by \$61,500 to pay for additional inspections at PC Heights and North Silver Lake.
- Moved \$80k from the Historical Incentive Grant Contract Services line in the General Fund to the respective RDAs. This is a zero-sum budget change.
- Increased Utilities/Alarms in Transportation by \$2,100.
- Decreased Golf Self-Insurance IFT by \$52,072. Increased Water IFT by \$52,072. This is a zero-sum budget change.
- Decreased Vacancy Factor:
 - City Manager by \$42,000
 - Budget, Debt & Grants by \$52,000
 - Finance by \$43,000
 - IT by \$136,000
 - Building Maintenance by \$39,000
 - City Recreation by \$156,000
 - Community Affairs by \$26,000
 - Economy by \$4,000
 - Police by \$312,000
 - Communication Center by \$39,000
 - Engineering by \$32,000
 - Planning by \$70,000
 - Parks & Cemetery by \$97,000
 - Library by \$57,000
 - Ice by \$57,000

BUDGET OVERVIEW

- Fields by \$34,000
- Inter Fund Transfers (IFTs):
 - Increased Fleet Fuel Sales (062-38111) by \$150,000
 - Increased Gas Fleet Services Budget in Water by \$7,000
 - Increased Gas Fleet Services Budget in City Rec by \$1,050
 - Increased Gas Fleet Services Budget in Transportation by \$132,750
 - Increased Gas Fleet Services Budget in Building Maintenance \$500
 - Increased Gas Fleet Services Budget in Parks/Cemetery by \$10,000
 - Decreased Gas Fleet Services Budget in Parking by \$1,300
 - Increased Transfer from Debt Service Fund (031-38271) by \$13,069,371
 - Increased Transfer to CIP Budget-Series 2015 Sales Tax Bond Proceeds (070-40796-09271-000-000) by \$5,424,196
 - Increased Transfer to CIP Budget-Series 2015 Sales Tax Bond Proceeds (070-40798-09271-000-000) by \$6,645,175
 - Decreased Transfer to 070-38131 from GF by \$11,631
 - Decreased Transfer to Sales Tax Bond Debt Service Fund by \$11,631
 - Increased Transfer to 070-38231 by \$134,321
 - Decreased from 031-40821-09275-000-460 by \$8,804
 - Increased Transfer from 031-40821-09275-000-499 by \$125,517
 - Decreased Transfer to 070-38234 by \$68,588
 - Decreased Transfer From 034-40821-09275-000-468 by \$69,588
- McPolin Barn Personnel increased by \$5,000 (Technical Adjustment).
- Increased the Fleet budget materials and supplies by 250,360 to bring the budget in-line with actuals.
- Added \$10,000 into the General Fund Mortgage Assistance line.
- Increased materials and supplies in Fund 23 by \$15,895.

Changes to FY 16 Working Budget:

- Decreased personnel grades by \$50 to align with the \$200 increase to personnel grades due to a health insurance deductible from increase \$500 to \$700.
- Created a new account for Water Contingency (051-40982) and moved \$100K into it from the old Water Contingency account (051-40981).
- Added \$54K to Workers Compensation revenue 064-36991. This money would be added to this fund at the end of the year anyway, when Finance closes out all holding accounts.
- Moved \$8K from Economy's Contract Services line to pay for an intern out of the personnel budget.
- Increased City Council overall wages by \$4k to be in line with the 2% increase personnel increase applied in the off-year.

BUDGET OVERVIEW

- Increased Vacancy Factor by \$12,000.
- Inter Fund Transfers (IFTs):
- Increased Water Fund Admin IFT by \$16,970
- Increased Golf Fund Admin IFT by \$859 in Pro Shop and Golf Maintenance departments.
- Increased Transportation Fund Admin IFT by \$17,666
- Increased General Fund IFT to Self-Insurance fund by \$30,893
- Decreased Golf Fund IFT to Self-Insurance fund by \$2,933
- Decreased Transportation Fund IFT to Self-Insurance fund by \$33,847
- Increased Water Fund IFT to Self-Insurance fund by \$35,327
- Increased Fleet Fuel Sales (062-38111) by \$150,000
- Increased Gas Fleet Services budget in Water by \$7,000
- Increased Gas Fleet Services budget in City Rec by \$1,050
- Increased Gas Fleet Services budget in Transportation by \$132,750
- Increased Gas Fleet Services budget in Building Maintenance \$500
- Increased Gas Fleet Services budget in Parks/Cemetery by \$10,000
- Decreased Gas Fleet Services budget in Parking by \$1,300
- Decreased transfer out of 034-40622-09111-000-000 and transfer into RDA Administration 011-38164 by \$30,000
- Decreased transfer out of 011-40126-09275-000-000 by \$14,691
- Increased transfer into 070-38231 by \$1,163,222
- Increased transfer out of 031-40821-09275-000-499 by \$1,177,913
- Decreased transfer out of 033-40821-09275-000-468 and transfer into 070-38236 by \$2,938
- Decreased transfer out of 034-40821-09275-000-468 and transfer into 070-38234 by \$116,115

Changes to the CIP for FY15-FY20 Budgets:

000371 Streets and Water Maintenance Building – Changed Budget Amounts (this was covered on May 14 as part of the CIP discussion)

- Total funding for project 5,000,000 to 6,050,000 (General Fund from 3,126,000 to 2,700,000)
- General Fund: FY 2016 from 446,000 to 385,221, FY 2017 from 1,670,000 to 1,442,418, FY 2018 1,010,000 to 872,361.
- Water Fund: FY 2017 1,224,000 to 2,700,000
- Transit Fund: Stayed the Same \$650,000 in FY 17

BUDGET OVERVIEW

000412 Little Bessie Storm Drains - New Project

- This project was added to better track expenses for work done on storm drains located on Little Bessie Avenue. This is a net zero budget change; the funding for this project came from CP0256 Storm Water Improvements.

000411 Parks and Golf Maintenance Buildings – New Project

- This was outlined during the CIP discussion on May 14.

Impact Fee Interest amounts were added to:

- CP0336 Prospector Avenue Reconstruction (\$450 in FY15)
- CP0100 Neighborhood Parks (\$3,540 in FY15).

CP0005 City Park Improvements:

- The Lower Park RDA funding for this project was added back into the capital budget for FY 16 to FY 20, with an annual amount of \$100,000. This was inadvertently removed from the adopted tentative budget.

CP0150 Ice Facility Capital Replacement:

- The Budget Department conducted a reconciliation of the Synderville Basin Recreation District Contribution to the Ice Fund from 2006 to 2015. As a result of the reconciliation the Budget Department recommends that \$38,047 be added to FY2015. These funds are from the Synderville Basin Recreation District Contribution and will fix any accounting inconsistencies between the two agencies.

CP0013 Affordable Housing:

- **CP0013-031467** The budget was adjusted to the affordable housing project by \$45,873.46 for collected rent contribution in FY 15.

Fund 23

- The Historical Incentive Grants budget was increased by \$20,000 to match actual expenses in FY 15. The abatement budget was adjusted up by \$3,940 to cover expenses in FY 15. Due to these changes the transfer from fund 23 to 33 was adjusted to include these changes. The Historical Incentive Grants budget for FY16 is \$50,000 (Lower Park RDA).

Fund 24

- The Historical Incentive Grants budget for FY16 is \$30,000 (Main Street RDA). The transfer from fund 24 to 34 was adjusted to include these changes.

Water Fund Projects:

- The Water Bond that was originally planned to be issued in FY 15 will not be issued. The water projects that were anticipated to use the water bond as funding source were changed to water service fees. This action results in a zero net budget change.

BUDGET OVERVIEW

FUTURE ISSUES

The following issues listed below may have a significant budgetary impact over the next several years. Some of the issues are the result of factors beyond our control, such as a rebounding economy and environmental legacy issues. On the other hand, several would be the result of a deliberate and focused effort to achieve Council and community goals:

- Housing: Efforts to provide a robust and sustainable middle income, attainable, and affordable housing program.
- Transportation: efforts to reduce congestion and integrate various local and regional transit and transportation planning and capital plans.
- Development: Public and private projects, such as resort development (DV & PCMR), Lower Park Avenue, Bonanza Park, etc.
- Economic: The economic recovery has led to increased costs in contractual services and construction and maintenance costs.
- Labor Force: Increasing costs to provide health insurance and retain and recruit a talented workforce.
- Environmental: Given Park City's legacy as a mining town, environmental mitigation remains an area of budgetary exposure.

In addition, actions from the State legislature will always to pose a moderate financial risk to the City's ability to continue to deliver high-quality services. Though recent efforts to prevent unfunded mandates and efforts to adjust the redistribution of tax revenues from wealthier towns and school districts to other jurisdictions were successful, these challenges will remain ongoing. Thus, the City will continue its efforts to retain a coordinated and strong legislative apparatus.

BUDGET CALENDAR

May 7

Work Session

- Presentation of the Tentative Budget
 - Budget Overview & Timeline
 - Update of Financial Impact Report (FIAR)
- Revenue/Expenditure Summary
- Benefits
 - Pay plan
 - URS-Retirement
 - Health Insurance

Regular Meeting

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

May 14

Work Session

- CIP Budgets

Regular Meeting

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

May 28

Work Session

- Operating Expenditures
 - Biennial Plan Team Presentations
- Fee Changes

Regular Meeting

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

June 4

Work Session

- Personnel Policies and Procedures (P&P) Manual
- City Fee Resolution
- Council Compensation
- Budget Policies
- Outstanding Budget Issues
- Adopt CEMP update by resolution

Regular Meeting

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

June 18

Work Session

- Presentation of the Final Budget
- Outstanding Budget Issues

Regular Meeting

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

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

BUDGET OVERVIEW

Expenditure Summary by Fund and Major Object (FY 2015 Adjusted Budget)

| Description | Personnel FY 2015 | Mat, Supplies, Services FY 2015 | Capital FY 2015 | Debt Service FY 2015 | Contingency FY 2015 | Sub - Total FY 2015 | Interfund Transfer FY 2015 | Ending Balance FY 2015 | Total FY 2015 |
|--|----------------------|---------------------------------------|---------------------|----------------------------|------------------------|------------------------|----------------------------------|------------------------------|----------------------|
| Park City Municipal Corporation | | | | | | | | | |
| 011 GENERAL FUND | \$18,036,066 | \$6,804,470 | \$373,511 | \$0 | \$246,000 | \$25,460,047 | \$2,231,840 | \$10,616,549 | \$38,308,436 |
| 012 QUINNS RECREATION COMPLEX | \$675,077 | \$447,304 | \$6,000 | \$0 | \$0 | \$1,128,381 | \$0 | \$-3,645,513 | \$-2,517,132 |
| 021 POLICE SPECIAL REVENUE FUND | \$0 | \$0 | \$30,144 | \$0 | \$0 | \$30,144 | \$0 | \$0 | \$30,144 |
| 022 CRIMINAL FORFEITURE RESTRICTED ACCOUNT | \$0 | \$0 | \$17,258 | \$0 | \$0 | \$17,258 | \$0 | \$0 | \$17,258 |
| 031 CAPITAL IMPROVEMENT FUND | \$0 | \$0 | \$50,455,012 | \$0 | \$0 | \$50,455,013 | \$251,079 | \$5,471,946 | \$56,178,038 |
| 038 EQUIPMENT REPLACEMENT CIP | \$0 | \$0 | \$2,479,575 | \$0 | \$0 | \$2,479,575 | \$0 | \$363,218 | \$2,842,793 |
| 051 WATER FUND | \$2,354,977 | \$3,180,342 | \$14,026,741 | \$4,506,374 | \$100,000 | \$24,168,434 | \$1,531,898 | \$335,383 | \$26,035,715 |
| 055 GOLF COURSE FUND | \$758,276 | \$498,529 | \$83,069 | \$36,081 | \$0 | \$1,375,955 | \$127,458 | \$1,053,965 | \$2,557,378 |
| 057 TRANSPORTATION & PARKING FUND | \$5,685,264 | \$889,951 | \$15,000,736 | \$0 | \$0 | \$21,575,951 | \$2,555,882 | \$8,341,505 | \$32,473,338 |
| 062 FLEET SERVICES FUND | \$817,413 | \$2,187,600 | \$10,000 | \$0 | \$0 | \$3,015,013 | \$0 | \$674,861 | \$3,689,874 |
| 064 SELF INSURANCE FUND | \$0 | \$1,105,300 | \$0 | \$0 | \$0 | \$1,105,300 | \$0 | \$824,142 | \$1,929,442 |
| 070 SALES TAX REV BOND - DEBT SVS FUND | \$0 | \$0 | \$0 | \$9,171,106 | \$0 | \$9,171,106 | \$12,069,371 | \$6,514,375 | \$27,754,852 |
| 071 DEBT SERVICE FUND | \$0 | \$0 | \$0 | \$8,368,994 | \$0 | \$8,368,994 | \$0 | \$990,728 | \$9,359,722 |
| Total Park City Municipal Corporation | \$28,327,075 | \$15,113,496 | \$82,482,046 | \$22,082,555 | \$346,000 | \$148,351,172 | \$18,767,528 | \$31,541,159 | \$198,659,859 |
| Park City Redevelopment Agency | | | | | | | | | |
| 023 LOWER PARK AVE RDA SPECIAL REVENUE FUND | \$22,212 | \$94,240 | \$0 | \$0 | \$0 | \$116,452 | \$2,070,548 | \$5,000 | \$2,192,000 |
| 024 MAIN STREET RDA SPECIAL REVENUE FUND | \$0 | \$405,000 | \$0 | \$0 | \$0 | \$405,000 | \$900,247 | \$0 | \$1,305,247 |
| 033 REDEVELOPMENT AGENCY-LOWER PRK | \$0 | \$580,000 | \$12,356,214 | \$0 | \$0 | \$12,936,214 | \$326,938 | \$2,990,491 | \$16,253,643 |
| 034 REDEVELOPMENT AGENCY-MAIN ST | \$0 | \$0 | \$122,603 | \$0 | \$0 | \$122,603 | \$880,412 | \$1,199,951 | \$2,202,966 |
| Total Park City Redevelopment Agency | \$22,212 | \$1,079,240 | \$12,478,817 | \$0 | \$0 | \$13,580,270 | \$4,178,145 | \$4,195,442 | \$21,953,857 |
| Municipal Building Authority | | | | | | | | | |
| 035 BUILDING AUTHORITY | \$0 | \$0 | \$66,585 | \$0 | \$0 | \$66,585 | \$0 | \$459,542 | \$526,127 |
| Total Municipal Building Authority | \$0 | \$0 | \$66,585 | \$0 | \$0 | \$66,585 | \$0 | \$459,542 | \$526,127 |
| TOTAL | \$28,349,287 | \$16,192,736 | \$95,027,448 | \$22,082,555 | \$346,000 | \$161,998,026 | \$22,945,673 | \$36,196,143 | \$221,139,843 |

Expenditure Summary by Fund and Major Object (FY 2016 Budget)

| Description | Personnel FY 2016 | Mat, Supplies, Services FY 2016 | Capital FY 2016 | Debt Service FY 2016 | Contingency FY 2016 | Sub - Total FY 2016 | Interfund Transfer FY 2016 | Ending Balance FY 2016 | Total FY 2016 |
|--|----------------------|---------------------------------------|---------------------|----------------------------|------------------------|------------------------|----------------------------------|------------------------------|----------------------|
| Park City Municipal Corporation | | | | | | | | | |
| 011 GENERAL FUND | \$18,561,379 | \$6,950,485 | \$369,282 | \$0 | \$250,000 | \$26,131,146 | \$2,329,206 | \$11,274,493 | \$39,734,845 |
| 012 QUINNS RECREATION COMPLEX | \$739,960 | \$378,957 | \$6,000 | \$0 | \$0 | \$1,124,917 | \$1,200 | \$-4,049,130 | \$-2,923,013 |
| 021 POLICE SPECIAL REVENUE FUND | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$29,144 | \$29,144 |
| 022 CRIMINAL FORFEITURE RESTRICTED ACCOUNT | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$17,258 | \$17,258 |
| 031 CAPITAL IMPROVEMENT FUND | \$0 | \$0 | \$10,840,624 | \$0 | \$0 | \$10,840,624 | \$1,297,588 | \$3,207,234 | \$15,345,446 |
| 038 EQUIPMENT REPLACEMENT CIP | \$0 | \$0 | \$1,011,000 | \$0 | \$0 | \$1,011,000 | \$0 | \$348,218 | \$1,359,218 |
| 051 WATER FUND | \$2,393,327 | \$3,260,907 | \$9,487,293 | \$4,508,739 | \$100,000 | \$19,750,266 | \$1,619,227 | \$5,304,053 | \$26,673,547 |
| 055 GOLF COURSE FUND | \$778,404 | \$498,529 | \$115,565 | \$27,060 | \$0 | \$1,419,558 | \$117,077 | \$1,063,276 | \$2,599,911 |
| 057 TRANSPORTATION & PARKING FUND | \$5,850,622 | \$889,951 | \$1,748,443 | \$0 | \$0 | \$8,489,016 | \$2,598,204 | \$8,041,722 | \$19,128,943 |
| 062 FLEET SERVICES FUND | \$835,721 | \$1,651,120 | \$10,000 | \$0 | \$0 | \$2,496,841 | \$0 | \$910,920 | \$3,407,761 |
| 064 SELF INSURANCE FUND | \$0 | \$946,300 | \$0 | \$0 | \$0 | \$946,300 | \$0 | \$479,227 | \$1,425,527 |
| 070 SALES TAX REV BOND - DEBT SVS FUND | \$0 | \$0 | \$0 | \$2,600,563 | \$0 | \$2,600,563 | \$0 | \$6,503,374 | \$9,103,937 |
| 071 DEBT SERVICE FUND | \$0 | \$0 | \$0 | \$4,230,380 | \$0 | \$4,230,380 | \$0 | \$1,050,784 | \$5,281,164 |
| Total Park City Municipal Corporation | \$29,159,414 | \$14,576,249 | \$23,588,207 | \$11,366,742 | \$350,000 | \$79,040,612 | \$7,962,503 | \$34,180,573 | \$121,183,689 |
| Park City Redevelopment Agency | | | | | | | | | |
| 023 LOWER PARK AVE RDA SPECIAL REVENUE FUND | \$22,634 | \$750,000 | \$0 | \$0 | \$0 | \$772,634 | \$1,641,125 | \$5,033 | \$2,418,792 |
| 024 MAIN STREET RDA SPECIAL REVENUE FUND | \$0 | \$485,000 | \$0 | \$0 | \$0 | \$485,000 | \$752,000 | \$5,000 | \$1,242,000 |
| 033 REDEVELOPMENT AGENCY-LOWER PRK | \$0 | \$0 | \$9,525,750 | \$0 | \$0 | \$9,525,750 | \$324,000 | \$4,781,866 | \$14,631,616 |
| 034 REDEVELOPMENT AGENCY-MAIN ST | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$803,885 | \$1,148,066 | \$1,951,951 |
| Total Park City Redevelopment Agency | \$22,634 | \$1,235,000 | \$9,525,750 | \$0 | \$0 | \$10,783,384 | \$3,521,010 | \$5,939,965 | \$20,244,359 |
| Municipal Building Authority | | | | | | | | | |
| 035 BUILDING AUTHORITY | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$459,542 | \$459,542 |
| Total Municipal Building Authority | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$459,542 | \$459,542 |
| TOTAL | \$29,182,048 | \$15,811,249 | \$33,113,957 | \$11,366,742 | \$350,000 | \$89,823,997 | \$11,483,513 | \$40,580,080 | \$141,887,590 |

BUDGET OVERVIEW

Change in Fund Balance

| Fund | Actuals FY 2012 | Actuals FY 2013 | Actuals FY 2014 | Adjusted FY 2015 | Increase/ Red FY 2015 | % Inc/ Red FY 2015 | Budget FY 2016 | Increase/ Red FY 2016 | % Inc/ Red FY 2016 |
|--|---------------------|---------------------|---------------------|---------------------|-----------------------------|--------------------------|---------------------|-----------------------------|--------------------------|
| Park City Municipal Corporation | | | | | | | | | |
| 011 GENERAL FUND | \$6,447,817 | \$8,367,681 | \$9,789,256 | \$10,616,549 | \$827,293 | 8% | \$11,274,493 | \$1,558,035 | 16% |
| 012 QUINNS RECREATION COMPLEX | \$-2,510,554 | \$-2,919,038 | \$-3,204,132 | \$-3,645,513 | \$-441,381 | 14% | \$-4,049,130 | \$-324,425 | 9% |
| 021 POLICE SPECIAL REVENUE FUND | \$27,532 | \$28,644 | \$29,144 | \$0 | \$-29,144 | -100% | \$29,144 | \$29,144 | |
| 022 CRIMINAL FORFEITURE RESTRICTED ACCOUNT | \$8,985 | \$19,133 | \$17,258 | \$0 | \$-17,258 | -100% | \$17,258 | \$6,580 | 62% |
| 031 CAPITAL IMPROVEMENT FUND | \$19,876,401 | \$18,771,186 | \$27,106,574 | \$5,471,946 | \$-21,634,628 | -80% | \$3,207,234 | \$381,252 | 13% |
| 038 EQUIPMENT REPLACEMENT CIP | \$1,244,133 | \$1,586,254 | \$1,902,793 | \$363,218 | \$-1,539,575 | -81% | \$348,218 | \$3,555 | 1% |
| 051 WATER FUND | \$11,863,021 | \$9,860,717 | \$7,317,437 | \$335,383 | \$-6,982,054 | -95% | \$5,304,053 | \$-4,043,028 | -43% |
| 055 GOLF COURSE FUND | \$850,677 | \$927,168 | \$1,054,654 | \$1,053,965 | \$-689 | 0% | \$1,063,276 | \$111,252 | 12% |
| 057 TRANSPORTATION & PARKING FUND | \$17,656,077 | \$18,038,096 | \$18,794,937 | \$8,341,505 | \$-10,453,432 | -56% | \$8,041,722 | \$1,249,173 | 18% |
| 062 FLEET SERVICES FUND | \$521,502 | \$874,294 | \$961,174 | \$674,861 | \$-286,313 | -30% | \$910,920 | \$254,769 | 39% |
| 064 SELF INSURANCE FUND | \$1,848,254 | \$1,423,816 | \$1,208,215 | \$824,142 | \$-384,073 | -32% | \$479,227 | \$-356,214 | -43% |
| 070 SALES TAX REV BOND - DEBT SVS FUND | \$1,958,852 | \$1,160,392 | \$1,165,265 | \$6,514,375 | \$5,349,110 | 459% | \$6,503,374 | \$5,352,169 | 465% |
| 071 DEBT SERVICE FUND | \$412,312 | \$407,093 | \$432,580 | \$990,728 | \$558,148 | 129% | \$1,050,784 | \$661,779 | 170% |
| Total Park City Municipal Corporation | \$60,205,009 | \$58,545,436 | \$66,575,155 | \$31,541,159 | \$-35,033,996 | 37% | \$34,180,573 | \$4,884,041 | 719% |
| Park City Redevelopment Agency | | | | | | | | | |
| 023 LOWER PARK AVE RDA SPECIAL REVENUE FUND | \$0 | \$0 | \$0 | \$5,000 | \$5,000 | | \$5,033 | \$-24,455 | -83% |
| 024 MAIN STREET RDA SPECIAL REVENUE FUND | \$0 | \$0 | \$0 | \$0 | \$0 | | \$5,000 | \$5,000 | |
| 033 REDEVELOPMENT AGENCY-LOWER PRK | \$9,084,417 | \$9,877,290 | \$8,183,095 | \$2,990,491 | \$-5,192,604 | -63% | \$4,781,866 | \$1,504,604 | 46% |
| 034 REDEVELOPMENT AGENCY-MAIN ST | \$1,397,569 | \$1,237,956 | \$1,302,719 | \$1,199,951 | \$-102,768 | -8% | \$1,148,066 | \$307,760 | 37% |
| Total Park City Redevelopment Agency | \$10,481,986 | \$11,115,246 | \$9,485,814 | \$4,195,442 | \$-5,290,372 | -71% | \$5,939,965 | \$1,792,909 | 0% |
| Municipal Building Authority | | | | | | | | | |
| 035 BUILDING AUTHORITY | \$521,568 | \$523,457 | \$523,127 | \$459,542 | \$-63,585 | -12% | \$459,542 | \$-1,915 | 0% |
| Total Municipal Building Authority | \$521,568 | \$523,457 | \$523,127 | \$459,542 | \$-63,585 | -12% | \$459,542 | \$-1,915 | 0% |

All Funds Combined

| Revenue | Actual FY 2012 | Actual FY 2013 | Actual FY 2014 | Adjusted FY 2015 | Original FY 2016 | % Total FY 2016 |
|--------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|--------------------|
| RESOURCES | | | | | | |
| Property Taxes | \$18,320,525 | \$18,191,179 | \$18,111,591 | \$18,903,839 | \$18,343,245 | 13% |
| Sales Tax | \$13,366,791 | \$14,039,372 | \$17,518,455 | \$18,199,646 | \$19,674,936 | 14% |
| Franchise Tax | \$2,816,071 | \$3,037,408 | \$3,158,716 | \$3,439,000 | \$3,414,000 | 2% |
| Licenses | \$1,280,901 | \$1,343,027 | \$1,374,461 | \$1,482,000 | \$1,372,699 | 1% |
| Planning Building & Engineering Fees | \$1,427,160 | \$1,932,448 | \$3,777,866 | \$5,333,000 | \$4,505,000 | 3% |
| Other Fees | \$45,190 | \$40,293 | \$43,461 | \$42,000 | \$43,000 | 0% |
| Federal Revenue | \$7,656,860 | \$1,287,283 | \$3,395,326 | \$6,304,000 | \$3,060,000 | 2% |
| State Revenue | \$426,105 | \$668,747 | \$1,370,678 | \$2,373,000 | \$372,000 | 0% |
| County/SP District Revenue | \$107,855 | \$790,534 | \$375,001 | \$100,000 | \$60,000 | 0% |
| Water Charges for Services | \$9,915,490 | \$12,199,081 | \$13,128,172 | \$15,055,155 | \$15,660,141 | 11% |
| Transit Charges for Services | \$1,918,588 | \$2,243,874 | \$2,175,148 | \$2,440,701 | \$2,556,039 | 2% |
| Cemetery Charges for Services | \$19,196 | \$24,777 | \$26,250 | \$26,000 | \$27,000 | 0% |
| Recreation | \$2,694,849 | \$3,020,781 | \$3,163,875 | \$3,234,850 | \$3,344,596 | 2% |
| Ice | \$682,028 | \$648,177 | \$787,773 | \$687,000 | \$712,500 | 1% |
| Other Service Revenue | \$79,857 | \$75,927 | \$86,364 | \$76,000 | \$91,000 | 0% |
| Library Fines & Fees | \$19,661 | \$19,079 | \$16,124 | \$21,000 | \$21,000 | 0% |
| Fines & Forfeitures | \$621,446 | \$757,842 | \$739,304 | \$769,200 | \$679,200 | 0% |
| Misc. Revenues | \$3,891,592 | \$1,635,205 | \$3,243,186 | \$2,638,203 | \$1,277,856 | 1% |
| Interfund Transactions (Admin) | \$5,138,802 | \$4,506,999 | \$4,454,236 | \$5,527,077 | \$5,643,915 | 4% |
| Interfund Transactions (CIP/Debt) | \$4,038,841 | \$3,160,141 | \$9,474,901 | \$17,418,595 | \$5,839,598 | 4% |
| Special Revenues & Resources | \$1,694,513 | \$720,067 | \$904,174 | \$594,510 | \$694,500 | 0% |
| Bond Proceeds | \$244,982 | | \$9,243,543 | \$39,890,969 | \$18,400,000 | 13% |
| Beginning Balance | \$80,283,334 | \$71,208,563 | \$70,184,139 | \$76,584,096 | \$36,095,364 | 25% |
| TOTAL | \$156,690,637 | \$141,550,802 | \$166,752,742 | \$221,139,841 | \$141,887,590 | 100% |

BUDGET OVERVIEW

| Description | Resources & Requirements - All Funds Combined | | | | | | | | | | Change - 2015 to 2016 | |
|--|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-----------------------|---------------|--------------|-----------------------|--|
| | 2012 Actual | 2013 Actuals | 2014 Actuals | 2015 Original | 2015 Adjusted Budget | 2016 Budget | | Change - 2015 to 2016 | | % | % | |
| | | | | | | Increase (reduction) | Increase (reduction) | Increase (reduction) | | | | |
| RESOURCES | | | | | | | | | | | | |
| Sales Tax | \$ 13,366,791 | \$ 14,039,372 | \$ 17,518,455 | \$ 17,197,802 | \$ 18,199,646 | \$ 1,001,844 | \$ 19,674,936 | \$ 1,475,290 | 6% | 8% | | |
| Planning Building & Engineering Fees | \$ 1,427,160 | \$ 1,932,448 | \$ 3,777,866 | \$ 3,011,000 | \$ 5,333,000 | \$ 2,322,000 | \$ 4,505,000 | \$ (828,000) | 77% | -16% | | |
| Charges for Services | \$ 11,853,275 | \$ 14,467,732 | \$ 15,329,569 | \$ 17,768,856 | \$ 17,521,856 | \$ (247,000) | \$ 18,243,180 | \$ 721,324 | -1% | 4% | | |
| Intergovernmental Revenue | \$ 8,190,820 | \$ 2,746,563 | \$ 5,141,005 | \$ 3,742,000 | \$ 8,777,000 | \$ 5,035,000 | \$ 3,492,000 | \$ (5,285,000) | 135% | -60% | | |
| Franchise Tax | \$ 2,816,071 | \$ 3,037,408 | \$ 3,158,716 | \$ 3,277,000 | \$ 3,439,000 | \$ 162,000 | \$ 3,414,000 | \$ (25,000) | 5% | -1% | | |
| Property Taxes | \$ 18,320,525 | \$ 18,191,179 | \$ 18,111,591 | \$ 18,277,987 | \$ 18,903,839 | \$ 625,852 | \$ 18,343,245 | \$ (560,594) | 3% | -3% | | |
| General Government | \$ 648,177 | \$ 787,773 | \$ 787,773 | \$ 720,500 | \$ 687,000 | \$ (33,500) | \$ 712,500 | \$ 25,500 | -5% | 4% | | |
| Other Revenues | \$ 10,361,860 | \$ 7,472,625 | \$ 9,570,948 | \$ 9,753,518 | \$ 8,857,763 | \$ (895,755) | \$ 7,523,851 | \$ (1,333,912) | -9% | -15% | | |
| Total | \$ 66,984,679 | \$ 62,675,099 | \$ 73,395,923 | \$ 73,748,663 | \$ 81,719,104 | \$ 7,970,441 | \$ 75,908,713 | \$ (5,810,391) | 11% | -7% | | |
| REQUIREMENTS (by function) | | | | | | | | | | | | |
| Executive | \$ 8,366,508 | \$ 8,773,670 | \$ 9,216,156 | \$ 10,387,510 | \$ 10,259,843 | \$ (127,667) | \$ 10,477,776 | \$ 217,933 | -1% | 2% | | |
| Police | \$ 4,251,651 | \$ 4,439,161 | \$ 4,416,566 | \$ 4,950,969 | \$ 4,721,401 | \$ (229,568) | \$ 5,103,263 | \$ 381,862 | -5% | 9% | | |
| Public Works | \$ 16,329,454 | \$ 17,106,835 | \$ 17,445,083 | \$ 20,079,804 | \$ 20,256,065 | \$ 176,262 | \$ 20,323,484 | \$ 67,419 | 1% | 0% | | |
| Library & Recreation | \$ 4,147,377 | \$ 4,485,116 | \$ 4,769,683 | \$ 5,057,416 | \$ 4,959,167 | \$ (98,249) | \$ 5,294,916 | \$ 335,749 | -2% | 7% | | |
| Non-Departmental | \$ 2,454,364 | \$ 2,417,296 | \$ 2,595,744 | \$ 2,188,665 | \$ 3,830,546 | \$ 1,641,881 | \$ 3,278,857 | \$ (551,689) | 75% | -23% | | |
| Special Service Contracts | \$ 436,000 | \$ 435,650 | \$ 426,350 | \$ 515,000 | \$ 515,000 | \$ - | \$ 515,000 | \$ - | 0% | 0% | | |
| Contingency | \$ 95,733 | \$ 52,638 | \$ 49,392 | \$ 346,000 | \$ 346,000 | \$ - | \$ 350,000 | \$ 4,000 | 0% | 8% | | |
| Capital Outlay | \$ 439,000 | \$ 579,354 | \$ 577,328 | \$ 451,732 | \$ 499,134 | \$ 47,402 | \$ 447,503 | \$ (51,631) | 10% | -9% | | |
| Total | \$ 36,520,088 | \$ 38,289,719 | \$ 39,496,302 | \$ 43,977,096 | \$ 45,387,157 | \$ 1,410,061 | \$ 45,790,800 | \$ 403,643 | 3% | 1% | | |
| REQUIREMENTS (by type) | | | | | | | | | | | | |
| Personnel | \$ 22,750,251 | \$ 23,724,613 | \$ 25,570,623 | \$ 28,284,962 | \$ 28,349,287 | \$ 64,325 | \$ 29,182,048 | \$ 832,761 | 0% | 3% | | |
| Materials, Supplies & Services | \$ 13,235,105 | \$ 13,933,114 | \$ 13,298,958 | \$ 14,894,402 | \$ 16,192,736 | \$ 1,298,334 | \$ 15,811,249 | \$ (381,487) | 9% | -2% | | |
| Contingency | \$ 95,733 | \$ 52,638 | \$ 49,392 | \$ 346,000 | \$ 346,000 | \$ - | \$ 350,000 | \$ 4,000 | 0% | 1% | | |
| Capital Outlay | \$ 439,000 | \$ 579,354 | \$ 577,328 | \$ 451,732 | \$ 499,134 | \$ 47,402 | \$ 447,503 | \$ (51,631) | 10% | -10% | | |
| Total | \$ 36,520,089 | \$ 38,289,719 | \$ 39,496,301 | \$ 43,977,096 | \$ 45,387,157 | \$ 1,410,061 | \$ 45,790,800 | \$ 403,643 | 3% | 1% | | |
| EXCESS (deficiency) OF RESOURCES OVER REQUIREMENTS | \$ 36,576,592 | \$ 24,385,380 | \$ 33,899,622 | \$ 29,771,567 | \$ 36,331,947 | \$ 6,560,380 | \$ 30,117,913 | \$ (6,214,034) | 22% | -17% | | |
| OTHER FINANCING SOURCES (uses) | | | | | | | | | | | | |
| Bond Proceeds | \$ 244,982 | \$ - | \$ 9,243,543 | \$ 20,500,000 | \$ 39,890,969 | \$ 19,390,969 | \$ 18,400,000 | \$ (21,490,969) | 95% | -54% | | |
| Debt Service | \$ (10,422,156) | \$ (10,891,706) | \$ (13,282,156) | \$ (10,812,058) | \$ (22,082,555) | \$ (11,270,497) | \$ (11,366,742) | \$ 10,715,813 | 104% | -49% | | |
| Interfund Transfers In | \$ 9,177,643 | \$ 7,667,140 | \$ 13,929,137 | \$ 9,097,112 | \$ 22,945,672 | \$ 13,848,560 | \$ 11,483,513 | \$ (11,462,159) | 152% | -50% | | |
| Interfund Transfers Out | \$ (9,177,643) | \$ (7,667,140) | \$ (13,929,137) | \$ (9,097,113) | \$ (22,945,673) | \$ (13,848,560) | \$ (11,483,513) | \$ 11,462,160 | 152% | -50% | | |
| Capital Improvement Projects | \$ (84,478,802) | \$ (51,387,486) | \$ (23,461,052) | \$ (36,247,749) | \$ (94,528,314) | \$ (68,280,565) | \$ (32,666,454) | \$ 61,861,860 | 161% | -65% | | |
| Total | \$ (78,100,958) | \$ (62,279,192) | \$ (27,499,665) | \$ (26,559,808) | \$ (76,719,901) | \$ (50,160,093) | \$ (25,633,196) | \$ 51,086,705 | 189% | -67% | | |
| EXCESS (deficiency) OF RESOURCES OVER REQUIREMENTS AND OTHER SOURCES (uses) | \$ (41,524,366) | \$ (37,893,812) | \$ 6,399,957 | \$ 3,211,759 | \$ (40,387,954) | \$ (43,599,713) | \$ 4,484,717 | \$ 44,872,671 | -1358% | -111% | | |
| Beginning Balance | \$ 80,283,334 | \$ 71,208,563 | \$ 70,184,139 | \$ 29,889,515 | \$ 76,584,096 | \$ 46,694,581 | \$ 36,095,364 | \$ (40,488,732) | 156% | -57% | | |
| Ending Balance | \$ 71,208,563 | \$ 70,184,139 | \$ 76,584,096 | \$ 33,905,045 | \$ 36,196,143 | \$ 2,291,098 | \$ 40,580,080 | \$ 4,383,937 | 7% | 6% | | |

REVENUES

Property and sales taxes are the most significant sources of City revenue, representing an anticipated 50 percent share in FY 2016 when Beginning Balance and Inter-fund 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 2016.

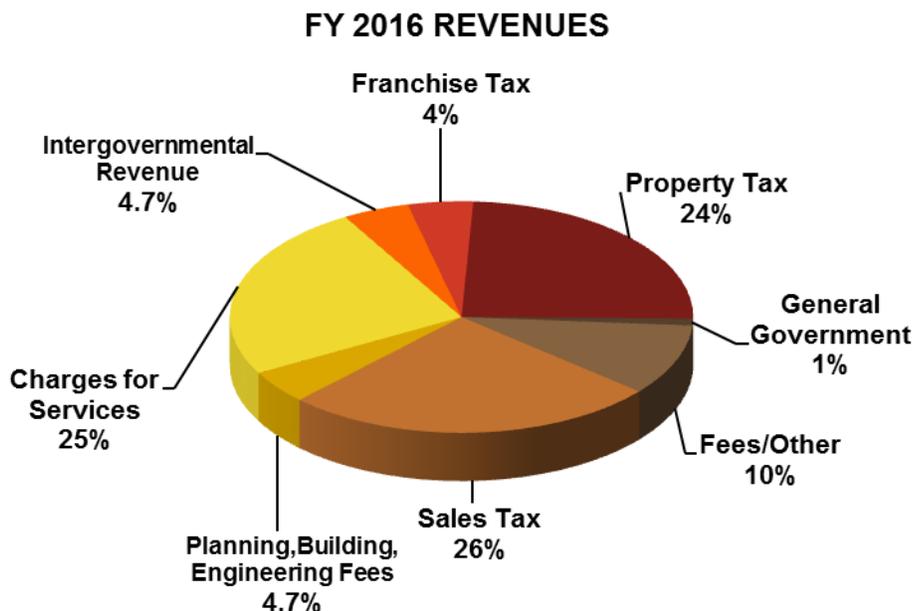


Figure R1 – Budgeted Revenue by Source

PROPERTY TAX

The Property Tax Act 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."

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 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

REVENUES

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.

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). 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." The debt service levy is calculated based on the City's debt service needs pertaining only to General Obligation bonds. Table R2 below shows Park City's property tax levies since calendar year 2007.

| Tax Rate | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 (Est.) |
|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| General Levy | 0.001492 | 0.001288 | 0.001087 | 0.001125 | 0.001327 | 0.001389 | 0.001385 | 0.001248 | 0.001243 |
| Debt Levy | 0.000490 | 0.000386 | 0.000316 | 0.000654 | 0.000821 | 0.000741 | 0.000766 | 0.000746 | 0.000692 |
| Total: | 0.001982 | 0.001674 | 0.001403 | 0.001779 | 0.002148 | 0.002130 | 0.002151 | 0.001994 | 0.001935 |

| Tax Collected | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 (Est.) |
|-----------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| General | \$6,325,091 | \$6,516,899 | \$6,415,910 | \$7,042,481 | \$7,860,645 | \$8,960,869 | \$8,932,263 | \$8,316,882 | \$9,319,000 |
| Debt | \$2,188,909 | \$2,188,909 | \$2,188,909 | \$3,997,000 | \$4,558,315 | \$4,568,904 | \$4,565,873 | \$5,070,714 | \$4,737,987 |
| RDA Increment | \$3,776,412 | \$3,928,305 | \$4,064,425 | \$4,040,075 | \$3,877,316 | \$3,642,916 | \$3,426,688 | \$3,466,508 | \$3,553,792 |
| Fee-In-Lieu | \$227,953 | \$232,688 | \$160,187 | \$171,183 | \$202,117 | \$223,561 | \$204,935 | \$231,126 | \$201,000 |
| Delinq/Interest | \$226,115 | \$414,909 | \$383,579 | \$539,521 | \$596,321 | \$792,034 | \$886,736 | \$731,016 | \$565,000 |
| Total: | \$12,744,480 | \$13,281,710 | \$13,213,009 | \$15,790,260 | \$17,094,714 | \$18,188,284 | \$18,016,495 | \$17,816,246 | \$18,376,779 |

Table R2 – Property Tax Rates and Collections

SALES TAX

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 7.95 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. As part of the FY 2013 budget process City Council authorized a voter approved 0.50 percent Additional Resort Communities Sales and Use Tax. The additional tax went into effect April 1, 2013. The proceeds of the additional tax are received into the City's Capital Improvement Fund.

Sales tax revenue growth has remained fairly consistent over the past several years. The City projects annual sales tax revenue using a linear trend model. Sales tax revenue has experienced a notable recovery since the 2009 economic downturn. 2015 has shown notably positive growth when compared to 2014. Figure R3 shows actual sales tax amounts along with the forecasted amounts for FY 2015 and 2016. The large shift upwards in FY 2014 relates to the Additional Resort Communities Sales Tax.

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, as seen during the 2009-2010 recession. These conditions fluctuate based on a myriad of factors. Using a linear equation to forecast sales tax revenue helps to smooth out larger fluctuations and conservatively budget the revenue source. Sales tax revenue for the current fiscal year as well as FY 2016 is expected to grow when compared to FY 2014.

REVENUES

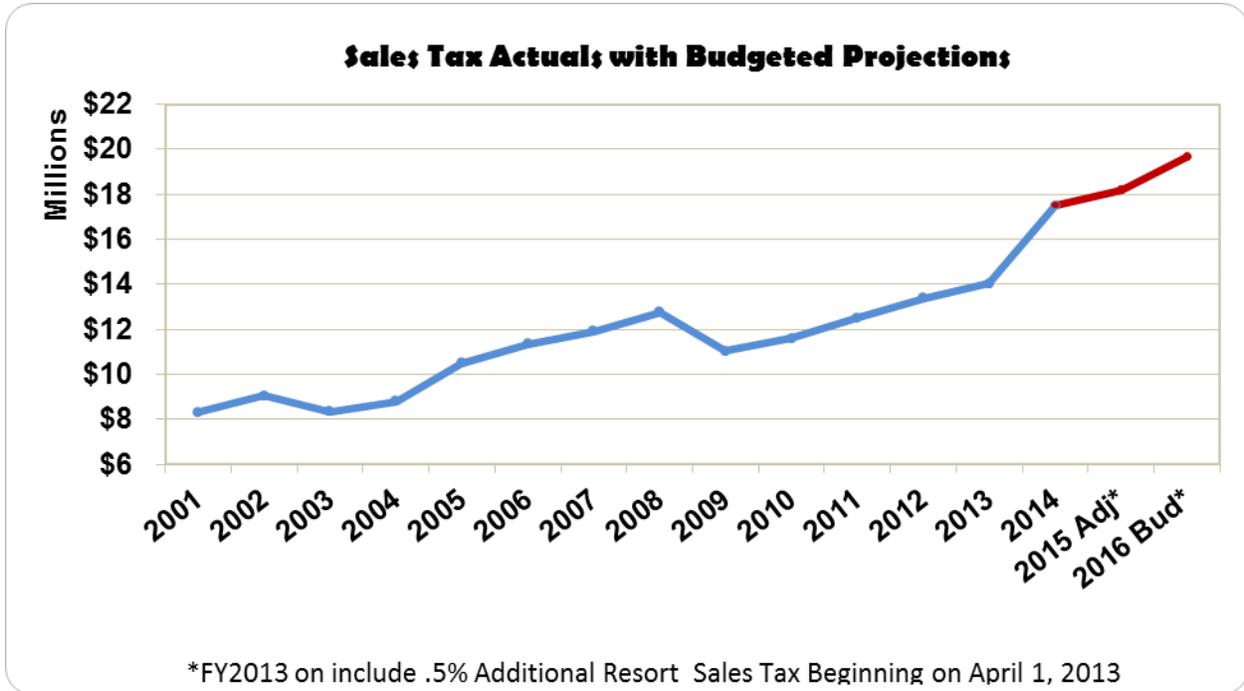


Figure R3- Sales Tax Actuals and Projections

Continued development of events and activities in the spring and summer months has helped to generate sales tax during the “off-season” months. Figure R4 displays the monthly sales tax revenue collections for FY 2015 in comparison with FY 2014 and a five-year historical average. Sales tax met last year’s January and exceeded February of last year. It is expected that March’s Sales Tax revenue will be significantly higher than last year’s March (which was adjusted to account for miscoded sales tax revenue which was redistributed to Summit County for sales in Snyderville Basin from December 2012- March 2013). This year is expected to be the highest grossing year for sales in Park City. This is due primarily to a rebounding winter recreation economy and the effects of large-scale lodging developments in recent years.

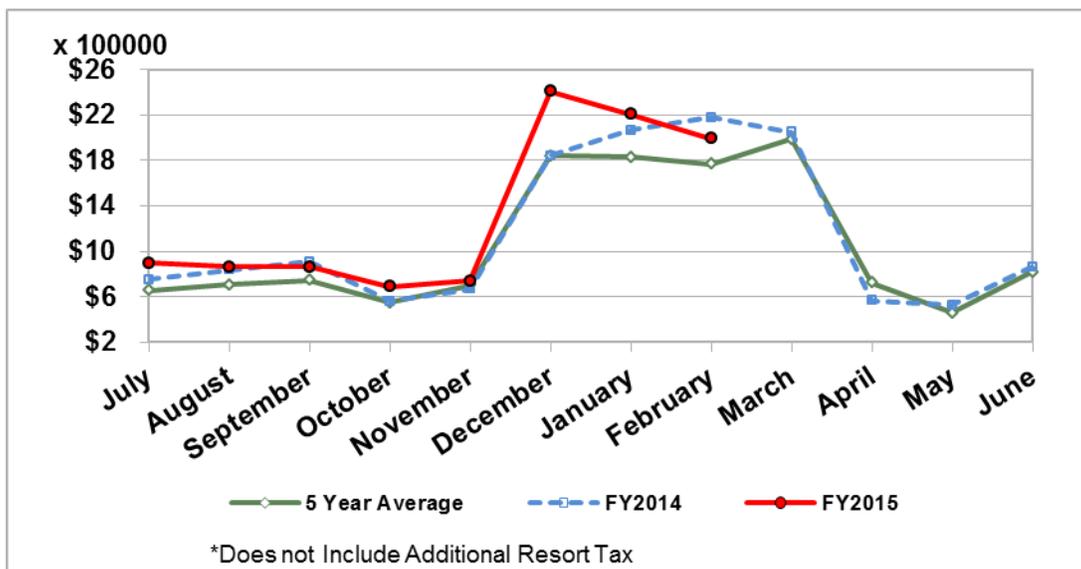


Figure R4 – Sales Tax for FY 2015 (Compared to a Five-year Average and FY 2014)

REVENUES

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%), the resort community tax was increased to 1.6% effective April 1, 2013), and transit tax (0.30%). Table R5 shows the current sales tax rate. 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.

Sales Tax Rates

| Sales and Use Taxes | Rate Before April 1, 2013 | Rate After April 1, 2013 | 2013 Food Sales |
|----------------------------------|------------------------------|-----------------------------|--------------------|
| State of Utah | | | |
| General Sales & Use Tax | 4.70% | 4.70% | 1.75% |
| Summit County | | | |
| County Option Sales Tax | 0.25% | 0.25% | 0.25% |
| Recreation, Arts, and Parks Tax | 0.10% | 0.10% | 0.00% |
| Park City | | | |
| Local Option Sales Tax | 1.00% | 1.00% | 1.00% |
| Resort City Sales Tax | 1.10% | 1.60% | 0.00% |
| Mass Transit Tax | 0.30% | 0.30% | 0.00% |
| Total Park City "Base" | 7.45% | 7.95% | 3.00% |
| Other Summit County Taxes | | | |
| Restaurant Tax* | 1.00% | 1.00% | N/A |
| Motor Vehicle Rental Tax* | 2.50% | 2.50% | N/A |
| Transient Room Tax* | 3.00% | 3.00% | N/A |

* Added to the Park City "Base" depending on purchase

Table R5 – Sales Tax Rates

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. This provision was sunsetted in 2012.

Due to natural economic growth in the past, Park City had surpassed the 2005 sales tax revenue. This has in past years resulted in Park City receiving less than the 75 percent of the 1 percent local option sales tax. Park City currently receives around 64 percent of the 1 percent levy. However in FY 2009 and FY 2010, due to the economic downturn, the local option sales tax fell below the 2005 level and consequently Park City received local option sales tax at the 2005 level.

REVENUES

Figure R6 shows the percentage of the sales tax revenue lost in FY 2011 compared to the previous five year average before the legislative change. This amounts to an estimated loss of \$895,000 in sales tax revenue during FY 2011; due to the 2005 local option sales tax level provision (hold harmless) estimated losses for FY 2009 and FY 2010 were less significant. FY 2011 is displayed in the following table to reflect a non-recessionary year in which no hold harmless payments occurred. Redistribution percentages in subsequent years have remained relatively consistent with those shown in FY2011.

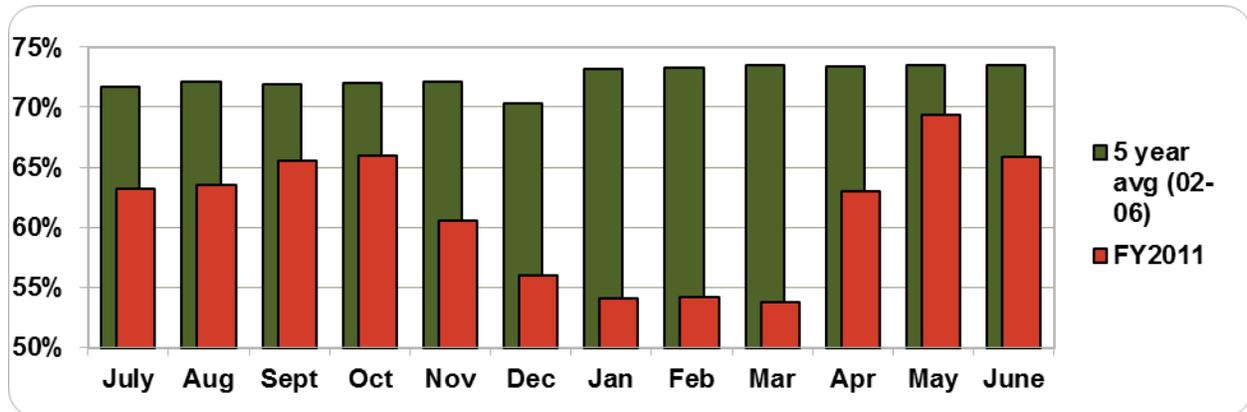
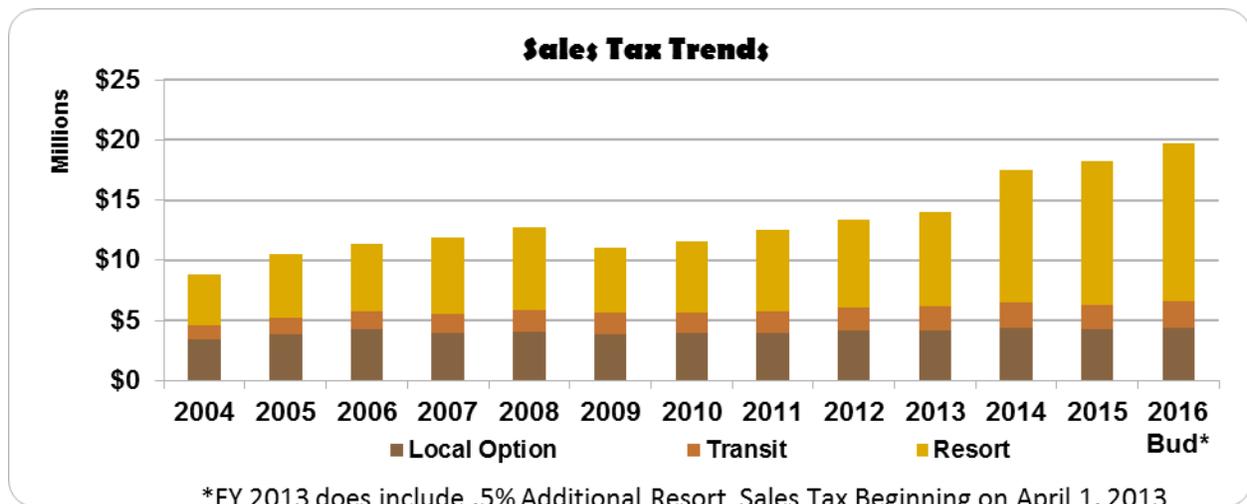


Figure R6 – Local Option Tax Distribution

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. FY 2014, FY 2015 & FY 2016 include the full additional resort sales tax revenue. The additional resort sales tax is projected and on track to generate an approximate \$3.5 million in FY 2015.



*FY 2013 does include .5% Additional Resort Sales Tax Beginning on April 1, 2013

Figure R7 - Sales Taxes Breakdown

REVENUES

OTHER REVENUE

Revenue sources other than property and sales tax include fees, franchise taxes, grants and other miscellaneous revenue. Total revenue from sources other than property and sales tax make up a large portion of the FY 2016 Budget. Figure R8 shows a projected breakdown of other revenue by type and amount.

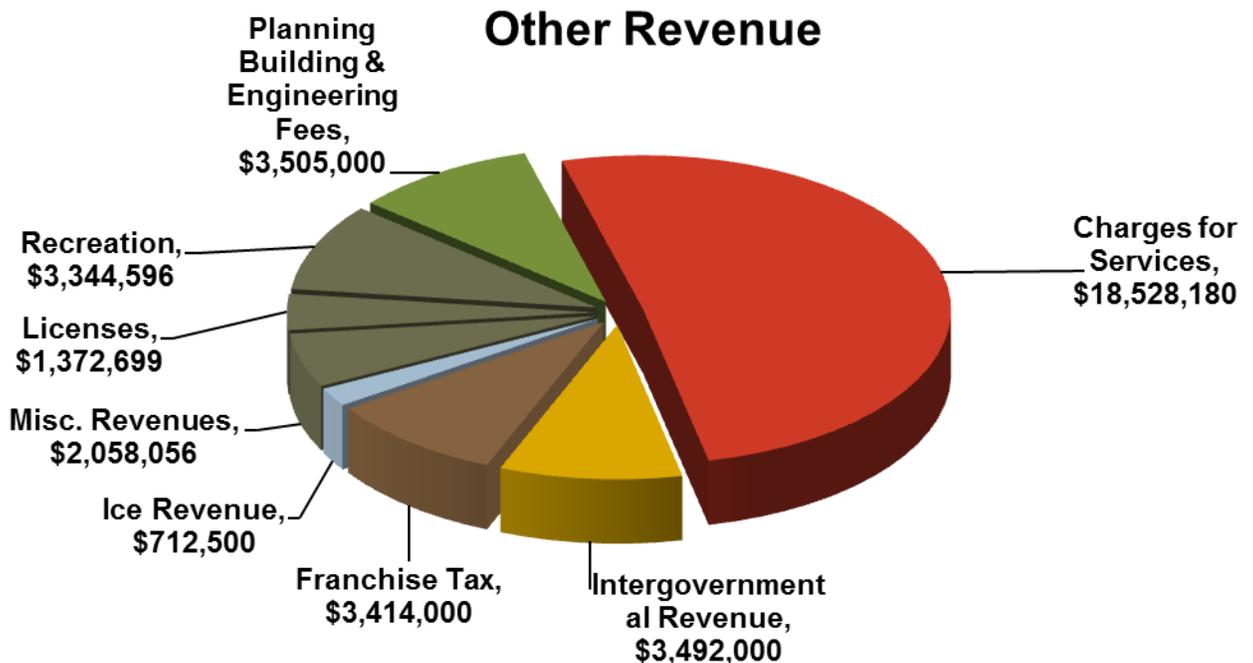


Figure R8 – Other Revenue Breakdown

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 are projected using a logarithmic trend, which has the forecasted revenue leveling off over time as the City approaches build-out. Water service 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, water 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 six years of the collection date.

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

REVENUES

fund; all revenues collected from the golf club are used to fund golf course operating and improvement costs. The financial objective for the Park City Golf Club is to break even or show a slight profit. The collected revenue of the Park City Golf Club for FY 2014 was \$1,426,490. The 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 2015 and 2016 as in FY 2014.

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. This conservative approach means that core municipal services are not held hostage when grant funding becomes tight or is no longer available.

Municipal bonds are another way for Park City to fund capital projects and the redevelopment agencies on Main Street and Lower Park Avenue. In 2010 Moody's and Fitch increased their rating on Park City General Obligation debt to Aa1 and AA+ respectively. In 2008, Standard & Poor's increased their rating of Park City's General Obligation debt to AA and in 2014 the rating was increased to AA+. 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 2013 was 0.56 percent or approximately one quarter 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 2015 Adjusted Budget reflects a 23% operating decrease from the FY 2015 Original Budget and a 28% operating increase from FY 2014 actual expenditures. FY 2015 adjusted capital budgets appear extremely high, but the vast majority of the \$95 million budgeted for capital is carry-forward 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 carry-forward amount from FY 2014 is \$67.5 million.

Expenditure Summary by Major Object - All Funds

| | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 Budget | FY 2015 Adj Budget | FY 2016 Budget |
|---------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Personnel | 21,002,701 | 22,750,251 | 23,724,613 | 25,570,623 | 28,284,962 | 28,349,287 | 29,182,048 |
| Materials, Supplies & Services | 12,194,207 | 13,330,837 | 14,135,698 | 13,565,499 | 14,894,402 | 16,192,736 | 15,811,249 |
| Capital Outlay | 32,453,266 | 29,823,669 | 15,277,156 | 24,038,380 | 35,895,710 | 95,027,448 | 33,113,957 |
| Debt Service | 13,212,086 | 10,399,905 | 10,562,058 | 13,065,007 | 10,812,058 | 22,082,555 | 11,366,742 |
| Contingency | 21,850 | 3,946 | | 0 | 346,000 | 346,000 | 350,000 |
| Actual Budget | \$78,884,110 | \$76,308,608 | \$63,699,525 | \$76,239,510 | \$90,233,132 | \$161,998,026 | \$89,823,996 |
| Budget Excluding Capital | \$46,430,844 | \$46,484,939 | \$48,422,369 | \$52,201,130 | \$54,337,422 | \$66,970,578 | \$56,710,039 |
| Interfund Transfers | 9,898,612 | 9,177,643 | 7,667,140 | 13,929,137 | 9,097,113 | 22,945,673 | 11,483,513 |
| Ending Balance | 68,377,411 | 71,208,563 | 70,184,139 | 76,584,096 | 33,905,045 | 36,196,143 | 40,580,080 |
| Subtotal | \$78,276,023 | \$80,386,206 | \$77,851,279 | \$90,513,233 | \$43,002,158 | \$59,141,816 | \$52,063,593 |
| Grand Total | \$157,160,133 | \$156,694,814 | \$141,550,804 | \$166,752,743 | \$133,235,290 | \$221,139,842 | \$141,887,589 |

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

The FY 2016 Budget is increasing to \$56.7 million, which is a 4.3% increase from the FY 2015 Original Budget. The increase is due to Pay Plan increases, Affordable Care Act provisions, Retirement increases, and operating expenses to keep up with demand for services. These changes are more fully discussed further in this section as well as in the Budget Issues section along with details on other committee recommendations, operating budget changes, and major capital requests.

Table E1 shows citywide expenditures by Major Object. The FY 2015 Adjusted Budget reflects an increase in personnel expenses of 0.23% from the FY 2015 Original Budget due to vacancy factor adjustments. FY 2016 shows a 3.17% increase in personnel from the FY 2015 Original Budget due primarily to personnel additions and grade increases in order to stay competitive in the market.

OPERATING BUDGET

The Operating Budget consists of Personnel, Materials, Supplies, and Services, Departmental Capital Outlay, and Contingencies for each department.

EXPENSES

PERSONNEL

The major changes that are affecting personnel budgets are the Pay Plan 2% off year increase and Health Insurance. These are both described in detail below:

Health Insurance Costs

The City maintains a health and dental insurance plan through Regence Blue Cross Blue Shield of Utah. Each year Regence examines the City's "use" of the plan and its total costs to Regence and then determines the price for the following year. National averages in health insurance annual increases range from 10-12%. This year, the City is in line with those averages at 9.74%. However, to keep up with changes in the industry overall, as well as to observe our benefits compensation philosophy, we are considering a change to the employee's deductible within the Regence Bluepoint plan, which is the healthcare plan used by the majority of staff. Currently, the City's health insurance deductible is \$250 for individuals, and \$500 for family coverage. The Benefits Committee proposes that the City increase these amounts to \$375 and \$700 respectively. This is due to the following two reasons:

1. **Benefits costs affect employee pay levels.** Because the City compares total compensation (pay plus benefits) when benchmarking positions against other cities, the cost of benefits (if rising significantly faster than pay) affects pay levels. In an effort to adjust and balance these two compensation types, a change is needed. Staff has submitted a staff report separately about the challenges we face in being competitive in both recruiting and retention of City staff, which has much to do with pay levels offered in comparison with other entities.
2. **Stepwise approach to how PCMC can avoid the 2018 Cadillac Tax.** The "Cadillac Tax" is a tax that is expected to be imposed by the federal government starting in 2018. The tax will be imposed where employee benefits exceed a certain threshold. This means that the City must examine the total cost of our benefits plan and make cost adjustments necessary to remain below this threshold. Staff believes making a stepwise approach to the Cadillac Tax is fiscally prudent.

Staff is also recommending a change the structure of our dental plan by moving to a self-funded plan. Staff has evaluated the cost and risk of this change and believes the risk is low, staff estimates a savings of \$50k a year if the City moves this to a self-funded plan. Though there is a small risk that the estimate could be incorrect, staff does feel this risk is low and that this is the right move for the City. Staff believes that any overage in the self-funded plan could be covered in the proposed 2016, if necessary. Plan administration will still fall under Regence as it does currently, so employees will see no change in coverage or administration.

With the savings created from both the increase in the employee deductible as well as self-funded dental, staff is recommending to increase employee pay to cover the change in deductible. This year, staff would like to offer employees a grossed up amount equal to the change in their insurance deductible. Employees with single coverage would receive a lump sum payment of \$125, and those with family coverage would receive \$200. This would make the change to the health plan a \$0 net change for staff. Next year, on July 1, employee pay for all staff would be increased by \$200. This would absorb the savings of both changes to the health insurance plan, and keep them whole at all levels compensation. This would also keep us further away from the threshold of the Cadillac Tax.

EXPENSES

Originally, staff had estimated a budget around \$300k in the General Fund for a health insurance increase. This plan would not necessitate a change to the budget as it would cost a similar amount. Self-funding the City’s dental plan will be budgeted at \$200k. GASB accounting rules require that self-funding dental needs to be paid out of the General Fund even though the other funds at the City would use the account to pay their claims. The Enterprise Funds will pay their portion through the Administrative Inter-fund Transfer (Admin IFT). In addition, the General Fund increase to change the grades \$200 would cost \$65k. The total net increase to the General Fund for this plan will be under \$300k. Below is the new health insurance increase per fund:

Health Insurance Changes by Fund (Change from FY2015 Adopted Budget)

| | FY15 Adj Budget | FY 2016 Budget |
|---|-----------------|-----------------|
| Fund 11 General Fund | \$0 | \$7,485 |
| Fund 12 Quinn's Recreation Complex | \$0 | \$203 |
| Fund 51 Water Fund | \$0 | \$1,349 |
| Fund 55 Golf Fund | \$0 | \$116 |
| Fund 57 Transportation Fund | \$0 | \$2,156 |
| Fund 62 Fleet Services Fund | \$0 | \$261 |
| Total | \$0 | \$11,570 |

Tables E2 – Health Insurance Increase by Fund

Pay Plan

Park City has a market-based pay philosophy, albeit the “market” is limited to other municipal governments, excluding the typically higher private-sector compensation. 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). The Technical Committee looks at job descriptions and compares 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. The Pay Plan Committee is formed to review the benchmark data and make recommendations for reclassification to the City Manager.

The Pay Plan Committee has two major responsibilities:

1. Determine where internal equity positions should fit in the Pay Plan; and
2. Review the recommendations of the Technical Committee.

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.

EXPENSES

The economic recovery will continue to make it more difficult for the City to compete with the both other municipal governments and the private sector. For the City to maintain its high quality staffing, it will be important for the Pay Plan to keep pace.

In the second year of the budget, all pay grades (and therefore all positions) are increased by 2% to keep up with the market during the off year. In the table below, the FY 2016 increase reflects the off year 2% grade increase, resulting in a \$459K budget increase in personnel. Next year the Pay Plan Committee will review all of the positions in the city to determine which positions grades should increase in order to stay competitive with the market. See table below:

Pay Plan Changes by Fund (Change from FY2015 Adopted Budget)

| | FY15 Adj Budget | FY 2016 Budget |
|---|------------------------|-----------------------|
| Fund 11 General Fund | \$0 | \$289,635 |
| Fund 12 Quinn's Recreation Complex | \$0 | \$11,547 |
| Fund 51 Water Fund | \$0 | \$40,198 |
| Fund 55 Golf Fund | \$0 | \$15,324 |
| Fund 57 Transportation Fund | \$0 | \$91,597 |
| Fund 62 Fleet Services Fund | \$0 | \$10,938 |
| Total | \$0 | \$459,238 |

Table E3 – Pay Plan Increase by Fund

Personnel Changes

Departments submitted personnel requests for the FY 2016 Budget. The impacts of all recommended personnel budget request increases are shown for each fund in Table E4. The total increase in personnel of FY 2016 over FY 2015 Original budget is \$760K. This increase is made up of changes to Library, City Recreation, Engineering, Building, Transit and Water department personnel. These changes will be detailed later in the document.

Total Personnel Options by Fund (Change from FY2015 Adopted Budget)

| | FY15 Adj Budget | FY 2016 Budget |
|---|------------------------|-----------------------|
| Fund 11 General Fund | \$0 | \$496,532 |
| Fund 12 Quinn's Recreation Complex | \$0 | \$0 |
| Fund 51 Water Fund | \$0 | \$98,698 |
| Fund 55 Golf Fund | \$0 | \$0 |
| Fund 57 Transportation Fund | \$0 | \$165,071 |
| Fund 62 Fleet Fund | \$0 | \$0 |
| Fund 64 Self Insurance Fund | \$0 | \$0 |
| Total | \$0 | \$760,301 |

Table E4 – Recommended Personnel Requests by Fund

Creation of Community Development Team

The City Manager is recommending the realignment of several key departments in order to enhance collaboration across City teams, provide more responsiveness with community partners, and deliver more effective government. The proposal creates a Community Development Team comprised of the current Building, Planning, Engineering and Transportation Planning

EXPENSES

Departments.

Park City is facing increased growth and development pressures, and increasing regulatory responsibilities which require greater coordination and integration of City departments and personnel. The proposed Community Development Team will bring together key City regulatory and planning departments as well as the City’s transportation planning and implementation functions. This realignment will promote greater internal coordination and a more integrated and strategic approach in the consideration of new projects. The inclusion of the Transportation Planning Department in the Community Development Team reinforces transportation and traffic management as a critical Council priority and will ensure that transportation solutions are considered at the outset of all future projects in Park City.

The proposed Community Development Director position will provide overall leadership and coordination among these departments to successfully implement the General Plan and Land Management Code consistent with the vision set forth by the City Council and citizens of Park City.

Currently, the City is undertaking a nationwide recruitment for the Community Development Director position. Planning Manager Kayla Sintz was appointed the Acting Planning Director following the Planning Director’s resignation last month.

Specifics:

- Eliminate the Planning Director position (E10) and create a new Community Development Director (CDD) position (E13).
 - The Transportation Planning Department will be joined with the Building, Planning and Engineering Team.
 - In addition to BPE, the CDD will work closely with housing and economic development to promote better coordination and strategic partnerships.
- Eliminate Current Planning Manager contract position and create new full-time regular (FTR) Current Planning Manager position (E9).
- Decrease Transportation Planning Director position grade from E13 to E12.
- All existing BPE managers will remain on Management Team.
- The Community Development Director will sit in the Planning Department.
- The Transportation Team will remain on the third floor of Marsac.
- The new team will be called the Community Development Team.

This proposal is close to a zero-sum budget change in the General Fund and \$30k increase in the Transit Fund. See table below (*the figures in the table below are total compensation, not salary*):

| General Fund | | | Transit Fund | | |
|--------------|--------------------------|------------|--------------|----------------------------------|------------|
| Grade | Position | Budget | Grade | Position | Budget |
| E13 @ 75% | Community Dev. Director | \$138,671 | E13 @ 25% | Community Dev. Director | \$46,224 |
| E10 | Planning Director | -\$151,100 | E13 | Transportation Planning Director | -\$184,894 |
| Contract | Current Planning Manager | -\$131,859 | E12 | Transportation Planning Director | \$168,989 |
| E9 | Current Planning Manager | \$142,621 | | | |
| | Total | -\$1,668 | | Total | \$30,319 |

Table E5 – Community Development Team Changes

EXPENSES

Building Department Grade Increases

Over the course of the last couple of years some areas of the City have experienced major drop-off in recruiting applications. In particular, the building inspection industry has been short staffed for most of the state of Utah. The City's Building Department has had multiple inspector positions open for almost one year resulting in a backlog of work, hurried inspections, and customer complaints. Staff has tried multiple approaches to get the inspectors needed including using outside contractors, sending supervisors into the field to back up inspectors, and beginning a mentorship program to help contractors in the community become interested and certified in the profession. The City has battled competition for inspectors amongst the jurisdictions along the Wasatch Front, and lost several inspectors to these and other factors.

Thus, Executive is recommending to increase the grade of the 4 Senior Building Inspector FTRs from N11 to N12. However, positions with higher qualifications and supervisory responsibilities over the Senior Building Inspectors must be compensated at a higher rate as dictated by the City's pay philosophy. This would also help to avoid higher qualified staff from accepting inspector positions with less responsibility and vacating their current positions, creating a new concern. Additionally, for all the same reasons listed above, any qualified personnel with building code knowledge will be in demand and pay grades must be adjusted. The Plan Check Coordinator, Building Inspector Supervisor and Deputy Chief Building official positions are therefore included in the recommendation. Each position would increase by one grade except for the Deputy Chief Building Official, which would increase by half of a grade.

| | FY15 (Current) | | | | FY16 (Recommended) | | | | Increase |
|--------------------------------|----------------|---------|----------|----------------------|--------------------|---------|----------|----------------------|-----------------|
| | Grade | Hourly | Annual | Total w/ Benefits | Grade | Hourly | Annual | Total w/ Benefits | |
| Senior Building Inspector (4x) | N11 | \$30.30 | \$63,024 | \$393,220 | N12 | \$31.73 | \$65,998 | \$410,268 | \$17,048 |
| Building Inspector Supervisor | E06 | \$31.63 | \$65,795 | \$103,199 | E07 | \$35.71 | \$74,285 | \$114,110 | \$10,911 |
| Plan Check Coordinator (2x) | E06 | \$31.63 | \$65,795 | \$206,398 | E07 | \$35.71 | \$74,285 | \$228,220 | \$21,822 |
| Deputy Building Official | E07 | \$35.71 | \$74,285 | \$114,110 | E07.5 | \$37.31 | \$77,614 | \$122,873 | \$8,763 |
| | | | | | | | | Total | \$58,544 |

Table E6 – Building Pay Increases

URS Benefit Increase for Dispatch

A legislative change has created a situation where the Utah Retirement System (URS) is allowing the possibility of increasing the URS benefit for Dispatcher personnel to 34.05% over their current 18.47%, to match what Police Officers receive. Police management recommended this increase to Executive in hopes of discouraging turnover and helping recruitment, both of which have been problematic. This change would impact 11 positions currently in the Communication Center (Dispatch) Department. The total cost increase to the General Fund to put all Dispatchers and the Dispatch Coordinator at the higher URS benefit level would be \$53,160.

Employment Agreement Personnel

There are several positions at the City that have employment agreements. Consistent with the market pay increase of 2%, Executive is recommending a budget increase of 2% for the positions

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in the table below. These budgeted amounts only reflect the increase to the General Fund portion of the positions' pay, which is why some are considerably smaller amounts. The balance of these positions pay is budgeted within capital projects and does not require a budget increase since capital projects are fairly large and can absorb pay incremental pay increases. Also of note the total increase represents any benefit increases as well as a deficiency in budget for FY15. The Intergovernmental & Environment Manager contract's increase also reflects an error in not budgeting URS for this position last year—that is an \$18k increase.

| | Budgeted Salary FY 2015 | 2% FY 2016 | Increase |
|--|------------------------------------|-----------------------|-----------------|
| Organizational Development Manager | \$57,666 | \$65,274 | \$8,369 |
| Community Engagement Liaison | \$16,900 | \$17,465 | \$622 |
| Economic Development Project Manager | \$19,564 | \$19,910 | \$381 |
| Intergovernmental & Environment Manager | \$114,371 | \$142,730 | \$31,195 |
| Public Affairs Specialist | 53,900 | \$65,982 | \$13,290 |
| Emergency Program Manager | \$116,051 | \$118,381 | \$2,563 |
| | General Fund Increase | | \$56,419 |

Table E7 – Contract Positions Changes

Bus Driver Grade Increases

Transit is having the same problem as the Building Department in their recruiting efforts. Like the Building Inspectors the grades are too low to attract and retain the talent they need for the Bus Driver II, III, and IV positions for full-time and part-time/seasonal positions. Customarily, Transit hires Bus Drivers as part-time/seasonals first (usually Bus Driver II's), then eventually move the positions to full-time (usually a Bus Driver III). The hiring max for the part-time/seasonal positions is too low to attract qualified candidates, thus Executive is recommending moving these positions up one grade, which would move up the hiring max. However, moving the part-time/seasonal positions up a grade means that you would need to move the full-time Bus Driver III's and IV's up one grade as well. However, unlike Building this "domino effect" would be more intentional because Transit is actively requesting to move these grades to be able to retain and pay these positions higher.

This would cost roughly \$200k in Transit—the good news is the City can pay for most of this increase with a health insurance budget that was overly budgeted last year that is close to the same amount. In addition, moving these positions in the Pay Plan would not go against the current Pay Plan formula/criteria (like the Building Inspectors) since these positions are all calculated by the Pay Plan Committee through the internal equity process.

All Personnel Changes

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 FTEs per department for the FY 2015 Adjusted Budget and FY 2016 Proposed

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Budget are found in Table E8 on the following page. A detailed description of all of the FTE changes follows:

- Library is increasing by FTEs with the addition of a Senior Librarian and Full-Time Library Assistant. The cost increase is \$155,711.
- City Recreation has no change in FTEs, but will be adding an Assistant City Recreation Manager and a Front Desk Team Leader while getting rid of the Business and Marketing Coordinator and the PC MARC Coordinator. The cost increase is \$29,538.
- Engineering is increasing by 1.25 FTEs with the addition of a Public Improvements Engineer and 25% of the Community Development Director. The cost increase is \$160,243.
- Planning is decreasing by .75 FTEs with the addition of 25% of the Community Development Director and a Planning Manager, while the Planning Director and Current Planning Manager are going away. The decrease to this department is \$98,787.
- Building's FTEs increased by .96 with the addition of 25% of a Community Development Director .71 FTEs of a Part-Time Office Assistant III. Building has also increased the grades of all of the Senior Building Inspectors and Plan Check Coordinators by 1 grade. The Deputy Chief Building Official's grade was increased by a half grade. The cost increase is \$108,245.
- Transportation Operations is decreasing by 2.55 FTEs in Part-Time personnel. This is zero sum, as the Part-Time grades were increased, so there is no effect upon the budget. The grades for the full-time bus drivers are also increasing. The cost for this is about \$200K which is mostly offset by a \$175K decrease in Health Insurance.
- The Water department is increasing by .60 FTEs. This results from the addition of a Water Treatment Superintendent, and 80% of an Executive Assistant. 80% of the Water and Streets Director is being replaced by 70% of the Public Utilities Director, the Conserve and Tech Coordinator is being replaced by 50% of the Water Resources Manager and 80% of the Analyst II is being replaced by 40% of the Storm Water Coordinator. The total cost increase is \$67,390.
- The Street Maintenance Department is increasing by 1.40 FTEs with the additions of 60% of a Storm Water Coordinator, 50% of the Water Resources Manager and 20% of an Executive Assistant. In addition, 20% of the Water and Streets Director will be replaced with 30% of the Public Utilities Director and the 60% of the Storm Water Coordinator will be replacing the 20% of an Analyst II. The total cost increase is \$132,934.
- All of the Dispatchers in the Communication Center have moved from Non-Police Retirement to Police Retirement level. This cost increase is about \$53K.

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FTE's By Department

| Department | FTE's FY 2015 | Adjusted FY 2015 | Change FY 2015 | FTE's FY 2016 | Change FY 2016 |
|---------------------------------|------------------|---------------------|-------------------|------------------|-------------------|
| CITY MANAGER | 4.00 | 4.00 | | 4.00 | |
| LEGAL | 7.00 | 7.00 | | 7.00 | |
| BUDGET, DEBT & GRANTS | 3.25 | 3.25 | | 3.25 | |
| HUMAN RESOURCES | 5.14 | 5.14 | | 5.14 | |
| FINANCE | 6.65 | 6.65 | | 6.65 | |
| TECHNICAL & CUSTOMER SERVICES | 9.47 | 9.47 | | 9.47 | |
| BLDG MAINT ADM | 6.00 | 6.00 | | 6.00 | |
| CITY RECREATION | 27.98 | 27.98 | | 27.99 | |
| TENNIS | 4.73 | 4.73 | | 4.73 | |
| MCPOLIN BARN | 0.25 | 0.25 | | 0.25 | |
| ICE FACILITY | 8.52 | 8.52 | | 8.52 | |
| FIELDS | 2.83 | 2.83 | | 2.83 | |
| COMMUNITY AFFAIRS | 3.55 | 3.55 | | 3.55 | |
| ECONOMY | 5.25 | 5.25 | | 5.25 | |
| INTERGOVERNMENTAL & ENVIRONMENT | 2.20 | 2.20 | | 2.20 | |
| POLICE | 33.95 | 33.95 | | 33.95 | |
| DRUG EDUCATION | 0.20 | 0.20 | | 0.20 | |
| STATE LIQUOR ENFORCEMENT | 1.30 | 1.30 | | 1.30 | |
| COMMUNICATION CENTER | 10.39 | 10.39 | | 10.39 | |
| ENGINEERING | 2.75 | 2.75 | | 4.00 | 1.25 |
| PLANNING DEPT. | 9.00 | 9.00 | | 9.25 | 0.25 |
| BUILDING DEPT. | 15.00 | 15.00 | | 15.96 | 0.96 |
| PARKS & CEMETERY | 18.98 | 18.98 | | 18.98 | |
| STREET MAINTENANCE | 15.64 | 15.64 | | 17.04 | 1.40 |
| WATER OPERATIONS | 23.79 | 23.79 | | 24.39 | 0.60 |
| FLEET SERVICES DEPT | 9.85 | 9.85 | | 9.85 | |
| TRANSPORTATION OPER | 76.96 | 76.96 | | 73.41 | (3.55) |
| TRANSPORTATION PLANNING | 2.00 | 2.00 | | 2.25 | 0.25 |
| PARKING | 8.20 | 8.20 | | 8.20 | |
| LIBRARY | 11.75 | 11.75 | | 11.88 | 0.13 |
| GOLF MAINTENANCE | 8.98 | 8.98 | | 8.98 | |
| GOLF PRO SHOP | 5.95 | 5.95 | | 5.95 | |
| LOWER PARK AVENUE RDA | 0.25 | 0.25 | | 0.25 | |
| TOTAL | 351.76 | 351.76 | | 353.06 | 1.29 |

Table E8 - FTE Changes by Department

The following Table E9 shows the changes in FTEs by fund. The General Fund is increasing by 4 FTEs in FY 2016 from the FY 2015 Original Budget.

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| Fund | FY 2015 Original | FY 2015 Adjusted | FY 2016 Budget |
|----------------------------|------------------|------------------|----------------|
| General Fund | 204.43 | 204.43 | 208.43 |
| Quinn's Recreation Complex | 11.35 | 11.35 | 11.35 |
| Lower Park Avenue RDA | 0.25 | 0.25 | 0.25 |
| Water Fund | 23.79 | 23.79 | 24.39 |
| Golf Fund | 14.93 | 14.93 | 14.93 |
| Transportation Fund | 87.16 | 87.16 | 83.86 |
| Fleet Services Fund | 9.85 | 9.85 | 9.85 |
| Self-Insurance Fund | 0 | 0 | 0 |
| TOTAL | 351.76 | 351.76 | 353.06 |

Table E9 - FTE Change by Fund

The following charts display Park City's personnel growth rates compared with state statistics reflecting employment totals for local governments. Figure E10 shows the Number of FTRs and the number of Part-Time Non-Benefitted/Seasonal FTEs employed by Park City over time. Figure E11 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 to full-time status.

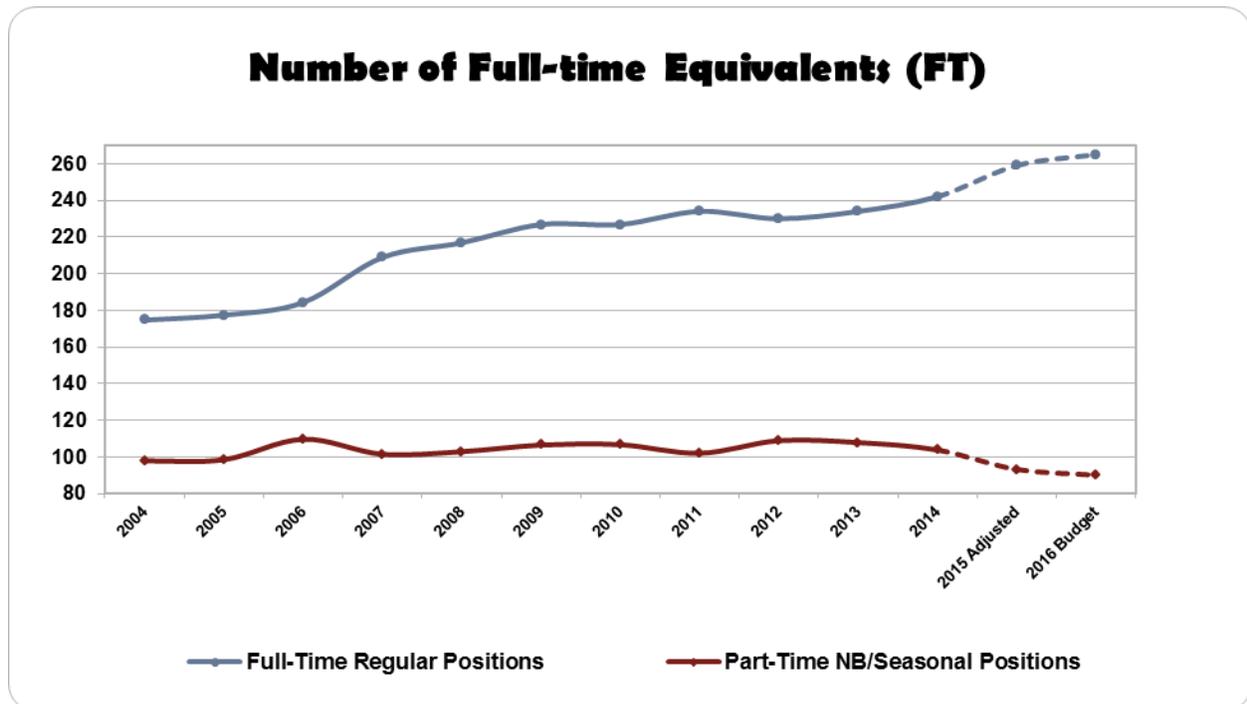


Figure E10 – FTE Totals

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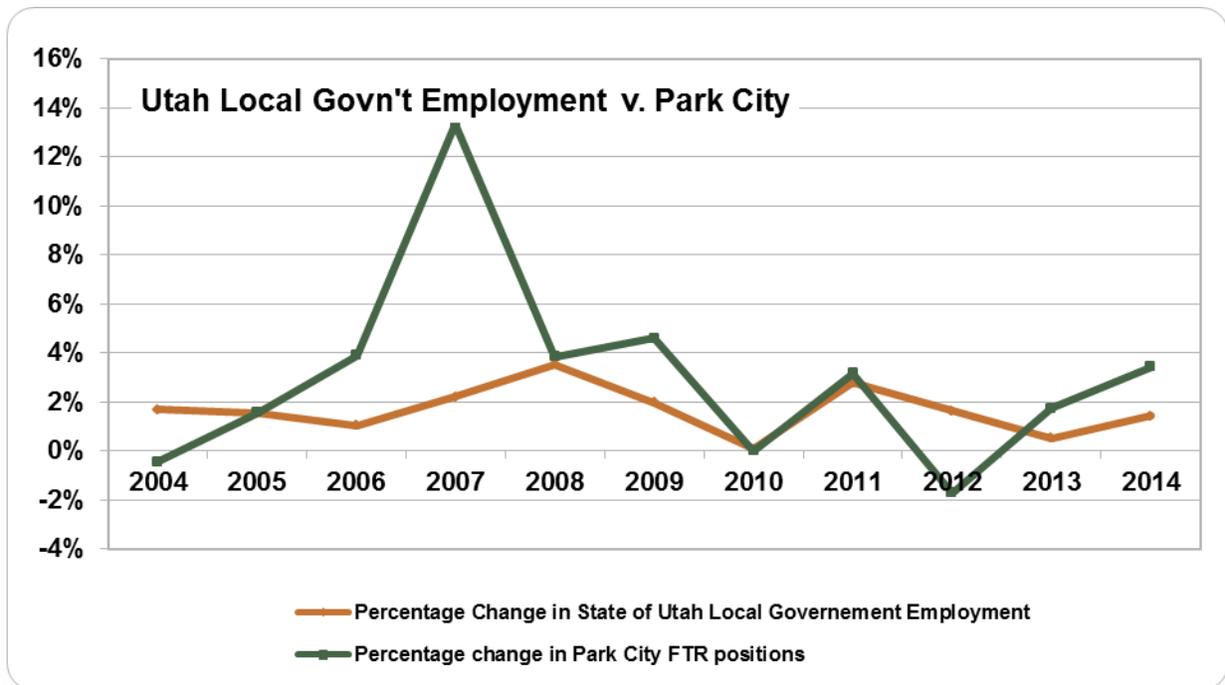


Figure E11 - Percentage Change in Park City and State Employment

The employment totals for Park City FTR positions and local government for the state of Utah are compared in Figure E12. Park City FTR positions saw an increase in FY 2007 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 appear to be growing at the same rate as other cities in Utah in recent years. This is largely due to the recent recession which curbed revenues.

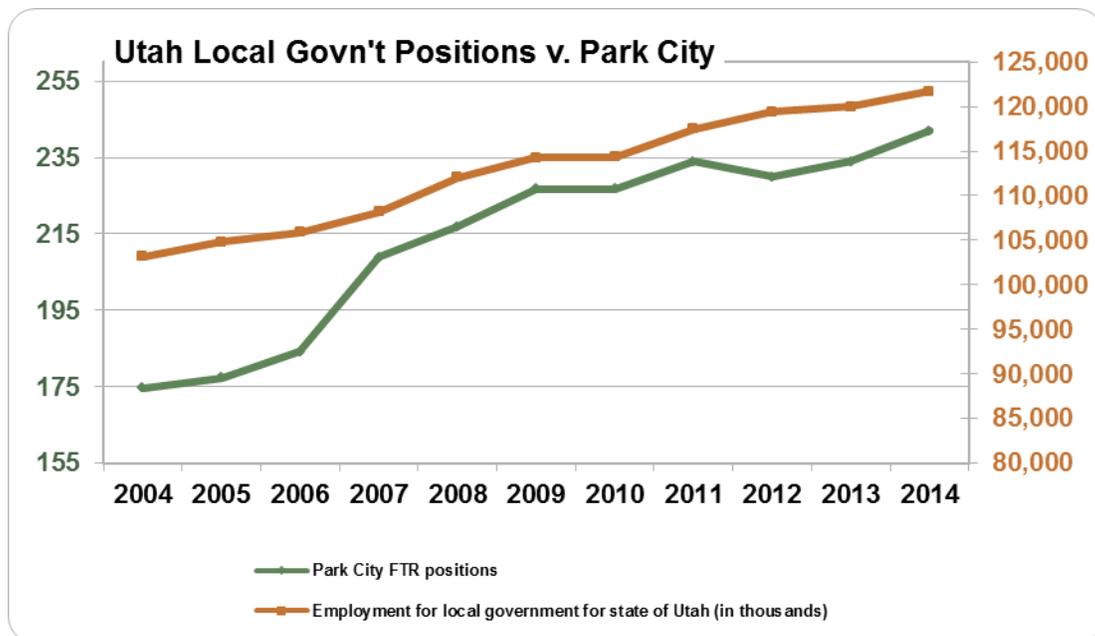


Figure E12 – Employment Totals for Utah Local Government and Park City FTR Positions

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MATERIALS, SUPPLIES, AND SERVICES

The Table E13 below displays the increases to Materials, Supplies, and Services by fund over the FY 2015 adopted budget. Recommended increases to Materials, Supplies, and Services budgets in the General Fund were only included in the recommended budget if they were deemed very necessary. This is mostly made up of \$30,000 to pay for LEAD training, \$200,000 to pay for the Dental Self-Funding program and materials needed to keep up with extraordinary demand increases. In FY16 the main increases are about \$80K for cleaning contracts and repair in Building Maintenance; \$32K for books, ebooks and computer equipment for the new library; and \$7K for personal protective equipment for the Building department. The Water Fund increase is mainly due to utility cost increases.

Total Materials, Supplies & Services Options by Fund (Change from FY2015 Adopted Budget)

| | FY 2015 Adj Bud | FY 2016 Budget |
|---|------------------------|-----------------------|
| Fund 11 General Fund | \$4,993 | \$178,508 |
| Fund 12 Quinn's Recreation Complex | \$114 | \$10,114 |
| Fund 51 Water Fund | \$0 | \$80,565 |
| Fund 55 Golf Fund | \$0 | \$0 |
| Fund 57 Transportation Fund | \$2,080 | \$2,080 |
| Fund 62 Fleet Fund | \$0 | \$0 |
| Fund 64 Self Insurance Fund | \$0 | \$0 |
| Total | \$7,187 | \$271,267 |

Table E13 – Materials, Supplies & Services Options by Fund

BUDGETING FOR OUTCOMES (BFO)

The City employs a Budgeting for Outcomes (BFO) process that focuses on Council priorities and objectives as the driving factor for determining the annual budget. By creating Desired Outcomes within Council goals and then receiving offers from City departments, the City can make better-informed decisions regarding the prioritization and cost of City services and programs.

BFO provides a comprehensive review of the entire organization, identifying every program offered and its cost, evaluating the relevance of every program on the basis of the community's priorities, and ultimately guiding elected officials to the policy questions they can answer with the information gained from the process.

The Results Team (staff-led budget committee) receives service proposals (bids) for programs and activities in each Council goal. Each of the programs and services provided by the City are ranked based upon how well the program meets Council's goals and objects as well as demand for the program, whether or not the program is mandated, whether the service could feasibly be provided by a private organization, etc. These criteria help determine how much of a priority each program is to the City. The Results Team reviews these scores and changes them to arrive at a composite score agreed on by the group. This provides the ranking of proposals within each Council Goal with a quartile ranking as well, numbered from 1 to 4, with 1 being the highest

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ranking and 4 the lowest. The programs ranked in the top 25% of all programs are Quartile 1, the next 25% are Quartile 2, and so forth.

Figure E14, below, shows how the ranking breaks out, by quartile, in the FY2016 recommended budget.

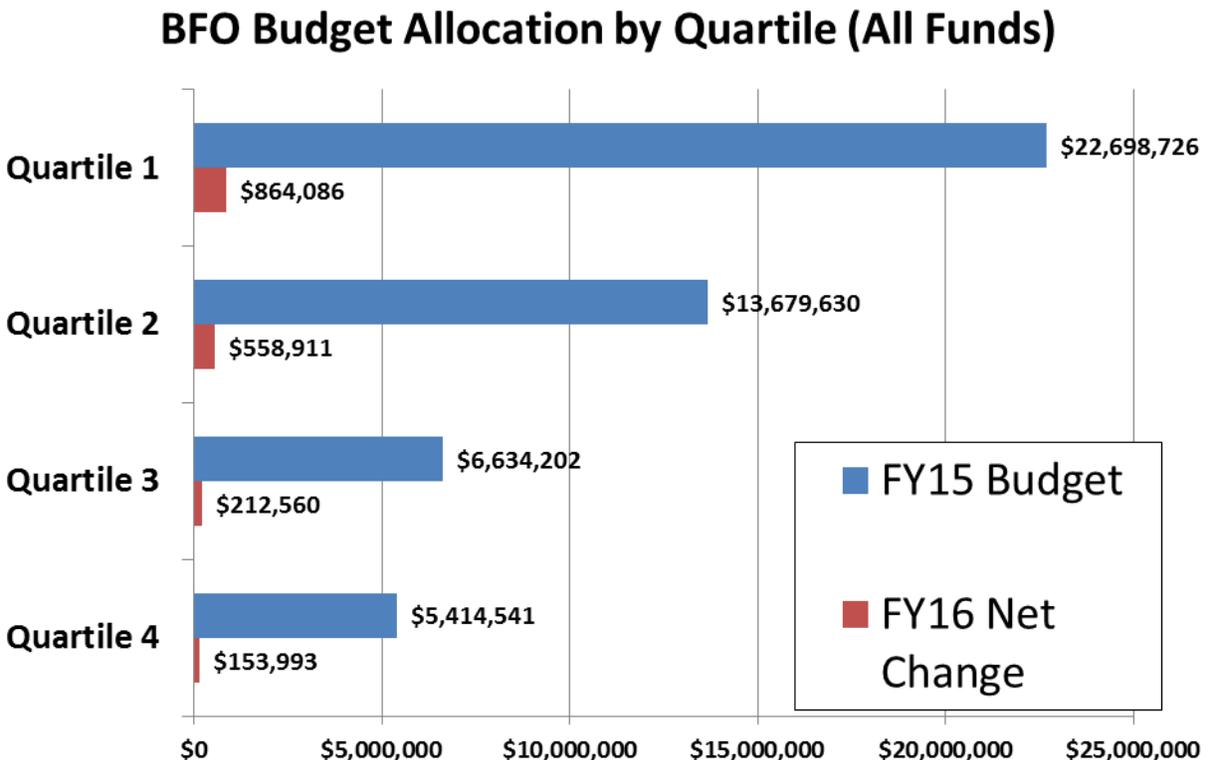


Figure E14 – Allocation of Budgeted resources by Quartile.

It is important to note that a high rating of a program will not guarantee that a program will be retained; nor does it guarantee that a lower-ranking program will be proposed for elimination. Also, the rankings do not reflect whether a program is being delivered in the most efficient manner. The prioritization process provides valuable information for budget proposal development and City Council deliberation. It is not the "only answer" on to how best to determine the City's budget.

The Results Team has to make tough decisions in order to fit their recommendation within the confines of the FIAR's projected expenditure increase, which also has to cover inflationary costs like Pay Plan, health insurance, retirement, and any other non-departmental budget increases. On May 28 the Results Team will present their recommendations organized through the Biennial Strategic Plans. The recommended budget increase needed to come in under \$335k in the General Fund. The General Fund net increase (once revenue and expenditure offsets are taken into account) is \$334k with \$900k in requests.

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Council's Goals

The four Council Goals represent what the leadership of Park City Municipal Corporation believes is most essential to focus its attention and resources in order to realize the Community Vision. The Goals are a key component of Park City's Strategic Plan, not only for Council but for residents and Park City staff as well. They provide a philosophical foundation for the Council in its role as a policymaking body. For residents, the Goals provide a detailed definition of success. For Park City staff, they provide guidance on how to manage finite resources in the face of nearly infinite expectations.

The Desired Outcomes are observable effects that visibly demonstrate success in each Goal area. They are the guideposts for making funding and planning decisions. Desired Outcomes are tied to the Budgeting for Outcomes process, which helps ensure that resources are allocated to the most effective efforts related to achieving the community's vision.

There are four goals that the City Council has set, which all city programs are tied to:

1. Preserving and Enhancing the Natural Environment
2. World Class, Multi-Seasonal Resort Destination
3. Inclusive Community of Diverse Economic & Cultural Opportunities
4. Responsive, Cutting Edge & Effective Government

Preserving and Enhancing the Natural Environment



Park City is proud that it is recognized as a model environmentally-conscious community. Residents develop, participate in and support initiatives to protect the long-term health of the natural environment and Park City policies and investments work in concert with these efforts. Carbon reduction, energy and water conservation programs and open space

acquisition not only attract residents and visitors to Park City, but also advance community environmental goals and preserve the unique natural setting. Park City recognizes that careful planning to ensure a sustainable water supply that meets the City's current and future need is essential to our long-term viability. The total City Manager recommended budget for this Council Goal is \$7,465,726, up from \$7,071,221.

Desired Outcomes and Results Team Budget Recommendations:

- Abundant preserved and publicly-accessible open space
- Managed natural resources balancing ecosystem needs
 - Storm Water: Add Water Resources Coordinator and Utility Coordinator. Total net increase is \$145,960. Recommended increases due to high score and established need. Position cost increases are in anticipation of a Storm Water Utility.
- Enhanced water quality and high customer confidence
- Effective water conservation program
- Adequate and reliable water supply
 - Water Operations: Add Executive Assistant and Water Treatment Superintendent and increase grade of Public Utility Director. Remove Conserve and Tech Coordinator. \$72k

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increase in materials and supplies for whole department (dept supplies, contract services, utilities, etc.). Total net increase is \$103,728. Recommended increases due to high score and established need. The utility and software increases are to keep up with increasing costs.

- Reduced municipal, business and community carbon footprints
- Economically and environmentally feasible soil disposal
- Enhanced conservation efforts for new and rehabilitated buildings

World Class, Multi-Seasonal Resort Destination



The resort experience continues to exceed expectations. Park City is known as a premier resort destination because of its distinct and recognizable brand, a seamless network of multimodal transportation, and interconnected resorts. Visitors and residents feel safe throughout the community and find that Park City has struck a unique balance between tourism and local

quality of life. Tourism remains a chief driver of Park City's economy due to its accessibility, quality snow, and great summer weather. World-renowned recreational opportunities and an expansive trail network are the center of activity, complemented by multi-seasonal special events and unique, locally-owned businesses. Park City full and part-time residents recognize the exceptional benefits the economic base provides and the paramount importance of fostering and expanding the resort economy in harmony with community values. The total City Manager recommended budget for this Council Goal is \$20,616,316 up from \$20,213,813.

Desired Outcomes and Results Team Budget Recommendations:

- Accessible and world-class recreational facilities, parks and programs
 - Recreation: Increasing the level of service with a new Assistant Recreation Manager. Total increase of \$22k with \$13k offset. Recommended due to established need and revenue offset.
- Balance between tourism and local quality of life
- Varied and extensive event offerings
- Unique and diverse businesses
 - Recommended \$50k increase to cover Economic Development Grants out of Lower Park & Main Street RDA as well as \$10k out of the General Fund.
- Accessibility during peak seasonal times
- Well-utilized regional public transit
- Walkable and bike-able community
- Multi-seasonal destination for recreational opportunities
- Internationally recognized & respected brand
- Every City employee is an ambassador of first-class service

Inclusive Community of Diverse Economic & Cultural Opportunities



Park City is a community where residents can live, work and play. In order to maintain Park City's appeal, PCMC invests in those areas that ensure our continued success. Through our planning and economic development efforts, we balance the historic character and small town

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atmosphere with the varying needs of our residents and visitors. A mix of cultures, perspectives and lifestyles is welcomed and celebrated. There are diverse job opportunities that pay a living wage and enable full-time residents to live within a reasonable distance of their jobs. Part-time residents are welcomed, engaged and contribute to the community character. Preserving our unique history is vital to the longevity of the City's character and is at the forefront when key planning and economic development decisions are made. The impact of regional growth pressures have been managed and mitigated by Park City's ongoing collaboration with local and regional stakeholders. These cooperative efforts result in innovative economic strategies, preservation of the natural setting, and partnerships that lead to prosperity throughout the region. The total City Manager recommended budget for this Council Goal is \$11,044,533 up from \$10,464,130.

Desired Outcomes and Results Team Budget Recommendations:

- Residents live and work locally
- Jobs paying a living wage
- Preserved and celebrated history; protected National Historic District
- Cluster development while preserving open space
- Part-time residents that invest and engage in the community
- Shared use of Main Street by locals and visitors
- Skilled, educated workforce
- Entire population utilizes community amenities
- Community gathering spaces and places
 - Add Community Engagement Senior Librarian and Senior Library Assistant for Youth Services by and materials recommended in order to implement a new program within the newly constructed library based off of established need and demand (\$143,024).
- Physically and socially connected neighborhoods
- Vibrant arts and culture offerings
- Diverse population (racially, socially, economically, geographically, etc.)
- Primarily locally owned businesses
- Safe Community
 - Engineering: Add full-time benefited budget for a Public Improvements Engineer (\$124k). Recommended in order to help with Engineering workload, and to reduce an Engineering bottleneck.
 - Building: Recommended increase of \$30k in materials and supplies based off of department prioritization, established need, and revenues: Fire equipment, contracting fees, fire contract services, and uniforms and PPE.

Responsive, Cutting Edge & Effective Government



Park City Municipal Corporation has earned the trust of the community by engaging its citizens, being responsible stewards of tax dollars and providing uncompromising quality and customer service. This is enabled by a customer-centered organizational structure; a culture that embraces accountability and adapts to change; and funding mechanisms and

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policies that support innovation. Investing in our people is essential to maintaining a high-performing and strategic-minded workforce. PCMC employees are equipped with the core skills that allow them to be self-managed, creative and flexible in anticipating and responding to community needs. Our investments are protected by ensuring that systems and infrastructure are maintained, making responsible and effective use of technology and being fiscally and legally sound. The total City Manager recommended budget for this Council Goal is \$11,185,422 up from \$10,677,936.

Desired Outcomes and Results Team Budget Recommendations:

- Fiscally and legally sound
- Engaged, capable workforce
 - An additional \$30k to cover costs associated with citywide training. This includes LEAD Virginia, Effective Meetings, and Facilitator training. This is a high-priority for the City Manager.
- Well-maintained assets and infrastructure
 - Building Maintenance: The cost of parts for a high-tech equipment are more expensive and \$10k will cover this costs. Since the renovation of the MARC the cost of cleaning services and supplies has gone up an additional \$1,900 per month (\$22,800 annually). A service level increase to the Main Street, Museum and Transit Center bathrooms, cleaning them twice a day during peak seasons at a cost of \$12,000 for cleaning services and \$5,000 for cleaning supplies. Recommended based off established need and high score.
- Engaged and informed citizenry
- Streamlined and flexible operating processes
- Ease of access to desired information for citizens and visitors

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CAPITAL BUDGET

The capital budget, as proposed by the City Manager, continues to fund high priority projects which meet Councils four goals. This year's the City Managers recommended budget has an added emphasis on funding affordable housing projects, which has been identified by Council as a critical priority. The following table shows a summary of current major projects with proposed funding amounts.

| Major Capital Projects in 5-Year CIP | | | | |
|--|-----------------|-----------------------------|-----------------|------------------|
| Projects | Proposed Budget | Principal Funding Source | Scheduled Start | Scheduled Finish |
| Affordable Housing - 1450-60 Park Avenue | 2,261,750 | Lower Park RDA | 2016 | 2016 |
| Streets and Water Maintenance Building | 3,126,000 | General Fund Transfer | 2017 | 2018 |
| | 1,224,000 | Water Fund | | |
| | 650,000 | Transit Fund | | |
| Affordable Housing - Private Land Development #1 | 2,884,000 | Lower Park RDA | 2016 | 2016 |
| Affordable Housing - Private Land Acquisition #1 | 250,000 | Additional Resort Sales Tax | 2016 | 2016 |
| Affordable Housing - 13th Avenue Corridor | 1,886,000 | Lower Park RDA | 2018 | 2019 |
| Affordable Housing - Old Town Housing | 3,205,000 | Lower Park RDA | 2018 | 2019 |
| Affordable Housing - Land Acquisition/Banking Program | 5,000,000 | Lower Park RDA | 2016 | 2020 |
| | 5,000,000 | Additional Resort Sales Tax | | |
| Affordable Housing - Neighborhood Preservation Program | 10,650,000 | Lower Park RDA | 2016 | 2020 |
| OTIS Phase III(a) | 1,950,000 | Additional Resort Sales Tax | Underway | 2015 |
| Water Projects (2015-2020) | 47,517,553 | Water Revenue (Bonds) | Underway | Phased |
| Storm Water Improvements | 3,999,999 | Additional Resort Sales Tax | Underway | 2017 |
| Prospector Drain - Regulatroy Project | 2,039,655 | General Fund Transfer | Pending | Phased |
| Soil Repository | 1,300,000 | General Fund | 2016 | 2019 |
| Downtown Enhancements Phase II | 3,500,000 | Sales Tax Bond | 2017 | 2017 |
| PCMR Transit Center | 300,000 | Transit Fund | Pending | Pending |
| | 1,200,000 | Federal Grants | | |
| Open Space Acquisition | 4,750,000 | Additional Resort Sales Tax | Pending | Pending |
| Affordable Housing - Multi-Generational Housing | 6,530,000 | Lower Park RDA | Pending | 2017 |
| Prospector Avenue Reconstruction | 230,000 | Impact Fees | 2016 | 2017 |
| | 1,000,000 | Federal Grants | | |
| | 170,000 | General Fund Transfer | | |

Table E15 – Major Capital Projects

Being the second year of a budget biennium, the CIP Committee ranked and evaluated new projects and placed them in the current 5 Year Capital Improvement Plan. This year's CIP committee (Blake Foncesbeck, Jon Weidenhamer, Ken Fisher, Marina Smith, Nate Rockwood, Matt Cassel, Scott Robertson, Kayla Sintz and Matt Twombly) scored and prioritized all new projects and all projects with significant changes in funding types or amounts and integrated them into the 5-Year Capital Improvement Plan. These projects were reviewed and ranked based on five criteria: Objectives (City Council Goals), Funding, Necessity, Previous Investment, and Cost/Benefit. In addition, this year projects were also evaluated and scored based on projects which significantly contributed to Councils identified critical priorities. The CIP requests and recommendations are highlighted in the Expenditures section of the City Manager's Recommended Budget Vol. 1, with a complete detailed CIP report included in the Volume II.

At the time of prioritization, projections showed a general fund transfer to the CIP Fund of approximately \$4.4 million in FY 2015, \$4.3 million in FY 2016, \$3.9 million in FY 2017, \$3.4 million in FY 2018 and \$2.9 million in FY 2019. These figures include approximately \$900K to

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\$1 million in transfers from the General Fund for equipment replacement.

The Committee recommended funding projects requiring operating General Fund transfer in the amount of \$4,422,000 in the current fiscal year, \$4,407,000 in FY 2016 and \$3,940,000 FY 2017, \$3,475,000 in FY 2018 and \$3,180,000 FY 2018 and \$2,830,000 in FY 2020. The recommended project totals then taper from \$3.1 million in FY 2019 to \$2.8 million in FY 2020 to match the amount required to fund the ongoing CIP projects. The City Manager made one adjustment to the CIP committee recommendation, which was to include funding for the Building Permit Issuance Software for the amount of \$18,000 in FY 2016.

As part of the 2015 Council Retreat, Council evaluated and selected two projects to be funded in FY 2015 as part of the Innovation Challenge. Funding for the projects comes from the additional transfer from the General Fund to the CIP (fund 031) remaining in FY 2014. The two projects selected were the Bus Stop Play Project for \$20,000 and the LED Street Light Retrofit Phase I project for \$78,000. The budget for FY 2015 has been adjusted to include these projects. With the adoption of the 2015 Tentative Adjusted Budget these projects will be formally included and approved as part of the FY 2015 Capital Budget.

The total proposed CIP budget (all funds combined) for the FY 2015 Adjusted Budget is \$92.7 million (\$31.3 million original budget and \$61.4 million carry-forward budget). The proposed FY 2016 CIP budget is \$39.7 million; FY 2017 CIP is \$40.3 million. The CIP includes significant debt financing including anticipated debt issuance in the Water Fund, Lower Park Redevelopment Area and in the Capital Fund (fund 031). The General Fund surplus required to fund projects in FY 2015 will be approximately \$4 million—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 Pavement Management, Trails Master Plan Implementation, Traffic Calming, Asset Management, Walkability and Asset Management.

The list below details each of the new projects recommended for funding in the 5-Year CIP for the first time this year:

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| New Project Requests (All Funds Combined) | | | | | | | | | | | |
|---|-------|--|-----------------|------------------------|---------|----------------------------|--------------|-----------|-----------|-----------|-----------|
| New Projects Recommended in 5-Year CIP | | | | | | | | | | | |
| New CIP # | Score | Project Name | Project Manager | Fund | Revenue | Total Project Cost By Fund | Total Budget | | | | |
| | | | | | | | FY 2015 | FY2016 | FY 2017 | FY 2018 | FY 2019 |
| CP0350 | 25.81 | 1450-60 Park Avenue | Robinson | 33 LOWER PARK RDA | | 2,261,750 | | 2,261,750 | | | |
| CP0360 | 23.50 | Old Town Housing | Robinson | 33 LOWER PARK RDA | | 3,205,000 | | | 50,000 | 3,155,000 | |
| CP0358 | 23.47 | Private Land Development #1 | Robinson | 33 LOWER PARK RDA | | 2,884,000 | | 2,884,000 | | | |
| CP0359 | 23.00 | 13th Avenue Corridor | Robinson | 33 LOWER PARK RDA | | 1,886,000 | | | 266,000 | 1,620,000 | |
| CP0369 | 21.97 | Paid Parking Infrastructure for Main Street Area | Fonnesbeck | 57 TRANSIT FUND | | 525,000 | 525,000 | | | | |
| CP0357 | 21.81 | Private Land Acquisition #1 | Robinson | 31 ADD RESORT TAX | | 250,000 | | 250,000 | | | |
| CP0363 | 21.72 | Traffic Management Cameras | Cashel | 57 TRANSIT FUND | | 175,000 | 50,000 | 75,000 | 50,000 | | |
| CP0362 | 20.06 | Neighborhood Preservation Program | Robinson | 33 LOWER PARK RDA | | 10,650,000 | 1,750,000 | 2,225,000 | 2,225,000 | 2,225,000 | 2,225,000 |
| CP0365 | 19.69 | Comstock Tunnel Discharge | Ober | 31 TRANS FR GEN FUND | | 150,000 | 150,000 | | | | |
| CP0361 | 19.69 | Land Acquisition/Banking Program | Robinson | 31 ADD RESORT TAX | | 5,000,000 | 2,000,000 | 750,000 | 750,000 | 750,000 | 750,000 |
| | | | | 33 LOWER PARK RDA | | 5,000,000 | 2,000,000 | 750,000 | 750,000 | 750,000 | 750,000 |
| CP0349 | 19.14 | Payment for snow storage lot | McAfee | 31 TRANS FR GEN FUND | | 170,000 | | 170,000 | | | |
| CP0368 | 19.08 | Video Storage Array | Robertson | 31 TRANS FR GEN FUND | | 40,000 | | 40,000 | | | |
| CP0366 | 18.69 | HR: Applicant Tracking Software (Recruiting software) | Robertson | 31 TRANS FR GEN FUND | | 6,000 | | 6,000 | | | |
| | | | | 51 WATER SERVICE FEES | | 2,000 | | 2,000 | | | |
| | | | | 55 GOLF FEES | | 1,000 | | 1,000 | | | |
| | | | | 57 TRANSIT SALES TAX | | 6,000 | | 6,000 | | | |
| CP0367 | 18.56 | Replacement of Data Backup System | Robertson | 31 TRANS FR GEN FUND | | 100,000 | 100,000 | | | | |
| | 18.42 | Public Art | Rockwood | 31 TRANS FR GEN FUND | | 225,000 | | 75,000 | 75,000 | 75,000 | |
| | | | | 31 LOWER PARK RDA | | 75,000 | | 25,000 | 25,000 | 25,000 | |
| CP0352 | 18.31 | Parks Irrigation System Efficiency Improvements | Fonnesbeck | 31 TRANS FR GEN FUND | | On going | | 25,000 | 25,000 | 25,000 | 25,000 |
| CP0348 | 18.19 | McPolin Farm Barn Seismic Upgrade | Carey | 31 TRANS FR GEN FUND | | 800,000 | | 800,000 | | | |
| CP0354 | 18.00 | Streets and Water Maintenance Building | McAfee | 31 TRANS FR GEN FUND | | 2,700,000 | 385,221 | 1,442,418 | 872,361 | | |
| | | | | 51 WATER FUND | | 2,700,000 | | 2,700,000 | | | |
| | | | | 57 TRANSIT FUND | | 650,000 | | 650,000 | | | |
| CP0356 | 17.17 | Expand Rental Locker Capacity | Noel | 31 TRANS FR GEN FUND | | 8,518 | 8,518 | | | | |
| CP0353 | 17.00 | Remote snow storage site improvements | McAfee | 31 TRANS FR GEN FUND | | 100,000 | | 25,000 | 25,000 | 50,000 | |
| CP0378 | 16.19 | Legal Software for Electronic Document Management and Workflow | Robertson | 31 TRANS FR GEN FUND | | 35,000 | 35,000 | | | | |
| CP0351 | 15.94 | Artificial Turf Replacement Quinn's | Fonnesbeck | 31 TRANS FR GEN FUND | | 600,000 | | | | | 600,000 |
| CP0364 | 15.67 | Master Plan for Recreation Amenities | Fisher | 31 IMPACT FEES OPEN | | 126,000 | 101,000 | 25,000 | | | |
| CP0374 | 15.61 | Building Permit Issuance Software (City Manager Recommended) | Robertson | 31 TRANS FR GEN FUND | | 18,000 | | 18,000 | | | |
| CP0376 | | Bus Stop Play Project | Fisher | 31 BEGINNING BALANCE | | 20,000 | 20,000 | | | | |
| CP0372 | | Regionalization Fee | McAfee | 51 WATER SERVICE FEES | | 200,000 | | | | | 200,000 |
| CP0371 | | C1 - Quinns WTP to Boothill - Phase 1 | McAfee | 51 WATER SERVICE FEES | | 1,101,080 | | | | | 1,101,080 |
| CP0370 | | C7 - Neck Tank to Last Chance | McAfee | 51 WATER SERVICE FEES | | 320,707 | | | | | 320,707 |
| CP0375 | | LED Streets Lights Phase I | Fonnesbeck | 31 BEGINNING BALANCE | | 78,000 | 78,000 | | | | |
| CP0373 | | Operational Water Storage Pond | McAfee | 51 WATER SERVICE FEES | | 2,700,000 | | | 2,700,000 | | |
| CP0377 | | Park City Disc Golf | Rockwood | 31 IMPACT FEES OPEN | | 35,000 | 35,000 | | | | |
| CP0380 | | Parks and Golf Maintenance Buildings | Fonnesbeck | 31 TRANS FR GEN FUND | | 426,000 | | 426,000 | | | |
| | | | | 33 LOWER PARK RDA | | 204,000 | | 204,000 | | | |
| | | | | 51 WATER SERVICE FEES | | 770,000 | | 770,000 | | | |
| | | | | 57 TRANSIT FUND | | 100,000 | | 100,000 | | | |
| CP0379 | | Little Bessie Storm Drains | Cassel | 31 2015 SALES TAX BOND | | 270,000 | 270,000 | | | | |

Table E16– Recommended New CIP Amounts

The following figure shows projects that were not recommended for funding in the 5-Year CIP

| New Project Requests (All Funds Combined) | | | | | | | | | | | |
|--|-------|---|-----------------|----------------------|---------|----------------------------|--------------|-----------|--------------------------------------|---------|---------|
| New Projects Not Recommended in 5-Year CIP | | | | | | | | | | | |
| New CIP # | Score | Project Name | Project Manager | Fund | Revenue | Total Project Cost By Fund | Total Budget | | | | |
| | | | | | | | FY 2015 | FY2016 | FY 2017 | FY 2018 | FY 2019 |
| 000374 | 17.78 | Energy Management Project | Noel | 31 TRANS FR GEN FUND | | 128,000 | 53,000 | 37,500 | 20,000 | 17,500 | |
| 000364 | 15.47 | LED Street lights Phase II | Fonnesbeck | 31 TRANS FR GEN FUND | | 135,000 | | 135,000 | Funded with revolving loan fund | | |
| 000397 | 15.11 | HR: Human Resource Management System | Robertson | 31 TRANS FR GEN FUND | | 65,000 | | 35,000 | 30,000 | | |
| 000375 | 15.03 | Redundancy Projects | Noel | 31 TRANS FR GEN FUND | | 40,000 | 15,000 | 25,000 | Funded by ice assessment management | | |
| 000393 | 14.47 | Upper Silver Creek LOMA | Cassel | 31 TRANS FR GEN FUND | | 75,000 | | 75,000 | | | |
| 000335 | 14.31 | Feasibility & Conceptual Design Indoor Field Space | Fisher | 31 TRANS FR GEN FUND | | 33,000 | | 33,000 | Funded by impact fees in Master Plan | | |
| 000333 | 13.78 | Feasibility & Conceptual Design for Indoor Aquatics | Fisher | 31 TRANS FR GEN FUND | | 33,000 | | 33,000 | Funded by impact fees in Master Plan | | |
| 000377 | 13.42 | Ice Rink Expansion | Noel | 31 DEBT SERVICE | | 8,000,000 | | 8,000,000 | | | |
| 000389 | 13.36 | Library Book Sorter | Twombly | 31 TRANS FR GEN FUND | | 110,000 | | 110,000 | | | |
| 000348 | 12.92 | Additional Parking/ P.C. Police Building | Gustafson | 31 TRANS FR GEN FUND | | 1,500,000 | | 1,500,000 | | | |
| 000394 | 12.83 | Innovation program with U of U Civil Engineering Department | Cassel | 31 TRANS FR GEN FUND | | 10,000 | | 10,000 | | | |

Table E17 –New CIP Amounts Not Recommended

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The following table shows all projects funded with the general fund transfer, in order of how each project was scored by the CIP Committee.

| Projects Recommended in 5-Year CIP (General Fund Transfer) | | | | | | | | |
|--|-----------|--|------------------|------------------|------------------|------------------|------------------|------------------|
| CIP # | Score | Project Name | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2020 |
| CP0006 | 26.36 | Pavement Managment Implementation | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| CP0150 | 24.58 | Ice Facility Capital Replacement | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| CP0075 | 23.47 | Equipment Replacement - Computer | 275,000 | 296,000 | 296,000 | 296,000 | 296,000 | 296,000 |
| CP0146 | 23.47 | Asset Management/Replacement Program | 552,709 | 552,709 | 552,709 | 552,709 | 552,709 | 552,709 |
| CP0312 | 23.42 | Fleet Management Software | 27,000 | - | - | - | - | - |
| CP0336 | 23.00 | Prospector Avenue Reconstruction | - | 170,000 | - | - | - | - |
| CP0267 | 22.81 | Soil Repository | - | 300,000 | - | - | 1,000,000 | - |
| CP0278 | 21.97 | Royal Street | 1,250,000 | - | - | - | - | - |
| CP0325 | 21.83 | Network & Security Enhancements | 80,000 | - | - | - | - | - |
| CP0290 | 21.53 | APP Development | 60,000 | - | - | - | - | - |
| CP0074 | 21.47 | Equipment Replacement - Rolling Stock | 650,000 | 700,000 | 700,000 | 750,000 | 750,000 | 800,000 |
| CP0217 | 21.36 | Emergency Management Program | 10,000 | 10,000 | - | - | - | - |
| CP0061 | 20.89 | Economic Development | 25,000 | 25,000 | 25,000 | - | - | - |
| CP0339 | 20.81 | Fiber Connection to Quinn's Ice & Water | 65,000 | - | - | - | - | - |
| CP0333 | 20.64 | Engineering Survey Monument Re-establish | 10,000 | 5,000 | 5,000 | - | - | - |
| CP0041 | 20.53 | Trails Master Plan Implementation | 45,000 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 |
| CP0017 | 20.42 | ADA Implementation | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| CP0250 | 20.31 | Irrigation Controller Replacement | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| CP0191 | 19.97 | Walkability Maintenance | 40,500 | 40,500 | 40,500 | 40,500 | 40,500 | 40,500 |
| CP0340 | 19.94 | Fleet Shop Equipment Replacement | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 |
| CP0365 | 19.69 | Comstock Tunnel Discharge | 150,000 | - | - | - | - | - |
| CP0036 | 19.69 | Traffic Calming | 37,500 | 37,500 | 10,000 | 10,000 | - | - |
| CP0142 | 19.61 | Racquet Club Program Equipment Replaceme | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 |
| CP0231 | 19.47 | Mortgage Assistance Program | -20,000 | - | - | - | - | - |
| CP0264 | 19.25 | Security Projects | 25,000 | 50,000 | - | - | - | - |
| CP0349 | 19.14 | Payment for snow storage lot | - | 170,000 | - | - | - | - |
| CP0368 | 19.08 | Video Storage Array | - | 40,000 | - | - | - | - |
| CP0251 | 19.06 | Electronic Record Archiving | 6,000 | - | - | - | - | - |
| CP0366 | 18.69 | HR: Applicant Tracking Software (Recruiting software) | - | 6,000 | - | - | - | - |
| CP0367 | 18.56 | Replacement of Data Backup System | 100,000 | - | - | - | - | - |
| CP0089 | 18.42 | Public Art | - | 75,000 | 75,000 | 75,000 | - | - |
| CP0280 | 18.42 | Aquatics Equipment Replacement | 11,250 | 11,250 | 11,250 | 11,250 | 11,250 | 11,250 |
| CP0352 | 18.31 | Parks Irrigation System Efficiency Improvements | - | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| CP0348 | 18.19 | McPolin Farm Barn Seismic Upgrade | - | 800,000 | - | - | - | - |
| CP0229 | 18.17 | Dredge Prospector Pond | - | - | - | 150,000 | - | - |
| CP0354 | 18.00 | Streets and Water Maintenance Building | - | 385,221 | 1,442,418 | 872,361 | - | - |
| CP0332 | 17.86 | Library Technology Equipment Replacement | 14,387 | 24,387 | 24,387 | 24,387 | 24,387 | 24,387 |
| CP0337 | 17.67 | Solar Installation - MARC | 426,800 | - | - | - | - | - |
| CP0356 | 17.17 | Expand Rental Locker Capacity | 8,518 | - | - | - | - | - |
| CP0353 | 17.00 | Remote snow storage site improvements | - | 25,000 | 25,000 | 50,000 | - | - |
| CP0378 | 16.19 | Legal Software for Electronic Document Management and Workflow | 35,000 | - | - | - | - | - |
| CP0351 | 15.94 | Artificial Turf Replacement Quinn's | - | - | - | - | - | 600,000 |
| CP0374 | 15.61 | Building Permit Issuance Software (City Manager Recommended) | - | 18,000 | - | - | - | - |
| CP0214 | Not Rated | Racquet Club Renovation | (12,865) | - | - | - | - | - |
| CP0042 | Not Rated | Property Improvements Gilmore O.S. | 100,000 | 100,000 | - | - | - | - |
| CP0380 | Not Rated | Parks and Golf Maintenance Buildings | - | - | 426,000 | - | - | - |
| Total | | | 4,421,799 | 4,346,567 | 4,138,264 | 3,337,207 | 3,179,846 | 2,829,846 |

Figure E18 – Projects Recommended in 5-Year CIP (General Fund Transfer)

New Ongoing CIPs

The following table E9 shows ongoing General Fund projects in the 5-Year CIP. This year's CIP includes two new ongoing capital replacement projects.

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| Ongoing CIP Projects with General Fund Transfer as Funding Source | | | | | | | |
|---|--|------------------|------------------|------------------|------------------|------------------|------------------|
| CIP# | Project Name | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2020 |
| CP0352 | <i>Parks Irrigation System Efficiency Improvements</i> | | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| CP0006 | Pavement Management Implementation | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| CP0041 | Trails Master Plan Implementation | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 |
| CP0074 | Equipment Replacement - Rolling Stock | 650,000 | 700,000 | 700,000 | 750,000 | 750,000 | 800,000 |
| CP0075 | Equipment Replacement - Computer | 275,000 | 296,000 | 296,000 | 296,000 | 296,000 | 296,000 |
| CP0142 | Racquet Club Program Equipment Replaceme | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 |
| CP0146 | Asset Management/Replacement Program | 552,709 | 552,709 | 552,709 | 552,709 | 552,709 | 552,709 |
| CP0150 | <i>Ice Facility Capital Replacement</i> | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| CP0191 | Walkability Maintenance | 40,500 | 40,500 | 40,500 | 40,500 | 40,500 | 40,500 |
| CP0250 | Irrigation Controller Replacement | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| CP0280 | Aquatics Equipment Replacement | 11,250 | 11,250 | 11,250 | 11,250 | 11,250 | 11,250 |
| CP0332 | Library Technology Equipment Replacement | 14,387 | 24,387 | 24,387 | 24,387 | 24,387 | 24,387 |
| CP0340 | Fleet Shop Equipment Replacement | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 |
| Total | | 2,018,846 | 2,124,846 | 2,124,846 | 2,174,846 | 2,174,846 | 2,224,846 |

Figure E19 – Ongoing CIP Projects with General Fund Transfer as Funding Source

Parks Irrigation System Efficiency Improvements

Many of the Parks irrigation systems are outdated and in need of a system upgrade to improve efficiencies. The purpose of the Parks Irrigation System Efficiency project is to create a program to fund irrigation system improvement to increase system efficiencies. Some of our irrigation systems are approaching 30 years old and in need of an upgrade. With new irrigation equipment or modifications, current systems could be updated to improve system efficiencies. The program would include:

- Perform a water audit using a certified third party auditor to test the distribution uniformity (DU) of the larger systems.
- Evaluate each park design and functionality; identify opportunities to modify existing park area to create a lower water use landscape.
- Use audit information to identify inefficiencies in each system and outline future projects.
- Create a program to systematically upgrade irrigation system and/or landscaping.
- Following system upgrades, the park would be retested to verify efficiency increases. The program would be an on-going program investing 25,000 annually.

Ice Facility Capital Replacement

The Ice Facility currently receives \$50,000 annually from Snyderville Basin Recreation District to be used for annual and long term capital facilities asset management. As the facility is approaching 10 years in operation the capital facility replacement needs have increased. The City Managers Recommended Budget includes an additional \$50,000 annual contribution from the City's general fund transfer for necessary capital replacement needs. The Ice Facility Staff has created a 10 and 20 year capital replacement plan. This plan includes necessary replacement but also includes efficiency system upgrades which will result in ongoing operations savings. These include improvements such as Dehumidifier Desiccant Wheel Replacement, Replacing tank-less water heaters, Compressor Un-loaders, Wrapping Ducts, Electrical Evaluation with installation of appropriate power management capacitors, and LED lighting upgrades.

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Major Project Adjustment and Updates Prospector Drain

On January 10, 2013, Council reviewed, approved, and signed the Proposed Administrative Order on Consent (Settlement Agreement) for Richardson Flat Tailings Site OU4 (the Prospector Drain) negotiated by Park City Municipal Corporation staff, the Environmental Protection Agency, the U.S. Fish and Wildlife Service, the Bureau of Land Management and the Utah Department of Environmental Quality. This Settlement Agreement provides for the preparation and performance of an Engineering Evaluation/Cost Analysis (EE/CA) and a non-time critical removal action for OU4. The Prospector Drain is a shallow groundwater drain underneath a portion of a historic tailings pond that has been developed with residences on the surface. The project will include site characterization, risk assessment, the development of removal action alternatives and their respective costs, and implementation of selected removal action.

The project is being done under an Administrative Order on Consent with the EPA to address the discharge of metals impacted water from the Prospector Drain and Biocell. Project involves first conducting an Engineering Evaluation and Cost Analysis, then selecting a remedial action and implementation. In addition, a Natural Resource Damage Assessment (NRDA) must be done that will determine compensatory restitution for damages to natural resources.

Previously the Prospector Drain was funded as a capital project in the Water Fund, however based on the recommendation of the city's financial audit it was determined that the project should be funded within the capital improvements fund (Fund 31), It is the recommendation of the environmental team that previously allocated environmental CIP funds should be used on the high priority Prospector Drain project. Funding for this project was moved up to FY 2014 to cover current costs associated with the project. The current budget is based on a better understanding of potential outcomes and regulatory requirements of the project. In addition, we now have a better understanding of agency costs and NRDA costs.

We are not 100% certain the EPA will require a treatment plant to be built. But this is a realistic, worst case scenario. In the case where we are require to build a treatment facility, there will be an ongoing operating expense for routine maintenance. This amounts to potentially \$420,000 estimated annual O&M (includes 25% contingency).

Housing Action Plan

In December 2014, City Council identified Affordable, Attainable and Middle Income Housing as a critical priority. On February 5, 2015 the City's Community Affairs Manager and Housing Specialist presented an overview of the current state of housing in Park City, 2014 accomplishments, a one-year action plan and five year targets. At that time staff also committed to return monthly to City Council on housing –related topics. Staff has presented the Housing Action Plan to reflect both actions taken and actions planned through June 30, 2019.

The four program areas of the plan are: Housing Regulatory Tools, Neighborhood Preservation Pilot Program, City Sponsored Development and Land Acquisition/Disposition. As committed to Council, staff will continue to update this action plan monthly to reflect completed items, updated timelines and provide greater levels of detail as programs become more defined. The

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updates and action plan are laid out in a built point check list format (see below). Descriptions and Budget Amounts for individual projects are outline in the project descriptions contained in the Budget Document Vol. II.

Funding for the proposed housing action plan are recommended from two primary funding sources: the Lower Park RDA & the Additional Resort Communities Sales Tax (see Additional Resort Communities Sales Tax section below).

Regulatory Tools

- **Housing Nexus Review & Code Barrier(s) Analysis**
- **Housing Resolution Update**
- **Inclusionary Housing Plans**
- **Compliance**

| Actions Taken | July 1 – September 30, 2015 | July 1, 2016 – June 30, 2017 |
|---|---|--|
| <ul style="list-style-type: none"> ✓ Deed restrictions for Park City Heights Recorded ✓ Request for Proposals(RFP) for Housing Nexus Review and Housing Barrier Analysis issued | <ul style="list-style-type: none"> <input type="checkbox"/> Review of Nexus and Barrier studies <input type="checkbox"/> Housing Resolution Update <input type="checkbox"/> Vail Housing Plan review (potential) | <ul style="list-style-type: none"> <input type="checkbox"/> Annual compliance review of deed restricted units <input type="checkbox"/> Housing Resolution Review <input type="checkbox"/> Park City Heights sales continue |
| <p style="text-align: center;">Through June 30, 2015</p> <ul style="list-style-type: none"> <input type="checkbox"/> Award of contract for Housing Nexus Review and Barrier Analysis <input type="checkbox"/> IHC Housing Plan to Housing Authority <input type="checkbox"/> Central Park City Condos to Housing Authority | <p style="text-align: center;">October 1 – December 31, 2015</p> <ul style="list-style-type: none"> <input type="checkbox"/> Annual compliance review of deed restricted units <input type="checkbox"/> Park City Heights sales begin <input type="checkbox"/> Review of barrier to housing development and recommendations <input type="checkbox"/> Treasure Hill Housing Plan review (potential) | <p style="text-align: center;">July 1, 2017 – June 30, 2018</p> <ul style="list-style-type: none"> <input type="checkbox"/> Annual compliance review of deed restricted units <input type="checkbox"/> Housing Resolution Review <input type="checkbox"/> Park City Heights sales continue |
| | <p style="text-align: center;">January 1 – June 30, 2016</p> <ul style="list-style-type: none"> <input type="checkbox"/> Annual compliance review of deed restricted units <input type="checkbox"/> Implement Code Changes, as necessary <input type="checkbox"/> Park City Heights sales continue | |

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City Sponsored Development

- 1450/1460 Park Avenue
- City-owned land in Lower Park Avenue
- New city projects

Actions Taken

1450/60 Park Avenue

- ✓ Massing studies complete
- ✓ Request for Proposals for Architecture and Engineering Services issued
- ✓ Capital budget requests submitted
- ✓ Discussion with Planning Department on historic property options
- ✓ Soils and industrial hygienist testing

Lower Park Avenue

- ✓ Letter of Intent for Design Studio issued
- ✓ Stakeholder interviews underway
- ✓ Capital budget request submitted

New City Projects

- ✓ Housing feasibility for Brew Pub lot in RFP

Through June 30, 2015

1450/60 Park Avenue

- Architecture and engineering commences
- Community Outreach

Lower Park Avenue

- Stakeholder interviews complete
- Community gathering and input (May 19)
- Design Studio Selection (May 20)
- Design Studio Webinar (June 5)
- What's Next Gathering Update (June 30)

New City Projects

- Further milestones to be developed, if necessary, based on brew pub lot feasibility
- Develop policy parameters for considering affordable housing in city projects.

July 1 - Sept 30, 2015

1450/60 Park Avenue

- Entitlement process begins

Lower Park Avenue

- Design studio & presentations (July 13-16)
- Council recommendation on preferred option, development structure and timing
- Request(s) for proposals issued
- Negotiated development plan to Council
- Community outreach

New City Projects

- Future milestones TBD

Sept 30 – December 31, 2015

1450/60 Park Avenue

- Entitlement process concludes

Lower Park Avenue

- Request for Proposals for Architecture and Engineering or Joint Venture services issued and awarded

New City Projects

- Future milestones to be developed

January 1 – June 30, 2016

1450/60 Park Avenue

- Construction drawings bid
- Construction start May 2016

Lower Park Avenue

- Development and entitlement process begins (scope TBD)

New City Projects

- Future milestones TBD

July 1, 2016 – June 30, 2017

1450/60 Park Avenue

- Sale of units Fall 2016
- Project closeout Fall 2016

Lower Park Avenue

- Scope to be determined
- Development continues

New City Projects

- Future milestones to be developed

July 1, 2017 – June 30, 2018

Lower Park Avenue

- Development continues

New City Projects

- Future milestones to be developed

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| Land Acquisition and/or Disposition | | |
|---|--|---|
| <ul style="list-style-type: none"> • Parcel Identification • Feasibility Studies • Policy Development | | |
| <p style="text-align: center;">Actions Taken</p> <ul style="list-style-type: none"> ✓ Potential for affordable housing incorporated into City Property Master Plan. ✓ Capital budget request submitted <p style="text-align: center;">Through June 30, 2015</p> <ul style="list-style-type: none"> <input type="checkbox"/> Feasibility analysis and/or implementation as potential sites are identified | <p style="text-align: center;">July 1 – September 30, 2015</p> <ul style="list-style-type: none"> <input type="checkbox"/> Feasibility analysis and/or implementation as potential sites are identified <p style="text-align: center;">October 1 – December 31, 2015</p> <ul style="list-style-type: none"> <input type="checkbox"/> Feasibility analysis and/or implementation as potential sites are identified. <p style="text-align: center;">January 1 – June 30, 2016</p> <ul style="list-style-type: none"> <input type="checkbox"/> Feasibility analysis and/or implementation as potential sites are identified | <p style="text-align: center;">July 1, 2016 – June 30, 2017</p> <ul style="list-style-type: none"> <input type="checkbox"/> Feasibility analysis and/or implementation as potential sites are identified <p style="text-align: center;">July 1, 2017 – June 30, 2018</p> <ul style="list-style-type: none"> <input type="checkbox"/> Feasibility analysis and/or implementation as potential sites are identified |

| Neighborhood Preservation Pilot Program | | |
|--|--|--|
| <p style="text-align: center;">Actions Taken</p> <ul style="list-style-type: none"> ✓ Worked with Capital Improvement Project (CIP) Committee on recommended significant funding allocation for this program <p style="text-align: center;">Through June 30, 2015</p> <ul style="list-style-type: none"> <input type="checkbox"/> Identify program models and best practices | <p style="text-align: center;">July 1 – September 30, 2015</p> <ul style="list-style-type: none"> <input type="checkbox"/> Draft program parameters <p style="text-align: center;">October 1 – December 31, 2015</p> <ul style="list-style-type: none"> <input type="checkbox"/> Revised program parameters <input type="checkbox"/> Community outreach/input <input type="checkbox"/> Internal coordination with budget, finance and legal <p style="text-align: center;">January 1, 2016 – June 30, 2016</p> <ul style="list-style-type: none"> <input type="checkbox"/> Work session on program design <input type="checkbox"/> Community outreach <input type="checkbox"/> Property Identification | <p style="text-align: center;">July 1, 2016 – June 30, 2017</p> <ul style="list-style-type: none"> <input type="checkbox"/> Begin implementation, if feasible <p style="text-align: center;">July 1, 2017 – June 30, 2018</p> <ul style="list-style-type: none"> <input type="checkbox"/> Implementation continues |

Figure E20 – Housing Action Plan

The City Manager’s Recommended Budget contained over \$31 million in new affordable, middle income and attainable housing projects over the next 5 years. Funding for the proposed housing projects recommended from two primary funding sources: the Lower Park RDA & the Additional Resort Communities Sales Tax (see Additional Resort Communities Sales Tax section below). The following table details recommended funding for affordable housing

EXPENSES

projects.

| CIP Projects - Affordable Housing | | | | | | | | | |
|-----------------------------------|-----------------------------------|------|-----------------------|---------------------|-------------------|------------------|------------------|------------------|------------------|
| CIP# | Project Name | Fund | Revenue | Total Cost | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2020 |
| CP0350 | 1450-60 Park Avenue | 33 | Lower Park RDA | \$ 2,261,750 | 2,261,750 | | | | |
| CP0357 | Private Land Acquisition #1 | 31 | Additional Resort Tax | \$ 250,000 | 250,000 | | | | |
| CP0358 | Private Land Development #1 | 33 | Lower Park RDA | \$ 2,884,000 | 2,884,000 | | | | |
| CP0359 | 13th Avenue Corridor | 33 | Lower Park RDA | \$ 1,886,000 | | | 266,000 | 1,620,000 | |
| CP0360 | Old Town Housing | 33 | Lower Park RDA | \$ 3,205,000 | | | 50,000 | 3,155,000 | |
| CP0361 | Land Acquisition/Banking Program | 31 | Additional Resort Tax | \$ 5,000,000 | 2,000,000 | 750,000 | 750,000 | 750,000 | 750,000 |
| | | 33 | Lower Park RDA | \$ 5,000,000 | 2,000,000 | 750,000 | 750,000 | 750,000 | 750,000 |
| CP0362 | Neighborhood Preservation Program | 33 | Lower Park RDA | \$10,650,000 | 1,750,000 | 2,225,000 | 2,225,000 | 2,225,000 | 2,225,000 |
| Total | | | | \$31,136,750 | 11,145,750 | 3,725,000 | 4,041,000 | 8,500,000 | 3,725,000 |

Tables E21 – CIP Projects – Affordable Housing

It is recommended that the bulk of Housing Land Acquisitions, to the extent possible, come from the Additional Resort Communities Sales Tax. This will allow the most flexibility for land acquisitions while properties are evaluated for affordable housing projects. Projects which are outside the RDA and are not considered affordable housing will likely be funded through the Additional Resort Communities Sales Tax. Affordable housing construction projects are recommended to be financed through the Lower Park RDA. Proceeds from sales of affordable housing units will be returned to the RDA to be put into the next set of affordable housing projects or economic development projects in the RDA. Staff has developed finance models for both the Lower Park RDA and the Additional Resort Communities Sales Tax which will be presented to Council as part of the FY 2016 Budget Hearings.

Deer Valley Drive

The Deer Valley Drive Reconstruction project was originally funded for FY2011 as part of the FY 2008 budget process. The project includes the reconstruction of Deer Valley Drive including water infrastructure as well as walkable/functional and aesthetic improvements to the street. The project has been divided into two phase. Phase I was partially funded with federal funds (\$1M), water service fees (\$1.6M), storm water funds (Additional Resort Sales Tax \$760K) and General Fund transfer (\$441K). In FY2014 Council authorized the use the Additional Resort Communities Sales Tax as the funding source for phase II (\$950K).

The first phase of the Deer Valley Drive Reconstruction project included replacement of the existing collapsed storm drain, replacement of the gas line (work and design to be performed by Questar Gas), replacement of the existing distribution water line, pedestrian modifications at the round-about, left turn lane at the intersection of Deer Valley Drive and Deer Valley Drive North, bus pullouts, speed limit feedback signs, pedestrian lighting from the round-about to Sunnyside Drive, update of signage and road resurfacing.

The proposed second phase of the Deer Valley Drive Reconstruction project would include additional pedestrian lighting, crosswalks, possible bus shelters/bus stop amenities, cleaning of the creek, landscaping improvements along the corridor, a new entry feature near the intersection of Deer Valley Drive and Deer Valley Drive north, and improved sidewalks. This project was

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delayed in FY 2014 due to poor bid response but has since been rebid and construction will begin in Spring of FY 2015.

Streets and Water Maintenance Building

Due to explosive growth in Park City and increasing Federal and State regulations, additional land and financial capital must be allocated for the expansion of operational and administrative needs in order to continue the current Level of Service (LOS) provided by Public Works and Public Utilities. Park City's greatest assets include the built infrastructure and natural environments which offer a truly world class experience and lifestyle. Management of these assets and the services provided by Public Works and Public Utilities has provided the foundation for our unprecedented success and we must prioritize and invest in securing the long term Public Works and Public Utilities resource needs to achieve Council's vision and goals. Required resources include adequate space for equipment and material storage, employee workspaces, training and meeting spaces, and customer service. To continue the current LOS in the face of these challenges, we must expand our physical operational space and provide the tools, resources, and basic administrative needs for staff at all levels.

Staff has not finalized a detailed study or design but it is estimated that the Public Utilities Team (Water, Streets, and Storm Water) will need at least 5 acres of space to contain existing equipment, materials, and administrative needs. This area would include enclosed equipment storage; a laydown yard for material, equipment, storage, and staging; administrative space; and customer access.

Staff is also proposing the construction of a small operational storage reservoir. Water storage provides the ability to equalize peak flows and provide redundancy. This smaller storage reservoir would be a part of our existing Rockport Water Importation System which the City spent over \$45M on over the past 10 years. This importation system is critical to the water supply for Park City both in the summer peak months and during the snowmaking season. However, there is a large amount of risk associated with this water supply as it relies on an extremely large pump station near Rockport Reservoir and approximately 14 miles of high pressure pipeline to transport water to Quinns WTP. Failure of any of this infrastructure or a short term water quality upset condition in the Weber River upstream of Rockport Reservoir would compromise this critical water supply. A large water storage reservoir, would significantly mitigate this risk by storing water that could be treated at Quinns WTP. It is likely that even if the Rockport system failed, several of the City's other sources would continue to produce water and water stored in this reservoir could supplement the water supply for several days and in most cases several weeks. In a major event when power to the entire City is lost, water stored in this reservoir could still be treated as Quinns WTP has a generator capable of running the entire treatment and pumping process.

Walkability Projects

To date, approximately \$7,900,000 has been utilized to fund the twenty seven substantially completed projects. \$7,170,000 in voter approved bond funds remain from the \$15 Million bond initiative. On March 5, 2013, staff presented a walkability update which included the remaining walkability project list and proposed project timeline to Council. At that time Council indicated

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that they were in favor of moving forward with the listed walkability projects and authorized issuing a General Obligation (GO) Bond for the remaining \$7,175,000 of voter approved Walkability GO Bonds.

Two of the thirty six WALC Projects remain. These two projects are located within the Dans-Jans corridor. Pathway construction on the west side of Park Avenue and significant portions of the east side, is currently out to bid and anticipated to be completed by November 2015. The remaining portions of the pathway on the east side of Park Avenue and an underpass at Kearns Boulevard is in the design phase with construction tentatively scheduled for 2016.

Prospector Avenue Reconstruction

Park City is slated to receive \$1,000,000 in Small Urban Fund Grant money in 2016. These funds require a 7% match but also have strict restrictions on how they are used. The CIP money requested is to allow our staff to complete the project in one season. Elements of the project include updated storm drains, sidewalks, bus pullouts, additional lighting, resurfacing of the road, bike lanes, etc. This project is scheduled for FY 2016, additional details including scope, schedules and community and business impacts will be discussed in detail as the project is designed and developed.

McPolin Farm Seismic Upgrade

The McPolin farm is considered a historic icon in the entryway corridor to Park City. The existing structure is currently inadequate to resist snow loads, wind loads and high seismic loads required by local building codes. There are several structural deficiencies with the general framing of the building that should be repaired. The connection of the floor beams to the exterior wood post needs to be strengthened, the gable walls need to be stiffened and the floor framing at the stairs need to be strengthened. The gable walls need to be stiffened and the floor framing at the stairs needs to be strengthened. Under design snow loads, the roof structure is highly overstressed. Over the last year, staff and the Friends of the Farm Committee have presented several options to Council on was to preserve or improve the facility. Based on Council's discussions the current 5-year CIP includes \$800,000 in the FY 2016 budget. This amount would be sufficient to do the "middle" option which includes fixing all structural issues including adding a new structurally sound foundation and structural system, removing the internal cables and replacing the windows. Council should have further discussions regarding this project to assure that the current direction is appropriate.

Additional Resort Communities Sales Tax

In FY 2014 the City secured an additional funding source with the Additional Resort Communities Sales and Use Tax (ARST). It was anticipated that the ARST would generate approximately \$3.2 million in FY 2014. The amount actually received was just over \$3.5 million. The full amount of the anticipated revenue was designated to be received in the City's Capital Improvement Fund. The total allocation of the ARST funds will be adjusted each year as part of the CIP process. The potential funding type will vary between cash and debt as project timing is adjusted to match projected project expenditures. To date the City has issued two Sales Revenue Bonds in FY 2014 & FY 2015 totaling \$17,375,000 and leveraged approximately 35 percent of the Additional Resort Sales Tax until FY 2029.

EXPENSES

The A/B scenario originally adopted by Council during the FY 2013 budget process designates total funding between 2014 and 2021 to the following capital projects:

| Additional Resort Communities Sales Tax - Cash and Bonds | | |
|--|-------------------------|----------------------------|
| Designated Project 2014 - 2021 | Total Funding Amount | Amount Expended to Date |
| Historic Park City/ Main Street & Downtown Projects | \$14.5 M | \$800 K + (\$3 M GOED) |
| OTIS | \$8.5 M | \$2.1 M |
| Open Space | \$15 M | \$10.24 M |
| Storm Drain Improvements | \$8.5 M | \$886 K |
| Total | \$46.5 M | \$14 M |

Table E22 – Additional Resort Communities Sales Tax Total Allocated Project Funding Table

Additionally the City secured a \$3,000,000 economic development grant from the State of Utah Governor’s Office of Economic Development for the Historic Park City Main Street & Downtown project. These funds have been used to offset the total \$14.5 million downtown project therefore freeing up ARST funds for other appropriate capital projects or for additional expenditures for the Main Street project.

The following table shows the recommended ARST capital plan including \$5.25 million affordable housing recommendation:

| Long Range Financial Model Scenario A/B - Accelerated funding for OTIS (with FY 2016 Affordable Housing Projects) | | | | | | | | | | | |
|---|--------------|---------------|----------------------------------|--------------|--------------|--------------|--------------|--------------|------------|--------------|------------|
| Project | Funding Type | Total Funding | Funding Available by Fiscal Year | | | | | | | | |
| | | | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 |
| OTIS (Phase A) | Cash | \$ 1,800,000 | \$ 1,800,000 | | | | | | | | |
| OTIS (Phase B) | Debt | \$ 2,300,000 | | \$ 2,300,000 | | | | | | | |
| OTIS (Phase C) | Cash | \$ 1,900,000 | | | \$ 633,333 | \$ 633,333 | \$ 633,333 | | | | |
| OTIS (Phase D) | Debt | \$ 2,500,000 | | | | | \$ 2,500,000 | | | | |
| Downtown Projects (Phase II) | Debt | \$ 3,000,000 | \$ 3,000,000 | | | | | | | | |
| Downtown Projects (Phase III) | Debt | \$ 3,500,000 | | | | \$ 3,500,000 | | | | | |
| Downtown Projects (Phase IV) | Debt | \$ 3,200,000 | | | | | | \$ 3,200,000 | | | |
| Downtown Projects (Cash) | Cash | \$ 1,800,000 | | | \$ 360,000 | \$ 360,000 | \$ 360,000 | \$ 360,000 | \$ 360,000 | | |
| Additional Open Space (Phase I) | Debt | \$ 3,000,000 | \$ 3,000,000 | | | | | | | | |
| Additional Open Space (Phase II) | Debt | \$ 4,000,000 | | \$ 4,000,000 | | | | | | | |
| Additional Open Space (Phase III) | Debt | \$ 5,000,000 | | | | \$ 5,000,000 | | | | | |
| Additional Open Space (Cash) | Cash | \$ 3,000,000 | \$ 1,500,000 | \$ 1,500,000 | | | | | | | |
| Storm Drain System (Cash) | Cash | \$ 4,000,000 | \$ 761,154 | \$ 1,080,000 | \$ 1,080,000 | \$ 1,080,000 | | | | | |
| Storm Drain System (Debt) | Debt | \$ 4,500,000 | | | | | \$ 1,500,000 | | | \$ 1,500,000 | |
| DeerValley Dr. Phase II | Debt | \$ 950,000 | \$ 950,000 | | | | | | | | |
| Downtown Improvement Maintenance Fund | Cash | \$ 800,000 | | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 |
| Affordable Housing - Land Acquisition | Debt | \$ 5,000,000 | | | \$ 2,000,000 | \$ 750,000 | \$ 750,000 | \$ 750,000 | \$ 750,000 | | |
| Affordable Housing - Private Land Acquisitions #1 | Cash | \$ 250,000 | | | \$ 250,000 | | | | | | |

Table E23 – Additional Resort Communities Sales Tax Adjusted Table

EXPENSES

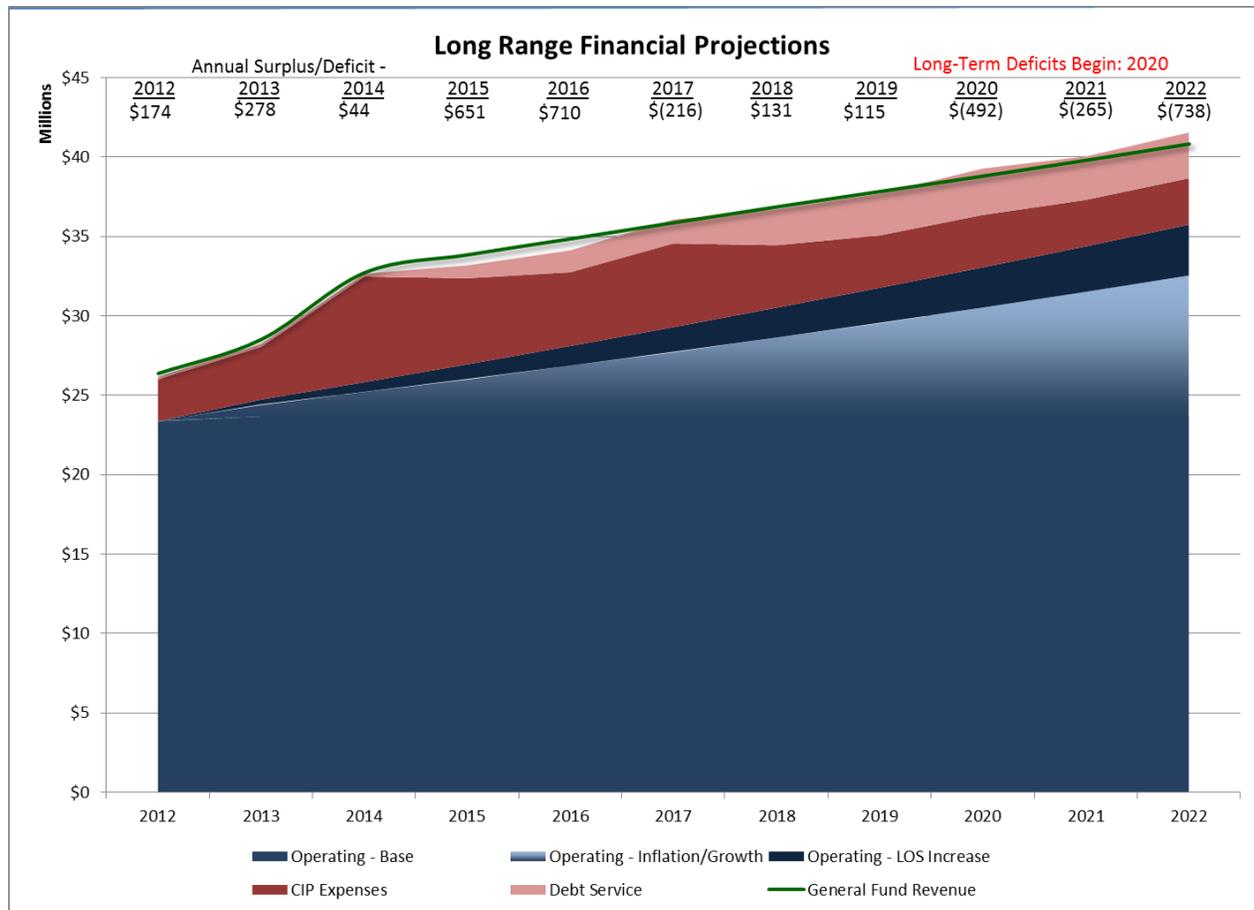


Table E24 – Additional Resort Communities Sales Tax Adjusted Graph

This plan continues to show large open space purchasing ability (\$15 million) in the first 4 years of the new tax (10.24 million have been spent to date). The plan includes additional ongoing resources for capital replacement/asset Management of the main street improvements in the amount of \$100,000 per year. This asset management fund is similar to the walkability or trails asset management funds. Its allowable uses include capital replacement or renewal, which would extend the useful life of the capital asset. This does not cover expenses such as routine maintenance or enhanced levels of service, which are required to be accounted for in the General Fund operating budget. As can be noted in the graph above, the \$3 million offset from the State for the Main Street improvements results in additional bonding capacity in FY2015 or additional cash in future years. Approximately \$1 million of this additional bonding capacity was allocated to the Deer Valley Drive phase II project.

The City Manager’s recommended budget includes \$5,250,000 from FY 2016 to FY 2020 for land acquisition for affordable and attainable housing projects. As currently projected these funds can fit within the Additional Resort Communities Sales Tax 10 year plan without the need to reduce currently allocated project funds for Open Space, Main Street Sidewalk Improvements, OTIS or Storm Water Systems.

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OPERATING IMPACTS OF CAPITAL PROJECTS

Through a combination of the Additional Resort Communities Sales Tax, Lower Park RDA extension and the remaining Walkability bonds, the City is likely to see an estimated \$70 to 85 million in project funding over the next 10 years. While these improvements are an obvious boon to the services and economic growth of the City, Council must remain aware that the uses of these funds have been restricted to capital improvement projects. Capital projects often place a burden on the ongoing operating costs of the City.

The operating burden will vary from project to project. Reconstruction of an aging street may gain efficiencies while maintenance of a new Main Street plaza, sidewalks that need to be plowed or transit structure may incur additional costs. Council must consider the impacts of capital improvement projects on the ongoing operating budget of the City. Capital projects which necessitate level of service adjustments could potentially impact other city services. It is staff's recommendation that these impacts should not be evaluated in isolation but should be evaluated as part of the Budgeting for Outcomes process in the context of all other city services. Maintaining the long range sustainability of city services continue to a high priority of city staff.

Staff will continue to evaluate the operating costs for projects so they are budget correctly as they come on line. When possible, long term maintenance projects/funds have been established for new projects such as the Main Street Infrastructure Maintenance Project. This project will receive an annual contribution which will be used for capital infrastructure replacement, much like the asset management or pavement management projects/funds. Staff is currently evaluation a possible Storm Water Enterprise Fund which will potentially include a new ongoing revenue source.

The largest foreseeable burden for the General Fund will likely be associated with the completion of the Prospector Drain project which may potentially (if a treatment system is installed) have an estimated ongoing operating expenditure \$250,000 starting in FY 2017.

DEBT SERVICE

Park City has various bond issuances outstanding. The debt service to be paid on these bonds is as detailed in Figure E16. Debt service expense comprises 17% of the FY 2015 budgeted expenses, and 17% of the FY 2016 Budget.

EXPENSES

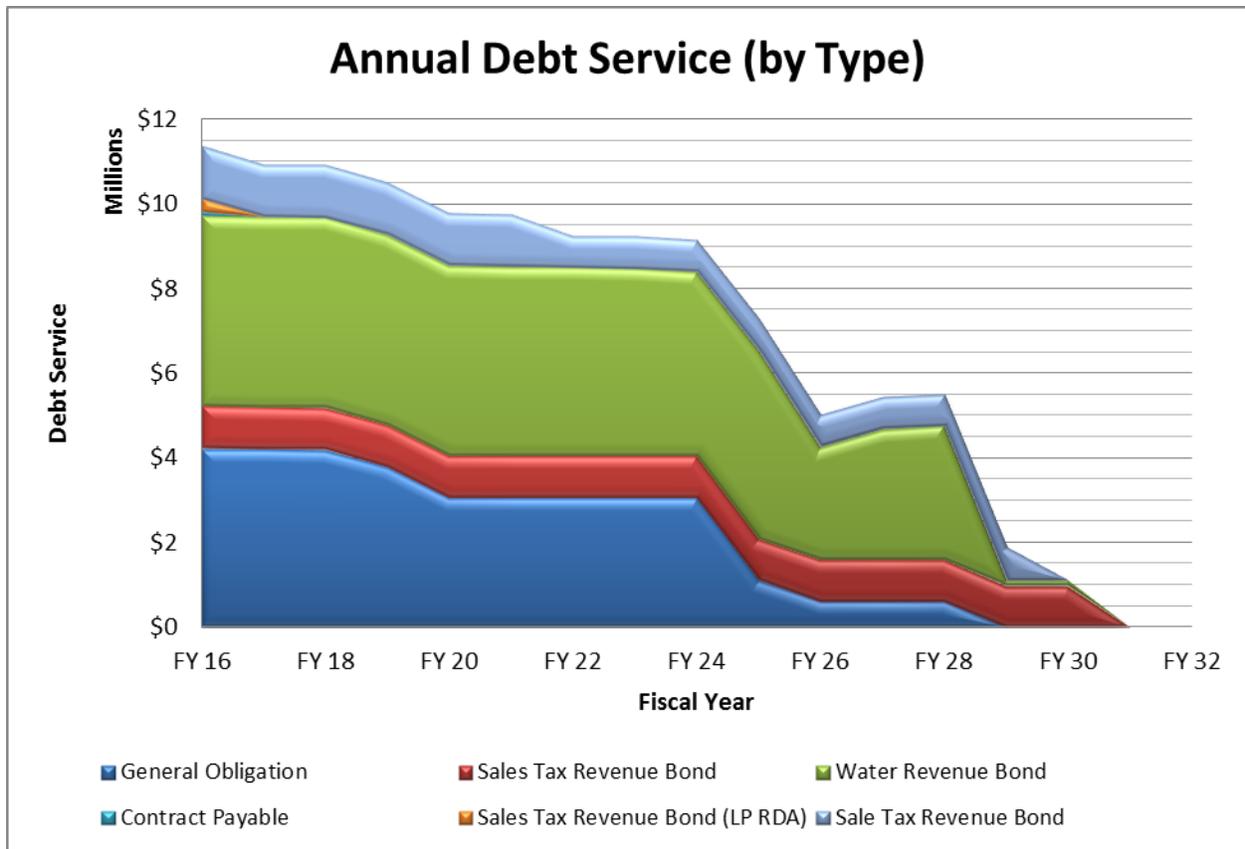


Figure E25 - Long Term Debt

Funding sources for debt service payments in FY 2016 are detailed in Figure E25. 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.

EXPENSES

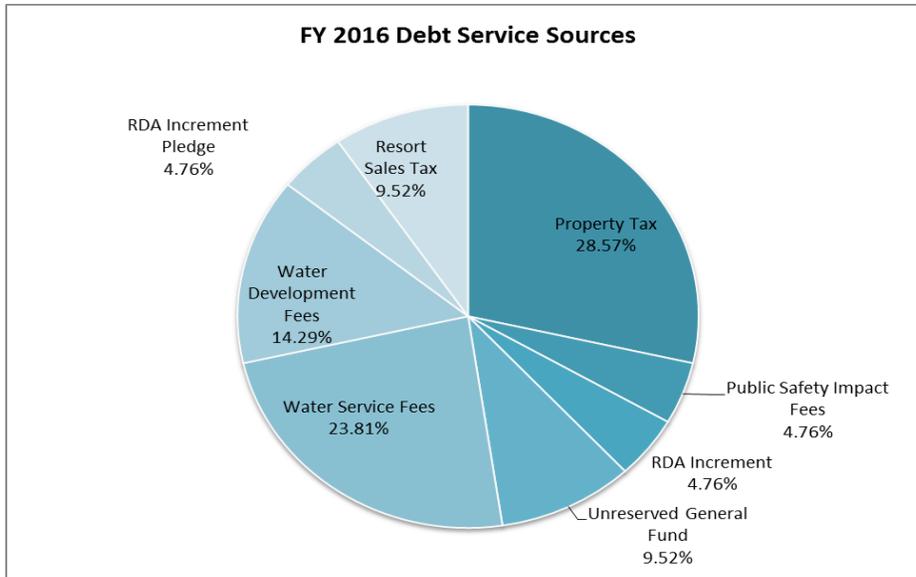


Figure E26 – Debt Funding Sources

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 E27. This anticipated debt includes planned Additional Resort Sales Tax projects, Lower Park RDA tax increment bonds (Sales Revenue Bonds backed with RDA tax increment) as well as multiple series of Water Revenue Bonds.

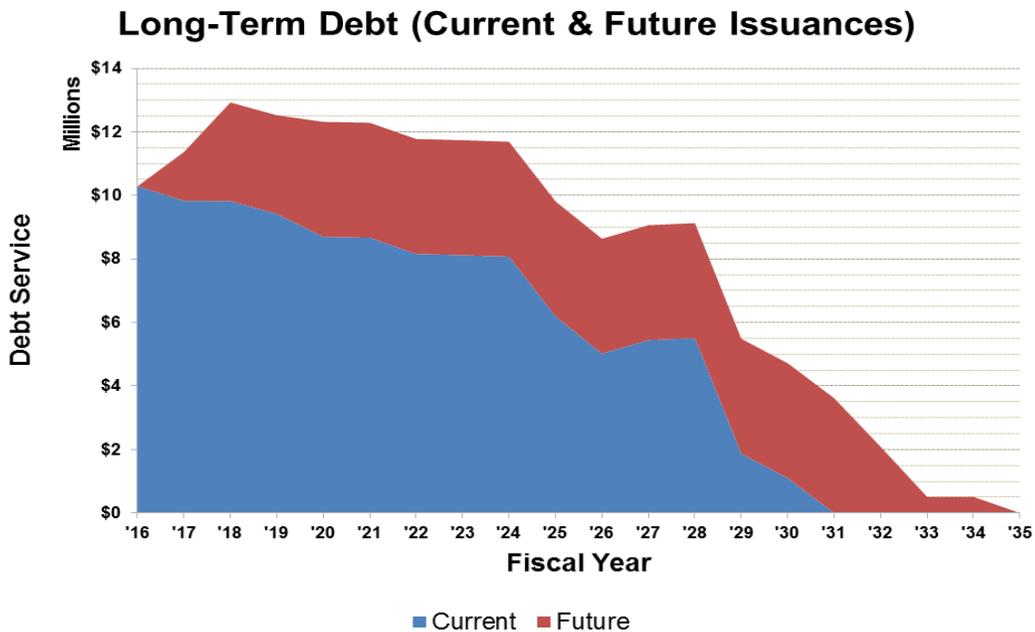


Figure E27 – Anticipated Future Debt Service Compared to Existing Debt

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

EXPENSES

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). The figure below shows how much of the City's annual surplus is currently pledged for debt service. Future Sales revenue bonds will come by the Additional Resort Communities sales tax revenue and will therefore not impact revenues or expenditures in the General Fund.

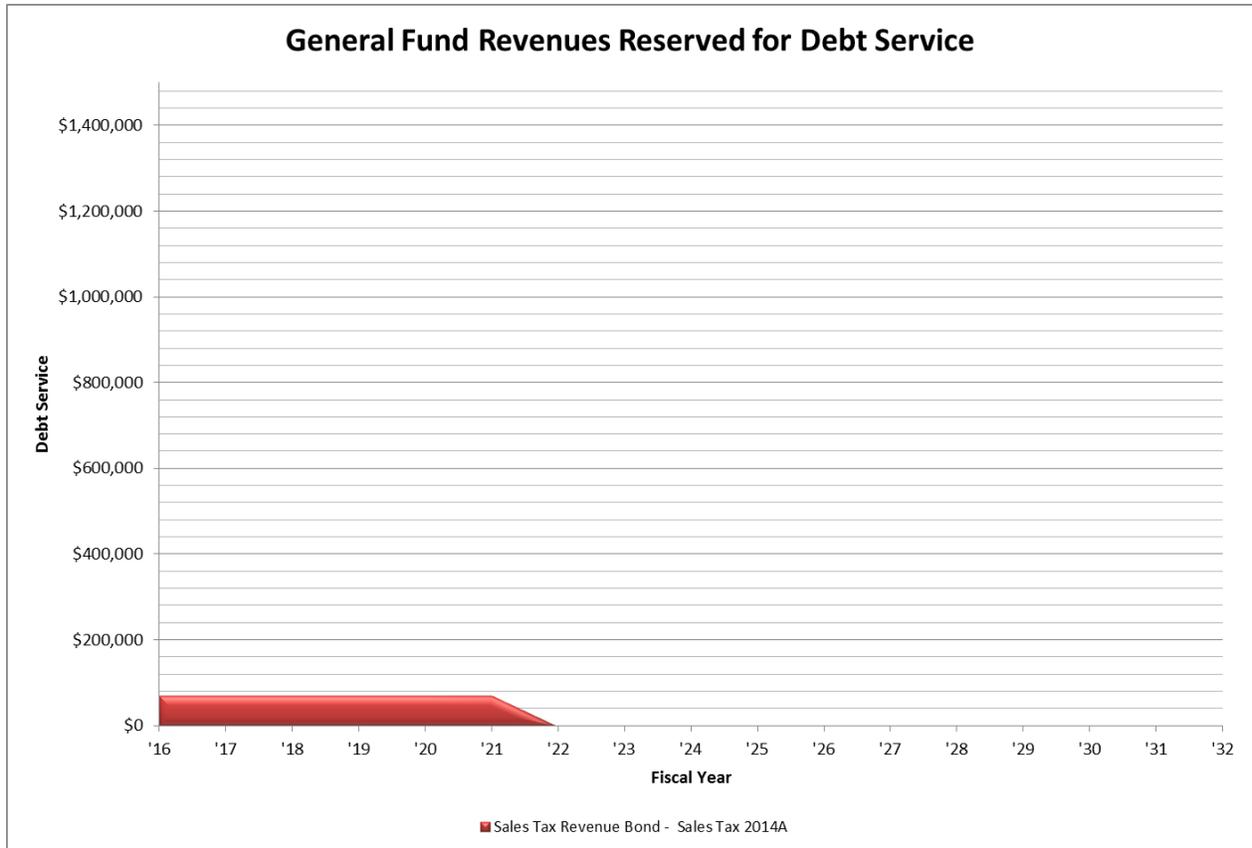


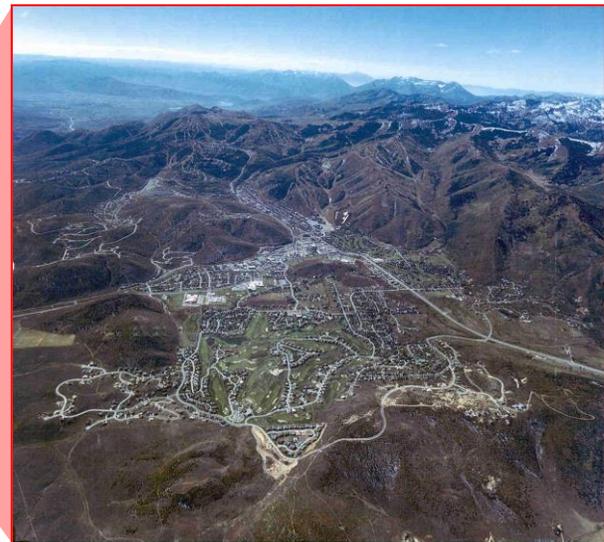
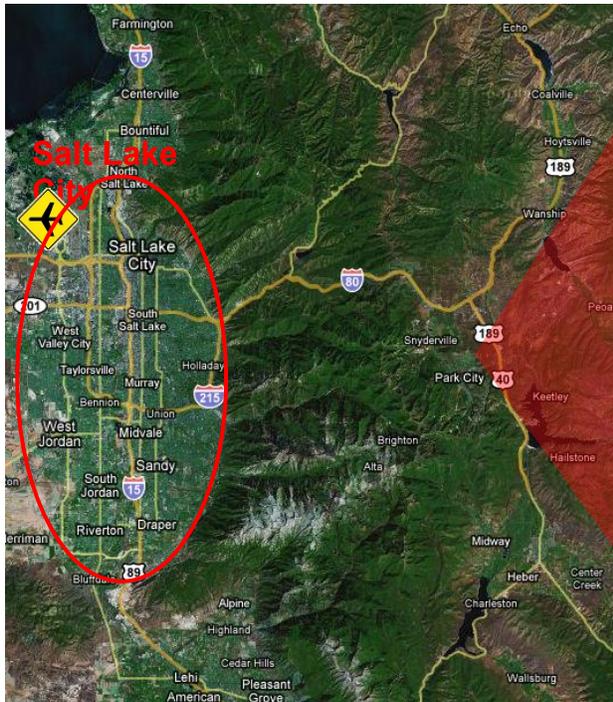
Figure E28 – General Fund Revenues Reserved for Debt Service

POLICIES & OBJECTIVES

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, Kimball Arts Festival, concerts, and 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 Mountain Resort and Deer Valley Ski Resort) with a third area (Canyons Resort) 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 1930s through the 1950s, 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 Mountain Resort 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.

ECONOMIC OUTLOOK

Deer Valley Resort hosted a FIS Freestyle World Cup event for the seventh time in eight years in February 2013. Also in February 2009, Deer Valley hosted the first World Cup Skier Cross competition ever held in North America. For the seventh year in a row, Deer Valley Resort was deemed one of the top 5 best resorts in North America by Ski Magazine in 2014. No other resort has topped the rankings seven years in a row. The Park City Mountain Resort is located in the heart of Park City. Park City Mountain Resort and Canyons Resort (located just outside of Park City) were Utah's only other ski resorts to finish in the top ten of Ski Magazine's resort review. The resorts were ranked fifth and tenth respectively.

PARK CITY ECONOMY

Tourism is the backbone of the Park City economy and the majority of local tourism revolves around skiing and snowboarding. 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. The total number of statewide skier days for 2013-14 was 4,161,585, which is a 3 percent increase from the previous year. Park City claimed approximately 44.3 percent of the Utah market share, or 1,838,641 skier days. Utah's best season came in 2006-07 with 4,249,190 skier days. With the local economy dependent on tourism and skiing, employment in Park City tends to decline in the spring and summer months. Park City has been mitigating this by diversifying recreational activities in the "off-season". In FY 2015 the City hosted the Triple Crown Girls Fast Pitch Softball World Series for the 12th year. This event draws teams from California, Arizona, Colorado, Oklahoma, Idaho, Utah and Texas. Other events include the Park City Marathon Road Race, Intermountain Cup Mountain Bike Races and the Endurance 100 Mountain Bike Race.

The service population is much larger than the permanent population in Park City due to the number of secondary homeowners and visitors within city limits. The City has approximately 161 restaurants, 314 shops, 27 private art centers and a community-sponsored art center. Many of Park City's restaurants are award winning and among the finest in the inter-mountain west. The Chamber of Commerce estimates that the City has a nightly capacity for 27,178 guests. On average, the City receives almost 8,456 visitors per night with an occupancy rate of 35 percent. In the last ten years nightly capacity has increased by 10 percent.

The Sundance Film Festival made its 34th annual appearance in Park City in January 2015. The 2015 Sundance Film Festival generated an overall economic impact of \$69.5 million for the State of Utah and supported over 1,400 jobs. Sundance and Park City Municipal Corporation have formally agreed that Park City will remain festival headquarters through the 2026 film festival, with a ten year option after that. The festival presents high quality, independent films. Nationally known actors, directors, writers and other members of the film industry conduct and attend workshops, classes, seminars, dinners and premiers which are open to the general public. It is estimated that the annual cultural event attracted 45,352 attendees in 2014.

The Kimball Arts Center sponsored its 45th annual three-day Park City Arts Festival in August 2014. The Park City Arts Festival is Utah's original, oldest and the longest running arts festival

ECONOMIC OUTLOOK

in the West. In the last decade this event has grown substantially and now attracts over 50,000 visitors over the three-day period and features more than 220 of North America's top artists. This is one of the most attended annual events in Utah and consistently makes the Top Ten List by the renowned Harris Poll.

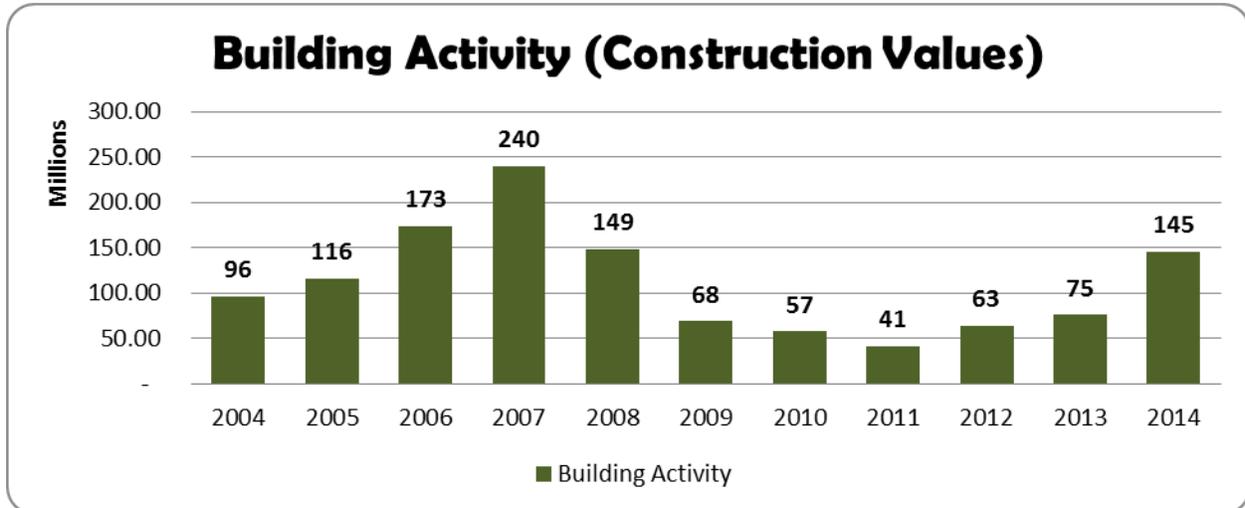


Figure EO1 – Annual Cost of Construction in Park City

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 ranged anywhere from a low of \$40.9 million in 2011 (due to the recession), to a high of \$239.7 million in 2007. Building activity over the last decade has averaged \$111.2 million per year. For calendar year 2014, the building activity (construction, additions and alterations) was approximately \$143 million, with 32 percent in residential and 10 percent in commercial. The remaining 58 percent was in remodeling, expanding, and miscellaneous construction. The residential construction total valuation of approximately \$46.6 million consisted of single-family homes, multifamily homes, and duplexes. Easy access to Salt Lake City has intensified the role for Park City as a bedroom community. This role and the current economy have shifted emphasis to the construction of residential homes. Properties have enjoyed a steady rate of appreciation through the years, which are expected to maintain their value and/or increase in the future.

Statistics compiled by the Park City Board of Realtors show the number of closed sales for the first quarter of 2014 (including single family homes, condominiums and vacant land) is higher than it has been for a first quarter since 2007. Surprisingly, with Park City real estate in strong demand, with total dollar volume just shy of \$327 million (an 11% increase over Q1 of 2013) and with inventory still at record lows, median prices for the Greater Park City Area have increased by only 2% in the past year and are still well below the market high in 2007.

The increasing activity in Park City area real estate in March and April is a good indication that sales will continue to trend upward in 2014. All property types, neighborhoods and price ranges are seeing increased activity. Multiple offers are not uncommon as buyers decide Park City and the surrounding areas are great places to live or own second homes.

ECONOMIC OUTLOOK

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, 2007, 2008, 2009, and 2010 as well as the Sales Tax Revenue Bonds issued in 2005. The City's bond rating was upgraded in May 2006 by Moody's to Aa2. Furthermore, the City was upgraded in 2008 by Standard and Poor's and Fitch to AA. 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. In the beginning of May 2010, Park City's bond rating moved from Aa2 (Moody's) and AA (Fitch) to Aa1 and AA+ respectively. In 2013 S&P increased the City's bond rating to AA+.

Through the last decade, revenues have been steadily increasing for Park City with no revenue source significantly changing as a percentage of total revenue. FY 2014 sales tax revenues increased 25% from FY 2013 (excluding federal revenue). Taxes account for 55 percent of total revenue.

Major employer-types in the City include: accommodation and food service, arts/entertainment and recreation, retail trade, real estate, technical services and government. Unemployment data was unavailable for Park City; however, the current Summit County unemployment rate is estimated at 4.1 percent as of February 2013. According to the Bureau of Labor of Statistics, Utah's unemployment rate is 4.9 percent and the national rate is 7.6 percent as of March, 2013.

Park City has seen substantial growth in revenue in recent years, exceeding pre-recession revenues. Diversification of resort activities, promoting additional special events, and sound financial policies have all aided in ensuring a thriving economy.

ECONOMIC OUTLOOK

CITY SALES TRENDS

Park City has experienced exceptional economic growth in the last decade. After a dip in 2009, sales tax has recovered dramatically for the past five years. Figure EO2 shows the growth in total estimated sales from 2002 to 2014. For FY 2014, Park City collected roughly \$7.4 million in local option sales tax—equating to roughly \$744 million in estimated taxable sales—\$11 million more than the previous year and \$379 million more than FY 2003. Total sales are determined from the annual 1 percent local sales tax collected each year.

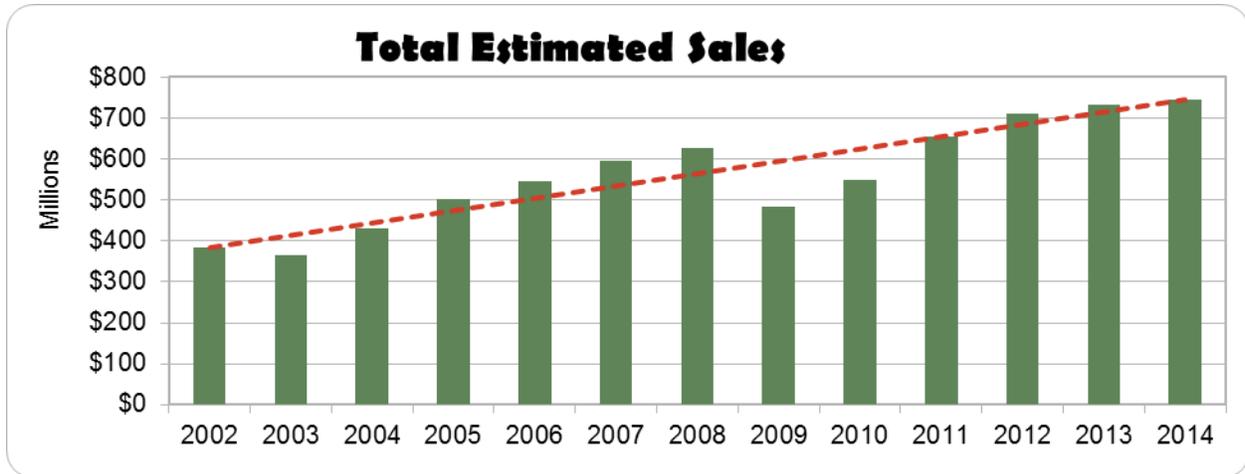


Figure EO2 – Total Estimated Sales

Figure EO3 shows the sales trends by industry from 2003 to 2014. The Lodging Sector has experienced the greatest change with a 14 percent average growth rate in the last 5 years. The Retail Industry still leads all other sectors in absolute dollar terms.

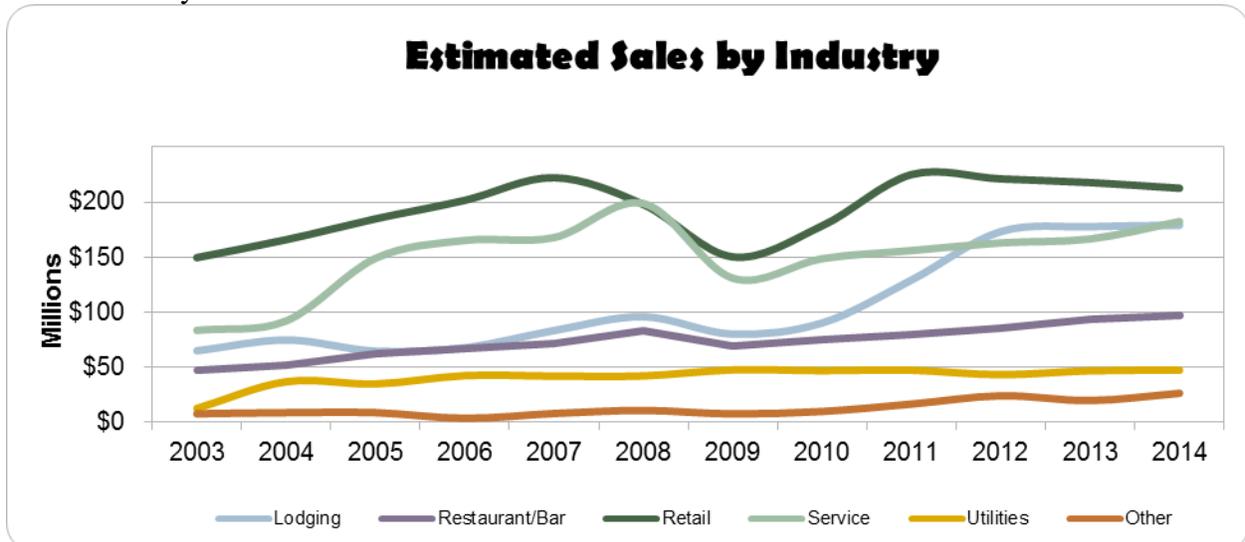


Figure EO3 – Estimated Sales by Industry

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 Service Sector is the most seasonal with 56.34 percent of service-related sales

ECONOMIC OUTLOOK

coming during Quarter 3. The Lodging Sector—which includes skiing and entertainment amongst other services—is also highly seasonal; 50.53 percent of sales tax revenues coming during Quarter 3. The Utilities Sector showed the least seasonality with only 34.74 percent of total sales coming in Quarter 3, with the rest of its quarters demonstrating minimal variance of seasonality.

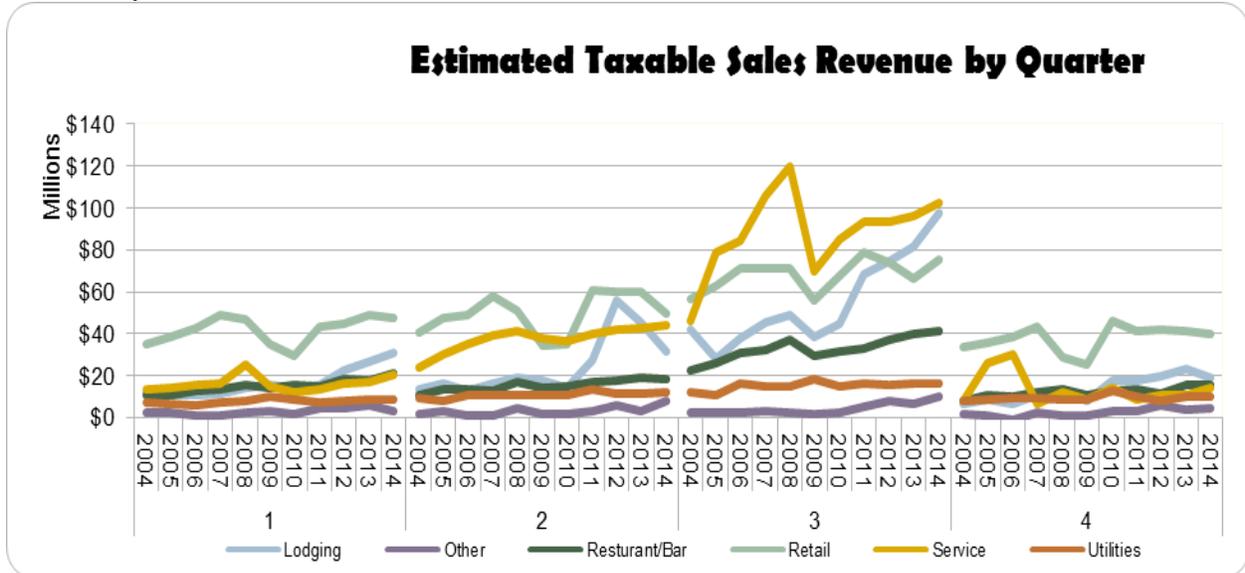


Figure EO4 – Estimated Taxable Sales Revenue by Quarter

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.

ECONOMIC OUTLOOK

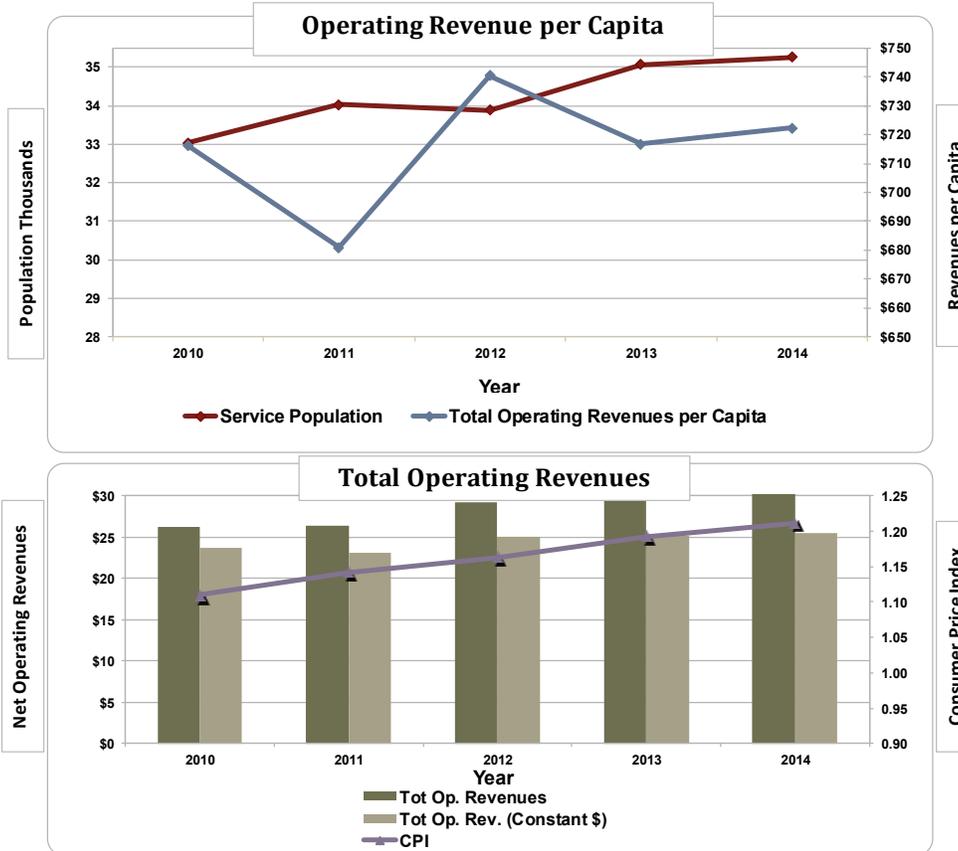
- A. Revenues per capita
- B. Expenditures per capita
- C. Municipal employees per capita
- D. Operating (deficit) surplus per capita
- E. Comparison of the liquidity ratio and long-term debt
- F. Long-term overlapping debt as a percentage of assessed valuation
- G. Administrative costs as a percentage 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 | 2010 | 2011 | 2012 | 2013 | 2014 |
|--|-----------------|--------------|--------------|--------------|--------------|
| Total Operating Revenues | \$26,258,101 | \$26,453,856 | \$29,170,828 | \$29,987,954 | \$30,875,204 |
| CPI | 1.11 | 1.14 | 1.16 | 1.19 | 1.21 |
| Total Operating Revenues (Constant dollars) | \$23,655,946.85 | \$23,164,497 | \$25,082,397 | \$25,140,456 | \$25,471,086 |
| Service Population * | 33,038 | 34,020 | 33,880 | 35,073 | 35,262 |
| Total Operating Revenues per capita (Constant dollars) | \$716.02 | \$680.91 | \$740.33 | \$716.80 | \$722.33 |



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 (CPI) 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.

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 FY14 Table 2, CAFR 05-06 Schedule 5 for Tax Revenue.

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

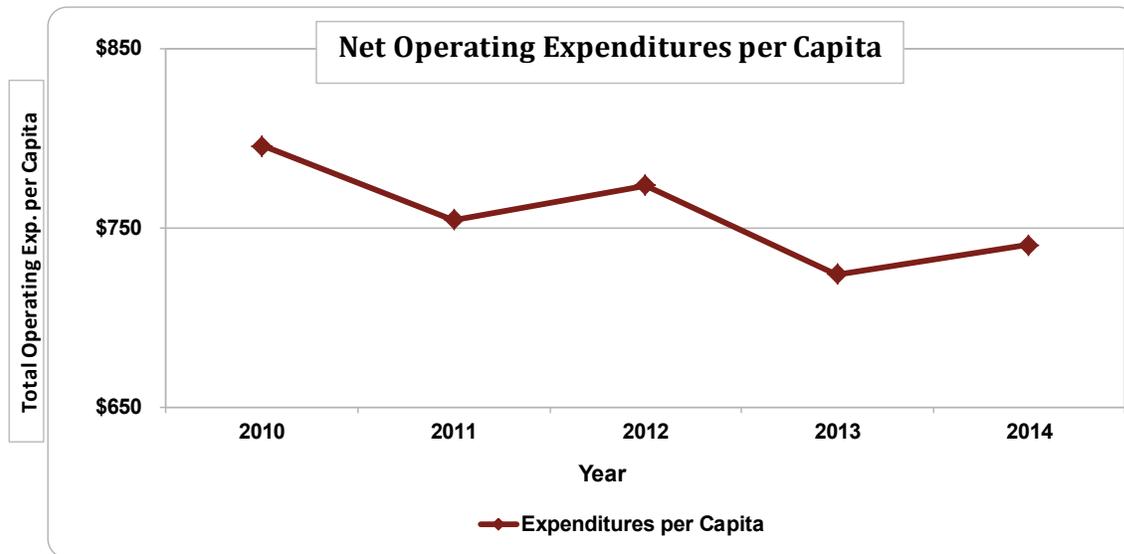
* Service Population = Permanent Population + Secondary Homeowners + Average Daily Visitors

ECONOMIC OUTLOOK

Expenditures per Capita

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

| Description | 2010 | 2011 | 2012 | 2013 | 2014 |
|--|--------------|--------------|--------------|--------------|--------------|
| Debt Service* | \$8,150,248 | \$7,368,091 | \$7,159,836 | \$6,225,883 | \$6,861,205 |
| Operating Expenditures | \$21,019,587 | \$21,940,864 | \$23,316,646 | \$24,069,551 | \$24,776,540 |
| Total Operating Expenditures | \$29,169,835 | \$29,308,955 | \$30,476,482 | \$30,295,434 | \$31,637,745 |
| CPI | 1.11 | 1.14 | 1.16 | 1.19 | 1.21 |
| Total Operating Expenditures (Constant dollars) | \$26,279,131 | \$25,664,584 | \$26,205,058 | \$25,398,233 | \$26,100,159 |
| Service Population** | 33,038 | 34,020 | 33,880 | 35,073 | 35,262 |
| Net Operating Expenditures per capita (Constant dollars) | \$795.41 | \$754.40 | \$773.46 | \$724.15 | \$740.17 |



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 has fluctuated slightly, but has remained stable since 2010. Total operating expenses increased in 2012, in spite of a reduction in debt service expenditures. The increase is mostly attributed to increased operating expenditures.

Source

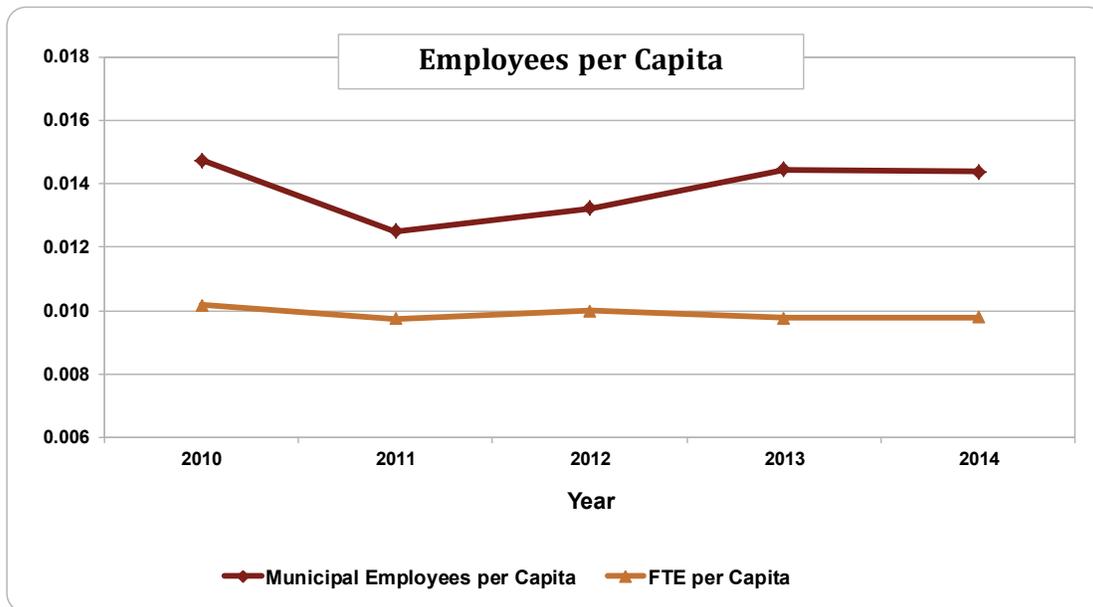
Population - Census Bureau, www.census.gov,
 Debt Service excludes CIP debt service pg. 31 (Total Governmental Funds: Principal + Interest + Bond issuance costs+ Arbitrage rebate - CIP)
 Net Operating Expenditures - CAFR FY14 Table 1, CAFR FY14 Schedule 4 Total Operating Expenditures pg. 31 (General Total).
 CPI - Bureau of Labor Statistics www.bls.gov
 ** Service Population = Permanent Population + Secondary Homeowners + Average Daily Visitors
 *There were no Arbitrage costs in 2013

ECONOMIC OUTLOOK

Employees per Capita

Municipal employees per capita (service population*)

| Description | 2010 | 2011 | 2012 | 2013 | 2014 |
|--|--------|--------|--------|--------|--------|
| Number of Municipal Employees | 487 | 429 | 448 | 507 | 507 |
| # FTE (Full-time equivalents) | 336.2 | 334.4 | 339.1 | 342.7 | 345.1 |
| Service Population* | 33,038 | 34,281 | 33,880 | 35,073 | 35,262 |
| Number of Municipal Employees per Capita | 0.015 | 0.013 | 0.013 | 0.014 | 0.014 |
| Total FTE Per Capita | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 |



Analysis

Employees per capita shows the overall labor productivity in relation to population of the city. The FTEs per capita seems to suggest that as population increases the number of employees decreases. Over the last five years the trend has remained fairly consistent.

Source

Number of Employees - CAFR - Schedule 21, CAFR FY14 Table 16, 2005-06 from Human Resources Department.

FTE counts - FY14 Staffing Summary 4-120 and past Budget Documents, FY14 from Schedule 20 in FY14 CAFR

Population - Census Bureau, www.census.gov

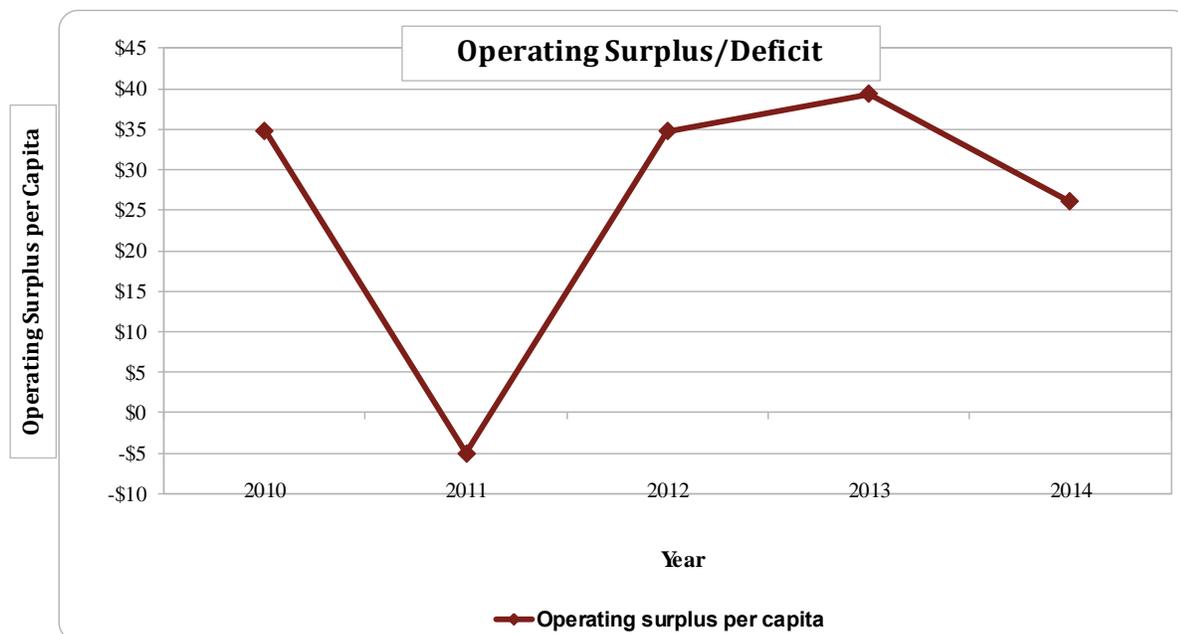
* Service Population = Permanent Population + Secondary Homeowners + Average Daily Visitors

ECONOMIC OUTLOOK

Operating (Deficit) or Surplus

Operating deficit or surplus as a percentage of operating revenues

| Description | 2010 | 2011 | 2012 | 2013 | 2014 |
|--|--------------|--------------|--------------|--------------|--------------|
| Operating deficit or surplus | \$1,151,650 | -\$171,891 | \$1,176,436 | \$1,379,901 | \$918,471 |
| Net fund operating revenue | \$26,258,101 | \$26,453,856 | \$29,170,828 | \$29,987,954 | \$30,875,204 |
| General fund operating surplus (deficit) as % of net fund operating revenues | 4% | -1% | 4% | 5% | 3% |
| Service Population* | 33,038 | 34,281 | 33,880 | 35,073 | 35,262 |
| Operating surplus per capita | \$34.86 | -\$5.01 | \$34.72 | \$39.34 | \$26.05 |



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 in spite of the recent decrease in operating surplus/deficit from 2008 to 2011. In 2014 the City had an operating surplus and the fund balance is considered very healthy.

Source

General fund operating surplus/deficit - CAFR FY14 pg.33, Net Fund Operating Revenues - CAFR FY14 Table 2, CAFR FY14 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)

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

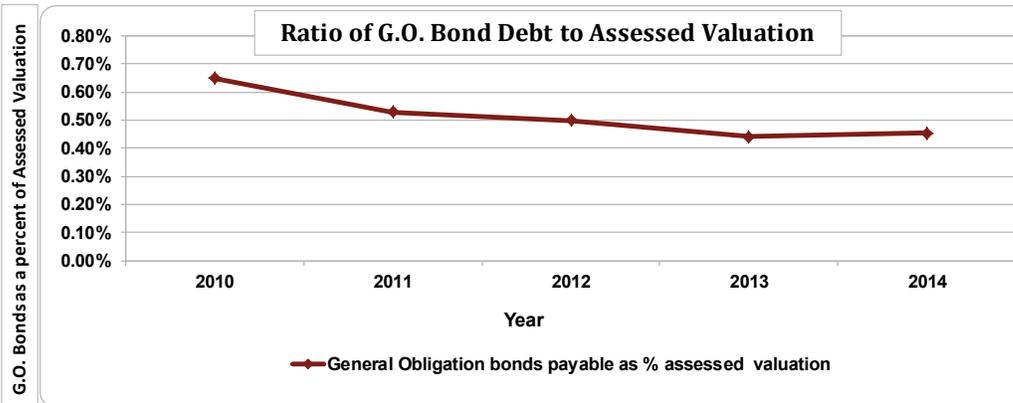
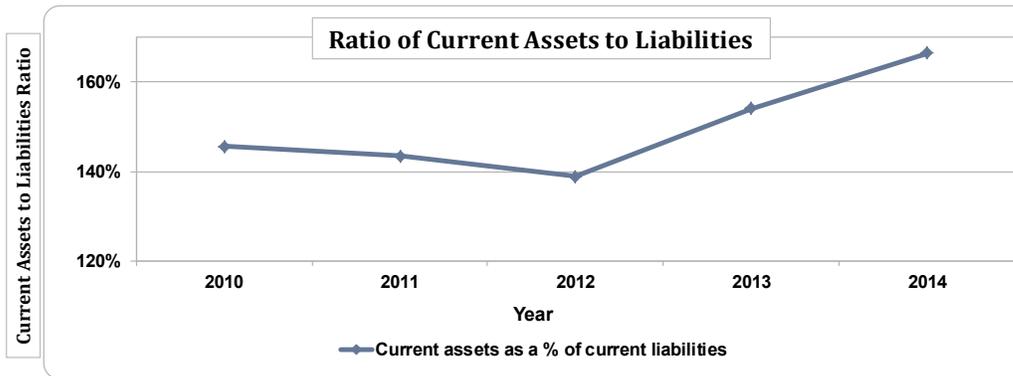
ECONOMIC OUTLOOK

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 | 2010 | 2011 | 2012 | 2013 | 2014 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Cash and short-term investments | \$12,419,044 | \$13,991,178 | \$14,467,876 | \$15,848,194 | \$16,821,758 |
| Current Liabilities | \$8,524,072 | \$9,750,900 | \$10,419,734 | \$10,285,291 | \$10,104,640 |
| Current assets as a % of current liabilities | 146% | 143% | 139% | 154% | 166% |
| Description | 2010 | 2011 | 2012 | 2013 | 2014 |
| Assessed valuation | \$6,073,486,107 | \$6,845,702,242 | \$6,652,579,338 | \$6,725,375,418 | \$7,298,187,371 |
| Total G. O. bonds | \$39,375,000 | \$36,135,000 | \$33,168,627 | \$29,701,426 | \$33,118,370 |
| General Obligation bonds payable as % assessed valuation | 0.65% | 0.53% | 0.50% | 0.44% | 0.45% |



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, 2006, 2008, 2009, and 2010. 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.

ECONOMIC OUTLOOK

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. The percentage of long-term debt to assessed valuation has been decreasing since 2010 and it is well below the City policy of 2%.

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

Source

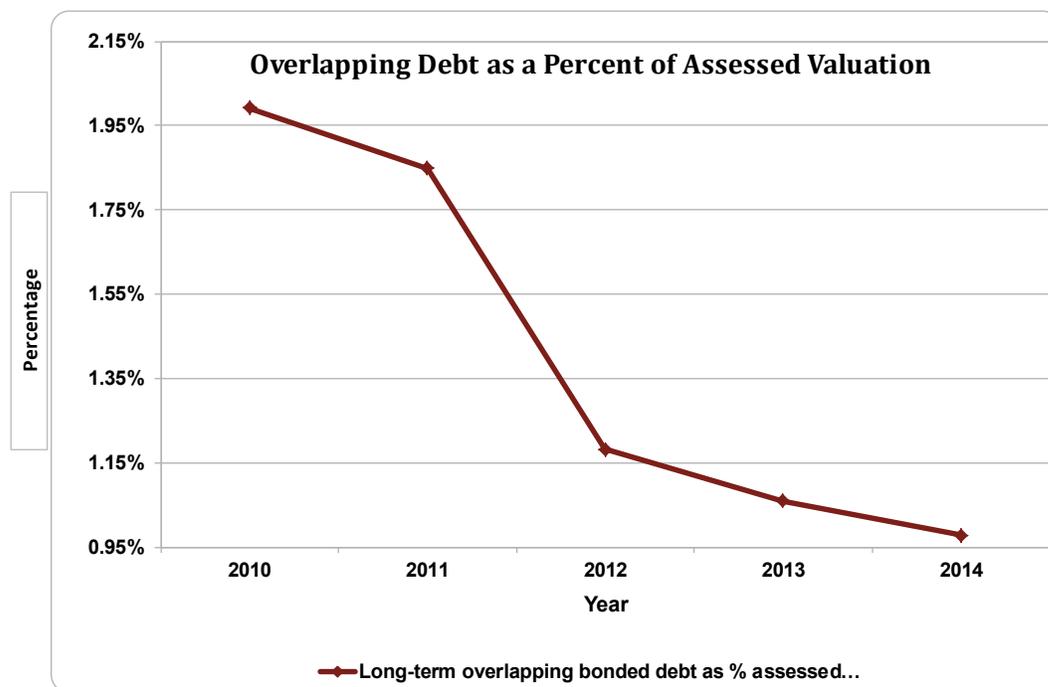
Current Assets - CAFR FY14 pg. 29,(General - Total). Current Liabilities - CAFR FY14 pg. 29, (General - Total Liabilities+Total deferred inflows of resources). Assessed Valuation- Summit County Assessor's Office, Gross Bonded Long-Term Debt - CAFR FY14 Schedule 14. Current Assets - CAFR FY14, Current Liabilities - CAFR FY14,

ECONOMIC OUTLOOK

Overlapping Debt

Long-term overlapping bonded debt is the annual debt service on

| Description | 2010 | 2011 | 2012 | 2013 | 2014 |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|
| Park City | \$39,375,000 | \$36,135,000 | \$43,670,852 | \$41,455,507 | \$43,483,691 |
| State of Utah | \$63,460,680 | \$76,032,027 | \$0 | \$0 | \$0 |
| Summit County | \$1,951,415 | \$1,394,115 | \$9,566,217 | \$9,310,290 | \$7,884,955 |
| Park City School District | \$14,047,914 | \$10,978,534 | \$6,570,556 | \$4,015,550 | \$4,015,550 |
| Snyderville Basin Sewer District* | \$0 | \$0 | \$0 | \$0 | \$0 |
| Weber Basin Water Conservancy District | \$2,140,498 | \$2,006,249 | \$18,806,518 | \$16,481,103 | \$15,962,133 |
| Total Long-term overlapping bonded debt | \$120,975,507 | \$126,545,925 | \$78,614,143 | \$71,262,450 | \$71,346,329 |
| Assessed valuation | \$6,073,486,107 | \$6,845,702,242 | \$6,652,579,338 | \$6,725,375,418 | \$7,298,187,371 |
| Long-term overlapping bonded debt as % assessed valuation | 1.99% | 1.85% | 1.18% | 1.06% | 0.98% |



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 fluctuated over the past five years due to variations in assessed valuation and reduction of principal balances from required debt service payments. The overlapping debt percentage dropped in 2014.

*Taken out per financial advisor suggestion.

Source

Long-term overlapping bonded debt - CAFR FY14 Schedule 14, Assessed valuation - Summit County Assessor's Office; CAFR FY14 Schedule 16 pg. 106

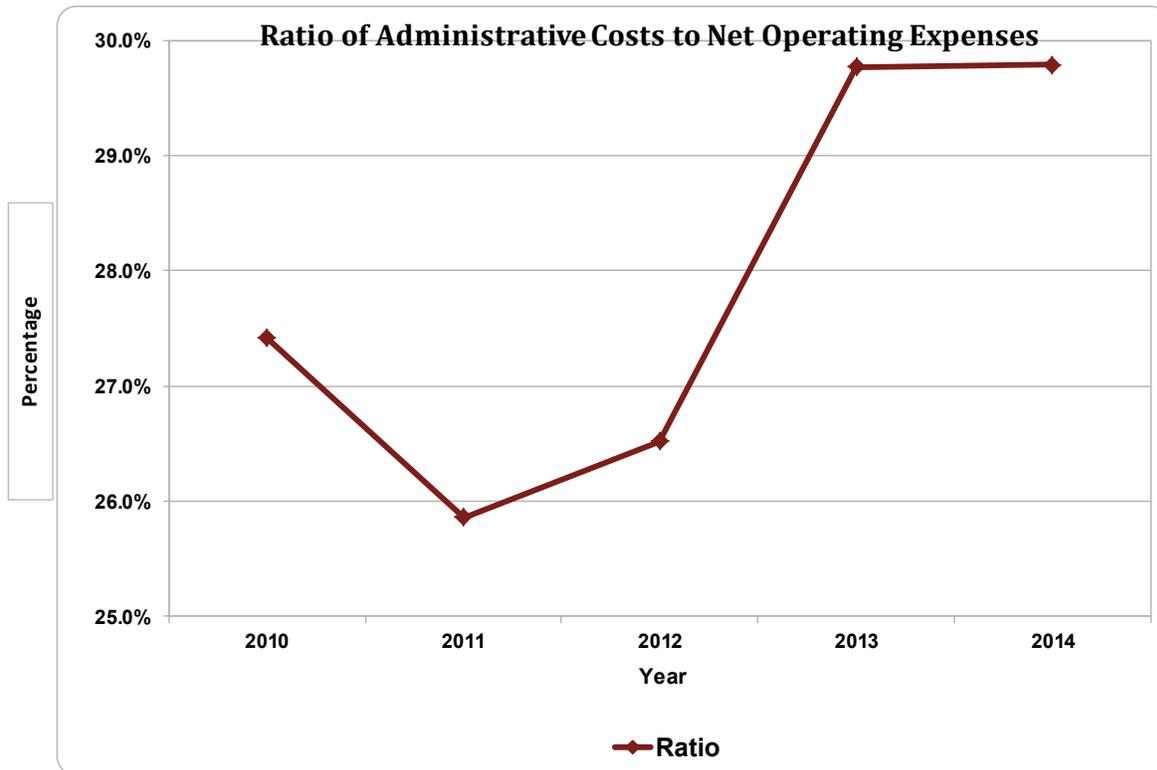
Long-term overlapping bonded debt - CAFR FY14 Table 10, Assessed valuation - CAFR FY14 Table 9

ECONOMIC OUTLOOK

Administrative Costs as a Percentage of Total Operating Expenditures

Administrative Costs were evaluated from specific functions of the

| Description | 2010 | 2011 | 2012 | 2013 | 2014 |
|------------------------|--------------|--------------|--------------|--------------|--------------|
| Administrative Costs | \$7,996,843 | \$7,578,313 | \$8,081,453 | \$9,018,231 | \$9,423,191 |
| Net Operating Expenses | \$29,169,835 | \$29,308,955 | \$30,476,482 | \$30,295,434 | \$31,637,745 |
| Ratio | 27.4% | 25.9% | 26.5% | 29.8% | 29.8% |



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. Administrative costs in 2014 are just under 30%.

Source

Expenses by Fund in Board - General Government - General Fund
 Net Operating Expenses - CAFR FY14 Table 1, CAFR FY14 Schedule 4 (Debt Service excludes CIP debt service pg. 31)

ECONOMIC OUTLOOK

Bond Ratings for Park City

| Description | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|-------------|------|------|------|------|------|------|
| Moody's | Aa2 | Aa1 | Aa1 | Aa1 | Aa1 | Aa1 |
| S & P | AA | AA | AA | AA | AA+ | AA+ |
| Fitch | AA | AA+ | AA+ | AA+ | AA+ | AA+ |

| Moody's | Description |
|---------|---|
| Aaa | Highest |
| Aa1 | Top Quality; "Gilt-Edged" High Grade; Very Strong |
| Aa2 | Top Quality; "Gilt-Edged" High Grade; Very Strong |
| Aa3 | Top Quality; "Gilt-Edged" High Grade; Very Strong |
| A1 | Upper Medium Grade; Strong |
| A2 | Upper Medium Grade; Strong |
| A3 | Upper Medium Grade; Strong |
| Baa1 | Medium Grade; Adequate |
| Baa2 | Medium Grade; Adequate |
| Baa3 | Medium Grade; Adequate |
| Ba1 | Speculative Elements; Major Uncertainties |
| Ba2 | Speculative Elements; Major Uncertainties |
| Ba3 | Speculative Elements; Major Uncertainties |
| B1 | Not Desirable; Impaired Ability to Meet Obligations |
| B2 | Not Desirable; Impaired Ability to Meet Obligations |
| B3 | Not Desirable; Impaired Ability to Meet Obligations |
| Caa1 | Very Speculative |
| Caa2 | Very Speculative |
| Caa3 | Very Speculative |
| Ca | Very Speculative |
| C | No Interest Being Paid Default |

Park City Bond Rating

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. In 2013 S&P raised our bond rating from AA to AA+.

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

| | |
|---|---|
| Permanent Population (2010 Census) | 7,558 |
| Service Population in 2011: <i>(Includes the permanent population, population estimate for secondary homeowners, and average daily visitors)</i> | 34, 281 |
| City Size: | 18.14 square miles |
| Government Type: | Elected Mayor and five member City Council / Council-Manager form of government (by ordinance) |
| Incorporation Date: | March 15, 1884 |
| 2011 Total Assessed Value: | \$7,953,732,147 |
| 2011 Total Taxable Value: | \$7,059,892,400 |
| Property Use Category Breakdown: | |
| Primary | 27.04% |
| Residential Non Primary | 61.98% |
| Residential Commercial | 6.66% |
| Other | 4.32% |
| Median Household Income: | \$61,912 |
| Median Family Income: | \$80,378 |
| Median Age (2010 Census): | 37.4 |
| Enrolled School Population (2008): | 4,400 |
| Percent of persons 25 years old and over with: | |
| High School Diploma or Higher: | 88.7% |
| Bachelor Degree or Higher: | 59.2% |
| Annual Average Snowfall: | 350" |
| Elevation Range: | 6,500' to 10,000' |
| 2010-11 Season Skier Days (3 area resorts): | 1,838,641 |

POLICIES & OBJECTIVES

POLICIES & OBJECTIVES - TABLE OF CONTENTS

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CHAPTER 1 - BUDGET POLICY

PART I - BUDGET ORGANIZATION

- A.** Through its financial plan (Budget), the City will do the following:
1. Draw upon Council's goals, objectives, and desired outcomes.
 2. Identify citizens' needs for essential services.
 3. Organize programs to provide essential services.
 4. Establish program policies and goals that define the type and level of program services required.
 5. List suitable activities for delivering program services.
 6. Propose objectives for improving the delivery of program services.
 7. Consider budget committees recommendations.
 8. Identify available resources and appropriate the resources needed to conduct program activities and accomplish program objectives.
 9. 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. Fewer budgets requests are expected in the second year. Second year requests that will be considered are ones that;
 - a. will come with revenue offsets;

POLICIES & OBJECTIVES

- b.** are accompanied by expense reductions, or that;
 - c.** are required by law; or
 - d.** are necessitated by market/environment changes that happened since the last budget adoption
- 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.
- 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.
- G.** General Fund budget surplus should be used for capital projects.

PART II - ECONOMIC DEVELOPMENT GRANT POLICY (ADOPTED JULY 10, 2014)

Annually, the City will allocate up to \$50,000 to be used towards retaining and growing existing businesses and attracting and promoting new organizations that will fulfill key priority goals of the City's Biennial Strategic Plans and General Plan. Funding will be available for relocation and/or expansion of current businesses, and new business start-up costs only.

A. ED Grant Distribution Criteria

Applications will be evaluated on 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:** 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.
3. **Criteria #3:** The organization must produce items or provide services that are consistent with Economic Development Work Plan and be with 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. The organization must demonstrate there is more identifiable benefits than detriment when weighed against the balanced goals of the General Plan through the attached score sheet as well as identify areas where the proposal is consistent or inconsistent with the City's biennial strategic plans.
4. **Criteria #4:** 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.

POLICIES & OBJECTIVES

5. **Criteria #5:** Can forecast at the time of application an ability to achieve direct or indirect economic/tax benefits equals to or greater than the City's contribution.
6. **Criteria #6** – The organization should show a positive contribution to diversifying the local economy by increasing year-round business opportunities, creating new jobs, and increasing the local tax base.

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 from the Lower Park RDA (\$20,000), the General Fund (\$10,000), and the Main Street RDA (\$20,000). Of these funds, no more than \$50,000 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.

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 but are not limited to 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 but are not limited to leased office space costs and fixtures/furnishings/ and equipment related to setting up office space within the City limits.
3. **Business Expansion Assistance:** This category of grants will be available for assisting an organization or business with expansion costs. These expansions should increase square footage, increase year-round jobs in city limits and/or increase tax revenue; or demonstrate a venture into an area considered a diversification of our economic base.

D. Application Process

Application forms may be downloaded from the City's www.parkcity.org website available via email from the Economic Development Manager, or within the Economic Development Office of City Hall. Applications will be evaluated and awarded on a quarterly basis.

E. Deadlines

All applications for Economic Development Grants must be received no later than the following dates each year to be eligible for quarterly consideration; March 31st, June

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30th, September 30th, and December 31st.. The City Council will consider in a public meeting any application within 30 calendar days of each of the quarterly deadlines. Extraordinary requests outside the scheduled application process may be considered, unless otherwise directed by Council.

Extraordinary requests received must meet all of the following criteria to be considered:

1. The request must meet all of the normal Public Service Fund Distribution Criteria and qualify under the Economic Development Grant criteria;
2. The applicant must show that the requested funds represent an immediate fiscal need that could not have been anticipated before the deadline; and
3. The applicant must demonstrate significant consequences of not being able to wait for the next quarterly review.

F. 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 on a quarterly basis, 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.

PART III - VENTURE FUND

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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 - OPERATING CONTINGENCY ACCOUNTS

In accordance with sound budgeting principles, a certain portion of the annual operating budget is set aside for contingency or unanticipated cost necessary to fulfill the objectives of Council and the City’s goals and mission, including emergencies and disasters. The following policy outlines the parameters and circumstances under which contingency funding is to be administered:

A. Access to General Contingency Funds

Monies set aside in the general contingency account shall be accessible for the following purposes. In the event that there are insufficient contingency funds to satisfy all claims on the funding, the City shall strive to allocate funding according to priority order: Top Priority - Purpose #1; 2nd Priority - Purpose #2; Last Priority - Purpose #3.

1. Ensure that the City satisfies State mandated budget requirements
 - a) This purpose may include, but is not necessarily limited to, the following scenarios:
 - i) The City realizes less than the anticipated and budget personnel vacancy
 - ii) One or more budget functions (as recognized by the state auditor) exceed budgeted expenditure levels in a fiscal year
 - iii) Other non-compliances with state budget requirements which could be resolved through utilization of contingency budget
 - b) The City Manager is authorized to approve requests under this section for any expense under \$15,000. Any item over \$15,000 that is not anticipated in the current budget is subject to Council approval (see Purchasing Policy).

2. Enable the City to meet Council directed levels of service despite significant shifts in circumstances unforeseen when the budget was adopted
 - a) These circumstances may include, but are not necessarily limited to, the following:
 - i) A significant increase in the cost of goods or contracted services
 - ii) Large fluctuations in customer or user demand

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- iii) Organizational changes requiring short-term or bridge solutions to meet existing LOS
 - iv) Large-scale mechanical or equipment failure requiring immediate replacement
 - v) Other unforeseen changes to the cost of providing City services
 - b) Requests for use of contingency funds under this section must be submitted in writing to the City Manager and the Budget Department with justification clearly detailed
 - c) The City Manager is authorized to approve requests under this section for any expense under \$15,000. Any item over \$15,000 that is not anticipated in the current budget is subject to Council approval (see Purchasing Policy).
- 3. Facilitate Council directed increases in level of service in the short term
 - a) Council may direct staff to use contingency funds for purposes of initiating an increased level of service in the middle of a budget year or for capital projects not previously funded in the 5-Year Capital Improvement Plan
 - b) Long term funding for increased levels of service should be identified in the budget process
 - c) All requests for ongoing level of service increases should pass through the Request for Elevated Level of Service (RELS) process and the Budgeting for Outcomes (BFO) framework, whether the funding source is contingency or another source
 - d) The City Manager is authorized to approve requests under this section for any expense under \$15,000, following direction from the City Council to expand levels of service. Any item over \$15,000 that is not anticipated in the current budget is subject to Council approval (see Purchasing Policy).

B. Access to Emergency Contingency Funds

Monies set aside in the Emergency Contingency account shall be accessible for the following purposes:

1. Unforeseen emergencies or disasters that require immediate response and incur short to mid-term unbudgeted expenses up to \$100,000. Emergency Contingency funds are targeted at small to moderate incidents that incur immediate funding needs for actions such as, but not limited to, debris removal, flood mitigation measures, wildfire response, severe weather, pandemics, water service disruptions and extended Emergency Operations Center (EOC) mobilization. Larger disaster funding requirements will be addressed by the City Council's ability to exceed the budget in a declared emergency (Utah 10-6-129. Uniform Fiscal Procedures Act for Utah Cities - Emergency expenditures).
2. In the case of emergency expenditures may be authorized by the Emergency Manager up to \$2,500, the Chief of Police up to \$5,000, the Finance Manager up to \$100,000

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and the City Manager beyond \$100,000. In addition, since the emergency contingency budget is capped at \$100,000, any transaction over this amount will need City Council's approval unless another funding source is identified.

C. Monitoring

- 1) The Budget Department will monitor all expenditure from contingency accounts monthly, ensuring that access to the account is compliant with the above procedures.
- 2) Total expenses in the General Contingency account may not exceed 50% of the budgeted contingency prior to June 30 without the approval of the City Manager. On or after June 30, expenses may be coded to this account in excess of 50% of budgeted levels, but not to exceed 100% of the adjusted budget.

PART V - RECESSION/ 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.
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 revenues to address economic uncertainties. As always, the City will look to ensure that revenues are calculated adequately to provide an appropriate level of city services. As any recessionary impact reduces the City's projected revenues, corrective action will increase proportionately. Following is a summary of the phase classifications and the corresponding actions to be taken.

1. **Level 1 - ALERT: An anticipated net reduction in available projected revenues from 1% up to 5%.** The actions associated with this phase would best

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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. **Level 2 - MINOR: A reduction in projected revenues in excess of 5%, but less than 15%.** 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. Previously approved capital project expenditures which rely on General Fund surplus for funding should be subject to review by the Budget Department.
 - c. Closely scrutinizing hiring for vacant positions, delaying the recruitment process, and using temporary help to fill in where possible (soft freeze). The City Manager will review all personnel action with heightened scrutiny, including career development and interim reorganizations, to ensure consistency and equitable application of the soft freeze across the organization.
 - d. Closely monitoring and reducing expenditures for travel, seminars, retreats, and bonuses.
 - e. Identifying expenditures that would result in a 5% cut to departmental operating budgets while still maintaining the same level of service where possible.
 - f. Reprioritizing capital projects with the intent to de-obligate non-critical capital projects.
 - g. Limit access to contingency funds.
3. **Level 3 - MODERATE: A reduction in projected revenues in excess of 15%, but less than 30%.** Initiating cuts of service levels by doing the following:
 - a. Requiring greater justification for large expenditures.
 - b. Deferring non-critical capital expenditures.
 - c. Reducing CIP appropriations from the affected fund.
 - d. Hiring to fill vacant positions only with special justification and authorization.
 - e. Identifying expenditures that would result in a 10% cut to departmental operating budgets while trying to minimize service level impacts where possible.
 - f. Eliminate access to contingency funds.
4. **Level 4 - MAJOR: A reduction in projected revenues of 30% to 50%.** Implementation of major service cuts.
 - a. Instituting a hiring freeze.
 - b. Reducing the Part-time Non-Benefited and Seasonal work force.
 - c. Deferring merit wage increases.
 - d. Further reducing capital expenditures.
 - e. Preparing a strategy for reduction in force.
5. **Level 5 - CRISIS: A reduction in projected revenues in excess of 50%.**

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- a. Implementing reduction in force or other personnel cost-reduction strategies.
 - b. Eliminating programs.
 - c. Deferring indefinitely capital improvements.
- C. If an economic uncertainty is expected to last for consecutive years, the cumulative effect of the projected reduction in reserves will be used for determining the appropriate phase and corresponding actions.

PART VI – GRANT POLICY

In an effort to give some uniformity and centralization to the grants administration process for the City, the Budget Department has drafted the following guidelines for all grants applied for or received by Park City departments.

A. Application Process

Departments are encouraged to seek out and apply for any suitable grants. The Budget, Debt, & Grants Department is available to assist City departments in the search and application process. Whereas departments are encouraged to work side-by-side with the Budget Department in the application process, they are *required* at a minimum to communicate their intention to apply for a grant to the Budget Department. They are further required to send a copy of the finalized grant application to the Budget Department.

B. Executing a Grant

In the event of a successful grant application, the grantee department must notify the Budget Department immediately to schedule a meeting to discuss the grant administration strategy. All grants require approval by the Budget Manager before grant execution. If a check is sent by the granting entity to the grantee department, that check should be forwarded to the Budget Department and not deposited by the grantee department. It will be the Budget Department's responsibility to assure that all grant money is appropriately accounted for.

The Budget Department will create detailed physical and electronic files that include the following information provided by the grantee department

1. A copy of the grant application
2. The notice of award
3. Copies of invoices and expense documentation
4. Copies of checks received from the granting entity
5. Copies of significant communication (emails, letters, etc) regarding the grant
6. Contact information for the granting entity
7. Contact information for project/program managers

Because many grants have varying regulations, terms, and deadlines, the Budget Department will assume the responsibility to meet those terms and monitoring requirements. The Budget Department will also track remaining balances on

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reimbursement-style grants. Information such as current balances, important deadlines, etc. will be provided to grantee departments on a regular basis or upon request. This centralized maintenance of grant documents will simplify grant queries and audits.

C. Budgeting for a Grant

Generally, operating and capital budgets will not be increased to account for a grant before the grant is awarded. Any department that receives a grant should fill out a budget option during the regular budget process. The option should be to increase either their operating or capital budget (depending on the grant specifications) for the appropriate year by the amount of the grant. The Budget Department will share the responsibility for seeing that the grant is budgeted correctly.

D. Spending Money against a Grant

When a department is ready to spend grant funds on a particular qualifying expense, they are to send copies of invoices for that expense to the Budget Department within one week of receiving the invoice. If the grant is a reimbursement-style grant, the Budget Department will manage the necessary drawdown requests. The Budget Department will provide departments with a report of the grant balance after each expense and/or drawdown. In the case that a reimbursement check is sent to the grantee department, it should be forwarded to the Budget Department for proper monitoring and accounting.

E. Closing a Grant

Some grants have specific close-out requirements. The Budget Department is responsible for meeting those terms and may call on grantee departments for specific information needed in the close-out process.

Many departments are already following a similar process for their grants and have found it to be a much more efficient practice than the often chaotic alternatives. Of course, no policy is one-size-fits-all, so some grants may not fit into the program. In that case, an alternative plan will be worked out through a meeting with the Budget Department directly following the award of the grant.

PART VII – MONTHLY BUDGET MONITORING

In order to make Park City Municipal more fiscally proficient it is important to monitor the budget more closely and regularly. This will make the entire city more accountable. The goal is to work on focusing City efforts of budgeting in six areas: monitoring, reporting, analysis, discussion, training, and review. This policy outlines the monthly budget monitoring process in three different areas of responsibility: Budget Department, Departmental Managers, and Teams (Managerial Groups).

A. Monitoring

- 1. Budget Department** - The department sends out emails to all managers on a weekly basis, detailing any overages or concerns the department has. In the event a department exceeds its monthly allotment a meeting will be set up with the Budget

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Department and the manager in charge of the department's budget to discuss the reasons for the overage and a plan for recovery.

2. **Managers** - Managers are in charge of their own budgets and are required to monitor it throughout the year using the supplied tools.
3. **Teams** - Team members will act in an advisory role to help or assist other managers with their budgets as well as strategize the sharing of resources to help cover shortages in the short-term.

B. Reporting

1. Budget Department

- The department analyzes and disperses a monthly monitoring report that details expenditures over revenues by fund for council and the city manager to view.
- The department analyzes and disperses a report which shows detailed personnel expenses (budgeted vs. actual) on a position by position basis.
- The department created an up-to-date **monthly budget** for each department available on the citywide shared drive. This report requires minimal training by the budget department in order to fully understand it. Basically, it implements the concept of a monthly budget in the current annual budget setup by dividing the year into twelve periods. These periods are allotted a certain amount of budget based on past expenditures for those months—this will account for seasonality of certain departments' budgets. This electronic report assists managers in monitoring and analyzing their own budgets throughout the year.
- The department analyzes and disperses any kind of report requested by departmental managers such as Detail Reports, Custom Reports, etc.

2. **Managers** - Managers review their emails and budget reports offered by the Budget Department. If problems or questions arise it is imperative that managers discuss these issues with the Budget Department and their team in a timely fashion, thereby helping to ease the budget option process at the end of the fiscal year. Where possible, departmental analysts charged with budget responsibilities should have a thorough knowledge of the content of these reports and be able to understand and use them appropriately. The Budget Department will rely on departmental managers and analysts to identify and communicate any report errors or inadequacies.

3. **Teams** - Team members should also look for any problems on budget reports and discuss them with the Budget Department if necessary or with other team members.

C. Analysis

1. **Budget Department** - As far as analysis, the department acts as more of a resource than anything else—helping out managers with specific questions and/or concerns. The Budget Department is always analyzing and breaking down the overall citywide

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budget, but general analysis of individual departments is the responsibility of the managers. Of course, the Budget Department will lend its resources and expertise for purposes of budget analysis upon the request of the departmental manager.

2. **Managers** - Managers are expected to know the status of their budget at all times as well as understand the primary drivers which may cause shortages. Managers should analyze the data provided by the Budget Department throughout the fiscal year with the help of monthly monitoring, personnel, department-specific, and detail reports to assist them in managing their budgets. Managers set their own budget during the budget season by determining current expenditures (and revenues) and forecasting them for the remaining fiscal year as well as the following one. This process also helps managers to determine budget options at the beginning of the calendar year.
3. **Teams** - Team members assist other managers on budget concerns and share ideas on how to make budgeting more efficient.

D. Discussion

1. **Budget Department** - The Budget Department meets with managers on a monthly basis when there are major issues or problems with their budgets upon request. It is expected that the department meets with teams on a quarterly basis to go over budgeting issues within the teams.
2. **Managers** - Managers will meet with the Budget Department whenever issues arise within their own budgets. Managers will also go over a general overview of their budget with their teams in preparation for the budget season's priority list of options.
3. **Teams** - Team members may assist other managers with any budget concerns. At quarterly team meetings teams should discuss budget concerns, including possible budget options, the necessity of shared resources, etc.

E. Training

1. **Budget Department** - The Budget Department will train all managers and selected analysts in the details of the new monthly monitoring program as well as clarify any other general questions regarding the budget and the budget process. The goal here is to make the managers aware of all the tools they need and how to use them. (One hour budget tools training to be offered semi-annually.)
2. **Managers** - It will be up to the managers to become well-versed on the monthly budgeting program as well as their own budgets.

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- 3. Teams** - Team members will become well-versed on the monthly budgeting program and discuss with other managers any questions or problems. To the extent that further training is required, teams should request specific training to be given by the Budget Dept at quarterly meetings.

F. Review

- 1. Budget Department** - There is a performance measure for the Budget Department establishing the goal of coming in within budget for the entire city. A question regarding the Budget Department's usefulness as a budget monitoring resource will be included on the Internal Service Survey, which will directly affect the Budget Officer's performance review.
- 2. Managers** - A new performance measure is included for each department establishing the goal of coming in within budget.
- 3. Teams** - Team members will take part in 360 reviews of managers that includes a section for fiscal responsibility in their job description. This allows team members to consider a manager's fiscal performance in the context of extenuating circumstances.

CHAPTER 2 - REVENUE MANAGEMENT

PART I - GENERAL REVENUE MANAGEMENT

- A.** The City will seek to maintain a diversified and stable revenue base to protect it from short-term fluctuations in any one revenue source.
- B.** The City will make all current expenditures with current revenues, avoiding procedures that balance current budgets by postponing needed expenditures, accruing future revenues, or rolling over short-term debt.

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

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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, 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

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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 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

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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?
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

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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

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.

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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

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.

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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 nonprofit 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.

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

POLICIES & OBJECTIVES

- 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
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:

POLICIES & OBJECTIVES

- 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.

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. With the advent of Senate Bill 158 from the 2013 General Session, the maximum balance retained allowed increased from 18 percent to 25 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.

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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.

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.

POLICIES & OBJECTIVES

- 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.
 - 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.

POLICIES & OBJECTIVES

- 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.

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 replacement, renewal, and major improvements of capital facilities. 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 replace and renew 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

POLICIES & OBJECTIVES

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:

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.

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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.

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)

POLICIES & OBJECTIVES

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.

POLICIES & OBJECTIVES

- 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 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

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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 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.

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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.

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/Inter-fund (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

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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 inter-fund 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.

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.

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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.
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.

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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/Inter-fund

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 inter-fund transfers from each of the operating budgets. This recommendation has been implemented.

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

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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 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.

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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 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:

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- 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:

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

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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 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: 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. If there are unallocated funds, extraordinary requests may be considered every six months during the two-year budget cycle, unless otherwise directed by Council.

Extraordinary requests received after this deadline must meet all of the following criteria to be considered:

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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 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.

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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 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

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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.

Local Business: a business having:

- a. A commercial office, store, distribution center or other place of business located within the boundaries of Summit County, with an intent to remain on a permanent basis;
- b. A current County or City business license; and
- c. At least one employee physically present at the local business outlet.

Local Bidder: A Local Business submitting a bid on a Park City Public Works Project or Building Improvement

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).

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. All thresholds specified in this policy are to be applied to the total cost of a contract over the entire term of the contract, as opposed to annualized amounts.

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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 \$15,000 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 \$15,000.
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) with cumulative total over \$25,000
 - b. All contracts and purchases awarded through the formal bidding process.
 - c. Any item over \$15,000 that is not anticipated in the current budget.
 - d. Accumulated "Change Orders" which would overall increase a previously council approved contract by:
 - i. the lesser of 20% or \$25,000 for contracts of \$250,000 or less
 - ii. more than 10% for contracts over \$250,000.
 - iii. any change order that causes the contract to exceed the above amounts, must go to council for approval.
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:
 - i. for the year 2003, \$125,000 (\$176,559 for FY15)
 - 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.

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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. However, for purchases in excess of \$15,000 all reasonable attempts shall be made to obtain at least three written quotations and to notify via the City website any local businesses that, in the normal course of business, provide the materials, supplies or services required by the City. A written record of the source and the amount of the quotations must be kept.

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. All reasonable attempts shall be made to obtain at least three written quotations on all purchases of this type in excess of \$15,000. A written record of the source and the amount of the quotations must be kept. A reasonable attempt will be made to notify via the City website any local businesses 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. All reasonable attempts shall be made to obtain at least three written quotations on all contracts exceeding \$15,000 and to notify via the City website any local businesses that, in the normal course of business, provide the service required by the City. A written record of the source and the amount of the quotations must be kept.

The selection of professional service contracts in an amount exceeding \$25,000 shall be based on a formal documented evaluation process such as Request for Proposals (RFP), Statement of Qualifications (SOQ), Qualification Based Selection (QBS), etc. The evaluation process should include an objective assessment, preferably by multiple reviewers, of the services needed, the abilities of the contractors, the uniqueness of the service, the cost of the service, and the general performance of the contractor. Special consideration may also be given to local businesses during the evaluation in instances where knowledge of local issues, geography, statutes, etc., may enhance the quality of service rendered. 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 (\$25,000 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

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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 for contracts in excess of \$15,000. A written record of the source and the amount of the quotations must be kept. Procurement for all minor public improvements in excess \$25,000 shall be based on a formal documented evaluation process. The evaluation process should include, at minimum, an objective assessment of the services needed, the abilities of the contractors to perform the service and the cost of the service. A reasonable attempt will be made to notify via the City website any local businesses that, in the normal course of business, provide the public improvements required by the City. The manager may require formal bidding if it is deemed to be in the best interest of the City. Local bidder preference applies.

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. Local bidder preference does not apply.

5. **Contracts for Professional Services, where the Service Provider is responsible for Building Improvements/Public Works Project (Construction Manager / General Contractor "CMGC" Method)** are contracts where the City contracts with a "Construction Manager/General Contractor" which is a contractor who enters into a contract for the management of a construction project when that contract allows the contractor to subcontract for additional labor and materials that were not included in the contractor's cost proposal submitted at the time of the procurement of the Construction Manager/General Contractor's services. It excludes a contractor whose only subcontract work not included in the contractor's cost proposal submitted as part of the procurement of construction is to meet subcontracted portions of change orders approved within the scope of the project. The CMGC contract is exempt from competitive bidding. The selection of CMGC contracts shall be based on a documented evaluation process such as a Request for Proposals (RFP), Statement of Qualifications (SOQ), Qualification Based Selection (QBS), etc. The evaluation process should include an objective assessment, preferably by multiple reviewers, of the services needed, the abilities of the contractors, the uniqueness of the service, the cost of the service, and the general performance of the contractor. Special consideration may also be given to local businesses during the evaluation in instances where knowledge of local issues, geography, statutes, etc., may enhance the quality of service rendered. 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 \$25,000) must be approved by the City Council. The selected CMGC will then implement all bid packages and subcontractors under a competitive bid requirement as required herein. The Project Manager will attend the award of all subcontracts which meet the threshold requirements of General

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Policy 12 (a) or (b) above.

6. **Ongoing Service Contracts are contracts that renew annually for services such as: cleaning services, alarm systems, and elevator maintenance etc.** Ongoing service contract renewals will not last more than a five-year span. Following the conclusion of a five-year term, contracts exceeding a total of \$25,000 will again undergo the process described in the section: E. General Rules, Subsection: 3. Contracts for Professional Services.

F. Formal or Competitive 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. The advertisement shall also be posted on the Park City website and the Utah public legal notice website established by the combined efforts of Utah's newspapers. 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 as well as be posted on the Park City website and the Utah public legal notice website established by the combined efforts of Utah's newspapers.

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 or electronically sealed;
 - 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.

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"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.

- a. Local Bidder Preference:** If the bid of a nonlocal bidder is lowest and there was a local bidder who also submitted a bid which was within five percent (5%) of the low bid, then the contract shall be awarded to the local bidder if the bidder agrees in writing within forty-eight (48) hours after being notified of the low bid, that the bidder will meet the bid price while the bidder meets all the prescribed requirements set forth in the bid documents. If there are more than two local bidders who are within 5% then the contract shall be awarded to the local bidder which had the lowest original bid according to the procedure above.
- 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:
 - 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

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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.

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CHAPTER 6 - OTHER POLICIES

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.
- 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 - POST-ISSUANCE COMPLIANCE PROCEDURE AND POLICY FOR TAX-EXEMPT GOVERNMENTAL BONDS

The City of Park City (the "City") issues tax-exempt governmental bonds to finance capital improvements. As an issuer of tax-exempt governmental bonds, the City is required by the terms of Sections 103 and 141-150 of the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations promulgated there under (the "Treasury Regulations"), to take certain actions subsequent to the issuance of such bonds to ensure the continuing tax-exempt status of such bonds. In addition, Section 6001 of the Code and Section 1.6001-1(a) of the Treasury Regulations, impose record retention requirements on the City with respect to its tax-exempt governmental bonds. This Post-Issuance Compliance Procedure and Policy for Tax-

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Exempt Governmental Bonds (the “Policy”) has been approved and adopted by the City to ensure that the City complies with its post-issuance compliance obligations under applicable provisions of the Code and Treasury Regulations.

- A.** Effective Date and Term. The effective date of this Policy is the date of approval by the City Council of the City (June 16, 2011) and shall remain in effect until superseded or terminated by action of the City Council.
- B.** Responsible Parties. The Finance Manager of the City shall be the party primarily responsible for ensuring that the City successfully carries out its post-issuance compliance requirements under applicable provisions of the Code and Treasury Regulations. The Finance Manager will be assisted by the staff of the Finance Department of the City and by other City staff and officials when appropriate. The Finance Manager of the City will also be assisted in carrying out post-issuance compliance requirements by the following organizations:
- (1) Bond Counsel (the law firm primarily responsible for providing bond counsel services for the City);
 - (2) Financial Advisor (the organization primarily responsible for providing financial advisor services to the City);
 - (3) Paying Agent (the person, organization, or City officer primarily responsible for providing paying agent services for the City); and
 - (4) Rebate Analyst (the organization primarily responsible for providing rebate analyst services for the City).

The Finance Manager shall be responsible for assigning post-issuance compliance responsibilities to members of the Finance Department, other staff of the City, Bond Counsel, Paying Agent, and Rebate Analyst. The Finance Manager shall utilize such other professional service organizations as are necessary to ensure compliance with the post-issuance compliance requirements of the City. The Finance Manager shall provide training and educational resources to City staff that are responsible for ensuring compliance with any portion of the post-issuance compliance requirements of this Policy.

- C.** Post-Issuance Compliance Actions. The Finance Manager shall take the following post-issuance compliance actions or shall verify that the following post-issuance compliance actions have been taken on behalf of the City with respect to each issue of tax-exempt governmental bonds issued by the City:
- (1) The Finance Manager shall prepare a transcript of principal documents (this action will be the primary responsibility of Bond Counsel).
 - (2) The Finance Manager shall file with the Internal Revenue Service (the “IRS”), within the time limit imposed by Section 149(e) of the Code and applicable Treasury

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Regulations, an Information Return for Tax-Exempt Governmental Obligations, Form 8038-G (this action will be the primary responsibility of Bond Counsel).

- (3) The Finance Manager, in consultation with Bond Counsel, shall identify proceeds of tax-exempt governmental bonds that must be yield-restricted and shall monitor the investments of any yield-restricted funds to ensure that the yield on such investments does not exceed the yield to which such investments are restricted.
- (4) In consultation with Bond Counsel, the Finance Manager shall determine whether the City is subject to the rebate requirements of Section 148(f) of the Code with respect to each issue of tax-exempt governmental bonds. In consultation with Bond Counsel, the Finance Manager shall determine, with respect to each issue of tax-exempt governmental bonds of the City, whether the City is eligible for any of the temporary periods for unrestricted investments and is eligible for any of the spending exceptions to the rebate requirements. The Finance Manager shall contact the Rebate Analyst (and, if appropriate, Bond Counsel) prior to the fifth anniversary of the date of issuance of each issue of tax-exempt governmental bonds of the City and each fifth anniversary thereafter to arrange for calculations of the rebate requirements with respect to such tax-exempt governmental bonds. If a rebate payment is required to be paid by the City, the Finance Manager shall prepare or cause to be prepared the Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, Form 8038-T, and submit such Form 8038-T to the IRS with the required rebate payment. If the City is authorized to recover a rebate payment previously paid, the Finance Manager shall prepare or cause to be prepared the Request for Recovery of Overpayments Under Arbitrage Rebate Provisions, Form 8038-R, with respect to such rebate recovery, and submit such Form 8038-R to the IRS.
- (5) The City has issued direct pay Build America Bonds. In consultation with the Paying Agent, the Finance Manager shall prepare or cause to be prepared the Return for Credit Payments to Issuers of Qualified Bonds, Form 8038-CP, to request subsidy payments with respect to interest payable on the bonds and submit such Form 8038-CP to the IRS.

D. Procedures for Monitoring, Verification, and Inspections. The Finance Manager shall institute such procedures as the Finance Manager shall deem necessary and appropriate to monitor the use of the proceeds of tax-exempt governmental bonds issued by the City, to verify that certain post-issuance compliance actions have been taken by the City, and to provide for the inspection of the facilities financed with the proceeds of such bonds. At a minimum, the Finance Manager shall establish the following procedures:

- (1) The Finance Manager shall monitor the use of the proceeds of tax-exempt governmental bonds to: (i) ensure compliance with the expenditure and investment requirements under the temporary period provisions set forth in Treasury Regulations, Section 1.148-2(e); (ii) ensure compliance with the safe harbor restrictions on the acquisition of investments set forth in Treasury Regulations, Section 1.148-5(d); (iii) ensure that the investments of any yield-restricted funds do not exceed the yield to

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which such investments are restricted; and (iv) determine whether there has been compliance with the spend-down requirements under the spending exceptions to the rebate requirements set forth in Treasury Regulations, Section 1.148-7.

- (2) The Finance Manager shall monitor the use of all bond financed facilities in order to:
 - (i) determine whether private business uses of bond-financed facilities have exceeded the *de minimus* limits set forth in Section 141(b) of the Code as a result of leases and subleases, licenses, management contracts, research contracts, naming rights agreements, or other arrangements that provide special legal entitlements to nongovernmental persons; and
 - (ii) determine whether private security or payments that exceed the *de minimus* limits set forth in Section 141(b) of the Code have been provided by nongovernmental persons with respect to such bond-financed facilities.

- (3) The Finance Manager shall undertake with respect to each outstanding issue of tax-exempt governmental bonds of the City an annual review of the books and records maintained by the City with respect to such bonds.

- E.** Record Retention Requirements. The Finance Manager shall collect and retain the following records with respect to each issue of tax-exempt governmental bonds of the City and with respect to the facilities financed with the proceeds of such bonds: (i) audited financial statements of the City; (ii) appraisals, demand surveys, or feasibility studies with respect to the facilities to be financed with the proceeds of such bonds; (iii) publications, brochures, and newspaper articles related to the bond financing; (iv) trustee or paying agent statements; (v) records of all investments and the gains (or losses) from such investments; (vi) paying agent or trustee statements regarding investments and investment earnings; (vii) reimbursement resolutions and expenditures reimbursed with the proceeds of such bonds; (viii) allocations of proceeds to expenditures (including costs of issuance) and the dates and amounts of such expenditures (including requisitions, draw schedules, draw requests, invoices, bills, and cancelled checks with respect to such expenditures); (ix) contracts entered into for the construction, renovation, or purchase of bond-financed facilities; (x) an asset list or schedule of all bond-financed depreciable property and any depreciation schedules with respect to such assets or property; (xi) records of the purchases and sales of bond-financed assets; (xii) private business uses of bond-financed facilities that arise subsequent to the date of issue through leases and subleases, licenses, management contracts, research contracts, naming rights agreements, or other arrangements that provide special legal entitlements to nongovernmental persons and copies of any such agreements or instruments; (xiii) arbitrage rebate reports and records of rebate and yield reduction payments; (xiv) resolutions or other actions taken by the governing body subsequent to the date of issue with respect to such bonds; (xv) formal elections authorized by the Code or Treasury Regulations that are taken with respect to such bonds; (xvi) relevant correspondence relating to such bonds; (xvii) documents related to guaranteed investment contracts or certificates of deposit entered into subsequent to the date of issue; (xviii) copies of all Form 8038-Ts, 8038-CPs and Form 8038-Rs filed with the IRS; and (xix) the transcript prepared with respect to such tax-exempt governmental bonds. The records collected by the Finance Manager shall be stored in any format deemed appropriate by the Finance Manager and shall be retained

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for a period equal to the life of the tax-exempt governmental bonds with respect to which the records are collected (which shall include the life of any bonds issued to refund any portion of such tax-exempt governmental bonds or to refund any refunding bonds) plus three (3) years.

- F.** Remedies. In consultation with Bond Counsel, the Finance Manager shall become acquainted with the remedial actions under Treasury Regulations, Section 1.141-12, to be utilized in the event that private business use of bond-financed facilities exceeds the *de minimus* limits under Section 141(b)(1) of the Code. In consultation with Bond Counsel, the Finance Manager shall become acquainted with the Tax Exempt Bonds Voluntary Closing Agreement Program described in Notice 2008-31, 2008-11 I.R.B. 592, to be utilized as a means for an issuer to correct any post issuance infractions of the Code and Treasury Regulations with respect to outstanding tax-exempt bonds.
- G.** Continuing Disclosure Obligations. In addition to its post-issuance compliance requirements under applicable provisions of the Code and Treasury Regulations, the City has agreed to provide continuing disclosure, such as annual financial information and material event notices, pursuant to a continuing disclosure certificate or similar document (the “Continuing Disclosure Document”) prepared by Bond Counsel and made a part of the transcript with respect to each issue of bonds of the City that is subject to such continuing disclosure requirements. The Continuing Disclosure Documents are executed by the City to assist the underwriters of the City’s bonds in meeting their obligations under Securities and Exchange Commission Regulation, 17 C.F.R. Section 240.15c2-12, as in effect and interpreted from time to time (“Rule 15c2-12”). The continuing disclosure obligations of the City are governed by the Continuing Disclosure Documents and by the terms of Rule 15c2-12. The Finance Manager is primarily responsible for undertaking such continuing disclosure obligations and to monitor compliance with such obligations.
- H.** Other Post-Issuance Actions. If, in consultation with Bond Counsel, Financial Advisor, Paying Agent, Rebate Analyst, the City Manager, the City Attorney, or the City Council, the Finance Manager determines that any additional action not identified in this Policy must be taken by the Finance Manager to ensure the continuing tax-exempt status of any issue of governmental bonds of the City, the Finance Manager shall take such action if the Finance Manager has the authority to do so. If, after consultation with Bond Counsel, Financial Advisor, Paying Agent, Rebate Analyst, the City Manager, the City Attorney, or the City Council, the Finance Manager and the City Manager determine that this Policy must be amended or supplemented to ensure the continuing tax-exempt status of any issue of governmental bonds of the City, the City Manager shall recommend to the City Council that this Policy be so amended or supplemented.
- I.** Taxable Governmental Bonds. Most of the provisions of this Policy, other than the provisions of Section 7 and Section 3(e), are not applicable to governmental bonds the interest on which is includable in gross income for federal income tax purposes. On the other hand, if an issue of taxable governmental bonds is later refunded with the proceeds of an issue of tax-exempt governmental refunding bonds, then the uses of the proceeds of

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the taxable governmental bonds and the uses of the facilities financed with the proceeds of the taxable governmental bonds will be relevant to the tax-exempt status of the governmental refunding bonds. Therefore, if there is any reasonable possibility that an issue of taxable governmental bonds may be refunded, in whole or in part, with the proceeds of an issue of tax-exempt governmental bonds then, for purposes of this Policy, the Finance Manager shall treat the issue of taxable governmental bonds as if such issue were an issue of tax-exempt governmental bonds and shall carry out and comply with the requirements of this Policy with respect to such taxable governmental bonds. The Finance Manager shall seek the advice of Bond Counsel as to whether there is any reasonable possibility of issuing tax-exempt governmental bonds to refund an issue of taxable governmental bonds.

- J.** IRS Examination. In the event the Internal Revenue Service (“IRS”) commences an examination of an obligation, the Finance Manager shall inform the City Manager, City Attorney and City Council of such event and is authorized to respond to inquiries of the IRS and, if necessary, to hire outside, independent professional counsel to assist in the response to the examination.

PART III - 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
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

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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:

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.

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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.

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

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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.

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| 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 |

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,

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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.
 - 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.

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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.

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.

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PART V – GASB 54 FUND BALANCE

PURPOSE

This Fund Balance Policy establishes procedures for reporting fund balance classifications and establishes a hierarchy of fund balance expenditures for governmental type funds. The policy also authorizes and directs the Finance Manager to prepare financial reports, which accurately categorize fund balance per Governmental Accounting Standards Board Statement No. 54: *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54).

I. FUND BALANCE COMPONENTS

Fund balance is essentially the difference between the assets and liabilities reported in a governmental fund. GASB 54 establishes the following five components of fund balance, each of which identifies the extent to which the City is bound to honor constraints on the specific purposes for which amounts can be spent.

A. Nonspendable Fund Balance

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in a spendable form or (b) legally or contractually required to be maintained intact. The “not spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. It also includes the long-term amount of loans and notes receivable.

B. Restricted Fund Balance

The restricted fund balance classification includes amounts that reflect constraints placed on the use of resources (other than nonspendable items) that are either (a) externally imposed by creditors (such as through bonded debt reserve funds required pursuant to debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

C. Committed Fund Balance

The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specific use by taking the same type of action (for example ordinance) it employed to previously commit those amounts. Committed fund balance also should incorporate contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those

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contractual requirements. City Council action of passing an ordinance to commit fund balance needs to occur within the fiscal reporting period; however, the amount can be determined subsequently.

D. Assigned Fund Balance

The assigned fund balance classification includes amounts that are constrained by the government's intent to be used for specific purposes, but that are neither restricted nor committed. Such intent needs to be established by (a) the governing body itself or (b) a body or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

E. Unassigned Fund Balance

The unassigned fund balance classification includes amounts that do not fall into one of the above four categories. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the general fund. The general fund is the only fund that should report this category of fund balance.

II. HEIRARCHY OF SPENDING FUND BALANCE

The City's current fund balance practice provides that restricted fund balance be spent first when expenditure is incurred for which both restricted and unrestricted fund balance is available. Similarly, when expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance can be used; committed amounts are to be spent first, followed by assigned amounts and then unassigned amounts. GASB 54 mandates that this hierarchy of expending fund balance be reported in new categories, using new terminology, and be formally adopted by the City Council. It should be noted that the new categories only emphasize the extent which the City is bound to honor expenditure constraints and the purposes for which amounts can be spent. The total reported fund balance would remain unchanged.

III. COMPARISON OF PAST PRACTICE AND GASB 54 FUND BALANCE TYPES

A.General Fund

Past Practice Definition – The general fund is used to account for all financial resources not accounted for in another fund.

GASB 54 Definition – The general fund is used to account for all financial resources not accounted for in another fund.

B. Special Revenue Funds

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Past Practice Definition – Special revenue funds account for proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

GASB 54 Definition – Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term “proceeds of specific revenue sources” establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

C. Capital Projects

Past Practice Definition – Capital project funds account for financial resources to be used for the acquisition or construction of major capital facilities.

GASB 54 Definition – Capital project funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital project funds exclude those types of capital related outflows financed by proprietary funds, or for assets that will be held in trust for individuals, private organizations, or other governments.

D. Debt Service

Past Practice Definition – Debt service funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

GASB 54 Definition – Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

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, library, recreation, 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, 2005, and 2008 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 Workers' 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.

PAY PLAN PROCESS

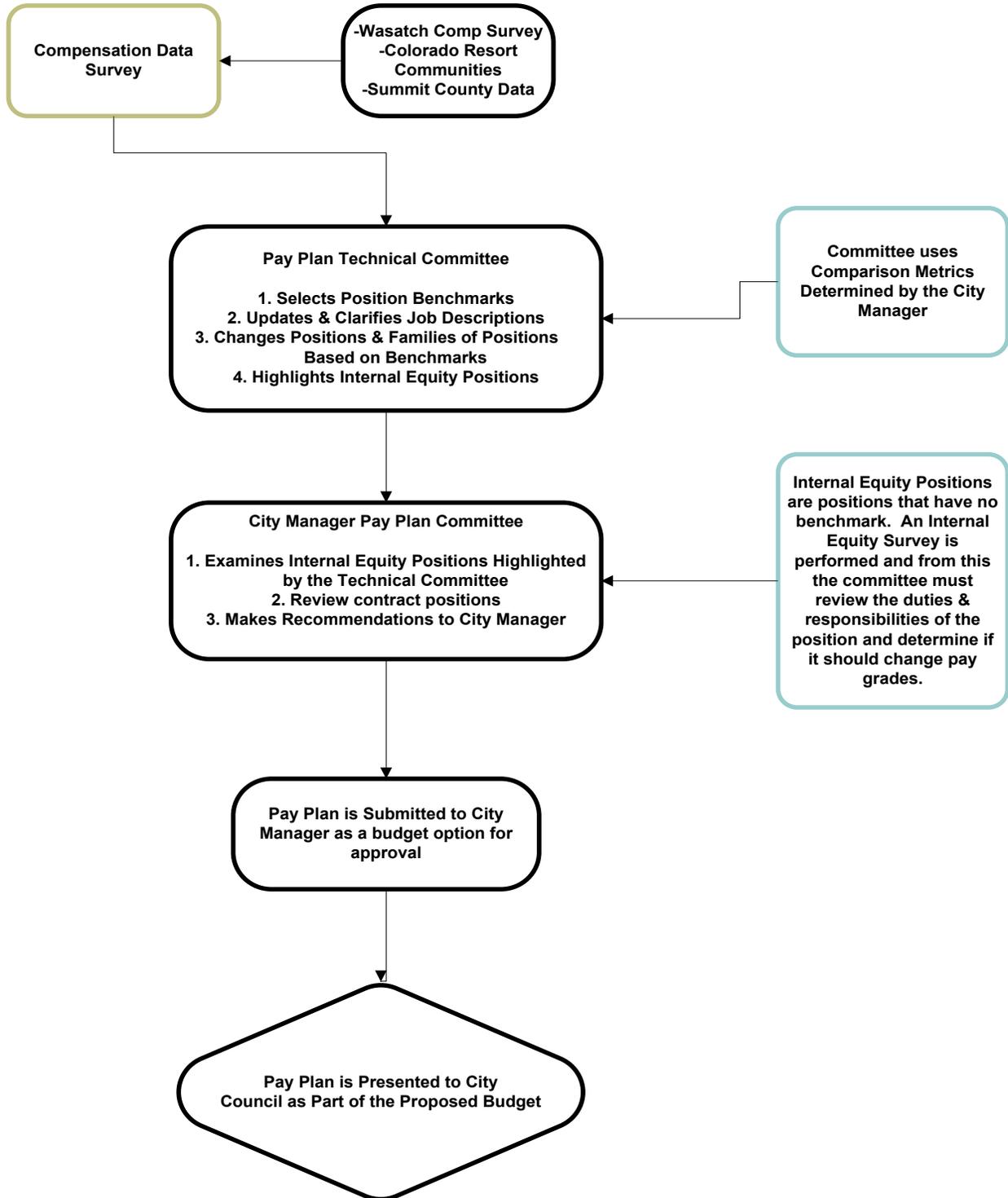


Table S7 – The City’s Pay Plan

SUPPLEMENTAL

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 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.

Park City Pay Plan - FY 2016

| Grade | Exempt | | | | Non-Exempt | | | | Part-Time | |
|---------------|----------|----------------|---------------|-----------|------------|---------|---------|---------|--------------------|---------|
| | Minimum | Hiring Maximum | Working Level | Maximum | Min | Max | Level | Max | Non-Benefitted Min | Max |
| 1 | | | | | | | | | \$6.49 | \$9.98 |
| 2 | | | | | \$7.38 | \$9.78 | \$10.99 | \$11.07 | \$7.20 | \$11.07 |
| 3 | \$30,723 | \$40,673 | \$42,976 | \$46,062 | \$8.15 | \$10.78 | \$11.40 | \$12.21 | \$7.94 | \$12.22 |
| 4 | \$34,065 | \$46,119 | \$48,740 | \$52,408 | \$8.83 | \$11.95 | \$12.63 | \$13.58 | \$8.83 | \$13.58 |
| 5 | \$38,208 | \$51,728 | \$54,667 | \$58,782 | \$9.73 | \$13.17 | \$13.92 | \$14.97 | \$9.73 | \$14.97 |
| 6 | \$43,752 | \$59,234 | \$62,599 | \$67,311 | \$10.63 | \$14.39 | \$15.21 | \$16.35 | \$10.63 | \$16.35 |
| 7 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | \$11.64 | \$15.75 | \$16.65 | \$17.90 | \$11.64 | \$17.90 |
| 7.5A | \$51,588 | \$69,843 | \$73,811 | \$79,366 | | | | | | |
| 8 | \$56,070 | \$75,910 | \$80,224 | \$86,262 | \$13.28 | \$17.98 | \$19.00 | \$20.43 | \$13.28 | \$20.43 |
| 9 | \$61,619 | \$83,423 | \$88,162 | \$94,798 | \$15.70 | \$21.25 | \$22.46 | \$24.15 | \$15.70 | \$24.15 |
| 10 | \$66,871 | \$90,534 | \$95,678 | \$102,879 | \$17.70 | \$23.96 | \$25.32 | \$27.23 | \$17.70 | \$27.23 |
| 11 | \$71,895 | \$97,335 | \$102,866 | \$110,608 | \$20.16 | \$27.29 | \$28.84 | \$31.01 | \$20.15 | \$31.00 |
| 12 | \$77,524 | \$104,955 | \$110,919 | \$119,268 | \$21.10 | \$28.56 | \$30.19 | \$32.46 | \$23.26 | \$35.79 |
| 13 | \$82,482 | \$111,668 | \$118,013 | \$126,896 | \$23.26 | \$31.49 | \$33.28 | \$35.78 | | |
| 14 | \$87,724 | \$118,764 | \$125,512 | \$134,959 | | | | | | |
| Mayor | | | | \$68,442* | | | | | | |
| City Council | | | | \$42,484* | | | | | | |
| City Manager | \$98,188 | \$132,931 | \$140,484 | \$151,058 | | | | | | |
| City Attorney | \$92,254 | \$124,897 | \$131,993 | \$141,928 | | | | | | |

* Includes wages & benefit value which may be taken as wages

Staffing Summary by Fund

GENERAL FUND

| Class Code - Department | Grade FY 2015 | Minimum | Hiring Max | Working Level | Maximum | FTEs FY 2015 | FTEs FY 2016 |
|---------------------------------------|------------------|----------|------------|---------------|-----------|-----------------|-----------------|
| Full Time | | | | | | | |
| 1190 - CITY MANAGER | AD02 | \$98,188 | \$132,931 | \$140,484 | \$151,058 | 1.00 | 1.00 |
| 1290 - CITY ATTORNEY | AD01 | \$92,254 | \$124,897 | \$131,993 | \$141,928 | 1.00 | 1.00 |
| 2190 - CHIEF OF POLICE | E14 | \$87,724 | \$118,764 | \$125,512 | \$134,959 | 1.00 | 1.00 |
| 4595 - PUBLIC UTILITIES DIRECTOR | E13 | \$82,482 | \$111,668 | \$118,013 | \$126,896 | 0.00 | 0.30 |
| 3292 - COMMUNITY DEVELOPMENT DIRECTOR | E13 | \$82,482 | \$111,668 | \$118,013 | \$126,896 | 0.00 | 0.75 |
| 1280 - DEPUTY CITY ATTORNEY | E13 | \$82,482 | \$111,668 | \$118,013 | \$126,896 | 1.00 | 1.00 |
| 3490 - CITY ENGINEER | E12 | \$77,524 | \$104,955 | \$110,919 | \$119,268 | 1.00 | 1.00 |
| 1180 - ASSISTANT CITY MANAGER | E12 | \$77,524 | \$104,955 | \$110,919 | \$119,268 | 1.00 | 1.00 |
| 1590 - FINANCE MANAGER | E12 | \$77,524 | \$104,955 | \$110,919 | \$119,268 | 1.00 | 1.00 |
| 4590 - WATER & STREETS DIRECTOR | E12 | \$77,524 | \$104,955 | \$110,919 | \$119,268 | 0.20 | 0.00 |
| 1690 - IT & CUSTOMER SERVICE DIRECTOR | E11 | \$71,895 | \$97,335 | \$102,866 | \$110,608 | 1.00 | 1.00 |
| 1390 - HUMAN RESOURCES MANAGER | E11 | \$71,895 | \$97,335 | \$102,866 | \$110,608 | 1.00 | 1.00 |
| 4190 - PW DIRECTOR | E11 | \$71,895 | \$97,335 | \$102,866 | \$110,608 | 0.25 | 0.25 |
| 3390 - PUBLIC & COMMUNITY AFFAIRS MGR | E10 | \$66,871 | \$90,534 | \$95,678 | \$102,879 | 1.00 | 1.00 |
| 2180 - CAPTAIN | E10 | \$66,871 | \$90,534 | \$95,678 | \$102,879 | 2.00 | 2.00 |
| 2080 - ECONOMIC DEVELOPMENT MANAGER | E10 | \$66,871 | \$90,534 | \$95,678 | \$102,879 | 1.00 | 1.00 |
| 5490 - LIBRARY DIRECTOR | E10 | \$66,871 | \$90,534 | \$95,678 | \$102,879 | 1.00 | 1.00 |
| 3290 - PLANNING DIRECTOR | E10 | \$66,871 | \$90,534 | \$95,678 | \$102,879 | 1.00 | 0.00 |
| 3080 - CHIEF BUILDING OFFICIAL | E09 | \$61,619 | \$83,423 | \$88,162 | \$94,798 | 1.00 | 1.00 |
| 2170 - LIEUTENANT | E09 | \$61,619 | \$83,423 | \$88,162 | \$94,798 | 1.00 | 1.00 |
| 1250 - ATTORNEY V | E09 | \$61,619 | \$83,423 | \$88,162 | \$94,798 | 1.00 | 1.00 |
| 3294 - PLANNING MANAGER | E09 | \$61,619 | \$83,423 | \$88,162 | \$94,798 | 0.00 | 1.00 |
| 1974 - CPITL BUDGET DEBT & GRANTS MNG | E08 | \$56,070 | \$75,910 | \$80,224 | \$86,262 | 1.00 | 1.00 |
| 4490 - PR DV STREETS/STRETSKPE SPRV | E08 | \$56,070 | \$75,910 | \$80,224 | \$86,262 | 1.00 | 1.00 |
| 1972 - BUDGET OPERATIONS MANAGER | E08 | \$56,070 | \$75,910 | \$80,224 | \$86,262 | 1.00 | 1.00 |
| 1670 - NETWORK ENGINEER | E08 | \$56,070 | \$75,910 | \$80,224 | \$86,262 | 1.00 | 1.00 |
| 5790 - RECREATION MANAGER | E08 | \$56,070 | \$75,910 | \$80,224 | \$86,262 | 1.00 | 1.00 |
| 3078 - DEPUTY CHIEF BUILDING OFFICIAL | E07.5A | \$51,588 | \$69,843 | \$73,811 | \$79,366 | 0.00 | 1.00 |
| 3078 - DEPUTY CHIEF BUILDING OFFICIAL | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 1.00 | 0.00 |
| 3050 - PLAN CHECK COORDINATOR | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 0.00 | 2.00 |
| 5590 - PROF DVLP PARKS & GOLF SUPERV | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 0.50 | 0.50 |
| 2030 - ENVIRON REGULATORY PROGRM MNGR | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 1.00 | 1.00 |
| 2072 - SENIOR PROJECT MANAGER | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 1.00 | 1.00 |

| Class Code - Department | Grade FY 2015 | Minimum | Hiring Max | Working Level | Maximum | FTEs FY 2015 | FTEs FY 2016 |
|---|------------------|----------|------------|---------------|----------|-----------------|-----------------|
| 5788 - RECREATION ASSISTANT MANAGER | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 0.00 | 1.00 |
| 3074 - DEPUTY FIRE MARSHALL | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 1.00 | 1.00 |
| 3224 - UNDRF PLANNER II-SR PLANNER | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 2.00 | 2.00 |
| 1240 - ATTORNEY IV | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 1.00 | 1.00 |
| 4558 - PUBLIC IMPROVEMENTS ENGINEER | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 0.00 | 1.00 |
| 1660 - GIS ADMINISTRATOR | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 0.50 | 0.50 |
| 1890 - BUILDING MAINTENANCE SUPER | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 1.00 | 1.00 |
| 1680 - SYSTEMS ADMINISTRATOR | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 1.00 | 1.00 |
| 4530 - WATER RESOURCES MANAGER | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 0.00 | 0.50 |
| 1580 - ACCOUNTING MANAGER | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 1.00 | 1.00 |
| 3024 - BUILDING INSPECTOR SUPERVISOR | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 0.00 | 1.00 |
| 3050 - PLAN CHECK COORDINATOR | E06 | \$43,752 | \$59,234 | \$62,599 | \$67,311 | 2.00 | 0.00 |
| 3222 - PLANNER II, PROFESSIONAL DEV TO SENIOR PLANNER | E06 | \$43,752 | \$59,234 | \$62,599 | \$67,311 | 2.00 | 2.00 |
| 2078 - PROF DEV ECON DEVEL PROGRM MGR | E06 | \$43,752 | \$59,234 | \$62,599 | \$67,311 | 1.00 | 1.00 |
| 3024 - BUILDING INSPECTOR SUPERVISOR | E06 | \$43,752 | \$59,234 | \$62,599 | \$67,311 | 0.00 | 1.00 |
| 2020 - TRAILS & OPEN SPACE PROGRAM MANAGER | E06 | \$43,752 | \$59,234 | \$62,599 | \$67,311 | 1.00 | 1.00 |
| 2010 - HOUSING SPECIALIST | E06 | \$43,752 | \$59,234 | \$62,599 | \$67,311 | 1.00 | 1.00 |
| 3220 - PLANNER I | E05 | \$38,208 | \$51,728 | \$54,667 | \$58,782 | 2.00 | 2.00 |
| 2220 - DISPATCH COORDINATOR | E05 | \$38,208 | \$51,728 | \$54,667 | \$58,782 | 1.00 | 1.00 |
| 5782 - RECREATION SUPERVISOR | E05 | \$38,208 | \$51,728 | \$54,667 | \$58,782 | 3.00 | 3.00 |
| 1652 - IT COORDINATOR II UNDERF. III | E05 | \$38,208 | \$51,728 | \$54,667 | \$58,782 | 2.00 | 2.00 |
| 5480 - LIBRARIAN UNDRFLD SR LIBRARIAN | E05 | \$38,208 | \$51,728 | \$54,667 | \$58,782 | 3.00 | 4.00 |
| 5470 - IT CIRCULATION LIBRARIAN | E04 | \$34,065 | \$46,119 | \$48,740 | \$52,408 | 1.00 | 1.00 |
| 1650 - IT COORDINATOR II - TRANSIT | E04 | \$34,065 | \$46,119 | \$48,740 | \$52,408 | 1.00 | 1.00 |
| 2160 - SERGEANT | N13 | \$23 | \$31 | \$33 | \$36 | 5.00 | 5.00 |
| 3022 - SENIOR BUILDING INSPECTOR | N12 | \$21 | \$29 | \$30 | \$32 | 0.00 | 4.00 |
| 7734 - STORM WATER COORDINATOR | N12 | \$21 | \$29 | \$30 | \$32 | 0.00 | 0.60 |
| 3022 - SENIOR BUILDING INSPECTOR | N11 | \$20 | \$27 | \$29 | \$31 | 4.00 | 0.00 |
| 4120 - PUBLIC IMPROVEMENTS INSPECTOR | N10 | \$18 | \$24 | \$25 | \$27 | 0.75 | 0.75 |
| 7762 - EXECUTIVE ASSISTANT | N10 | \$18 | \$24 | \$25 | \$27 | 1.00 | 1.20 |
| 1520 - ACCOUNTANT | N10 | \$18 | \$24 | \$25 | \$27 | 1.00 | 1.00 |
| 2142 - POLICE OFFICER UNDRFLD SR OFFICER | N10 | \$18 | \$24 | \$25 | \$27 | 17.00 | 17.00 |
| 1960 - PERFORMANCE & BUDGET ANALYST | N10 | \$18 | \$24 | \$25 | \$27 | 1.25 | 1.25 |
| 2000 - ENVIRONMENTAL PROJECT MANAGER | N10 | \$18 | \$24 | \$25 | \$27 | 1.00 | 1.00 |
| 1350 - HR GENERALIST | N10 | \$18 | \$24 | \$25 | \$27 | 2.00 | 2.00 |
| 1112 - EXECUTIVE ASSISTANT | N10 | \$18 | \$24 | \$25 | \$27 | 1.00 | 1.00 |
| 1110 - CITY RECORDER | N10 | \$18 | \$24 | \$25 | \$27 | 1.00 | 1.00 |
| 3018 - BUSINESS LICENSE INSPECTOR | N10 | \$18 | \$24 | \$25 | \$27 | 1.00 | 1.00 |
| 4416 - STREETS IV | N09 | \$16 | \$21 | \$22 | \$24 | 2.00 | 2.00 |
| 5780 - RECREATION COORDINATOR | N09 | \$16 | \$21 | \$22 | \$24 | 1.30 | 1.30 |
| 1202 - PARALEGAL | N09 | \$16 | \$21 | \$22 | \$24 | 2.00 | 2.00 |

| Class Code - Department | Grade FY 2015 | Minimum | Hiring Max | Working Level | Maximum | FTEs FY 2015 | FTEs FY 2016 |
|---|------------------|---------|------------|---------------|---------|-----------------|-----------------|
| 1530 - PAYROLL COORDINATOR | N09 | \$16 | \$21 | \$22 | \$24 | 1.00 | 1.00 |
| 1750 - EVENTS COORDINATOR | N09 | \$16 | \$21 | \$22 | \$24 | 1.00 | 1.00 |
| 2214 - DISPATCHER III | N09 | \$16 | \$21 | \$22 | \$24 | 1.00 | 1.00 |
| 2140 - POLICE OFFICER | N09 | \$16 | \$21 | \$22 | \$24 | 4.00 | 4.00 |
| 3010 - CODE ENFORCEMENT OFFICER | N09 | \$16 | \$21 | \$22 | \$24 | 2.00 | 2.00 |
| 5770 - BUSINESS MARKETING COORDINATOR | N09 | \$16 | \$21 | \$22 | \$24 | 1.00 | 0.00 |
| 1514 - ACCOUNTING CLERK III | N08 | \$13 | \$18 | \$19 | \$20 | 1.00 | 1.00 |
| 3060 - PLANNING TECHNICIAN | N08 | \$13 | \$18 | \$19 | \$20 | 1.00 | 1.00 |
| 5516 - PARKS IV | N08 | \$13 | \$18 | \$19 | \$20 | 5.50 | 5.50 |
| 7732 - ANALYST II | N08 | \$13 | \$18 | \$19 | \$20 | 4.20 | 4.00 |
| 2212 - DISPATCHER II | N08 | \$13 | \$18 | \$19 | \$20 | 1.00 | 1.00 |
| 1826 - BUILDING MAINTENANCE IV | N08 | \$13 | \$18 | \$19 | \$20 | 1.00 | 1.00 |
| 2130 - VICTIM ADVOCATE | N08 | \$13 | \$18 | \$19 | \$20 | 1.00 | 1.00 |
| 3320 - COMMUNITY AFFAIRS ASSOCIATE | N08 | \$13 | \$18 | \$19 | \$20 | 1.00 | 1.00 |
| 1630 - CITY RECORDS COORDINATOR | N08 | \$13 | \$18 | \$19 | \$20 | 1.00 | 1.00 |
| 1540 - BUSINESS LICENSE SPECIALIST | N08 | \$13 | \$18 | \$19 | \$20 | 1.00 | 1.00 |
| 5766 - PC MARC COORDINATOR | N08 | \$13 | \$18 | \$19 | \$20 | 1.00 | 0.00 |
| 7730 - OFFICE ASST. III UNDRFILLD ANALYST I | N07 | \$12 | \$16 | \$17 | \$18 | 1.61 | 1.61 |
| 4414 - STREETS III | N07 | \$12 | \$16 | \$17 | \$18 | 11.00 | 11.00 |
| 3002 - PERMIT TECHNICIAN | N07 | \$12 | \$16 | \$17 | \$18 | 1.00 | 1.00 |
| 1310 - HR ASSISTANT | N07 | \$12 | \$16 | \$17 | \$18 | 1.00 | 1.00 |
| 5422 - CIRCULATION TEAM LEADER-CUSTSR | N07 | \$12 | \$16 | \$17 | \$18 | 1.00 | 1.00 |
| 2204 - POLICE RECORDS CLERK | N07 | \$12 | \$16 | \$17 | \$18 | 1.00 | 1.00 |
| 2210 - DISPATCHER I | N07 | \$12 | \$16 | \$17 | \$18 | 6.00 | 6.00 |
| 1824 - BUILDING MAINTENANCE III | N07 | \$12 | \$16 | \$17 | \$18 | 4.00 | 4.00 |
| 5514 - PARKS III | N07 | \$12 | \$16 | \$17 | \$18 | 3.00 | 3.00 |
| 5414 - LIBRARY ASSISTANT | N06 | \$11 | \$14 | \$15 | \$16 | 1.00 | 1.00 |
| 5763 - FRONT DESK TEAM LEADER | N06 | \$11 | \$14 | \$15 | \$16 | 2.00 | 3.00 |
| 1822 - BUILDING MAINTENANCE II | N04 | \$9 | \$12 | \$13 | \$14 | 1.00 | 1.00 |
| Total Full Time | | | | | | 157.06 | 163.01 |

| Class Code - Department | Grade FY 2015 | Minimum | Hiring Max | Working Level | Maximum | FTEs FY 2015 | FTEs FY 2016 |
|--|------------------|---------|------------|---------------|---------|-----------------|-----------------|
| Part Time | | | | | | | |
| 5110 - TENNIS PRO | SP12 | \$23 | \$36 | \$36 | \$36 | 0.73 | 0.73 |
| 5754 - RECREATION INSTRUCTOR VII- PC MARC | SP12 | \$23 | \$36 | \$36 | \$36 | 0.79 | 0.79 |

| Class Code - Department | Grade FY 2015 | Minimum | Hiring Max | Working Level | Maximum | FTEs FY 2015 | FTEs FY 2016 |
|---|------------------|---------|------------|---------------|---------|-----------------|-----------------|
| 2124 - SPECIAL EVENTS POLICE OFFICER | SP10 | \$18 | - | - | \$27 | 0.52 | 0.52 |
| 5752 - RECREATION INSTRUCTOR VI - ICE | SP09 | \$16 | - | - | \$24 | 0.18 | 0.18 |
| 8854 - PROJECT MANAGER I - LEGAL INTERN | SP08 | \$13 | - | - | \$20 | 1.00 | 1.00 |
| 1514 - ACCOUNTING CLERK III | SP08 | \$13 | - | - | \$20 | 0.65 | 0.65 |
| 5514 - PARKS III-DIRT MAINTENANCE | SP07 | \$12 | - | - | \$18 | 5.91 | 5.91 |
| 2210 - DISPATCHER | SP07 | \$12 | - | - | \$18 | 0.39 | 0.39 |
| 4414 - STREETS III | SP07 | \$12 | - | - | \$18 | 0.61 | 0.61 |
| 5512 - PARKS II | SP06 | \$11 | - | - | \$16 | 0.60 | 0.60 |
| 2122 - RESERVE POLICE OFFICER | SP06 | \$11 | - | - | \$16 | 2.93 | 2.93 |
| 5730 - RECREATION WORKER VI - ICE | SP06 | \$11 | - | - | \$16 | 0.16 | 0.16 |
| 7724 - OFFICE ASSISTANT III | SP06 | \$11 | - | - | \$16 | 0.97 | 1.68 |
| 5414 - LIBRARY ASSISTANT | SP06 | \$11 | - | - | \$16 | 3.54 | 2.61 |
| 5728 - RECREATION WORKER V-ICE | SP05 | \$10 | - | - | \$15 | 1.88 | 1.88 |
| 5748 - REC INSTRUCTOR IV-TENNIS | SP05 | \$10 | - | - | \$15 | 0.98 | 0.98 |
| 4412 - STREETS II | SP05 | \$10 | - | - | \$15 | 1.15 | 1.15 |
| 5760 - RECREATION FRONT DESK CLERK | SP04 | \$9 | - | - | \$14 | 3.84 | 3.84 |
| 5412 - LIBRARY CLERK | SP04 | \$9 | - | - | \$14 | 1.62 | 1.27 |
| 5726 - RECREATION WORKER IV - GOLF | SP04 | \$9 | - | - | \$14 | 6.06 | 6.06 |
| 8844 - GENERAL OFFICE CLERK III | SP03 | \$8 | - | - | \$12 | 1.14 | 1.14 |
| 5744 - RECREATION INSTRUCTOR II | SP03 | \$8 | - | - | \$12 | 0.85 | 0.85 |
| 5724 - RECREATION WORKER III | SP03 | \$8 | - | - | \$12 | 1.20 | 1.20 |
| 8852 - ED INTERN | SP03 | \$8 | - | - | \$12 | 0.00 | 0.29 |
| 5714 - OFFICIAL/REFEREE II | SP02 | \$7 | - | - | \$11 | 1.00 | 1.00 |
| 5510 - PARKS I | SP02 | \$7 | - | - | \$11 | 2.29 | 2.29 |
| 5742 - RECREATION INSTRUCTOR I - ICE | SP02 | \$7 | - | - | \$11 | 2.20 | 2.20 |
| 1810 - ASSISTANT CUSTODIAN I | SP02 | \$7 | - | - | \$11 | 0.33 | 0.33 |
| 5720 - RECREATION WORKER I | SP01 | \$6 | - | - | \$10 | 2.47 | 2.47 |
| Total Part Time | | | | | | 45.37 | 45.42 |

Staffing Summary by Fund

QUINNS RECREATION COMPLEX

| Class Code - Department | Grade FY 2015 | Minimum | Hiring Max | Working Level | Maximum | FTEs FY 2015 | FTEs FY 2016 |
|---------------------------------------|------------------|----------|------------|---------------|----------|-----------------|-----------------|
| Full Time | | | | | | | |
| 3590 - ICE GENERAL MANAGER | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 1.00 | 1.00 |
| 3550 - ICE PROGRAM COORDINATOR | N09 | \$16 | \$21 | \$22 | \$24 | 1.00 | 1.00 |
| 5516 - PARKS IV | N08 | \$13 | \$18 | \$19 | \$20 | 1.00 | 1.00 |
| 3528 - ICE ARENA OPERATIONS ASSISTANT | N08 | \$13 | \$18 | \$19 | \$20 | 1.00 | 1.00 |
| 3524 - ARENA MAINTENANCE COORDINATOR | N07 | \$12 | \$16 | \$17 | \$18 | 1.00 | 1.00 |
| 5514 - PARKS III | N07 | \$12 | \$16 | \$17 | \$18 | 1.00 | 1.00 |
| 3538 - ICE FRONT DESK TEAM LEADER | N07 | \$12 | \$16 | \$17 | \$18 | 1.00 | 1.00 |
| Total Full Time | | | | | | 7.00 | 7.00 |

| Class Code - Department | Grade FY 2015 | Minimum | Hiring Max | Working Level | Maximum | FTEs FY 2015 | FTEs FY 2016 |
|-----------------------------------|------------------|---------|------------|---------------|---------|-----------------|-----------------|
| Part Time | | | | | | | |
| 3510 - HOCKEY ACADEMY DIRECTOR | SP09 | \$16 | - | - | \$24 | 0.25 | 0.25 |
| 3520 - SKATING ACADEMY DIRECTOR | SP09 | \$16 | - | - | \$24 | 0.50 | 0.50 |
| 5514 - PARKS III-DIRT MAINTENANCE | SP07 | \$12 | - | - | \$18 | 0.83 | 0.83 |
| 5730 - RECREATION WORKER VI - ICE | SP06 | \$11 | - | - | \$16 | 2.52 | 2.52 |
| 1822 - BUILDING II | SP04 | \$9 | - | - | \$14 | 0.25 | 0.25 |
| Total Part Time | | | | | | 4.35 | 4.35 |

Staffing Summary by Fund

LOWER PARK AVE RDA SPECIAL REVENUE FUND

| Class Code - Department | Grade FY 2015 | Minimum | Hiring Max | Working Level | Maximum | FTEs FY 2015 | FTEs FY 2016 |
|--|------------------|---------|------------|---------------|---------|-----------------|-----------------|
| Full Time 1960 - PERFORMANCE & BUDGET ANALYST | N10 | \$18 | \$24 | \$25 | \$27 | 0.25 | 0.25 |
| Total Full Time | | | | | | 0.25 | 0.25 |

Staffing Summary by Fund

WATER FUND

| Class Code - Department | Grade FY 2015 | Minimum | Hiring Max | Working Level | Maximum | FTEs FY 2015 | FTEs FY 2016 |
|---|------------------|----------|------------|---------------|-----------|-----------------|-----------------|
| Full Time | | | | | | | |
| 4595 - PUBLIC UTILITIES DIRECTOR | E13 | \$82,482 | \$111,668 | \$118,013 | \$126,896 | 0.00 | 0.70 |
| 4590 - WATER & STREETS DIRECTOR | E12 | \$77,524 | \$104,955 | \$110,919 | \$119,268 | 0.80 | 0.00 |
| 4580 - WATER QUALITY & TREATMENT MNGR | E10 | \$66,871 | \$90,534 | \$95,678 | \$102,879 | 1.00 | 1.00 |
| 4560 - WATER ENGINEER | E08 | \$56,070 | \$75,910 | \$80,224 | \$86,262 | 1.00 | 1.00 |
| 4540 - WATER OPERATIONS TEAM LEADER | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 1.00 | 1.00 |
| 4558 - PUBLIC IMPROVEMENTS ENGINEER | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 0.00 | 0.50 |
| 4530 - WATER RESOURCES MANAGER | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 0.25 | 0.25 |
| 1660 - GIS ADMINISTRATOR | E06 | \$43,752 | \$59,234 | \$62,599 | \$67,311 | 1.00 | 0.00 |
| 4556 - PRO DEV/CONSERVE & TECH CORD | N12 | \$21 | \$29 | \$30 | \$32 | 1.00 | 2.00 |
| 4538 - TREATMENT FACILITIES SUPER. | N11 | \$20 | \$27 | \$29 | \$31 | 2.00 | 2.00 |
| 4534 - WATER DISTRIBUTION FIELD SUPERVISOR | N10 | \$18 | \$24 | \$25 | \$27 | 0.00 | 0.80 |
| 7762 - EXECUTIVE ASSISTANT | N10 | \$18 | \$24 | \$25 | \$27 | 10.00 | 10.00 |
| 4526 - UNDFL WATER WORKER III - WW IV | N10 | \$18 | \$24 | \$25 | \$27 | 0.25 | 0.25 |
| 1960 - PERFORMANCE & BUDGET ANALYST | N09 | \$16 | \$21 | \$22 | \$24 | 1.00 | 1.00 |
| 4532 - WATER BILLING COORDINATOR | N09 | \$16 | \$21 | \$22 | \$24 | 0.00 | 0.40 |
| 7734 - STORM WATER COORDINATOR | N08 | \$13 | \$18 | \$19 | \$20 | 0.80 | 0.00 |
| 7732 - ANALYST II | N07 | \$12 | \$16 | \$17 | \$18 | 0.13 | 0.13 |
| 7730 - OFFICE ASST. III UNDRFILLD ANALYST I | | | | | | | |
| Total Full Time | | | | | | 21.43 | 22.03 |

| Class Code - Department | Grade FY 2015 | Minimum | Hiring Max | Working Level | Maximum | FTEs FY 2015 | FTEs FY 2016 |
|--------------------------|------------------|---------|------------|---------------|---------|-----------------|-----------------|
| Part Time | | | | | | | |
| 4514 - WATER LABORER III | SP06 | \$11 | | | \$16 | 1.01 | 1.01 |
| 4510 - WATER LABORER I | SP04 | \$9 | | | \$14 | 1.35 | 1.35 |
| Total Part Time | | | | | | 2.36 | 2.36 |

Staffing Summary by Fund

GOLF COURSE FUND

| Class Code - Department | Grade FY 2015 | Minimum | Hiring Max | Working Level | Maximum | FTEs FY 2015 | FTEs FY 2016 |
|--------------------------------------|------------------|----------|------------|---------------|----------|-----------------|-----------------|
| Full Time | | | | | | | |
| 5690 - GOLF MANAGER | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 1.00 | 1.00 |
| 5590 - PROF DVLP PARKS & GOLF SUPERV | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 0.50 | 0.50 |
| 5780 - RECREATION COORDINATOR | N09 | \$16 | \$21 | \$22 | \$24 | 0.70 | 0.70 |
| 5516 - PARKS IV | N08 | \$13 | \$18 | \$19 | \$20 | 1.50 | 1.50 |
| Total Full Time | | | | | | 3.70 | 3.70 |

| Class Code - Department | Grade FY 2015 | Minimum | Hiring Max | Working Level | Maximum | FTEs FY 2015 | FTEs FY 2016 |
|---|------------------|---------|------------|---------------|---------|-----------------|-----------------|
| Part Time | | | | | | | |
| 5512 - PARKS II | SP06 | \$11 | | | \$16 | 6.59 | 6.59 |
| 5650 - ASSISTANT GOLF PRO | SP06 | \$11 | | | \$16 | 1.69 | 1.69 |
| 5622 - BEVERAGE CART SUPERVISOR - GOLF | SP04 | \$9 | | | \$14 | 0.23 | 0.23 |
| 5614 - GOLF COURSE STARTER | SP03 | \$8 | | | \$12 | 0.75 | 0.75 |
| 5510 - PARKS I | SP02 | \$7 | | | \$11 | 0.39 | 0.39 |
| 5612 - RANGE ATTENDANT | SP02 | \$7 | | | \$11 | 0.50 | 0.50 |
| 5610 - GOLF CART SERVICER | SP01 | \$6 | | | \$10 | 0.49 | 0.49 |
| 5620 - BEVERAGE CART ATTENDEE | SP01 | \$6 | | | \$10 | 0.59 | 0.59 |
| Total Part Time | | | | | | 11.23 | 11.23 |

Staffing Summary by Fund

TRANSPORTATION & PARKING FUND

| Class Code - Department | Grade FY 2015 | Minimum | Hiring Max | Working Level | Maximum | FTEs FY 2015 | FTEs FY 2016 |
|---|------------------|----------|------------|---------------|-----------|-----------------|-----------------|
| Full Time | | | | | | | |
| 3292 - COMMUNITY DEVELOPMENT DIRECTOR | E13 | \$82,482 | \$111,668 | \$118,013 | \$126,896 | 0.00 | 0.25 |
| 4292 - TRANSIT & TRANSPORTATION MANAGER | E13 | \$82,482 | \$111,668 | \$118,013 | \$126,896 | 1.00 | 0.00 |
| 4292 - TRANSIT & TRANSPORTATION MANAGER | E12 | \$77,524 | \$104,955 | \$110,919 | \$119,268 | 0.00 | 1.00 |
| 4190 - PW DIRECTOR | E11 | \$71,895 | \$97,335 | \$102,866 | \$110,608 | 0.50 | 0.50 |
| 4272 - SENIOR TRANSPORTATION PLANNER | E08 | \$56,070 | \$75,910 | \$80,224 | \$86,262 | 1.00 | 1.00 |
| 4280 - TRANSIT ADMIN SUPERVISOR | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 1.00 | 1.00 |
| 1660 - GIS ADMINISTRATOR | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 0.25 | 0.25 |
| 4140 - PARKING & FLEET ADMIN SUPERVISOR | E07 | \$49,381 | \$66,854 | \$70,652 | \$75,970 | 1.00 | 1.00 |
| 1650 - IT COORDINATOR II - TRANSIT | E04 | \$34,065 | \$46,119 | \$48,740 | \$52,408 | 1.00 | 1.00 |
| 4262 - TRANSIT OPERATIONS TEAM LEADER | N11 | \$20 | \$27 | \$29 | \$31 | 1.00 | 1.00 |
| 4120 - PUBLIC IMPROVEMENTS INSPECTOR | N10 | \$18 | \$24 | \$25 | \$27 | 0.25 | 0.25 |
| 4250 - TRANSIT SHIFT SUPERVISOR | N10 | \$18 | \$24 | \$25 | \$27 | 4.00 | 4.00 |
| 1960 - PERFORMANCE & BUDGET ANALYST | N10 | \$18 | \$24 | \$25 | \$27 | 0.25 | 0.25 |
| 4118 - PARKING SUPERVISOR | N09 | \$16 | \$21 | \$22 | \$24 | 1.00 | 1.00 |
| 4416 - STREETS IV | N09 | \$16 | \$21 | \$22 | \$24 | 1.00 | 1.00 |
| 4216 - BUS DRIVER IV | N09 | \$16 | \$21 | \$22 | \$24 | 0.00 | 8.00 |
| 4216 - BUS DRIVER IV | N08 | \$13 | \$18 | \$19 | \$20 | 8.00 | 0.00 |
| 4214 - BUS DRIVER III | N08 | \$13 | \$18 | \$19 | \$20 | 0.00 | 31.00 |
| 4214 - BUS DRIVER III | N07 | \$12 | \$16 | \$17 | \$18 | 31.00 | 0.00 |
| 7730 - OFFICE ASST. III UNDRFILLD ANALYST I | N07 | \$12 | \$16 | \$17 | \$18 | 0.66 | 0.66 |
| 4212 - BUS DRIVER II | N07 | \$12 | \$16 | \$17 | \$18 | 0.00 | 1.00 |
| 4212 - BUS DRIVER II | N06 | \$11 | \$14 | \$15 | \$16 | 1.00 | 1.00 |
| 4114 - PARKING OFFICER | N06 | \$11 | \$14 | \$15 | \$16 | 2.00 | 2.00 |
| 7724 - UNDFL OFFICE ASST II - PW ADMIN | N05 | \$10 | \$13 | \$14 | \$15 | 1.00 | 1.00 |
| 7722 - OFFICE ASSISTANT II - PW ADMIN | N05 | \$10 | \$13 | \$14 | \$15 | 1.00 | 1.00 |
| Total Full Time | | | | | | 58.91 | 58.16 |

| Class Code - Department | Grade FY 2015 | Minimum | Hiring Max | Working Level | Maximum | FTEs FY 2015 | FTEs FY 2016 |
|----------------------------|------------------|---------|------------|---------------|---------|-----------------|-----------------|
| Part Time | | | | | | | |
| 4112 - PARKING ADJUDICATOR | SP09 | \$16 | | | \$24 | 0.20 | 0.20 |
| 4214 - BUS DRIVER III | SP08 | \$13 | | | \$20 | 0.00 | 6.13 |
| 4214 - BUS DRIVER III | SP07 | \$12 | | | \$18 | 7.00 | 0.00 |
| 4212 - BUS DRIVER II | SP07 | \$12 | | | \$18 | 0.00 | 17.59 |
| 4414 - STREETS III | SP07 | \$12 | | | \$18 | 0.70 | 0.70 |
| 4212 - BUS DRIVER II | SP06 | \$11 | | | \$16 | 19.26 | 0.00 |
| 4210 - BUS DRIVER I | SP06 | \$11 | | | \$16 | 0.00 | 0.08 |
| 4114 - PARKING OFFICER | SP06 | \$11 | | | \$16 | 2.00 | 2.00 |
| 4210 - BUS DRIVER I | SP05 | \$10 | | | \$15 | 0.09 | 0.00 |
| Total Part Time | | | | | | 29.25 | 26.70 |

Staffing Summary by Fund

FLEET SERVICES FUND

| Class Code - Department | Grade FY 2015 | Minimum | Hiring Max | Working Level | Maximum | FTEs FY 2015 | FTEs FY 2016 |
|--|------------------|----------|------------|---------------|-----------|-----------------|-----------------|
| Full Time | | | | | | | |
| 4190 - PW DIRECTOR | E11 | \$71,895 | \$97,335 | \$102,866 | \$110,608 | 0.25 | 0.25 |
| 4680 - FLEET OPERATIONS TEAM LEADER | N11 | \$20 | \$27 | \$29 | \$31 | 2.00 | 2.00 |
| 4652 - MECHANIC II | N09 | \$16 | \$21 | \$22 | \$24 | 1.00 | 1.00 |
| 4650 - MECHANIC I | N08 | \$13 | \$18 | \$19 | \$20 | 6.00 | 6.00 |
| 7730 - OFFICE ASST.II.II UNDRFILLD ANALYST I | N07 | \$12 | \$16 | \$17 | \$18 | 0.60 | 0.60 |
| Total Full Time | | | | | | 9.85 | 9.85 |