



Staff Communication

Subject: FY23 Budget Timeline
Author: Budget Team
Department: Budget, Debt, & Grants
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As part of the City's annual budgeting process, the Budget Team and Department Managers will continue to present detailed information on the proposed FY23 budget over the next several weeks, before the adoption of the final budget on June 23rd. We invite the public to attend the work sessions and provide public input. Accordingly, the information provided below summarizes what will be discussed at the next several Council meetings. In addition, meeting information, future schedules, and additional budget documents and analysis will continue to be updated on the Budget Department's [Website](#). This online location will remain the one-stop shop for all budgetary information that is provided and discussed over the next two months of Council review.

Upcoming Meeting Schedule and Details:

May 26, 2022, City Council Worksession – Detailed FY23 Operating Budget review with Budget and Department Managers to supplement budget requests and respond to Council questions. Items for discussion will include:

- Budgeting for Outcomes (BFO) Process and Structure – Comprehensive walkthrough of the internal scoring process and criteria used to rank and prioritize programs, initiatives, and capital projects. The Budget Team will provide historical context regarding when the BFO process was adopted by the City, under what conditions, and why the program continues to evolve and adapt to organizational and community needs concerning budgeting and financial planning.
- FY23 Transit Fund Budget and Staffing overview. This discussion will include a high-level summary of some of the work underway to create a Winter 22/23 Transit Service Plan, as well as an update on the Short Range Transit Plan.
- FY23 Information Technology Budget Requests. This discussion will recap several new requests to meet the increasing demands of a digital world, the need for additional personnel, and a myriad of systems and software initiatives to continue to modernize and protect the City's infrastructure.
 - Also included will be a quick summary of the City's administrative approach, history, and what technology responsibilities are centralized vs what remains decentralized in departments. We will also touch on how technology assessments are levied on Enterprise Funds.
- FY23 Traffic Mitigation Enhancement Plan. The City spent considerable time and energy this year to improve ingress and egress at major locations of traffic and congestion, especially during peak periods and holidays. After considering

several options, the team working on Council's strong desire to continue to proactively manage peak traffic and congestion prefers to spread the responsibility across the organization to ensure this remains an organizational commitment and to ensure efficient allocation of resources.

- City Council has continued to ask for additional information concerning the responsibility/role of outside funding contributions to those parts of the community that are large sources of some of our most extreme traffic and congestion.
- Our plan includes a request for additional resources and equipment in Street/Public Works, Parking, Emergency Management, and Police. It also includes a placeholder for a stand-alone Traffic Coordinator position to work with each of the divisions and coordinate the City's allocation of resources, draw upon various divisions, and create an implementation plan before ski season.
- Workforce Support and Compensation Methodology
 - Review all new personnel requests and reaffirmation of the City's pay plan methodology. The Team will also review how annual wage increases are implemented strategically, and based upon longevity, certifications, experience, and past performance.
 - The Budget and HR Team will also preview the City's performance review process and software program, as well as a myriad of non-monetary rewards offered to employees.
- Housing Team – A new FTE was requested to serve as a placeholder to provide additional professional support and expertise to the relatively small Housing Team. Next year, the Housing Team likely faces several complex projects, such as Woodside Phase 2, Peace House property redevelopment, Homestake public-private partnership, and the potential Mine Bench seasonal housing project.
- Neighborhood Traffic Management Plan Update – Next year with additional resources, a multi-department renovation is planned for the existing Neighborhood Traffic Management Program. The Team will cover a myriad of requests to overhaul existing policy, streamline processes, add staff support resources, and purchase new technology and equipment to meet the growing demand for neighborhood focus and investment.
- Recreation – The Recreation Team will highlight increased facility and program utilization, as well as anticipated staffing challenges. Council requested additional information and ideas on local-first, or resident discount and incentive programs.
- Transit to Trails – Trails are experiencing some of the highest utilization in history. With great success also come impacts – parking in neighborhoods, overflow into residential areas, and increased costs to keep up with maintenance. The Trails team will provide a quick overview of grant funding awards and respond to a Council request to discuss options for potential year-round Bonanza Flat public access

June 9, 2022, City Council Worksession – Additional Detailed FY23 Capital and Operating Budget review with Budget and Department Managers to supplement budget requests and respond to Council questions. Focused discussion items will include:

- Water Department FY23 Budget Proposal –The Water Division is made up of three teams: Water Quality & Treatment; Water Distribution; and Water

Resources. Together, they are responsible for 2 water treatment plants, 8 culinary water sources, and maintaining 130 miles of water pipelines with 43 pressure zones, 19 tanks, 21 pump stations, and 50 pressure-reducing stations. The Water Department will provide a comprehensive overview of operating requests, strategy, impacts of inflation, and revenue sources, including rate and assessment changes. The team will also review major capital projects, such as the 3Kings Water Treatment Plant and Tunnel restorations.

- Overview of Large Capital Projects - The capital project budget is spread throughout various Funds. The General Fund does not contain any capital budget but does contribute to the Capital Improvement Fund through an annual transfer of funds. This review will focus on our largest capital projects in each fund and revisit our existing debt management strategy.
- Review New Recommended vs. Not Recommended Capital projects – Each year, an internal committee reviews requests from department managers and then makes a recommendation to the City Manager. For full transparency, a discussion will be had around what projects did and didn't make the final recommendation.
- Capital Project review by individual Funding Source – Each capital project has a unique funding source(s), this will be a quick overview of those sources and which projects align with them.
- Additional Requested Capital Project Focused Reviews – In our meeting on May 12th, Council requested more information on several projects including Fire Mitigation resources and programs, allocation of Housing funds, and a review of the Flagstaff Transfer Fee (supplementary memo attached to this report).

June 16, 2022, City Council Worksession – Review Budget Policies, proposed fee changes, Statutory Officer Compensation, and additional follow-up items:

- PCMC Fee Schedule Adjustments – Review a host of proposed fee changes to consider approving in the final FY23 budget to reflect updated costs of business practices and respond to inflation.
- PCMC Budget Policy – Review current budget policies and discuss potential updates for the future. Though the policies are adopted annually by Council, a comprehensive review has not been undertaken in many years. The Team will identify a few areas of opportunity and plans to revisit the item during FY23 with the Council for an overhaul, if necessary, in preparation for FY24.
- Council Compensation – Each year, a Public Hearing is required to establish the FY23 official Compensation Schedule for Statutory Officers of the City. These positions include City Council, Mayor, City Manager, City Attorney, City Engineer, and City Recorder. As part of the overall City FY23 Pay Plan, the same 10.33% pay range increases are proposed for each position.

June 23, 2022, City Council Worksession – Review and consider additional Council questions, information, and analysis. Take public input and hold a public hearing, and finalize and adopt the FY23 Budget.

- Council will adopt a Final FY23 Budget for the organization, a final Fee schedule, any necessary Policy changes, and approve Statutory Officer

Compensation.

As stated, the Budget team has created a [one-stop-shop](#) for all budgetary information and reports as the review process proceeds from one work session to the next. This repository of information will continue to reflect all budgetary materials and additional analysis to improve the public's access to information.

Resources

[Budget Department Webpage](#)

[Budget Presentation 05.12.22 Meeting](#)

[FY23 Volume I \(Process Overview, Economic Overview, Detailed Report of Operating and Capital Increases\)](#)

[FY23 Volume II \(Capital Project Summaries, Goal Summaries, Fund Summaries\)](#)

[Revenue Analysis and Impact on General Transportation Funds](#) - Throughout FY22, Park City's sales taxes reached new monthly record highs while property taxes remain stable. These two revenues remain the largest sources of support to fund the City's operations.

As part of FY23 budget discussions, the Budget Team has prepared an informational presentation that decomposes revenues into resort-economy-linked vs. non-resort-economy-linked sources. This was also prepared in response to a request from City Council and took considerable effort and analysis.

The additional analysis demonstrates the resort-linked economy remains a significant driver of City revenue and, by extension, its underlying importance in providing ongoing material support for government programs, policies, and initiatives.

[Flagstaff Transfer Fee Overview Memo](#) - Since 1999, the City has collected a transfer fee from property transfers under the Flagstaff Development Agreement. The transfer fee summary was prepared in response to a Council request for a detailed synopsis of revenue, expenditures, and underlying practices. As the overview demonstrates, the fee is dedicated to both trails and open space, and trails and transportation. This fee is an important budgetary source that relieves some of the ongoing pressures on the General Fund and Transit Fund.