

PARK CITY MUNICIPAL CORPORATION

VOLUME I EXECUTIVE SUMMARY

FY 2007 ADJUSTED BUDGET
FY 2008 ANNUAL BUDGET
FY 2009 FISCAL PLAN

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PARK CITY MUNICIPAL CORPORATION

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AS OF JULY 1, 2007

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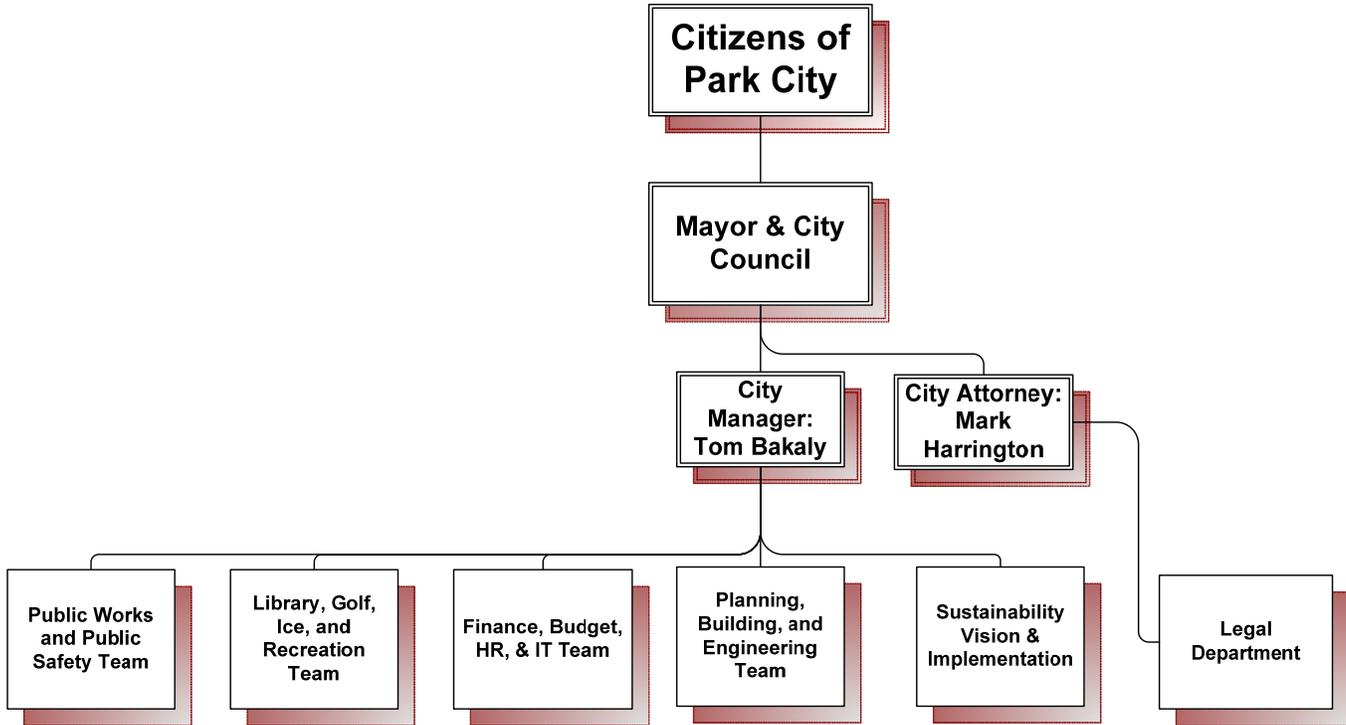
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PARK CITY MUNICIPAL FUNCTIONAL ORGANIZATION FY 2008



GUIDE TO THE BUDGET DOCUMENT

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

Volume I: Executive Summary is intended for City Council and outlines the process, policies, and important issues of the FY 2007-08 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

April 30, 2007

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

Pursuant to §10-6-109, Utah Code Annotated, the following budgets (Fiscal Year 2007 Adjusted, Fiscal Year 2008 and Fiscal Year 2009 Plan) have been prepared for Park City Municipal Corporation using budgetary practices and techniques recommended by the Governmental Accounting Standards Board (GASB) and the Governmental Finance Officers Association (GFOA). As required by State law, the proposed budget is balanced.

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

In preparing this budget, City staff began with base budget levels set as part of the Fiscal Year 2007 Adopted Budget and approved by Council in June of 2006. Proposed changes to these approved budget levels were developed based on direction from City Council, input from the public, and in consultation with department managers, City staff, the Capital Improvement Projects Committee, the Pay Plan Committee, and various other task forces.

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

Once again, I present the City Manager Recommended Budget for the FY 2008-FY 2009 biennium to City Council, residents of Park City, and other interested stakeholders for your review.

Sincerely,

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

Thomas B. Bakaly
City Manager
Park City Municipal Corporation

INTRODUCTION

PARK CITY MISSION STATEMENT

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

PARK CITY GOALS & TARGETS FOR ACTION

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

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

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

BUDGET PROCESS

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

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

THE BUDGET PROCESS



INTRODUCTION

Utah State law requires that the City Manager present to Council a balanced budget at the first regularly scheduled Council meeting in May. A balanced budget is defined by Utah Code: “The total of the anticipated revenues shall equal the total of appropriated expenditures.” (Utah State Code Title 10-6-110 (2)). The proposed budget must be available for public inspection during 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 21, the Council has the opportunity to review the proposed budget, consider public comment, and finally, adopt a balanced budget. The Council holds at least one public hearing on the proposed budget. Before June 22 the Council must adopt either a tentative budget if the certified tax rate is to be exceeded (tax increase) or a final budget and proposed tax rate (no tax increase). If there is a property tax increase, the Council holds an additional public hearing before adopting the budget in August.

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

DISTINGUISHED BUDGET AWARD

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

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

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

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

INTRODUCTION

Submitted by:
Thomas B. Bakaly, City Manager



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Park City Municipal Corporation

Utah

For the Biennium Beginning

July 1, 2005

President

Executive Director

BUDGET OVERVIEW

BUDGET ISSUES

This year's budget process is the beginning of a two-year cycle, and budget discussions will focus on variations from the FY 2007 Original Budget adopted by City Council last year. The following are a few of the more significant issues scheduled for discussion with City Council during the budget hearings throughout 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 2007 Adjusted Budget reflects a 1.63% increase from the FY 2007 Original Budget and an overall 11.7% increase from FY 2006 actual expenses (with capital excluded).

The FY 2008 Recommended Budget increases to \$36,756,536, which is up approximately 5% from the FY 2007 Adjusted Budget. The FY 2009 Plan shows a 0.83% increase from the FY 2008 Recommended Budget. The largest changes to the FY 2008 Budget and FY 2009 Plan involve an update to the Employee Pay Plan to bring wages up to market levels, increasing debt service payments on previously approved and issued debt, and increased service levels in the Building, Police, and Golf Maintenance Departments.

The table below shows Citywide expenditures by Major Object. The FY 2007 Adjusted Budget reflects a marginal increase in personnel expenses of 1.1%, from the FY 2007 Original Budget. The FY 2008 Recommended Budget shows a 7.1% increase in personnel from the FY 2007 Adjusted Budget. It is evident that much of this change to is largely due to Pay Plan Committee recommendations. The rest of the increases to personnel expenditures are due to either increased workload or increased levels of service in various departments, most notably Building, Public Safety, Transit, IT Services, and Golf Maintenance. Much of the increased personnel expense related to these options is offset with decreases in Materials, Supplies & Services budget.

Expenditure Summary by Major Object - All Funds							
	FY 2004	FY 2005	FY 2006	FY 2007 Orig	FY 2007 Adj	FY 2008 Budget	FY 2009 Plan
Personnel	13,885,310	14,553,051	15,924,342	16,751,659	16,936,827	18,138,008	18,456,549
Materials, Supplies & Services	7,741,051	8,426,189	9,438,806	10,903,264	11,123,016	11,448,572	11,633,756
Capital Outlay	12,230,901	15,959,485	20,495,911	13,250,756	76,207,932	24,258,694	9,540,465
Debt Service	6,613,750	13,943,132	5,966,048	6,216,651	6,371,536	6,594,956	6,395,885
Contingencies	22,515	0	0	575,000	575,000	575,000	575,000
Actual Budget	40,493,527	52,881,858	51,825,106	47,697,330	111,214,311	61,015,230	46,601,655
Budget Excluding Capital	28,262,626	36,922,372	31,329,195	34,446,574	35,006,379	36,756,536	37,061,190
Interfund Transfers	14,054,357	29,203,184	29,115,806	9,440,285	11,993,847	9,026,480	8,809,266
Ending Balance	52,435,708	79,321,857	78,045,276	24,748,776	26,013,928	26,837,852	29,441,331
	66,490,065	108,525,041	107,161,082	34,189,061	38,007,775	35,864,332	38,250,597
Grand Total	106,983,592	161,406,899	158,986,188	81,886,391	149,222,086	96,879,562	84,852,252

BUDGET OVERVIEW

FINANCIAL IMPACT ASSESSMENT REPORT (FIAR)

In January of 2007 the Budget Department presented a Financial Impact Assessment Report to the City Council at its annual Visioning Session. This report was organized to forecast revenues and operating, capital, and debt service expenses for the General Fund. The purpose behind this report was to provide City Council members with a reference tool to estimate the impacts of additional operating and capital spending as well as policy decisions in future years. One of the objectives of the report was to present these projections to Council at the Visioning Session each year and then again during the budget hearings to show the impact of the budget requests for the next two-year cycle. The budget requests will be grouped into categories of inflationary spending and discretionary spending and then compared with the projections in the Financial Impact Assessment Report. This will enable Council to see the estimated impacts of current spending on future projected General Fund surpluses.

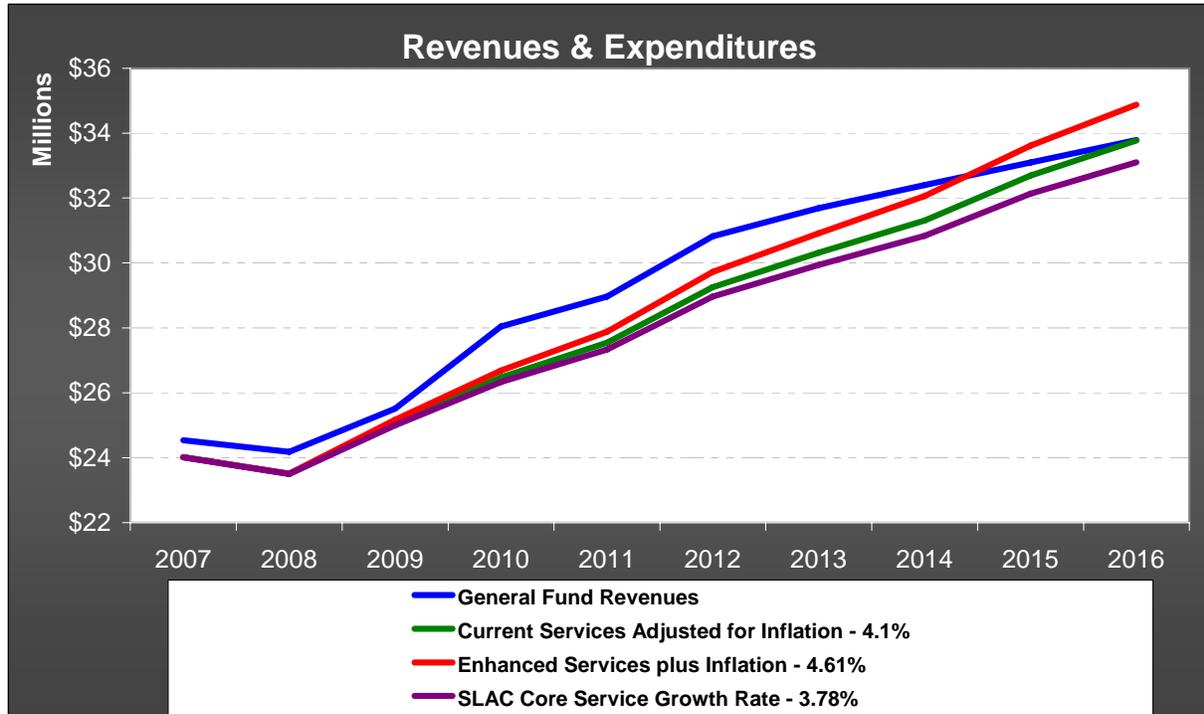
The table below is from the FIAR presented to Council in January. It has been adjusted to incorporate the FY 2007 Adjusted Budget and the FY 2008 Budget which will have an effect on future projections. The figures below incorporate expenses and revenues from the General Fund as well as the Quinn's Recreation Fund and are not designed to match the Budget Summaries due to different methods of accounting for the same information.

Consumer Price Index

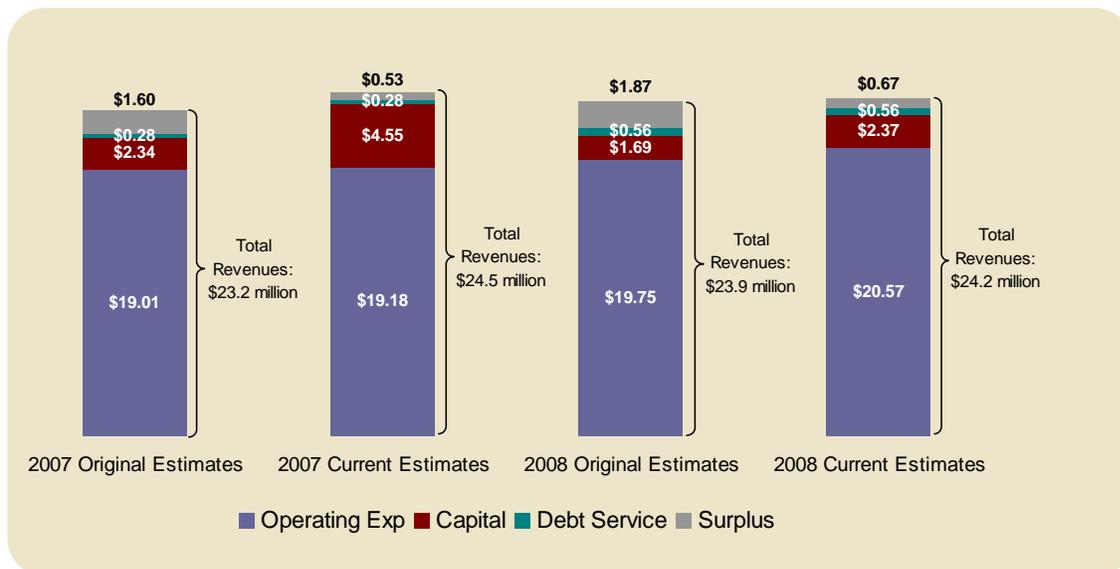
National Inflation Measure - 4.1%	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenue	\$24,540,921	\$24,177,119	\$25,511,439	\$28,042,872	\$28,965,222	\$30,824,169	\$31,691,504	\$32,399,165	\$33,098,500	\$33,789,970
Op. Expenses	\$18,609,392	\$19,994,257	\$21,374,191	\$23,347,942	\$24,347,330	\$25,482,206	\$26,541,513	\$27,530,178	\$28,559,379	\$29,630,778
CIP Expenses	\$4,546,955	\$2,368,209	\$2,153,709	\$1,588,209	\$1,665,979	\$1,582,709	\$1,582,709	\$1,582,709	\$1,582,709	\$1,582,709
Debt Service	\$281,222	\$564,934	\$962,359	\$959,297	\$954,497	\$1,614,072	\$1,614,847	\$1,618,497	\$1,979,747	\$1,988,747
Contingency	\$575,000	\$575,000	\$575,000	\$575,000	\$575,000	\$575,000	\$575,000	\$575,000	\$575,000	\$575,000
Total Expenses	\$24,012,569	\$23,502,400	\$25,065,259	\$26,470,448	\$27,542,805	\$29,253,987	\$30,314,068	\$31,306,384	\$32,696,835	\$33,777,233
Rev/Exp - CPI	\$528,352	\$674,718	\$446,180	\$1,572,424	\$1,422,417	\$1,570,182	\$1,377,436	\$1,092,781	\$401,666	\$12,737
Aggregate Surplus (Nominal \$) 2007-2016										\$9,098,893

Operating expense projections are now using the service level associated with the 2008 Budget as the base level. The table above shows the FY 2008 service level inflated using the most common inflationary factor, the consumer price index. Other differences from the previous FIAR report also include adjustments to more accurately reflect the budget for contingency and recreation revenue. Average surplus per year is around \$1 million. The projected surpluses for each year are shown in the following graph.

BUDGET OVERVIEW



During this year’s budget process, some of the anticipated surpluses for FY 2007, 2008, and 2009 were allocated to operating budget and capital requests. The budget requests were comprised of increases due to inflation and increases associated with a higher level of service. Capital requests were reviewed with the projected surpluses from the original Financial Impact Assessment Report being used as a reference. The following graph displays the original projected expenses from the FIAR presented in January and the allocation of the surplus above those expenses due to the budget process.



BUDGET OVERVIEW

Per City policy, any additional surplus above budgeted expenses and anticipated (budgeted) surplus is to be allocated to previously identified capital improvement projects. This will help the City avoid unnecessary debt and remove restrictions on funds allocated to capital in the future. The table below displays the non-enterprise fund projects currently in the 5-year CIP that have estimated unfunded amounts.

CIP #	Project Name	Unfunded
CP0119	Ice Rink - Cash Flow/Fundraising CIP	\$800,000
CP0124	Kearns Boulevard Improvements	\$8,650,000
CP0126	Fiber extention to Quinn's Junction	\$200,000
CP0144	Monitor Drive Pedestrian Improvements	\$163,200
CP0147	Little Kate Recrown/Improvements	\$1,350,000
CP0151	China Bridge Control Equipment	\$145,000
CP0157	OTIS Phase III(a)	\$3,742,485
CP0158	OTIS Phase III(b)	\$4,570,204
CP0160	Ice Facility Capital Improvements	\$150,000
CP0166	WI-FI Wireless Infrastructure	\$250,000
CP0176	Deer Valley Drive Reconstruction	\$924,730
CP0177	China Bridge Improvements & Equipment	\$261,000
CP0195	Second Ice Sheet	\$7,000,000
CP0196	Downtown Projects - Phase III	\$500,000
CP0197	Prospector Improvements	\$2,000,000
CP0198	Loans for Water Capital Improvements	\$4,000,000
CP0199	Sustainability/Environmental Initiatives	\$1,000,000
CP0200	Comstock Reconstruction	\$2,000,000
Grand Total		\$44,586,062

OPERATING BUDGET

Included in the Supplemental Section of this document is a list of Department Budget Requests. The requests or “budget options” are prioritized and sorted by Team. These options reflect the incremental change from the current FY 2007 Budget and establish an FY 2008 Budget and FY 2009 Fiscal Plan. The following topics are legislative impacts, departmental requests, or task force/committee recommendations that make up the majority of the budget changes during this budget process.

State Legislation:

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

BUDGET OVERVIEW

Tax	Old Rate	New Rate	
		Food Sales	Non-Food Sales
State Sales Tax	4.75%	1.75%	4.65%
County Option Sales Tax	0.25%	0.25%	0.25%
County RAP Tax	0.10%	0.00%	0.10%
Local Option Sales Tax	1.00%	1.00%	1.00%
Resort Community Tax	1.00%	0.00%	1.00%
Mass Transit Tax	0.25%	0.00%	0.25%
	7.35%	3.00%	7.25%

House Bill 238 was also passed which will decrease the telecommunications franchise tax that municipalities receive from 4% to 3.5%. It is estimated that the City will see a reduction in franchise tax of about \$60,000, based on the FY 2006 collections (In Fiscal Year 2005 this same tax had been increased, due to State legislation, from 2% to 4%).

Tax	Old Rate	New Rate
Municipal Telecom. Tax	4.00%	3.50%

Finally, during the 2006 Legislative Session the State removed a “hold harmless” provision from the local option sales tax collected by Park City. This provision enabled the City to collect at least 75% of the 1% levy. The State uses a formula involving population and point of sale to distribute the local option sales tax back to counties, municipalities, and towns. Due to the permanent population being low in Park City compared to the amount of sales that occur, the City would collect less than this 75% without the hold harmless provision. FY 2007 is the first year that the legislation would be in measurable effect. As of the March sales tax distribution, the City is collecting about 63% of the 1% levy. The reduction in sales tax this fiscal year is estimated to be around \$460,000. A more in depth discussion on the hold harmless provision is found under the Sales Tax heading in the Revenue section.

Tax	Rate	Hold Harmless Rate	Effective Rate
Local Option Sales Tax	1.00%	0.75%	0.63%

Staff estimates that the combined effect of these tax changes will result in an anticipated loss of almost \$1 million next year (see table below).

	Tax			Total
	Resort and Transit Tax	Municipal Telecom. Tax	Local Option Sales Tax	
Estimated Tax Impact from State Legislation	(\$400,000)	(\$60,000)	(\$460,000)	(\$920,000)
Effective:	FY 2008	FY 2008	FY 2007	

Budgeted revenue for FY 2008 assumes that the resort and transit taxes will be increased by 0.1% and 0.05%, respectively. Staff will discuss these legislative changes in more detail on May 17th and will seek direction from City Council to amend the City’s resort community and transit tax ordinances as authorized by SB 223 to help offset these revenue reductions.

BUDGET OVERVIEW

Pay Plan:

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

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

Consistent with prior years, the Pay Plan committee also recommends a 2% increase for all positions in FY 2009 to “keep up” with the market. The Pay Plan will be discussed in detail on May 3rd when staff presents the City Manager’s Recommended Budget to City Council. Additional information about the Pay Plan philosophy and process can be found in the Supplemental section of this document.

This year’s Pay Plan Committee recommendation results in a General Fund impact of \$578,971 in FY 2008 and \$794,727 in FY 2009. The total City budget will be impacted by a \$663,478 increase in FY 2008 and \$949,947 in FY 2009. Pay plan impacts by fund are shown in the table below. The Golf Fund departments offset their pay plan impacts with reductions in other areas of their budget as part of the changes that occurred within the Golf Fund.

Total Pay Plan Changes (Change from FY2007 Adopted Budget) by Fund				
		FY 2007 Adjusted Budget	FY 2008 Budget	FY 2009 Plan
Fund 11	General Fund	\$ -	\$ 578,971	\$ 794,727
Fund 12	Quinn's Recreation Complex	\$ -	\$ 8,806	\$ 16,332
Fund 51	Water Fund	\$ -	\$ 15,214	\$ 31,447
Fund 55	Golf Fund	\$ -	\$ (3)	\$ (17)
Fund 57	Transportation Fund	\$ -	\$ 60,489	\$ 107,457
Total		\$ -	\$ 663,478	\$ 949,947

Staff intends to present the Pay Plan Committee’s recommendations to City Council on May 3rd. Additional information will be presented to City Council for discussion and direction at that time.

BUDGET OVERVIEW

Special Service Contracts:

As part of the budget process, the City Council appropriates funds to contract with organizations offering services consistent with the needs and goals of the City. According to City policy, up to one percent of the City's total budget is awarded. Payment may take the form of cash payment and/or rent contributions for the lease of City property in exchange for the value of in-kind services. For the FY 2008-09 cycle, \$723,738 was allocated for Special Service Contracts with \$115,000 of this amount allocated for Youth Programming.

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

A summary of the final recommendation is shown in the table below. Consistent with direction received from City Council two years ago, Staff will provide additional information regarding the Committee recommendations to City Council on May 3rd, which will allow time for discussion and final Council direction on May 17th.

Organization	Funding Request	Previous Award	Recommended Funding
People's Health Clinic	\$81,692	\$47,313	\$60,600
Chamber of Commerce	\$180,000	\$178,738	\$160,000
Recycle Utah- <i>Operating Request</i>	\$54,500	\$29,500	\$45,846
Recycle Utah- <i>Rent Contribution</i>	\$19,154	\$19,154	\$19,154
Park City School District/Adult ESL	\$14,000	\$14,000	\$14,000
The Christian Center	\$20,000	\$10,515	\$20,000
Summit Land Conservancy	\$15,000	\$12,500	\$15,000
PC Historical Society & Museum	\$104,000	\$75,000	\$104,000
Peace House	\$70,000	\$50,000	\$50,000
Mountainlands Community Housing Trust	\$35,000	\$30,000	\$30,000
Park City Community Outreach Center	\$21,000	\$18,925	\$21,000
Park City Arts Council	\$139,612	\$55,556	\$59,138
Utah Green Building Initiative	\$10,000	-	\$10,000
National Ability Center	\$30,000	-	\$0
Mountain Mediation	\$34,480	\$36,799	\$0
Holodec Environmental Foundation	\$10,000	-	\$0
Total:	\$838,438	\$578,000	\$608,738
	Funding Request	Previous Award	Recommended Funding Allocation
Youth Organizations			
Children's Justice Center	\$10,000	\$10,000	\$10,000
Holy Cross Ministries	\$14,000	\$4,000	\$10,000
Boys & Girls Club of Greater SL	\$68,344	\$36,000	\$40,000
Big Brothers/Big Sisters of Utah	\$20,000	\$10,000	\$15,000
Arts-Kids	\$40,000	\$20,000	\$20,000
McPolin Elementary School	\$20,000	-	\$20,000
Valley Mental Health Summit Co.	\$20,000	-	\$0
Park City High School PTSO	\$6,100	-	\$0
Park City Youth Lacrosse Organization	\$10,000	-	\$0
Young Riders	\$6,000	-	\$0
Total:	\$214,444	\$80,000	\$115,000
Grand Total:	\$1,052,882	\$658,000	\$723,738

BUDGET OVERVIEW

Sustainability:

Last fall several city departments were realigned to be more consistent with Council's goals concerning community sustainability. This resulted in the creation of two new teams: Sustainability Visioning and Implementation. These two teams will direct the Sustainability function of the City. Former departments like Public Affairs, Special Events, Capital Projects and Economic Development, and portions of the City Manager and Planning budgets are being included in the new departments. These teams will be responsible for the development and encouragement of Park City's continued environmental, economic, and community vitality.

The Tentative Budget will include the options associated with the department reorganization to form the Sustainability departments. The overall reduction to the budget in FY 2008 is \$93,009 and \$98,849 in FY 2009. There is also some capital improvement projects associated with the Sustainability reorganization. Both the Wind Power project and the Energy Efficiency Study on City Facilities project will be part of the CIP discussion this budget process.

Golf Fund Budget Recommendations:

In the summer of 2006 staff from the Golf Shop, Golf Maintenance, and the Budget and Grants team convened to develop a plan for this year's budget process. After setting a vision and work objectives, the team turned to sculpting a budget for the upcoming biennium.

It was decided that a work group comprised of staff (Jerry Gibbs, Pace Erickson, Clint Dayley, Craig Sanchez, Ben Sinclair, Bret Howser) and users (Rich Miller, Diane Hier, and Chris Briscoe) would be needed. Utilizing a survey of course users' preferences as well as a course comparison analysis, the group agreed that the budget going into the future should emphasize more the area of course maintenance while the budget for pro shop expenses should remain essentially at current levels. Staff designed a budget accordingly and the work team approved the plan.

Revenues are budgeted at similar levels to the previous year. The expense budgets were designed to be confined within that proven level of revenue generation. The operating budget for Golf Maintenance was increased to allow for a significant increase in seasonal personnel. Some of this was offset with departmental capital, some with Pro Shop materials budget, and the rest through decreased ongoing capital expenses. The proposed budget also includes a debt service payment for the purchase of a new golf car fleet.

In addition to generating a budget proposal, the work team also developed a shortfall plan and is currently devising performance measures to assure that actual performance is in line with the strategic plan.

CAPITAL BUDGET

The Capital Improvement Program (CIP) Budget is scheduled for discussion with City Council beginning on May 24, 2006. As will be discussed in some detail later in this document, Park City is experiencing phenomenal growth related to a very healthy economy. It should be noted that revenue growth is largely attributable to sales tax, which can vary depending on spending behaviors, and building, planning, & engineering fees, which should be considered one-time and

BUDGET OVERVIEW

will diminish as Park City approaches build-out. Park City experienced a 20% increase in total sales tax revenue last year, and saw a correspondingly large transfer of General Fund surplus to the CIP (approx. \$6 million). Last year constituted an all-time peak in sales tax collections, and while growth is expected to continue along a long-term trend, continued growth as seen in the last two years is an unreasonable expectation.

The Government Finance Officer's Association (GFOA) recommends that cities have a policy for how one-time revenues are to be spent. In light of the recent growth Park City is experiencing, an amendment was made last year to the City's Policies & Procedures to guide how surplus General Fund balance will be appropriated. This specifies which types of projects in the City's CIP Plan will receive appropriations above what is anticipated.

The CIP recommendations included in the City Manager's Recommended Budget reflect a healthy transfer from the General Fund to the CIP (approx. \$3.8 million is anticipated, without knowing sales tax receipts for April-June 2007), the majority of which is dedicated to completing current projects, ensuring the maintenance of existing infrastructure, or securing funding for previously-identified needs. Projects in these categories include the Public Safety Building, Asset Management, and the Walkable Community Projects.

Update on Major Projects:

The Public Safety Complex is nearing completion. The total budgeted cost is \$7.3 million. Major revenue sources include Sales Tax Bond proceeds, impact fees, General Fund contribution, and CIP Fund reserves. This year's budget includes approximately \$1,785,000 of additional funding for the Police Facility. The additional funds will allow for completion of the project consistent with City Council direction. The changes to the budget will be discussed in greater detail during the Budget Hearings.

The City is expected to begin construction on the proposed Town Plaza & Shell Space this summer. Total estimated cost for the project is budgeted at \$5 million. Staff recommends approaching the plaza in phases, with construction of a shell space attached to the north end of the parking structure in the first phase. The proposed budget includes a request for additional funding in FY 2007 of \$1.2 million. \$1 million of that comes from the sale of the Watts property, which came in higher than expected. \$268,000 of Sales Tax Bond proceeds remained in the Prospect Avenue project at completion and were transferred to the Town Plaza and Shell Space project.

The Marsac City Hall Building will undergo seismic renovations and interior remodel beginning in February 2008. \$3.5 million was previously budgeted for this project. The proposed budget includes a request for an additional \$2.5 million of CIP Fund Reserves in FY 2008. This money would fund increases in construction costs as well as expenses related to the realignment of office space to provide better customer service, such as "one-stop shopping" for building and planning needs by placing the Building, Planning, and Engineering Departments all on the same floor.

BUDGET OVERVIEW

Old Town Improvement Study (OTIS) Projects:

The City has completed 3 of 21 street reconstruction projects outlined in the 2002 Old Town Improvement Study. The final projects of Phase I of OTIS (Lower Norfolk and Woodside – North of 13th) are budgeted in FY 2008 at a total cost of \$2.8 million. Phase II (a) of OTIS is also scheduled in the 5-Year CIP to begin in FY 2009, at a cost of \$4 million. That phase includes reconstruction of Sandridge in FY 2009, Hillside in FY 2010, and Empire and Upper Lowell in FY 2011.

The study identified sales tax revenue bonds as the recommended funding source for the projects. It is anticipated that the City will need to bond for approximately \$22.3 million in five different phases over the next 14 years to fund the remaining projects. Annual debt service will likely range from \$500,000 to \$2.2 million depending upon the year. With General Fund surplus as the anticipated revenue source, it will be very important to monitor other competing needs. The proposed CIP outlines the OTIS Phases as a first step in this process. In the event that General Fund surplus exceeds expectations for a given year, staff advises that those funds be used to fund OTIS projects on an up-front cash basis rather than through debt financing. This has multiple benefits: 1) a previously identified need designated by the CIP Prioritization Committee as a primary concern (ie: the OTIS Projects) would be funded sooner, 2) the funding would be guaranteed as the cash would be on-hand, and 3) the money saved by not having to pay interest on debt service could be used to fund other needs.

Walkability Study:

Last fiscal year City Council allocated \$150,000 to fund a study to identify the City's major needs related to pedestrian and bicycle connections and improvements. The City subsequently hired Landmark Design Team to spearhead a comprehensive public input process and study. The results of this study were presented to City Council on March 29th at which time Council provided direction to staff on the major issues to be addressed in the next few years along with recommended capital and maintenance levels of service. Council also directed staff to review the projects (solutions) developed by the Landmark Team, weigh them against traffic and transportation needs, funding availability, and the timing of other City projects and return during the budget process with a recommended implementation program.

On May 24th and 31st staff will present the Walkability Steering and Capital Improvement Committees' recommendations on projects, funding, and project timing. These recommendations include an increase of approximately \$89,000 for trail maintenance and over \$1.5 million in capital projects to be completed in the next 3-4 years.

Water Projects:

Water quality and delivery continue to be a top priority for Park City. City staff has recently updated the City's Water Capital Facilities Plan (CFP) and completed a new water impact fee study. As the rate of development in the Park City area continues at an all-time high, it is imperative that major water needs are identified early and that the cost of these improvements is fairly distributed between users and new development. On May 31st staff will update City Council on the Water CFP and seek direction on amending the City's water impact fee schedule.

BUDGET OVERVIEW

CIP changes to the Water Fund are also reflective of the City's continuing commitment to secure Park City's water needs through improvements to the City's water infrastructure. The Boothill Water Storage Tank and Pump Station continue into fiscal year 2008. These projects are funded by a loan from the Community Impact Board (CIB). Additional projects added to the CIP this budget process include the Rockport Water Pipeline and Storage project, a System Corrosion Study, and purchase of additional Water Rights. These new projects will be funded primarily through water services fees and water impact fees.

OTHER ISSUES

Policies and Procedures:

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

CHANGES TO THE TENTATIVE BUDGET

The following list outlines the major changes to the Tentative Budget presented on May 3, 2007. The Budget Summaries reflect the adopted FY 2007 Adjusted Budget, FY 2008 Budget, and FY 2009 Plan.

- The Ice Facility received a \$78,000 increase to its budget in order to operate fully staffed and reduce the General Fund subsidy amount over time.
- Council approved the purchase of recycle bins for Main Street and an operating increase to the Parks department to maintain these bins.
- Funding for a special service contract with Valley Mental Health was approved by Council.
- Public Safety received an approximate \$133,000 increase to their budget in order to mitigate increases to retirement costs.
- Increases in health and dental insurance costs required a \$70,000 increase to departmental budgets.
- \$130,000 was added to the FY 2008 budget and the same amount in the FY 2009 Plan to reflect actual costs associated with workers compensation.
- The Deputy City Attorney, Parks III, and the Special Projects and Economic Development Coordinator positions received increases to their budgeted amounts after additional review with the Pay Plan Committee. A new Environmental Affairs position was also added to the budget.
- The Self Insurance Fund received an increase of \$200,000 for increased legal costs.
- An increase to the FY 2008 budget was also made for the purchase of a recreation van for \$15,000 with the subsequent related operating expenses being budgeted in the Fleet Fund.

BUDGET OVERVIEW

BUDGET CALENDAR

May 3rd

Work Session

- Presentation of the Tentative Budget
 - Budget Overview & Timeline
 - Update of Financial Impact Report (FIAR)
 - Revenue/Expenditure Summary
 - Economic Outlook
- Pay Plan & Council Compensation
- Special Service Contracts (introduction)

Regular Meeting

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

May 17th

Work Session

- Operating Expenditures
 - Departmental Requests
 - Golf Fund Update
 - Traffic Management Plan
 - Non-departmental Items
 - Main Street Recycling and BID
- Operating Revenues
- Special Service Contracts

Regular Meeting

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

May 24th

Work Session

- Capital Improvement Projects (CIP)
 - FIAR update
 - CIP Prioritization Process Overview
 - CIP Alternative Matrix
 - Ongoing Projects Update
 - Public Safety
 - Town Plaza and Shell Space
 - Marsac Seismic Upgrade
 - Parking Structure
 - OTIS Update
 - Walkability Project Overview
 - New Projects
- Outstanding Budget Issues

Regular Meeting

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

May 31st

Work Session

- Capital Improvement Projects (continued)
 - Walkability Projects
 - Long-term / Unfunded Needs
- Water Project Capital Facilities Plan
 - Impact Fees and Water Service Fees
 - Water Impact Fees & Service Fees
- Outstanding Budget Issues

Regular Meeting

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

June 7th

Work Session

- Personnel Policies and Procedures (P&P) Manual
- City Fee Resolution
- Resort Tax and Transit Tax Discussion
- Outstanding Budget Issues

Regular Meeting

- Adoption of the Personnel P&P Manual by Reso.
- [Public Hearing on the Tentative Budget](#)
- Adoption of the Tentative Budget
- [Public Hearing on the City Fee Schedule](#)
- Adoption of the City Fee Schedule by Resolution
- [Public Hearing on Council Compensation](#)
- Adoption of Council Compensation Ordinance

June 14th

Work Session

- Outstanding Budget Issues

Regular Meeting

- [Public Hearing on the Impact Fee Capital Facilities Plans and Fee Schedule](#)
- Adoption of Impact Fee Capital Facilities Plans and Fee Schedules
- [Public Hearing on the Tentative Budget](#)
- [Public Hearings on Resort and Transit Taxes](#)
- Amendment of Resort and Transit Tax Ordinances

June 21st

Work Session

- Presentation of the Final Budget
- Outstanding Budget Issues

Regular Meeting

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

Redevelopment Agency Meeting

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

Municipal Building Authority Meeting

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

* Schedules and topics subject to change

BUDGET OVERVIEW

BUDGET SUMMARIES

Resources & Requirements - All Funds Combined										
Description	2004 Actual	2005 Actual	2006 Actual	2007 Adjusted	2008 Budget	Change - 2007 to 2008		2009 Plan	Change - 2008 to 2009	
						Increase (reduction)	%		Increase (reduction)	%
RESOURCES										
Sales Tax	8,779,183	10,502,699	11,401,348	11,464,000	11,475,000	11,000	0%	12,065,000	590,000	5%
Planning Building & Engineering Fees	2,685,082	4,722,862	4,980,807	7,393,500	5,588,000	(1,805,500)	-24%	5,362,000	(226,000)	-4%
Charges for Services	3,980,151	4,807,943	6,538,642	6,961,250	7,211,000	249,750	4%	7,511,000	300,000	4%
Intergovernmental Revenue	1,222,720	2,995,291	962,305	3,364,644	7,454,546	4,089,902	122%	1,694,000	(5,760,546)	-340%
Franchise Tax	1,854,982	2,309,090	2,715,184	2,365,000	2,587,000	222,000	9%	2,730,000	143,000	5%
Property Taxes	11,274,335	12,608,114	12,694,990	12,498,909	13,014,909	516,000	4%	13,748,909	734,000	5%
General Government	0	0	161,313	385,100	400,900	15,800	4%	417,400	16,500	4%
Other Revenues	5,785,065	10,273,181	10,754,433	13,211,649	6,396,826	(6,814,823)	-52%	5,676,826	(720,000)	-13%
Total	<u>\$35,581,518</u>	<u>\$48,219,181</u>	<u>\$50,209,022</u>	<u>\$57,644,052</u>	<u>\$54,128,181</u>	<u>(\$3,515,871)</u>	<u>-6%</u>	<u>\$49,205,135</u>	<u>(\$4,923,046)</u>	<u>-10%</u>
REQUIREMENTS (by function)										
Executive	5,434,040	5,572,095	6,497,830	7,624,593	8,077,508	452,915	6%	8,179,619	102,112	1%
Police	2,861,274	3,072,079	3,264,505	3,439,899	3,520,705	80,806	2%	3,607,795	87,090	2%
Public Works	8,786,707	9,824,515	10,712,650	12,234,389	12,628,412	394,023	3%	12,879,088	250,676	2%
Library & Recreation	2,662,163	2,562,288	2,807,995	2,763,662	2,910,653	146,991	5%	2,941,728	31,075	1%
Non-Departmental	1,534,621	1,620,744	1,748,612	2,295,007	2,315,007	20,000	1%	2,315,007	0	0%
Special Service Contracts	347,555	327,519	331,556	400,000	433,973	33,973	8%	433,973	0	0%
Contingency	22,515	0	0	200,000	825,000	625,000	313%	955,000	130,000	14%
Capital Outlay	217,739	222,696	297,094	708,831	736,660	27,829	4%	665,992	(70,668)	-11%
Total	<u>21,866,615</u>	<u>23,201,936</u>	<u>25,660,241</u>	<u>29,666,381</u>	<u>31,447,918</u>	<u>1,781,537</u>	<u>6%</u>	<u>31,978,202</u>	<u>530,284</u>	<u>2%</u>
REQUIREMENTS (by type)										
Personnel	13,885,310	14,553,051	15,924,342	17,311,827	18,359,029	1,047,202	6%	18,669,797	310,768	2%
Materials, Supplies & Services	7,741,051	8,426,189	9,438,806	11,445,723	11,527,229	81,506	1%	11,687,413	160,184	1%
Contingency	22,515	0	0	200,000	825,000	625,000	313%	955,000	130,000	14%
Capital Outlay	217,739	222,696	297,094	708,831	736,660	27,829	4%	665,992	(70,668)	-11%
Total	<u>21,866,615</u>	<u>23,201,936</u>	<u>25,660,241</u>	<u>29,666,381</u>	<u>31,447,918</u>	<u>1,781,537</u>	<u>6%</u>	<u>31,978,202</u>	<u>530,284</u>	<u>2%</u>
EXCESS (deficiency) OF RESOURCES OVER REQUIREMENTS										
	\$13,714,903	\$25,017,245	\$24,548,781	\$27,977,671	\$22,680,263	(5,297,408)	-19%	\$17,226,933	(5,453,330)	-32%
OTHER FINANCING SOURCES (uses)										
Bond Proceeds	5,024,109	29,173,976	0	0	7,257,927	7,257,927		0	(7,257,927)	
Debt Service	(6,613,750)	(13,943,132)	(5,966,048)	(6,371,536)	(6,594,956)	(223,420)	4%	(6,395,885)	199,071	-3%
Interfund Transfers In	14,054,357	29,203,184	29,115,806	13,837,974	9,167,562	(4,670,412)	-34%	8,950,348	(217,214)	-2%
Interfund Transfers Out	(14,054,357)	(29,203,184)	(29,115,806)	(13,837,974)	(9,167,562)	4,670,412	-34%	(8,950,348)	217,214	-2%
Capital Improvement Projects	(12,013,162)	(15,736,790)	(20,198,817)	(75,386,710)	(25,100,989)	50,285,721	-67%	(8,874,473)	16,226,516	-183%
Total	<u>(13,602,803)</u>	<u>(505,946)</u>	<u>(26,164,865)</u>	<u>(81,758,246)</u>	<u>(24,438,018)</u>	<u>57,320,228</u>	<u>-70%</u>	<u>(15,270,358)</u>	<u>9,167,660</u>	<u>-60%</u>
EXCESS (deficiency) OF RESOURCES OVER REQUIREMENTS AND OTHER SOURCES (uses)										
	\$112,100	\$24,511,298	(\$1,616,084)	(\$53,780,575)	(\$1,757,755)	52,022,820	-97%	\$1,956,575	3,714,330	190%
Beginning Balance	52,323,633	54,810,573	79,661,361	80,018,337	26,237,762	(53,780,575)	-67%	24,480,008	(1,757,754)	-7%
Ending Balance	52,435,708	79,321,857	78,045,276	26,237,762	24,480,008	(1,757,754)	-7%	26,436,583	1,956,575	7%

BUDGET OVERVIEW

Resources & Requirements - All Funds Combined												
Description	Budget (FY 2007)				Budget (FY 2008)				Budget (FY 2009)			
	Original	Adjusted	Change from Original		Original	Adjusted	Change from Original		Original	Adjusted	Change from Original	
			Total	%			Total	%			Total	%
RESOURCES												
Sales Tax	10,255,000	11,464,000	1,209,000	12%	10,255,000	11,475,000	1,220,000	12%	10,255,000	12,065,000	1,810,000	18%
Planning Building & Engineering Fees	3,473,256	7,393,500	3,920,244	113%	3,473,256	5,588,000	2,114,744	61%	3,473,256	5,362,000	1,888,744	54%
Charges for Services	6,706,050	6,961,250	255,200	4%	6,706,050	7,211,000	504,950	8%	6,706,050	7,511,000	804,950	12%
Intergovernmental Revenue	3,296,229	3,364,644	68,415	2%	3,296,229	7,454,546	4,158,317	126%	3,296,229	1,694,000	(1,602,229)	-49%
Franchise Tax	2,230,000	2,365,000	135,000	6%	2,230,000	2,587,000	357,000	16%	2,230,000	2,730,000	500,000	22%
Property Taxes	12,576,909	12,498,909	(78,000)	-1%	12,576,909	13,014,909	438,000	3%	12,576,909	13,748,909	1,172,000	9%
General Government	349,500	385,100	35,600	10%	349,500	400,900	51,400	15%	349,500	417,400	67,900	19%
Bond Proceeds	2,867,000	0	(2,867,000)	-100%	2,867,000	7,257,927	4,390,927	153%	2,867,000	0	(2,867,000)	-100%
Other Revenues	5,891,676	13,211,649	7,319,973	124%	5,891,676	6,396,826	505,150	9%	5,891,676	5,676,826	(214,850)	-4%
Sub-Total	\$47,645,620	\$57,644,052	\$9,998,432	21%	\$47,645,620	\$61,386,108	\$13,740,488	29%	\$47,645,620	\$49,205,135	\$1,559,515	3%
Interfund Transfers In	9,440,285	13,837,974	4,397,689	47%	9,440,285	9,167,562	(272,723)	-3%	9,440,285	8,950,348	(489,937)	-5%
Beginning Balance	24,800,489	80,018,337	55,217,848	223%	24,800,489	26,237,762	1,437,273	6%	24,800,489	24,480,008	(320,481)	-1%
Total	\$1,886,394	\$1,500,363	\$9,613,969	85%	\$1,886,394	\$6,791,432	\$14,905,038	18%	\$1,886,394	\$2,635,491	\$749,097	1%
REQUIREMENTS (by function)												
Executive	7,390,087	7,624,593	234,506	3%	7,390,087	8,077,508	687,421	9%	7,390,087	8,179,619	789,532	11%
Police	3,164,203	3,439,899	275,696	9%	3,164,203	3,520,705	356,502	11%	3,164,203	3,607,795	443,592	14%
Public Works	11,857,744	12,234,389	376,645	3%	11,857,744	12,628,412	770,668	6%	11,857,744	12,879,088	1,021,344	9%
Library & Recreation	2,747,882	2,763,662	15,780	1%	2,747,882	2,910,653	162,771	6%	2,747,882	2,941,728	193,846	7%
Non-Departmental	2,095,007	2,295,007	200,000	10%	2,095,007	2,315,007	220,000	11%	2,095,007	2,315,007	220,000	11%
Special Service Contracts	400,000	400,000	0	0%	400,000	433,973	33,973	8%	400,000	433,973	33,973	8%
Contingency	575,000	200,000	(375,000)	-65%	575,000	825,000	250,000	43%	575,000	955,000	380,000	66%
Capital Outlay	723,022	708,831	(14,191)	-2%	723,022	736,660	13,638	2%	723,022	665,992	(57,030)	-8%
Sub-Total	\$28,952,945	\$29,666,381	\$713,436	2%	\$28,952,945	\$31,447,918	\$2,494,973	9%	\$28,952,945	\$31,978,202	\$3,025,257	10%
Debt Service	6,216,651	6,371,536	154,885	2%	6,216,651	6,594,956	378,305	6%	6,216,651	6,395,885	179,234	3%
Capital Improvement Projects	12,527,734	75,386,710	62,858,976	502%	12,527,734	25,100,989	12,573,255	100%	12,527,734	8,874,473	(3,653,261)	-29%
Interfund Transfers Out	9,440,285	13,837,974	4,397,689	47%	9,440,285	9,167,562	(272,723)	-3%	9,440,285	8,950,348	(489,937)	-5%
Ending Balance	24,748,776	26,237,762	1,488,986	6%	24,748,776	24,480,008	(268,768)	-1%	24,748,776	26,436,583	1,687,807	7%
Total	\$1,886,391	\$1,500,363	\$9,613,972	85%	\$1,886,391	\$6,791,433	\$14,905,042	18%	\$1,886,391	\$2,635,491	\$749,100	1%
REQUIREMENTS (by type)												
Personnel	16,751,659	17,311,827	560,168	3%	16,751,659	18,359,029	1,607,370	10%	16,751,659	18,669,797	1,918,138	11%
Materials, Supplies & Services	10,903,264	11,445,723	542,459	5%	10,903,264	11,527,229	623,965	6%	10,903,264	11,687,413	784,149	7%
Contingency	575,000	200,000	(375,000)	-65%	575,000	825,000	250,000	43%	575,000	955,000	380,000	66%
Capital Outlay	723,022	708,831	(14,191)	-2%	723,022	736,660	13,638	2%	723,022	665,992	(57,030)	-8%
Sub-Total	\$28,952,945	\$29,666,381	\$713,436	2%	\$28,952,945	\$31,447,918	\$2,494,973	9%	\$28,952,945	\$31,978,202	\$3,025,257	10%
Debt Service	6,216,651	6,371,536	154,885	2%	6,216,651	6,594,956	378,305	6%	6,216,651	6,395,885	179,234	3%
Capital Improvement Projects	12,527,734	75,386,710	62,858,976	502%	12,527,734	25,100,989	12,573,255	100%	12,527,734	8,874,473	(3,653,261)	-29%
Interfund Transfers Out	9,440,285	13,837,974	4,397,689	47%	9,440,285	9,167,562	(272,723)	-3%	9,440,285	8,950,348	(489,937)	-5%
Ending Balance	24,748,776	26,237,762	1,488,986	6%	24,748,776	24,480,008	(268,768)	-1%	24,748,776	26,436,583	1,687,807	7%
Total	\$1,886,391	\$1,500,363	\$9,613,972	85%	\$1,886,391	\$6,791,433	\$14,905,042	18%	\$1,886,391	\$2,635,491	\$749,100	1%

BUDGET OVERVIEW

Expenditure Summary by Fund and Unit									
Expenditures	2004	2005	2006	2007 Budget		2008		2009	
		(actual)		(original)	(adj)	(budget & % of Total)		(budget & % of Total)	
Park City Municipal Corporation									
011 General Fund	21,918,772	26,003,585	27,246,344	21,628,305	27,155,539	26,184,762	27%	28,620,601	35%
012 Quinns Recreation Complex	0	0	292,298	279,986	378,248	64,323	0%	(353,520)	0%
021 Police Special Revenue Fund	15,372	16,522	18,272	0	19,272	0	0%	0	0%
031 Capital Improvement Fund	32,565,188	44,203,171	63,126,061	15,161,517	58,601,242	16,195,442	17%	10,006,924	12%
038 Equipment Replacement Fund	2,768,481	3,194,701	3,304,087	847,331	3,533,979	908,320	1%	908,320	1%
051 Water Fund	7,020,981	9,630,670	9,121,371	6,931,417	14,670,849	13,127,777	14%	9,825,598	12%
055 Golf Fund	1,371,675	1,313,432	1,497,323	1,397,810	1,728,314	1,289,293	1%	1,275,190	2%
057 Transportation & Parking Fund	9,715,276	13,354,462	12,518,485	12,361,094	16,401,746	15,056,183	16%	9,810,209	12%
062 Fleet Services Fund	1,295,112	1,523,390	1,874,537	1,831,157	2,032,862	1,979,770	2%	2,079,238	3%
064 Self Insurance Fund	3,437,701	3,598,352	3,678,970	3,525,898	3,731,296	3,378,224	3%	3,225,152	4%
070 Debt Service Fund	0	22,169,151	18,623,532	3,744,131	4,286,921	3,679,765	4%	3,556,297	4%
071 Sales Tax Rev Bonds Debt Svc Fund	7,340,094	11,204,532	2,915,010	2,655,638	2,882,137	2,721,922	3%	2,738,831	3%
Park City Municipal Corporation Total	\$87,448,652	\$136,211,968	\$144,216,291	\$70,364,284	\$135,422,405	\$84,585,782	87%	\$71,692,840	87%
Park City Redevelopment Agency									
033 Redevelopment Agency Lower Park Ave	5,889,726	6,408,644	7,103,302	5,120,756	7,526,888	4,737,877	5%	5,546,877	7%
034 Redevelopment Agency Main St	2,518,253	2,561,905	2,681,990	2,586,885	4,583,767	3,620,610	4%	1,545,610	2%
072 RDA Main Street Debt Service	1,474,834	1,264,903	1,011,653	104,152	112,581	0	0%	0	0%
076 RDA Lower Park Ave Debt Service	2,084,367	2,364,721	2,440,324	2,326,836	2,404,579	2,405,579	2%	2,408,579	3%
Park City Redevelopment Agency Total	\$11,967,180	\$12,600,173	\$13,237,269	\$10,138,629	\$14,627,815	\$10,764,066	11%	\$9,501,066	11%
Municipal Building Authority									
035 Municipal Building Authority Fund	1,737,505	1,937,337	1,386,910	1,329,933	1,386,423	1,385,903	1%	1,385,903	2%
073 MBA Debt Service Fund	5,500,280	10,595,838	81,999	0	0	0	0%	0	0%
Municipal Building Authority Total	\$7,237,785	\$12,533,175	\$1,468,909	\$1,329,933	\$1,386,423	\$1,385,903	1%	\$1,385,903	2%
Park City Housing Authority									
036 Park City Housing Authority	60,329	61,583	63,720	53,545	63,720	55,682	0%	55,682	0%
Park City Housing Authority Total	\$60,329	\$61,583	\$63,720	\$53,545	\$63,720	\$55,682	0%	\$55,682	0%
GRAND TOTAL	\$106,713,945	\$161,406,899	\$158,986,188	\$81,886,391	\$151,500,363	\$96,791,433	100%	\$82,635,491	100%
Interfund Transfer	14,054,357	29,203,184	29,115,806	9,440,285	13,837,974	9,167,562	9%	8,950,348	11%
Ending Balance	52,435,708	79,321,857	78,045,276	24,748,776	26,237,762	24,480,008	25%	26,436,583	32%
GRAND TOTAL	\$40,223,880	\$52,881,858	\$51,825,106	\$47,697,330	\$111,424,627	\$63,143,863	65%	\$47,248,560	57%

BUDGET OVERVIEW

Expenditure Summary by Fund and Major Object (FY 2007)									
Description	Operating Budget		Capital	Debt Service	Contingency	Sub-Total	Interfund Transfer	Ending Balance	Total
	Personnel	Mat, Suppls, Services							
Park City Municipal Corporation									
011 General Fund	11,965,820	5,104,289	417,231	0	200,000	17,687,340	6,984,881	2,483,318	27,155,539
012 Quinns Recreation Complex	391,450	365,375	33,000	0	0	789,825	0	(411,577)	378,248
021 Police Special Revenue Fund	0	0	19,272	0	0	19,272	0	0	19,272
031 Capital Improvement Fund	0	0	51,253,061	0	0	51,253,061	631,607	6,716,574	58,601,242
038 Equipment Replacement Fund	0	0	3,325,659	0	0	3,325,659	0	208,320	3,533,979
051 Water Fund	979,877	1,676,857	8,984,732	963,000	0	12,604,466	1,233,074	833,309	14,670,849
055 Golf Fund	557,300	401,077	581,582	7,885	0	1,547,844	138,185	42,285	1,728,314
057 Transportation & Parking Fund	2,837,385	600,638	6,690,278	0	0	10,128,301	2,482,108	3,791,337	16,401,746
062 Fleet Services Fund	579,995	1,313,097	5,000	0	0	1,898,092	0	134,770	2,032,862
064 Self Insurance Fund	0	874,390	0	0	0	874,390	0	2,856,906	3,731,296
070 Debt Service Fund	0	0	0	2,612,651	0	2,612,651	492,414	1,181,856	4,286,921
071 Sales Tax Rev Bonds Debt Svc Fund	0	0	0	2,189,000	0	2,189,000	183,124	510,013	2,882,137
Park City Municipal Corporation Total	<u>\$17,311,827</u>	<u>\$10,335,723</u>	<u>\$71,309,815</u>	<u>\$5,772,536</u>	<u>\$200,000</u>	<u>\$104,929,901</u>	<u>\$12,145,393</u>	<u>\$18,347,111</u>	<u>\$135,422,405</u>
Park City Redevelopment Agency									
033 Redevelopment Agency Lower Park Ave	0	695,000	3,847,011	0	0	4,542,011	630,000	2,354,877	7,526,888
034 Redevelopment Agency Main St	0	415,000	898,157	0	0	1,313,157	950,000	2,320,610	4,583,767
072 RDA Main Street Debt Service	0	0	0	0	0	0	112,581	0	112,581
076 RDA Lower Park Ave Debt Service	0	0	0	599,000	0	599,000	0	1,805,579	2,404,579
Park City Redevelopment Agency Total	<u>\$0</u>	<u>\$1,110,000</u>	<u>\$4,745,168</u>	<u>\$599,000</u>	<u>\$0</u>	<u>\$6,454,168</u>	<u>\$1,692,581</u>	<u>\$6,481,066</u>	<u>\$14,627,815</u>
Municipal Building Authority									
035 Municipal Building Authority Fund	0	0	32,520	0	0	32,520	0	1,353,903	1,386,423
073 MBA Debt Service Fund	0	0	0	0	0	0	0	0	0
Municipal Building Authority Total	<u>\$0</u>	<u>\$0</u>	<u>\$32,520</u>	<u>\$0</u>	<u>\$0</u>	<u>\$32,520</u>	<u>\$0</u>	<u>\$1,353,903</u>	<u>\$1,386,423</u>
Park City Housing Authority									
036 Park City Housing Authority	0	0	8,038	0	0	8,038	0	55,682	63,720
Park City Housing Authority Total	<u>\$0</u>	<u>\$0</u>	<u>\$8,038</u>	<u>\$0</u>	<u>\$0</u>	<u>\$8,038</u>	<u>\$0</u>	<u>\$55,682</u>	<u>\$63,720</u>
GRAND TOTAL	<u>\$17,311,827</u>	<u>\$11,445,723</u>	<u>\$76,095,541</u>	<u>\$6,371,536</u>	<u>\$200,000</u>	<u>\$111,424,627</u>	<u>\$13,837,974</u>	<u>\$26,237,762</u>	<u>\$151,500,363</u>

BUDGET OVERVIEW

Expenditure Summary by Fund and Major Object (FY 2008)									
Description	Operating Budget		Capital	Debt Service	Contingency	Sub-Total	Interfund Transfer	Ending Balance	Total
	Personnel	Mat, Suppls, Services							
Park City Municipal Corporation									
011 General Fund	12,726,485	5,451,739	477,587	0	825,000	19,480,811	3,102,794	3,601,157	26,184,762
012 Quinns Recreation Complex	465,268	421,475	23,500	0	0	910,243	0	(845,920)	64,323
021 Police Special Revenue Fund	0	0	0	0	0	0	0	0	0
031 Capital Improvement Fund	0	0	9,337,861	0	0	9,337,861	634,366	6,223,215	16,195,442
038 Equipment Replacement Fund	0	0	700,000	0	0	700,000	0	208,320	908,320
051 Water Fund	1,030,796	1,698,771	6,922,702	1,152,750	0	10,805,019	1,231,160	1,091,598	13,127,777
055 Golf Fund	561,058	401,077	129,248	31,543	0	1,122,926	138,185	28,182	1,289,293
057 Transportation & Parking Fund	2,982,986	551,680	5,899,751	0	0	9,434,417	2,481,057	3,140,709	15,056,183
062 Fleet Services Fund	592,435	1,218,097	5,000	0	0	1,815,532	0	164,238	1,979,770
064 Self Insurance Fund	0	674,390	0	0	0	674,390	0	2,703,834	3,378,224
070 Debt Service Fund	0	0	0	2,618,663	0	2,618,663	0	1,061,102	3,679,765
071 Sales Tax Rev Bonds Debt Svc Fund	0	0	0	2,195,000	0	2,195,000	0	526,922	2,721,922
Park City Municipal Corporation Total	\$18,359,029	\$10,417,229	\$23,495,649	\$5,997,956	\$825,000	\$59,094,863	\$7,587,562	\$17,903,357	\$84,585,782
Park City Redevelopment Agency									
033 Redevelopment Agency Lower Park Ave	0	695,000	300,000	0	0	995,000	630,000	3,112,877	4,737,877
034 Redevelopment Agency Main St	0	415,000	2,010,000	0	0	2,425,000	950,000	245,610	3,620,610
072 RDA Main Street Debt Service	0	0	0	0	0	0	0	0	0
076 RDA Lower Park Ave Debt Service	0	0	0	597,000	0	597,000	0	1,808,579	2,405,579
Park City Redevelopment Agency Total	\$0	\$1,110,000	\$2,310,000	\$597,000	\$0	\$4,017,000	\$1,580,000	\$5,167,066	\$10,764,066
Municipal Building Authority									
035 Municipal Building Authority Fund	0	0	32,000	0	0	32,000	0	1,353,903	1,385,903
073 MBA Debt Service Fund	0	0	0	0	0	0	0	0	0
Municipal Building Authority Total	\$0	\$0	\$32,000	\$0	\$0	\$32,000	\$0	\$1,353,903	\$1,385,903
Park City Housing Authority									
036 Park City Housing Authority	0	0	0	0	0	0	0	55,682	55,682
Park City Housing Authority Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$55,682	\$55,682
GRAND TOTAL	\$18,359,029	\$11,527,229	\$25,837,649	\$6,594,956	\$825,000	\$63,143,863	\$9,167,562	\$24,480,008	\$96,791,433

BUDGET OVERVIEW

Expenditure Summary by Fund and Major Object (FY 2009)									
Description	Operating Budget		Capital	Debt Service	Contingency	Sub-Total	Interfund Transfer	Ending Balance	Total
	Personnel	Mat, Suppls, Services							
Park City Municipal Corporation									
011 General Fund	12,949,577	5,498,920	410,162	0	955,000	19,813,659	2,886,469	5,920,473	28,620,601
012 Quinns Recreation Complex	473,949	421,475	21,000	0	0	916,424	0	(1,269,944)	(353,520)
021 Police Special Revenue Fund	0	0	0	0	0	0	0	0	0
031 Capital Improvement Fund	0	0	3,311,165	0	0	3,311,165	634,366	6,061,393	10,006,924
038 Equipment Replacement Fund	0	0	700,000	0	0	700,000	0	208,320	908,320
051 Water Fund	1,047,414	1,811,771	4,191,514	1,127,255	0	8,177,954	1,230,586	417,057	9,825,598
055 Golf Fund	565,327	401,077	128,505	31,542	0	1,126,451	138,185	10,554	1,275,190
057 Transportation & Parking Fund	3,031,387	551,683	573,119	0	0	4,156,189	2,480,742	3,173,278	9,810,209
062 Fleet Services Fund	602,142	1,218,097	5,000	0	0	1,825,239	0	253,999	2,079,238
064 Self Insurance Fund	0	674,390	0	0	0	674,390	0	2,550,762	3,225,152
070 Debt Service Fund	0	0	0	2,444,088	0	2,444,088	0	1,112,209	3,556,297
071 Sales Tax Rev Bonds Debt Svc Fund	0	0	0	2,193,000	0	2,193,000	0	545,831	2,738,831
Park City Municipal Corporation Total	<u>\$18,669,797</u>	<u>\$10,577,413</u>	<u>\$9,340,465</u>	<u>\$5,795,885</u>	<u>\$955,000</u>	<u>\$45,338,560</u>	<u>\$7,370,348</u>	<u>\$18,983,932</u>	<u>\$71,692,840</u>
Park City Redevelopment Agency									
033 Redevelopment Agency Lower Park Ave	0	695,000	200,000	0	0	895,000	630,000	4,021,877	5,546,877
034 Redevelopment Agency Main St	0	415,000	0	0	0	415,000	950,000	180,610	1,545,610
072 RDA Main Street Debt Service	0	0	0	0	0	0	0	0	0
076 RDA Lower Park Ave Debt Service	0	0	0	600,000	0	600,000	0	1,808,579	2,408,579
Park City Redevelopment Agency Total	<u>\$0</u>	<u>\$1,110,000</u>	<u>\$200,000</u>	<u>\$600,000</u>	<u>\$0</u>	<u>\$1,910,000</u>	<u>\$1,580,000</u>	<u>\$6,011,066</u>	<u>\$9,501,066</u>
Municipal Building Authority									
035 Municipal Building Authority Fund	0	0	0	0	0	0	0	1,385,903	1,385,903
073 MBA Debt Service Fund	0	0	0	0	0	0	0	0	0
Municipal Building Authority Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,385,903</u>	<u>\$1,385,903</u>
Park City Housing Authority									
036 Park City Housing Authority	0	0	0	0	0	0	0	55,682	55,682
Park City Housing Authority Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$55,682</u>	<u>\$55,682</u>
GRAND TOTAL	<u>\$18,669,797</u>	<u>\$11,687,413</u>	<u>\$9,540,465</u>	<u>\$6,395,885</u>	<u>\$955,000</u>	<u>\$47,248,560</u>	<u>\$8,950,348</u>	<u>\$26,436,583</u>	<u>\$82,635,491</u>

BUDGET OVERVIEW

All Funds Combined									
Revenue	2004	2005	2006	2007		2008	2009		
	(actual)			(original)	(adj)	(budget & % of Total)	(budget & % of Total)		
RESOURCES									
Property Taxes	11,274,335	12,608,114	12,694,990	12,576,909	12,498,909	13,014,909	14%	13,748,909	17%
Sales Tax	8,779,183	10,502,699	11,401,348	10,255,000	11,464,000	11,475,000	12%	12,065,000	15%
Franchise Tax	1,854,982	2,309,090	2,715,184	2,230,000	2,365,000	2,587,000	3%	2,730,000	3%
Licenses	684,000	783,429	828,193	765,500	983,500	1,013,000	1%	1,049,000	1%
Planning Building & Engineering Fees	2,685,082	4,722,862	4,980,807	3,473,256	7,393,500	5,588,000	6%	5,362,000	7%
Other Fees	1,058	19,216	0	0	0	0	0%	0	0%
Intergovernmental Revenue	1,222,720	2,995,291	962,305	3,296,229	3,364,644	7,454,546	8%	1,694,000	2%
Charges for Services	3,980,151	4,807,943	6,538,642	6,706,050	6,961,250	7,211,000	7%	7,511,000	9%
Recreation	2,226,043	2,172,128	2,411,737	2,219,950	2,153,100	2,361,600	2%	2,389,600	3%
Other Service Revenue	76,503	102,708	100,661	50,000	75,000	84,000	0%	85,000	0%
Fines & Forfeitures	570,476	767,959	656,295	752,500	803,500	808,500	1%	808,500	1%
Misc. Revenue	1,754,068	2,907,257	5,232,798	2,031,726	7,328,339	2,059,726	2%	1,274,726	2%
Interfund Transfers In	14,054,357	29,203,184	29,115,806	9,440,285	13,837,974	9,167,562	10%	8,950,348	11%
Special Revenue & Resources	472,917	3,520,486	1,524,749	72,000	1,868,210	70,000	0%	70,000	0%
Bond Proceeds	5,024,109	29,173,976	0	2,867,000	0	7,257,927	8%	0	0%
Beginning Balance	52,323,633	54,810,573	79,661,361	24,800,489	80,018,337	26,237,762	27%	24,480,008	30%
Total	<u>106,983,617</u>	<u>161,406,913</u>	<u>158,824,876</u>	<u>81,536,894</u>	<u>151,115,263</u>	<u>96,390,532</u>	<u>100%</u>	<u>82,218,091</u>	<u>100%</u>

BUDGET OVERVIEW

Change in Fund Balance												
Fund	2004 Actual	2005 Actual	2006 Actual	2007 Adjusted	Change - 2006 to 2007		2008 Budget	Change - 2007 to 2008		2009 Plan	Change - 2008 to 2009	
					Increase (reduction)	%		Increase (reduction)	%		Increase (reduction)	%
Park City Municipal Corporation												
011 General Fund	2,987,734	3,210,448	3,194,845	2,483,318	(711,527)	-22%	3,601,157	1,117,839	45%	5,920,473	2,319,316	64%
012 Quinns Recreation Complex	0	0	(81,852)	(411,577)	(329,725)	403%	(845,920)	(434,343)	106%	(1,269,944)	(424,024)	50%
021 Police Special Revenue Fund	15,172	16,522	17,972	0	(17,972)	-100%	0	0	0%	0	0	0%
031 Capital Improvement Fund	24,621,925	36,547,934	45,447,764	6,716,574	(38,731,190)	-85%	6,223,215	(493,359)	-7%	6,061,393	(161,822)	-3%
038 Equipment Replacement Fund	2,478,637	2,543,098	2,833,979	208,320	(2,625,659)	-93%	208,320	0	0%	208,320	0	0%
051 Water Fund	384,223	1,051,459	3,230,788	833,309	(2,397,479)	-74%	1,091,598	258,289	31%	417,057	(674,541)	-62%
055 Golf Fund	114,062	168,883	342,016	42,285	(299,731)	-88%	28,182	(14,103)	-33%	10,554	(17,628)	-63%
057 Transportation & Parking Fund	5,821,918	6,400,299	7,748,809	3,791,337	(3,957,472)	-51%	3,140,709	(650,628)	-17%	3,173,278	32,569	1%
062 Fleet Services Fund	169,393	181,076	137,862	134,770	(3,092)	-2%	164,238	29,468	22%	253,999	89,761	55%
064 Self Insurance Fund	3,077,033	3,157,652	3,209,978	2,856,906	(353,072)	-11%	2,703,834	(153,072)	-5%	2,550,762	(153,072)	-6%
070 Debt Service Fund	0	16,073,591	1,788,510	1,181,856	(606,654)	-34%	1,061,102	(120,754)	-10%	1,112,209	51,107	5%
071 Sales Tax Rev Bonds Debt Svc Fund	216,736	490,878	475,228	510,013	34,785	7%	526,922	16,909	3%	545,831	18,909	4%
Park City Municipal Corporation Total	\$39,886,833	\$69,841,840	\$68,345,899	\$18,347,111	(\$49,998,788)	-73%	\$17,903,357	(\$443,754)	-2%	\$18,983,932	\$1,080,575	6%
Park City Redevelopment Agency												
033 Redevelopment Agency Lower Park Ave	4,109,339	4,661,541	5,202,888	2,354,877	(2,848,011)	-55%	3,112,877	758,000	32%	4,021,877	909,000	29%
034 Redevelopment Agency Main St	1,221,552	1,321,092	1,161,186	2,320,610	1,159,424	100%	245,610	(2,075,000)	-89%	180,610	(65,000)	-26%
072 RDA Main Street Debt Service	573,996	360,936	112,581	0	(112,581)	-100%	0	0	0%	0	0	0%
076 RDA Lower Park Ave Debt Service	1,445,914	1,727,836	1,804,579	1,805,579	1,000	0%	1,808,579	3,000	0%	1,808,579	0	0%
Park City Redevelopment Agency Total	\$7,350,801	\$8,071,405	\$8,281,234	\$6,481,066	(\$1,800,168)	-22%	\$5,167,066	(\$1,314,000)	-20%	\$6,011,066	\$844,000	16%
Municipal Building Authority												
035 Municipal Building Authority Fund	1,539,660	1,298,940	1,354,423	1,353,903	(520)	0%	1,353,903	0	0%	1,385,903	32,000	2%
073 MBA Debt Service Fund	3,598,085	48,089	0	0	0	0%	0	0	0%	0	0	0%
Municipal Building Authority Total	\$5,137,745	\$1,347,029	\$1,354,423	\$1,353,903	(\$520)	0%	\$1,353,903	\$0	0%	\$1,385,903	\$32,000	2%
Park City Housing Authority												
036 Park City Housing Authority	60,329	61,583	63,720	55,682	(8,038)	-13%	55,682	0	0%	55,682	0	0%
Park City Housing Authority Total	\$60,329	\$61,583	\$63,720	\$55,682	(\$8,038)	-13%	\$55,682	\$0	0%	\$55,682	\$0	0%
<p>Notes and Explanations of Change in Fund Balance:</p> <ul style="list-style-type: none"> - Fund Balance refers to the amount of revenues on hand in a given year that are not used for expenditures in that year. It is closely related to the concept of a balanced budget, where beginning fund balance (the amount of revenues on hand at the beginning of a year) and the revenues received that year are equal to the the expenditures for that year and the ending fund balance (or the amount of revenues remaining on hand at the end of the year). Fund balance is comprised of elements of reserves, funds dedicated to capital projects, and other earmarked funds. For budget purposes, fund balance is calculated on a cash basis and is not to be confused with the net assets or fund balance numbers presented in the Comprehensive Annual Financial Report. - Figures shown are the ending balance (or balance as of June 30) for each fiscal year. The beginning balance for that given is the ending balance from the previous year. - Large increases in the General Fund balance are shown in FY 2008 and 2009. The City finances much of its capital needs with excess operating funds. It is expected that the excess operating funds seen in '08 and '09 will be used to fund future capital. Also, some of these funds will go towards funding ongoing needs that will undoubtedly arise between now and the time the final FY 2009 budget is adopted. - Capital projects funds (Funds 31, 33, 34, 35, 36, 38) tend to show large decreases in fund balance between the prior year actual and current year adjusted budget. This is explained by the fact that much of fund balance in these funds is reserved for capital expenses which were budgeted in previous years. Unexpended capital budgets are rolled forward year after year as part of the adjusted budget. So funding for capital projects shows up in fund balance <i>actual</i> figures, but disappears in the current year adjusted budget because there is an offsetting budgeted "carried-forward" expense. This same phenomenon generally explains large decreases in fund balances for proprietary funds (such as Fund 51, 55, and 57) 												

REVENUES

Property and sales taxes are the most significant sources of City revenue, representing 51% in FY 2007 when Beginning Balance and Interfund Transfers are excluded. Intergovernmental Revenue, Charges for Service, Franchise Taxes, Licenses and Fees comprise the remaining portion of revenue. Figure R1 shows the makeup of Park City's anticipated revenues for FY 2008.

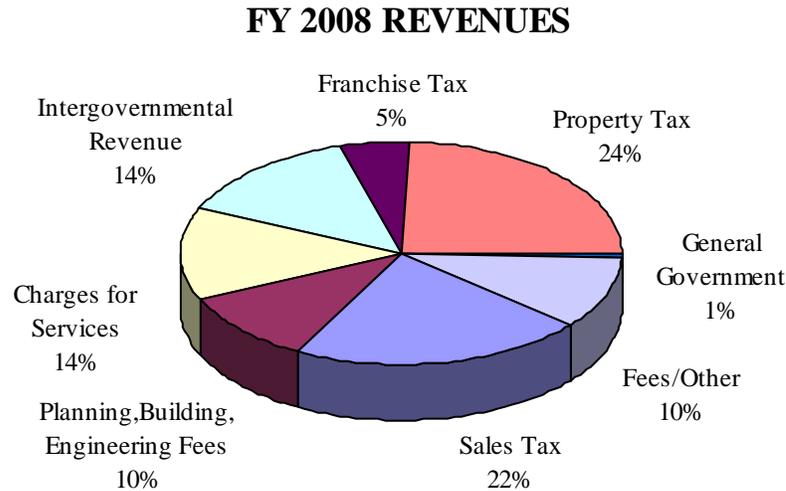


Figure R1 – Budgeted Revenue by Source

PROPERTY TAX

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

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

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

REVENUES

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

Property Tax Assessment Levels for Utah			
Property Class	Appraised Value	Fair Market Value	Taxable Value
Primary Residential	100%	100%	55%
Other Local Real	100%	100%	100%
Local Personal	100%	100%	100%
Centrally Assessed	100%	100%	100%

Table R1 – Property Tax Assessment Levels

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

Park City’s certified property tax rate is made up of two rates: 1) General Levy Rate, and 2) Debt Service Levy Rate. The two rates are treated separately. The general levy rate is calculated in accordance with Utah State law to yield the same amount of revenue as was received the previous year (excluding revenue from new growth). The debt service levy is calculated based on the City’s debt service needs pertaining only to General Obligation bonds. Figure R2 below shows Park City’s property tax levies since 2001.

REVENUES

Tax Rate	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
General Levy	0.001834	0.001847	0.001855	0.001875	0.001748	0.001492
Debt Levy	0.000372	0.000319	0.000412	0.000662	0.000601	0.000489
Total:	0.002206	0.002166	0.002267	0.002537	0.002349	0.001981
Tax Collected	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007 (ytd)
General	\$5,338,754	\$5,234,687	\$5,443,953	\$6,643,405	\$6,159,798	\$6,027,769
Debt	\$1,188,909	\$1,188,909	\$1,688,909	\$1,688,909	\$2,188,909	\$2,188,909
RDA Increment	\$2,937,500	\$3,184,461	\$3,409,202	\$3,473,064	\$3,527,898	\$3,776,412
Fee-In-Lieu	\$245,642	\$128,619	\$237,246	\$230,286	\$242,227	\$112,016
Delinq/Interest	\$529,899	\$493,207	\$495,023	\$392,964	\$351,802	\$91,524
Total:	\$10,240,704	\$10,229,883	\$11,274,333	\$12,428,628	\$12,470,634	\$12,196,630

Table R2 – Property Tax Rates and Collections

Park City does not anticipate an increase to the property tax levy for 2007. The 2007 certified tax rate will be calculated and submitted to the County Auditor’s office in July.

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 7.35% sales tax on general purchases in Park City, the municipality levies a 1% local option sales tax, a 1% resort community tax, and a 0.25% transit tax. Sales tax revenue growth has remained fairly consistent over the past several years. However the City has begun to use an econometric model to forecast and budget future sales tax revenues. This model uses factors such as visitor nights and quarterly historical trends in order to forecast sales tax revenue. It is assumed that there will be no significant changes in the local economy and that minor legislative changes at the State level which affect sales tax distribution will be measured in the quarterly historical trends. Figure R2 shows actual sales tax amounts along with the forecasted amounts for FY 2007, 2008 and 2009.

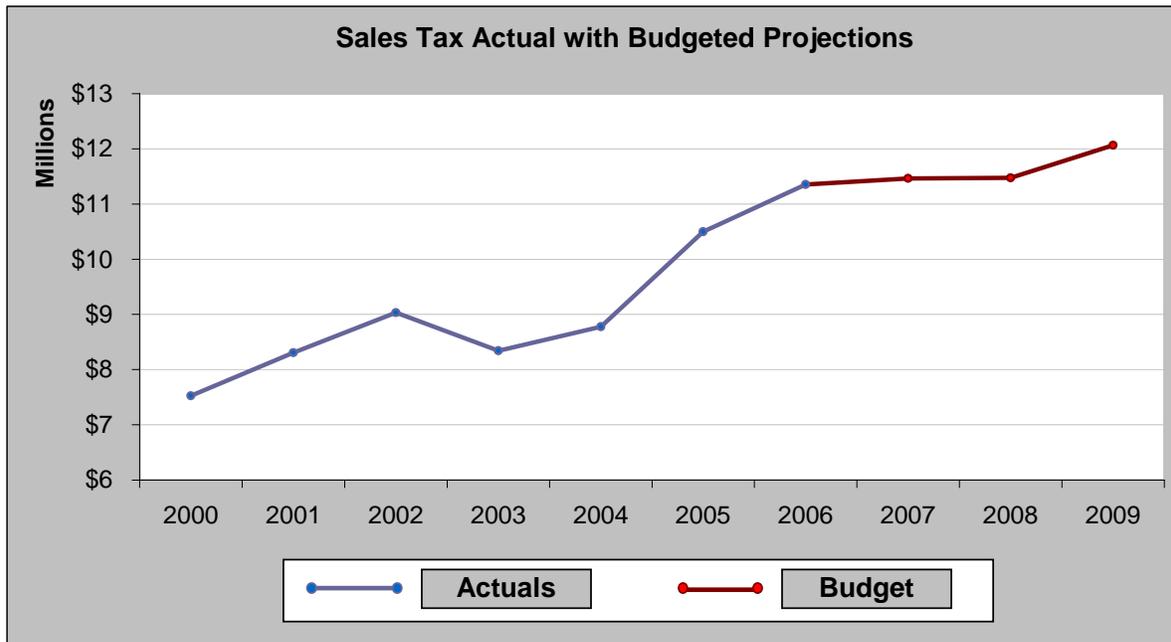


Figure R2- Sales Tax Actuals and Projections

REVENUES

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

Sales tax revenue for FY 2007 is expected to reach a level similar to FY 2006 based on current collections and ski season indicators. FY 2008 and 2009 budgeted figures are from the econometric model. Continued development of events and activities in the spring and summer months has helped to generate sales tax during the “off-season” months as well. Figure R3 displays the monthly sales tax revenue collections for FY 2007 in comparison with a 5-year historical average.



Figure R3 – Sales Tax for FY 2006 compared to a 5-Year Average

As previously stated, Park City’s portion of sales tax is broken down into three components: local option (1%), resort community tax (1%), and transit tax (0.25%). 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% on population and 50% on point of sale. 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% 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% of the 1% 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 results in Park City receiving less than the 75% of the 1% local option sales tax for future years as long as the population remains low in relation to the amount of sales. It is expected that natural economic growth will allow Park City to eventually surpass the 2005 level of sales tax, at which point Park City will most likely receive

REVENUES

around 62 % of the 1% levy. Figure R4 shows the portions of total sales tax attributable to local option, resort community and transit taxes.

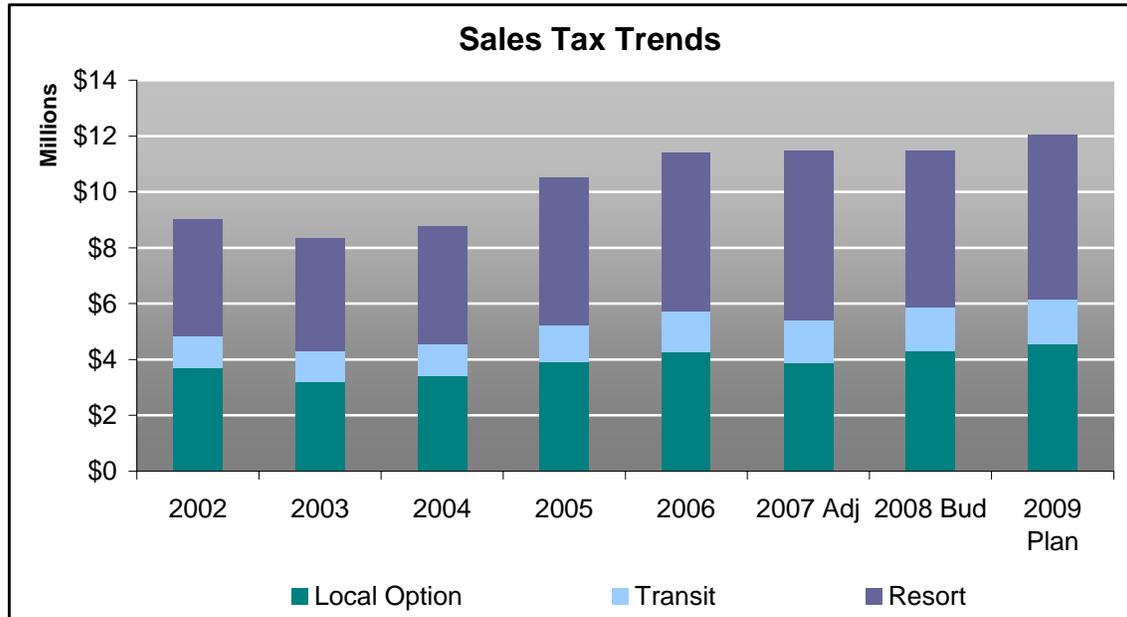


Figure R4 - Sales Taxes Breakdown

The 2007 Legislative Session also contained a bill that affected Park City sales tax collections. As discussed in the Budget Issues section, Senate bill 223 removes food and food ingredients from the sales tax base for the resort community tax and the transit tax. The estimated annual loss from this bill is around \$400,000. The bill includes a provision for cities to increase their resort community tax by 0.1% and their transit tax by 0.05% to maintain revenue neutrality.

OTHER REVENUE

Revenue sources other than property and sales tax include fees, franchise taxes, grants, municipal bonds and other miscellaneous revenue.

The City has fees associated with business licenses, recreation, water, planning, engineering, and building services. Franchise taxes are corporate income taxes charged to corporations within the Park City boundaries. With the exception of water fees, 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. Water fees are calculated on a multi-year trend analysis based on previous water consumption, but also incorporate a new growth factor.

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.

REVENUES

Municipal bonds are another way for Park City to fund capital projects and the Redevelopment Agencies on Main Street and Lower Park Avenue. Moody's has upgraded Park City's General Obligation bond rating from Aa3 to Aa2 and the Sales Tax Revenue bonds issued in FY 2005 at A1. Both are strong ratings compared to other resort communities. The State of Utah limits a city's direct GO debt to 4 percent of assessed valuation. The City's debt policy is more conservative, limiting total direct GO debt to 2 percent of assessed valuation. Park City's direct debt burden in 2005 was approximately 0.57 percent or less than one-half of the City's 2 percent policy limits. For more information on Park City's debt management policies, see the Policies and Objectives section of this budget document.

EXPENSES

The FY 2007 Adjusted Budget reflects a 1.63% operating increase from the FY 2007 Original Budget and a 6.82% operating increase from FY 2006 Adjusted Budget. The most significant changes accounting for the difference between the FY 07 adjusted and original operating budgets is an increase to the Building Department budget (due to unprecedented levels of building activity in Park City) and funding for a short-term transit plan. FY 2007 adjusted capital budgets appear extremely high, but the vast majority of the \$76 million budgeted for capital is “carryforward” budget. Unlike operating budgets, capital projects may take multiple years to complete, so the budgets for capital need to be renewed each year. At the end of each fiscal year, the unspent budget for each capital project is calculated and added to the new fiscal year’s budget as part of the adjusted budget. That “carryforward” amount for FY 2007 is \$54 million. The actual new request portion of the capital budget in FY 2007 is \$8.5 million. Interfund Transfers are up in the FY 2007 Adjusted Budget, which represents the end of year General Fund surplus transfer to the Capital Projects Fund.

The FY 2008 Recommended Budget increases to \$36,756,536, which is up approximately 5% from the FY 2007 Adjusted Budget. The FY 2009 Plan shows a 0.83% increase from the FY 2008 Recommended Budget. The largest changes to the FY 2008 Budget and FY 2009 Plan involve an update to the Employee Pay Plan to bring wages up to market levels, increasing debt service payments on previously approved and issued debt, and increased service levels in the Building, Police, and Golf Maintenance Departments. These changes are more fully discussed in the Budget Issues section along with details on other committee recommendations, operating budget changes, and capital requests. The 5-Year CIP has \$23.5 million of capital projects expenditures scheduled for FY 2008 and \$8.9 million for the FY 2009 Plan. Of those requests, \$7.7 million were new requests (ie: received and recommended for approval by the CIP Prioritization Committee during the current budget process) for FY 2008 and \$2.7 million for FY 2009. Major new projects are discussed in the Budget Issues section.

Table E1 shows Citywide expenditures by Major Object. The FY 2007 Adjusted Budget reflects a marginal increase in personnel expenses of 1.1% from the FY 2007 Original Budget. FY 2008 shows a marked increase in Personnel due primarily to the updated Employee Pay Plan.

Expenditure Summary by Major Object - All Funds							
	FY 2004	FY 2005	FY 2006	FY 2007 Orig	FY 2007 Adj	FY 2008 Budget	FY 2009 Plan
Personnel	13,885,310	14,553,051	15,924,342	16,751,659	16,936,827	18,138,008	18,456,549
Materials, Supplies & Services	7,741,051	8,426,189	9,438,806	10,903,264	11,123,016	11,448,572	11,633,756
Capital Outlay	12,230,901	15,959,485	20,495,911	13,250,756	76,207,932	24,258,694	9,540,465
Debt Service	6,613,750	13,943,132	5,966,048	6,216,651	6,371,536	6,594,956	6,395,885
Contingencies	22,515	0	0	575,000	575,000	575,000	575,000
Actual Budget	40,493,527	52,881,858	51,825,106	47,697,330	111,214,311	61,015,230	46,601,655
Budget Excluding Capital	28,262,626	36,922,372	31,329,195	34,446,574	35,006,379	36,756,536	37,061,190
Interfund Transfers	14,054,357	29,203,184	29,115,806	9,440,285	11,993,847	9,026,480	8,809,266
Ending Balance	52,435,708	79,321,857	78,045,276	24,748,776	26,013,928	26,837,852	29,441,331
	66,490,065	108,525,041	107,161,082	34,189,061	38,007,775	35,864,332	38,250,597
Grand Total	106,983,592	161,406,899	158,986,188	81,886,391	149,222,086	96,879,562	84,852,252

Table E1 – Expenditures by Major Object (all funds combined)

EXPENSES

This year's budget continues to fund capital projects at an accelerated level. The Capital Improvement Plan (CIP) anticipates that General Fund contributions to the CIP will continue to be required to fund future projects as outlined in the recommended budget. Major changes to the CIP are highlighted in this document and will be discussed in greater detail with City Council beginning May 24th.

OPERATING BUDGET

The Operating Budget consists of Personnel, Materials, Supplies, and Services, Departmental Capital Outlay, and Contingencies for each department. Table E2 shows the total change to the Operating Budget from the FY 2007 Original Budget adopted by Council last year both with and without the Pay Plan changes.

Total Operating Budget Options (Change from FY2007 Adopted Budget) by Fund				
		FY 2007 Adjusted Budget	FY 2008 Budget	FY 2009 Plan
Fund 11	General Fund	\$ 143,016	\$ 1,467,545	\$ 1,691,846
Fund 12	Quinn's Recreation Complex	\$ 31,500	\$ 73,889	\$ 116,937
Fund 51	Water Fund	\$ -	\$ 72,833	\$ 202,451
Fund 55	Golf Fund	\$ 96,886	\$ 120,547	\$ 120,526
Fund 57	Transportation Fund	\$ 100,940	\$ 197,583	\$ 245,987
Total		\$ 372,342	\$ 1,932,398	\$ 2,377,748

Total Operating Budget Options (Change from FY2007 Adopted Budget) by Fund (Pay Plan Changes excluded)				
		FY 2007 Adjusted Budget	FY 2008 Budget	FY 2009 Plan
Fund 11	General Fund	\$ 143,016	\$ 888,573	\$ 897,119
Fund 12	Quinn's Recreation Complex	\$ 31,500	\$ 65,082	\$ 100,605
Fund 51	Water Fund	\$ -	\$ 57,619	\$ 171,004
Fund 55	Golf Fund	\$ 96,886	\$ 120,551	\$ 120,543
Fund 57	Transportation Fund	\$ 100,940	\$ 137,094	\$ 138,530
Total		\$ 372,342	\$ 1,268,920	\$ 1,427,801

Table E2 – Operating Budget Options by Fund

The major increases from the FY 2007 original budget are found in the General Fund. The largest part of that change is a result of the Pay Plan Committee recommendations that would bring Park City employees' pay up to market. Other major changes are also related to personnel and are discussed below.

PERSONNEL

The Pay Plan Committee met this fiscal year to examine the benchmarks for the City's positions and propose a recommendation to Council as part of the Tentative Budget. More information about the philosophy behind the pay plan can be found in the Supplemental Section. The impacts of all personnel budget options, with and without the pay plan, are shown for each fund in Tables E3(a) and E3(b).

EXPENSES

Total Personnel Options (Change from FY2007 Adopted Budget) by Fund				
(Pay Plan Changes excluded)				
		FY 2007 Adjusted Budget	FY 2008 Budget	FY 2009 Plan
Fund 11	General Fund	\$ 103,178	\$ 493,279	\$ 500,069
Fund 12	Quinn's Recreation Complex	\$ -	\$ 10,582	\$ 23,605
Fund 51	Water Fund	\$ -	\$ 35,705	\$ 36,090
Fund 55	Golf Fund	\$ 152,998	\$ 156,760	\$ 157,496
Fund 57	Transportation Fund	\$ (71,008)	\$ 14,104	\$ 15,537
Total		\$ 185,168	\$ 710,431	\$ 732,797

Table E3(a) – Personnel Options by Fund

Total Pay Plan Changes (Change from FY2007 Adopted Budget) by Fund				
		FY 2007 Adjusted Budget	FY 2008 Budget	FY 2009 Plan
Fund 11	General Fund	\$ -	\$ 578,971	\$ 794,727
Fund 12	Quinn's Recreation Complex	\$ -	\$ 8,806	\$ 16,332
Fund 51	Water Fund	\$ -	\$ 15,214	\$ 31,447
Fund 55	Golf Fund	\$ -	\$ (3)	\$ (17)
Fund 57	Transportation Fund	\$ -	\$ 60,489	\$ 107,457
Total		\$ -	\$ 663,478	\$ 949,947

Table E3(b) – Pay Plan Options by Fund

It is evident that much of the change to the FY 2008 personnel budget is largely due to Pay Plan Committee recommendations. Those recommendations are discussed further in the Budget Issues section. The rest of the increases to personnel expenditures are due to either increased workload or increased levels of service in various departments, most notably Building, Public Safety, Transit, IT Services, and Golf Maintenance. Much of the increased personnel expense related to these options is offset with decreases in Materials, Supplies & Services budget.

Personnel is accounted for using a full-time equivalent (FTE) measure, where 1 FTE indicates the equivalent of a full-time position, or 2,080 annual work-hours, but could be filled by multiple bodies at any given time. Generally, one Full-time Regular employee is measured as 1 FTE, whereas a Part-time Non-benefited or Seasonal employee might account for a fraction of an FTE. Changes in FTE's per department for FY 2007, FY 2008, and 2009 are found in Table E4 below.

EXPENSES

FTE Counts by Department									
Department	FY 2007 Original	FY 2007 Change	FY 2007 Adjusted	FY 2008 Base	FY 2008 Change	FY 2008 Budget	FY 2009 Base	FY 2009 Change	FY 2009 Plan
Budget, Debt, and Grants	3.25		3.25	3.25		3.25	3.25		3.25
Building	13.80	1.00	14.80	13.80	2.00	15.80	13.80	2.00	15.80
Building Maint.	4.00		4.00	4.00	1.00	5.00	4.00	1.00	5.00
Capital Projects and Econ. Devel.	2.50		2.50	2.50	(2.50)		2.50	(2.50)	
City Council									
City Manager	3.00		3.00	3.00		3.00	3.00		3.00
City Recreation	26.12	0.08	26.20	26.12	1.69	27.81	26.12	1.71	27.83
Communication Center (Dispatch)	8.50		8.50	8.50	0.50	9.00	8.50	0.50	9.00
Drug Education	0.16		0.16	0.16		0.16	0.16		0.16
Engineering	2.50		2.50	2.50		2.50	2.50		2.50
Fields	2.45		2.45	2.45		2.45	2.45		2.45
Finance	6.75		6.75	6.75		6.75	6.75		6.75
Fleet Services	8.75		8.75	8.75		8.75	8.75		8.75
Golf	7.01		7.01	7.01		7.01	7.01	(0.26)	6.75
Golf Maintenance	5.71	6.44	12.15	5.71	5.43	11.14	5.71	5.19	10.90
Human Resources	6.95		6.95	6.95		6.95	6.95		6.95
Ice Facility	5.55		5.55	5.55	0.25	5.80	5.55	0.75	6.30
Legal	6.75		6.75	6.75	1.00	7.75	6.75	1.00	7.75
Library	11.63		11.63	11.63	(0.40)	11.23	11.63	(0.40)	11.23
Parks and Cemetery	18.05		18.05	18.05	0.75	18.80	18.05	0.75	18.80
Planning	7.50		7.50	7.50	(1.50)	6.00	7.50	(1.50)	6.00
Police	32.10	0.52	32.62	32.10	2.52	34.62	32.10	2.52	34.62
Public Affairs and Comm.	2.50		2.50	2.50	(2.50)		2.50	(2.50)	
Public Works Administration	2.50		2.50	2.50		2.50	2.50		2.50
Special Events and Facilities	2.50		2.50	2.50	(2.50)		2.50	(2.50)	
State Liquor Enforcement	1.74	(0.52)	1.22	1.74	(0.52)	1.22	1.74	(0.52)	1.22
Street Maint.	15.81		15.81	15.81		15.81	15.81		15.81
Sustainability - Implementation					3.50	3.50		3.50	3.50
Sustainability - Visioning					4.50	4.50		4.50	4.50
Technical and Customer Services	9.30		9.30	9.30	0.50	9.80	9.30	0.50	9.80
Tennis	6.91	0.04	6.96	6.91	(0.96)	5.96	6.91	(0.96)	5.96
Transportation	65.14	(2.69)	62.45	65.14	(1.60)	63.54	65.14	(1.55)	63.59
Water Billing	1.00		1.00	1.00		1.00	1.00		1.00
Water Operations	15.00		15.00	15.00	0.25	15.25	15.00	0.25	15.25
Totals	305.43	4.88	310.31	305.43	11.41	316.84	305.43	11.48	316.91

Table E4 - FTE changes by department

EXPENSES

Most departmental FTE increases have been offset with reductions in department personnel or materials, supplies, and services budgets. The FY 2007 Original Budget shows an increase in FTE's due to many of the temporary bus drivers being made Full-Time Regular positions. Figure E1 shows the total number of FTE's classified as

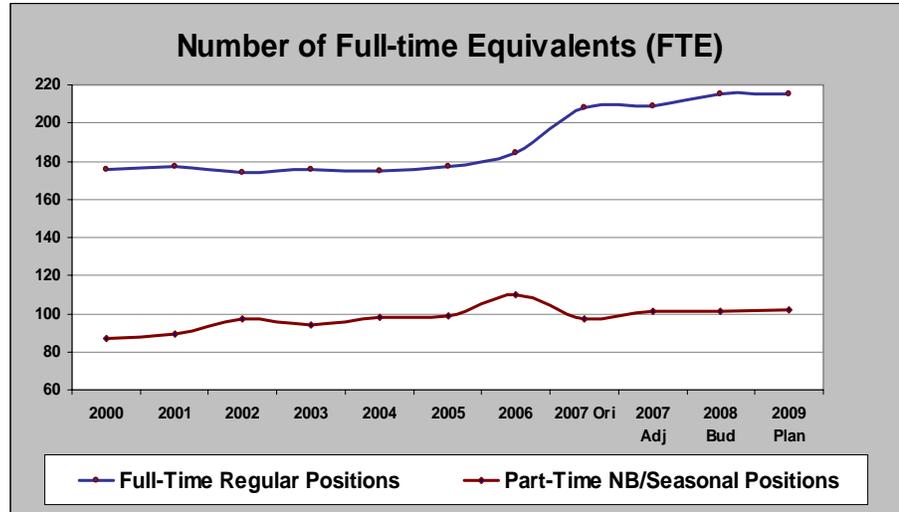


Figure E1 - FTE Totals

Full-Time Regular or Part-Time Non-Benefited/Seasonal for the Adjusted FY 2007 Budget, the FY 2008 Budget and the FY 2009 Plan. In prior years, the Part-Time Non-Benefited/Seasonal classification was referred to as Temporary.

The following table shows the changes in FTE's by fund. The General Fund is increasing by 5.96 FTE's in FY 2008. The Golf Fund shows a marked increase in FTE's in FY 2007. This is due to a committee recommendation to put more emphasis on course maintenance. The cost for this personnel influx is offset by a corresponding reduction in ongoing capital budget.

Fund	FY 2006 Actual	FY 2007 Original	FY 2007 Adjusted	FY 2008 Budget	FY 2009 Plan
General Fund	194.94	194.82	195.94	201.90	201.92
Quinn's Recreation Complex	4.75	8	8	8.25	8.75
Water Fund	15	16	16	16.25	16.25
Golf Fund	14.86	12.72	19.16	18.15	17.65
Transportation Fund	55.35	65.14	62.45	63.54	63.59
Fleet Services Fund	8.75	8.75	8.75	8.75	8.75
TOTAL	293.65	305.43	310.31	316.84	316.91

Table E5 - FTE Change by Fund

The following charts display Park City's personnel growth rates compared with national and state statistics reflecting employment totals for local governments. Figure E2 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. In calendar year 2006 the percentage increase in full-time positions is attributed to the change of several temporary bus driver positions being made full-time in FY 2007. The fiscal year 2003 reorganization can be seen in the calendar year of 2002.

EXPENSES

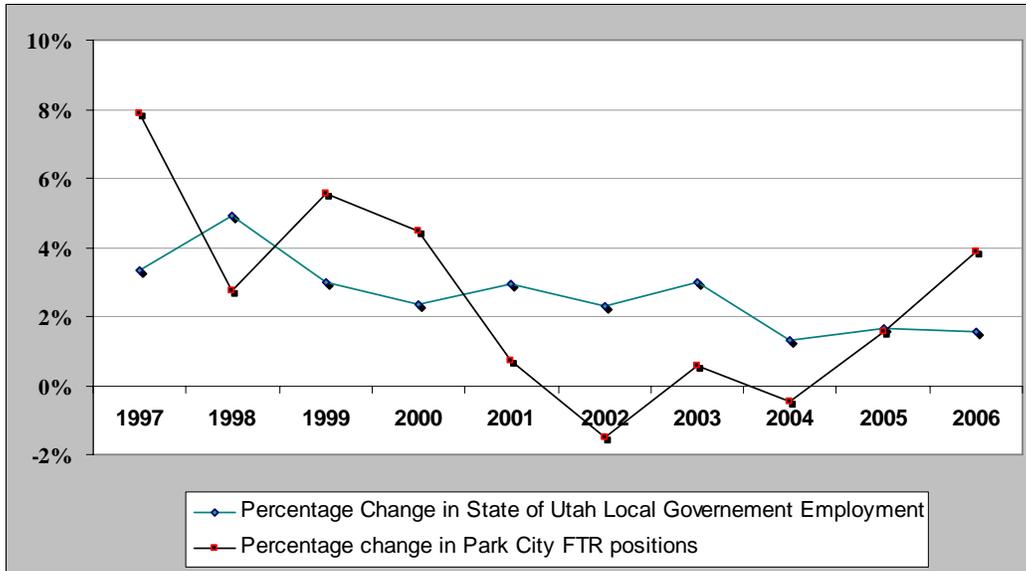


Figure E2 - Percentage Change in Park City and State employment

The employment totals for Park City FTR positions and local government for the state of Utah are compared in Figure E3. Park City FTR positions saw an increase in calendar year 2006 after several years of remaining relatively stable. A comparative graph such as this can show whether or not a municipality is following a larger trend among similar local governments.

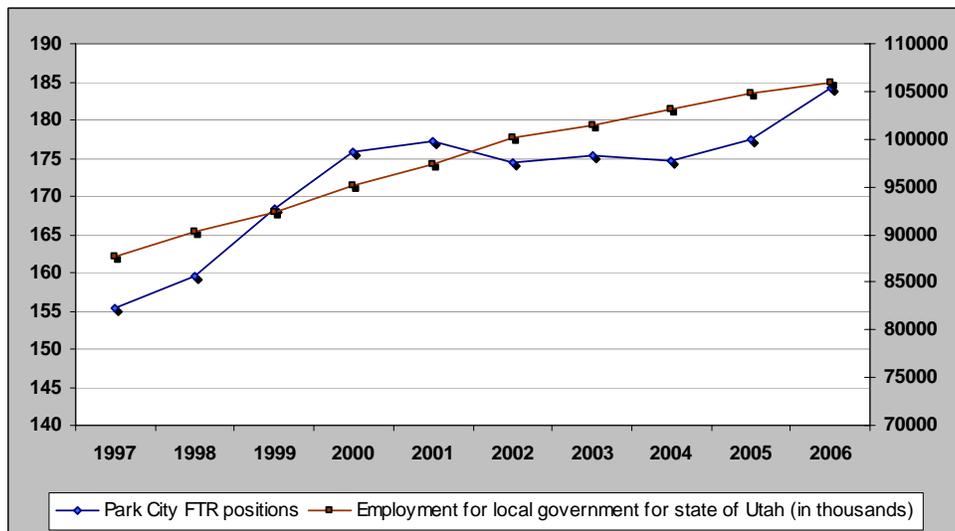


Figure E3 – Employment totals for Utah local government and Park City FTR positions

MATERIAL, SUPPLIES, AND SERVICES

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

EXPENSES

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

Total Materials, Supplies & Services Options (Change from FY2007 Adopted Budget) by Fund				
	FY 2007 Adjusted Budget	FY 2008 Budget	FY 2009 Plan	
Fund 11 General Fund	\$ 36,304	\$ 353,404	\$ 400,585	
Fund 12 Quinn's Recreation Complex	\$ 31,500	\$ 64,000	\$ 89,000	
Fund 51 Water Fund	\$ -	\$ 21,914	\$ 134,914	
Fund 55 Golf Fund	\$ (20,000)	\$ (20,000)	\$ (20,000)	
Fund 57 Transportation Fund	\$ 171,948	\$ 122,990	\$ 122,993	
Total	\$ 219,752	\$ 542,308	\$ 727,492	

Table E6 – Material, Supplies, and Services by Fund

The most significant increase to the Materials, Supplies & Services budget is \$220,000 in the General Fund and relates to an agreement between the City and Sundance Film Festival. The amount relates to the business community's and the City's contributions to the Sundance Film Festival. A corresponding revenue is included in the budget and was approved last year in the form of a festival facilitation fee associated with business licenses.

CAPITAL BUDGET

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

Project	Proposed Budget	Principal Funding Sources	Scheduled Start	Scheduled Finish
Public Safety Facility	\$7.3 million	Sales Tax Bond Impact Fees General Fund Reserves	Underway	Fall 2007
Boothill Tank & Pump Station	\$4.6 million	Water Bonds	Underway	Fall 2007
Town Plaza & Shell Space	\$5 million	Sales Tax Bond Sale of Assets (Watts) General Fund	Summer 2007	-
Marsac Seismic Upgrade	\$6 million	General Fund Reserves	Winter 2008	Spring 2009
OTIS Phase I (Lower Norfolk & Woodside)	\$2.8 million	Sales Tax Bond	FY 2008	-
Walkable Community Projects	\$1.25 million	General Fund Lower Park RDA Reserves Safe Sidewalks Grant	FY 2008	-
OTIS Phase II (a) Sandridge, Hillside, Empire, & Upper Lowell	\$4 million	Sales Tax Bond	FY 2009	-
Bonanza Drive Reconstruction	\$1.8 million	General Fund Federal Grants	FY 2009	-

Table E7 – Major Capital Projects

EXPENSES

This year's CIP committee (consisting of Alison Butz, Kathy Lundborg, Jon Weidenhamer, Stacey Noonan, Gary Hill, Lori Collett, Bret Howser, and Eric DeHaan) reviewed and ranked several new budget requests based on five criteria (Support, Funding, Impact, Timing, and Investment). Existing CIP's were also reviewed and reprioritized. These CIP requests are outlined in the Budget Issues section and a complete, detailed list is included in the Supplemental Section. The committee recommends a continuation of an accelerated funding strategy.

The total proposed CIP budget for FY 2007 adjusted is \$75.5 million (\$12.5 million original budget, \$54.5 million carryforward budget, and \$8.5 million newly proposed budget). The proposed FY 2008 CIP budget is \$23.5 million (\$7.7 million in newly proposed requests). FY 2009 Plan has \$8.9 million scheduled for CIP expenses (\$2.7 million newly proposed). The following charts show funding sources for those expenses.

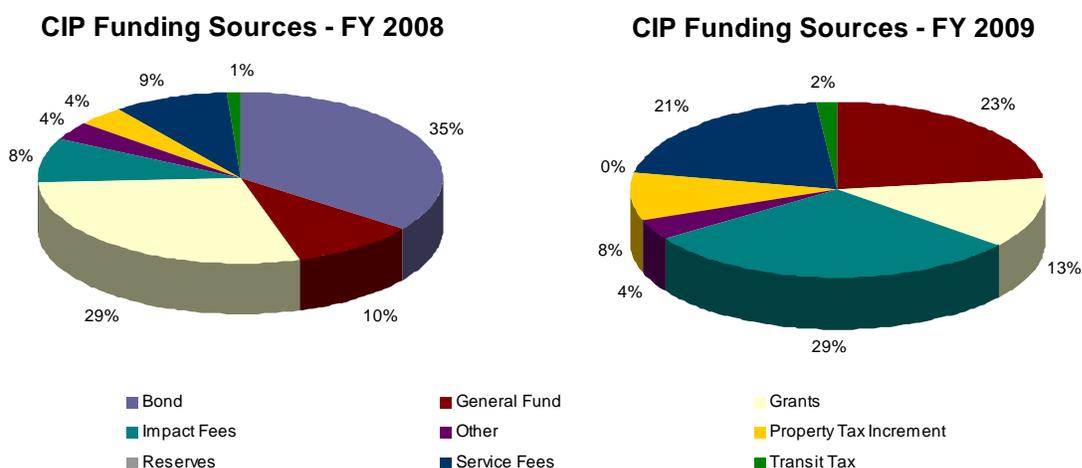


Figure E8 – CIP Funding Sources

A few capital projects are expected to have an impact on operating budgets. Most notably, the new Police Facility at Snow Creek has necessitated increased operations expenditures in the Building Maintenance Department. An operating option was submitted this year for Public Works in the amount of \$94,000, which includes an increase of 1.00 FTE, to cover the increased costs of maintaining the new building.

Another new project with operational impacts is the purchase of an asphalt recycler (included in project CP0133). The cost of the recycler is \$150,000 and the life expectancy is 10 years. However, in the past the public works department has purchased asphalt for patching out of their operating budget at a cost of \$25,000 annually. This amount is offset out their operating budget.

The Walkable Community Projects are also expected to impact operational budgets. These projects would create new trails and connections that would then require maintenance to be handled by Public Works. An operating option of \$49,000 is included in this year's budget to provide the needed funding to the Parks & Cemeteries Department to carry out this function.

Future projects for which staff anticipates some operating impact include the Marsac Building Seismic Renovation. Most of the City's administrative staff works in the Marsac building and

EXPENSES

will need to be placed in temporary offices. The costs for temporarily relocating administrative employees are included in the project itself, but increased operational costs due to the move are not. However, those impacts are still unclear and are therefore not included in this year's budget requests.

Any other operating impacts from current or future projects are expected to be handled within existing allocations.

DEBT SERVICE

Park City has various bond issuances outstanding. The debt service to be paid on these bonds is as detailed in Figure E9.

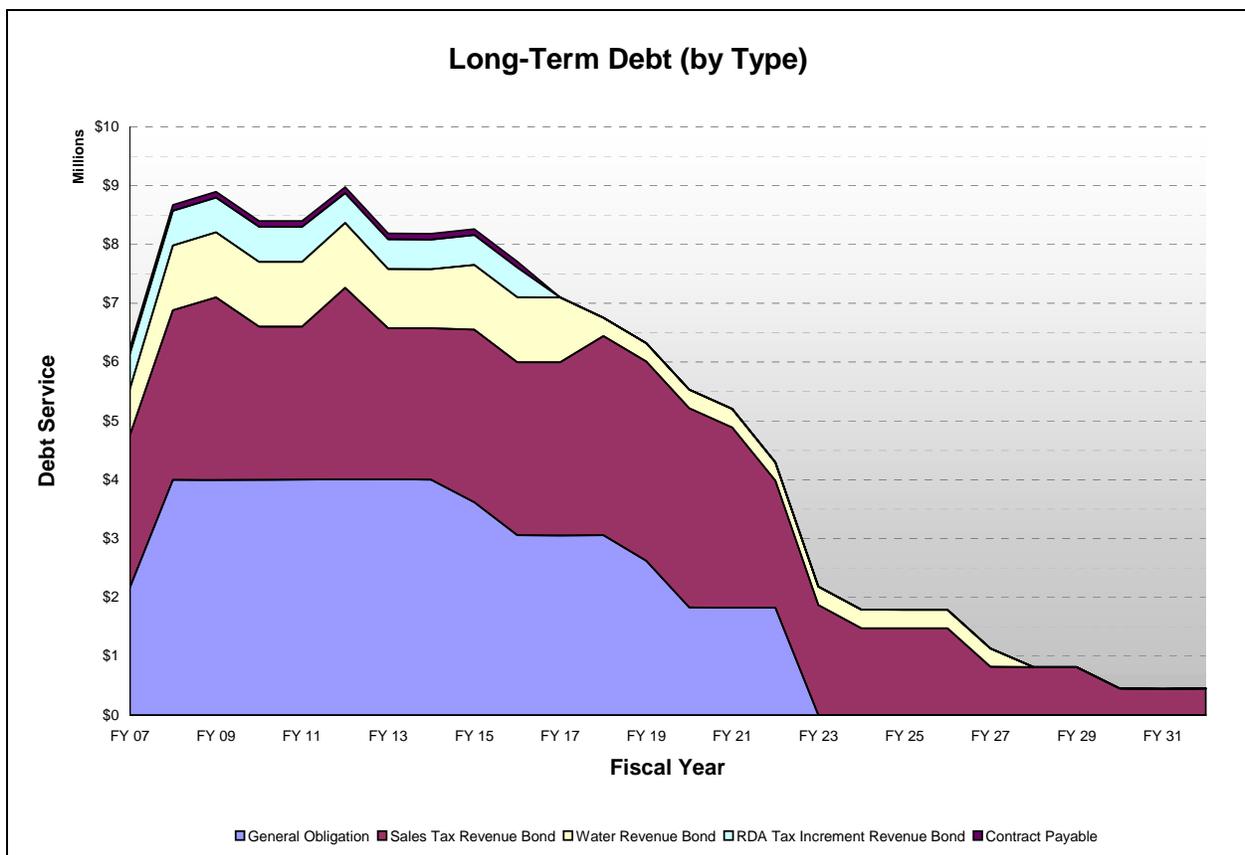


Figure E9 - Long Term Debt

Debt Service comprises 11% of the FY 2008 budgeted expenses.

Funding sources for debt service payments in FY 2008 are detailed in Figure E10 to the side. 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

EXPENSES

dedicated a number of revenue sources for repayment, including lease revenue, impact fees, and unreserved general fund revenue (such as sales tax).

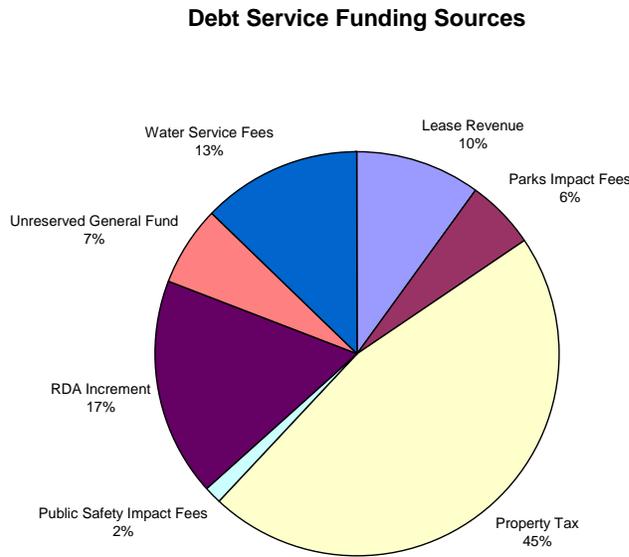


Figure E10 – Debt Service Funding Sources

A bond election was held in November 2006, and residents approved the issuance of \$20 million of General Obligation Debt for the purchase of Open Space. While the City hasn't yet issued this debt, nor located the open space to purchase, the bonds may be issued and land may be purchased as early as FY 2008.

The City's five year Capital Improvement Plan outlines a number of future projects for which it is anticipated the City expects to issue Sales Tax Bonds. The estimated impact to debt service due to possible future bonding can be seen in Figure E11.

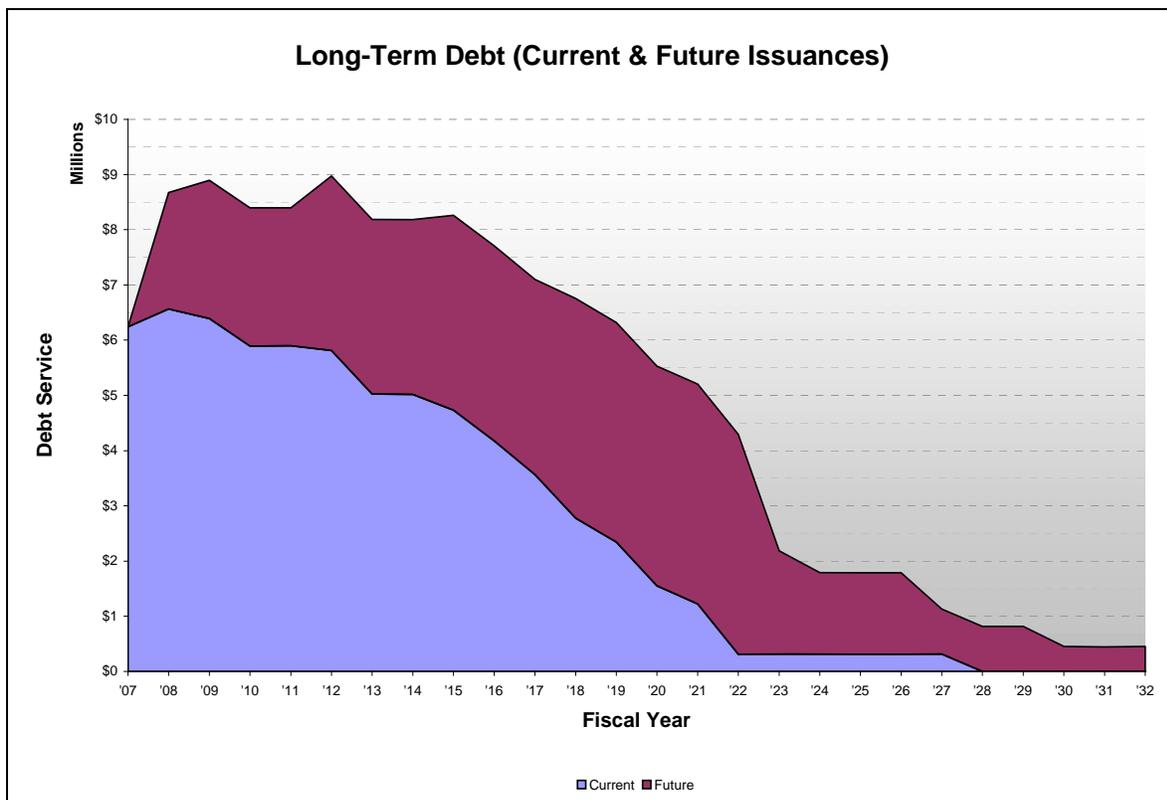


Figure E11 – Anticipated Future Debt Service Compared to Existing Debt

EXPENSES

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

The majority of the debt service for the recently issued \$20 million sales tax revenue bonds will come from dedicated revenue such as property tax increment pledged from the Main Street RDA and impact fees. A portion of the debt, however, will be paid for with unreserved or surplus General Fund revenue (sales tax). Figure E12 below shows how much of the City’s annual surplus is currently pledged for debt service as well as the amounts that are expected to be dedicated for debt service in the future.

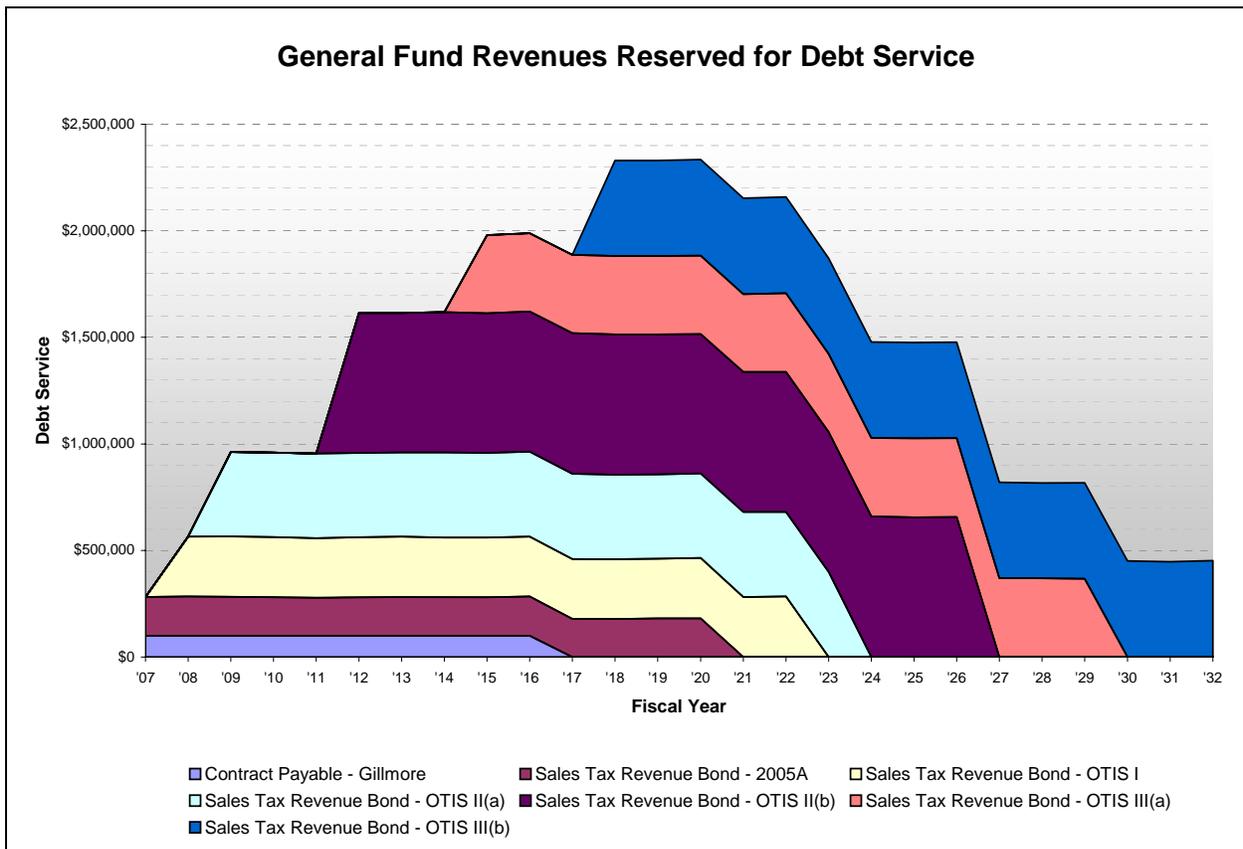


Figure E12 – General Fund Revenues Reserved for Debt Service

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

ECONOMIC OUTLOOK

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

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

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

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

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

PARK CITY ECONOMY

Tourism is the backbone of the Park City economy and the majority of local tourism revolves around skiing and snowboarding. With the exception of the 2001-02 season, the year of the Olympic Winter Games, skier days at the three main resorts have increased significantly for the past five years. Skier days have increased 62 percent in the past decade for the Park City resorts. Encouraging tourism and the ski industry are objectives for Park City as well as for the State of Utah. With its close proximity to Salt Lake City and Salt Lake International airport, Park City is a major contributor to these goals. In the 2005-06 season, Park City area resorts claimed 42.2 percent of the total Utah skier day market share. Total skier days in Park City area resorts were 1,715,536, up 7.0 percent from the previous year. With the local economy dependent on tourism and skiing, employment in Park City tends to decline in the spring and summer months. Park City hopes to mitigate this by diversifying recreational activities in the "off-season".

ECONOMIC OUTLOOK

Park City works cooperatively with the Park City Chamber of Commerce to successfully promote Park City as a year round recreational area. Some of the promotional events include mountain biking, weekly festival events, an international jazz festival, summer concert series, athletic events such as softball, rugby, and volleyball tournaments, hot air balloon rides and golfing. The Sundance Film Festival is the most recognizable event that occurs each year. In January of 2007, the Festival made its 27th appearance in Park City. It is estimated by the Sundance Institute that 37,470 out-of-state guests attended the festival in 2006. Total spending in Park City was approximately \$52.9 million during the festival, supplementing a decade of spectacular economic growth.

Closely connected to the tourist and ski industries in Park City is the real estate industry. During the past ten years, building activity within the City has gone from a low of \$51.0 million in 2002, on account of the reduced pace of construction caused by the Winter Olympic Games, to a high of \$173.0 million last year. Building activity over the last decade has averaged \$95.9 million. The calendar year of 2006 saw a 49.0 percent increase in building activity from the prior year (Figure EO1). Building activity is valued using the International Building Code and is based on square footage and types of construction and building use. The state of Utah has continued to experience a high level of residential new home construction. This is mainly attributed to interest rates that have remained low, Park City's role as a bedroom community for Salt Lake City, and a strong local economy.

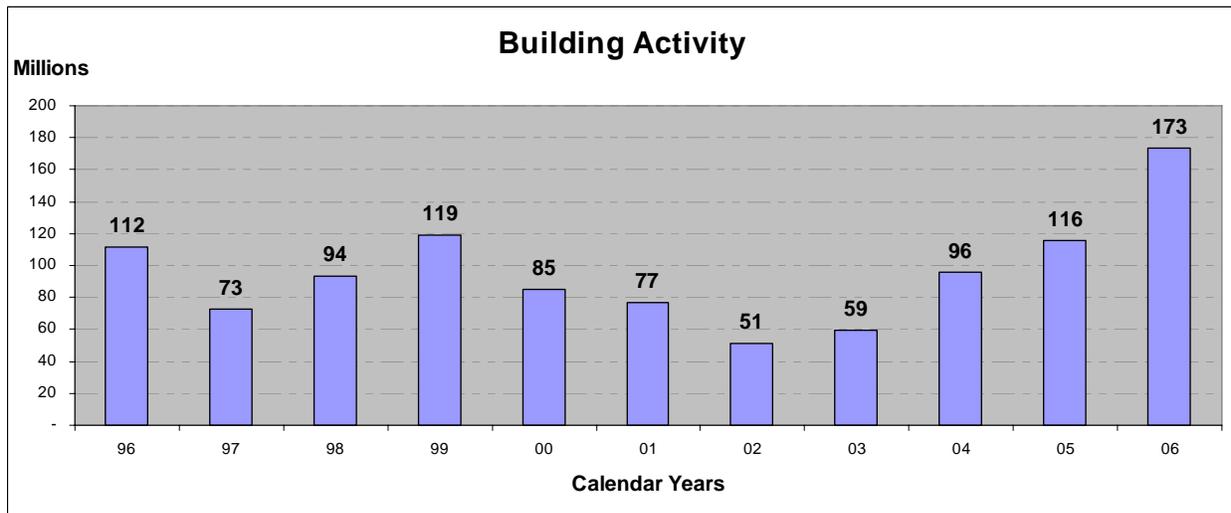


Figure EO1 – Annual Cost of Construction in Park City

Park City's debt service expenditures have increased in amount and as a percentage of total expenditures during the past decade. Much of this is due to the voter approved General Obligation Bonds that were passed in 1999, 2000, 2005, and 2006 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, and continues with high ratings by resort standards with AA- by Standard and Poor's and Fitch. A bond rating of AA- (AAA is generally the highest rating) indicates that Park City as an issuer offers "excellent financial security." The recently issued Sales Tax Revenue Bond also received a rating of A+ from Standard & Poor's.

ECONOMIC OUTLOOK

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

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

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

CITY 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 the FY 2007-08 Budget Document. 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 analyses are outlined and recommended. According to the ICMA, the financial condition of a municipality can be defined as, "...a government's ability in the long run to pay all the costs of doing business, including expenditures that normally appear in each annual budget, as well as those that will appear only in the years in which they must be paid." By recording the necessary data and observing these indicators, certain warning trends can be seen and remedied before it becomes a problem for the Park City government.

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

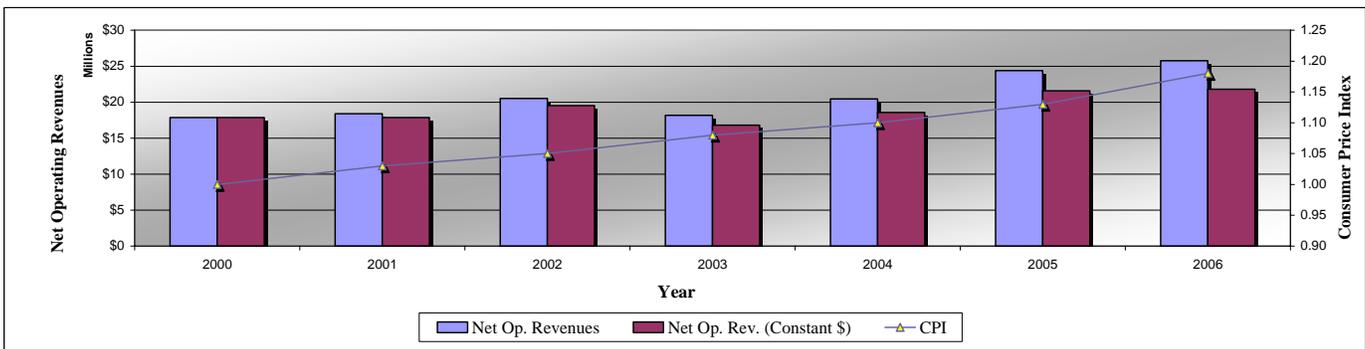
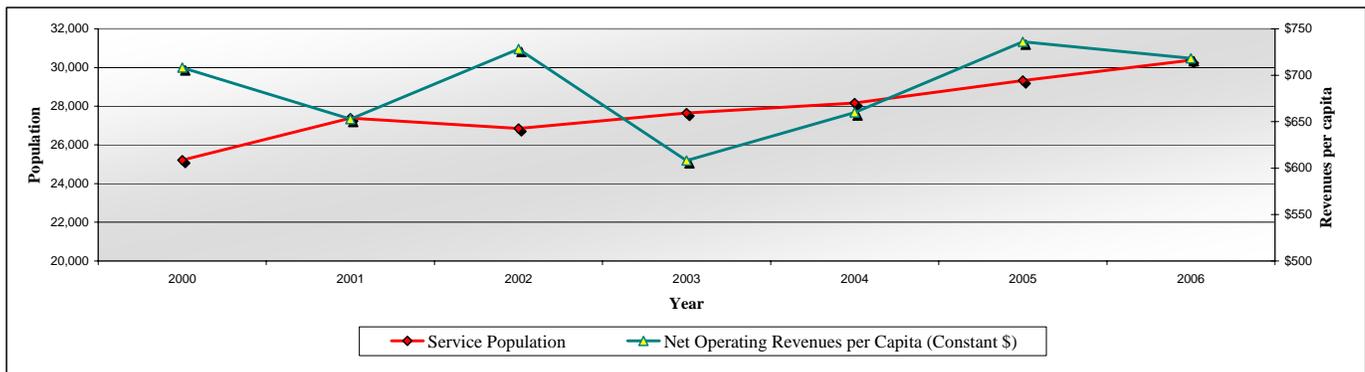
- A. Revenues per capita
- B. Expenditures per capita
- C. Municipal employees per capita
- D. Operating (deficit) surplus per capita
- E. Comparison of the liquidity ratio and long-term debt
- F. Long-term overlapping debt as a percentage of assessed valuation
- G. Administrative costs as a percentage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

ECONOMIC OUTLOOK

Revenues per Capita

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

Description	2000	2001	2002	2003	2004	2005	2006
Total Operating Revenues	\$17,858,951	\$18,411,897	\$20,524,781	\$18,161,786	\$20,439,137	\$24,394,880	\$25,747,633
CPI	1.00	1.03	1.05	1.08	1.10	1.13	1.18
Total Operating Revenues (Constant dollars)	\$17,858,951	\$17,875,628	\$19,547,410	\$16,816,469	\$18,581,034	\$21,588,389	\$21,820,028
Service Population *	25,212	27,385	26,844	27,648	28,160	29,327	30,381
Total Operating Revenues per capita (Constant dollars)	\$708.34	\$652.75	\$728.20	\$608.23	\$659.84	\$736.13	\$718.22



Analysis

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

Source

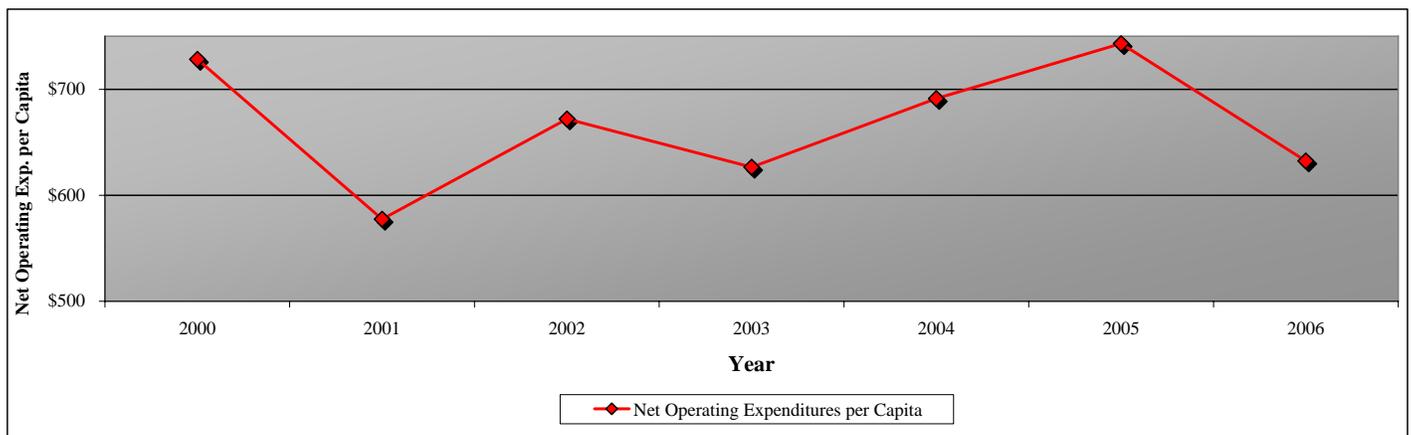
Net Operating Revenues - CAFR 00-04 Table 2, CAFR 05-06 Schedule 5 for Tax Revenue / Statement of Revenues, Expenditures, and Changes in Fund Balances pg. 31 for all other revenues. (Includes debt service for investment income and rental and other miscellaneous)
 CPI - Bureau of Labor Statistics www.bls.gov, 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	2000	2001	2002	2003	2004	2005	2006
Debt Service	\$4,029,704	\$3,374,521	\$4,455,835	\$4,683,950	\$5,813,844	\$8,614,018	\$5,672,895
Operating Expenditures	\$14,330,813	\$12,912,497	\$14,483,954	\$14,021,481	\$15,594,567	\$16,008,645	\$17,001,125
Net Operating Expenditures	\$18,360,517	\$16,287,018	\$18,939,789	\$18,705,431	\$21,408,411	\$24,622,663	\$22,674,020
CPI	1.00	1.03	1.05	1.08	1.10	1.13	1.18
Net Operating Expenditures (Constant dollars)	\$18,360,517	\$15,812,639	\$18,037,894	\$17,319,844	\$19,462,192	\$21,789,967	\$19,215,271
Service Population*	25,212	27,385	26,844	27,648	28,160	29,327	30,381
Net Operating Expenditures per capita (Constant dollars)	\$728.24	\$577.42	\$671.96	\$626.44	\$691.13	\$743.00	\$632.48



Analysis

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

Source

Population - Census Bureau, www.census.gov,

Net Operating Expenditures - CAFR 00-04 Table 1, CAFR 05-06 Schedule 4 (Debt Service excludes CIP debt service pg. 31)

CPI - Bureau of Labor Statistics www.bls.gov

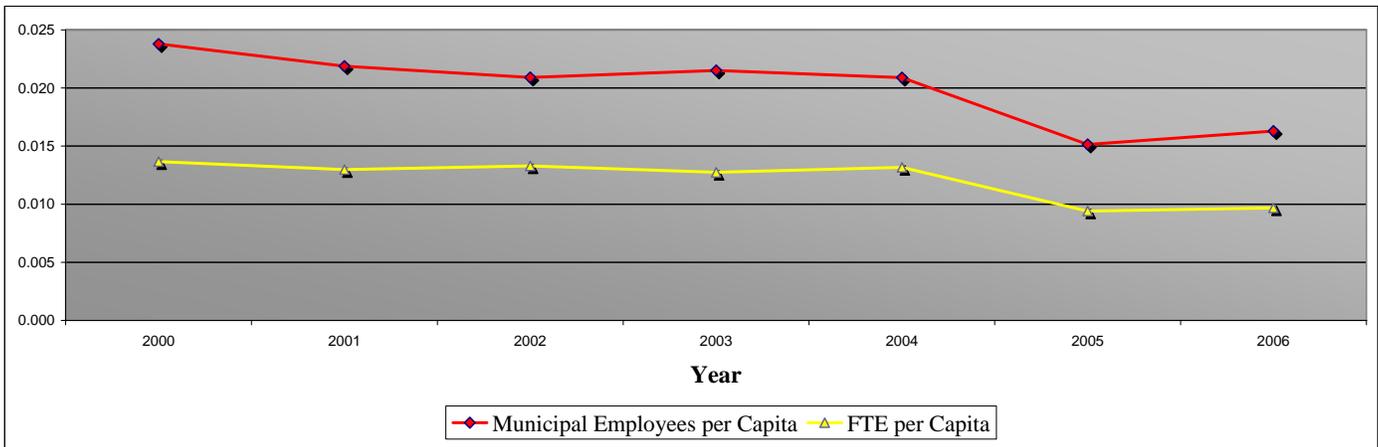
* Service Population = Permanent Population + Secondary Homeowners + Average Daily Visitors

ECONOMIC OUTLOOK

Employees per Capita

Municipal employees per capita (service population*)

Description	2000	2001	2002	2003	2004	2005	2006
Number of Municipal Employees	457	457	429	456	453	444	495
# FTE (Full-time equivalents)	262.52	271.1	272.9	270.06	285.56	275.9	293.9
Service Population*	25,212	27,385	26,844	27,648	28,160	29,327	30,381
Number of Municipal Employees per Capita	0.024	0.022	0.021	0.022	0.021	0.015	0.016
Total FTE Per Capita	0.014	0.013	0.013	0.013	0.013	0.009	0.010



Analysis

Employees per capita shows the overall labor productivity in relation to population of the city. The decrease for the last two years coupled with high marks on the City's customer satisfaction survey can mean increased productivity as operating costs are rising.

Source

Number of Employees - CAFR 00-04 Table 16, 2005-06 from Human Resources Department.

FTE counts - '00-04 Staffing Summary 4-120 and past Budget Documents, 2005-06 from Schedule 20 in '05 CAFR

Population - Census Bureau, www.census.gov

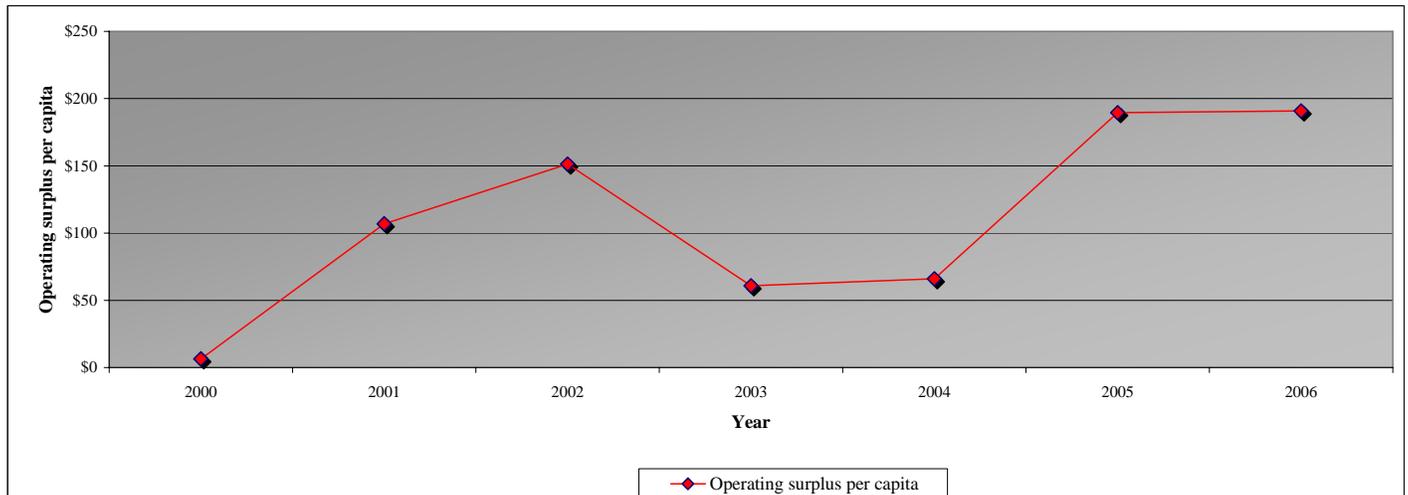
* Service Population = Permanent Population + Secondary Homeowners + Average Daily Visitors

ECONOMIC OUTLOOK

Operating (Deficit) or Surplus

Operating deficit or surplus as a percentage of operating revenues

Description	2000	2001	2002	2003	2004	2005	2006
Operating deficit or surplus	\$161,522	\$2,927,189	\$4,063,319	\$1,680,235	\$1,860,284	\$5,558,758	\$5,796,086
Net fund operating revenue	\$17,858,951	\$18,411,897	\$20,524,781	\$18,161,786	\$20,439,137	\$24,394,880	\$25,747,633
General fund operating surplus (deficit) as % of net fund operating revenues	1%	16%	20%	9%	20%	23%	23%
Service Population*	25,212	27,385	26,844	27,648	28,160	29,327	30,381
Operating surplus per capita	\$6.41	\$106.89	\$151.37	\$60.77	\$66.06	\$189.54	\$190.78



Analysis

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

Source

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

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

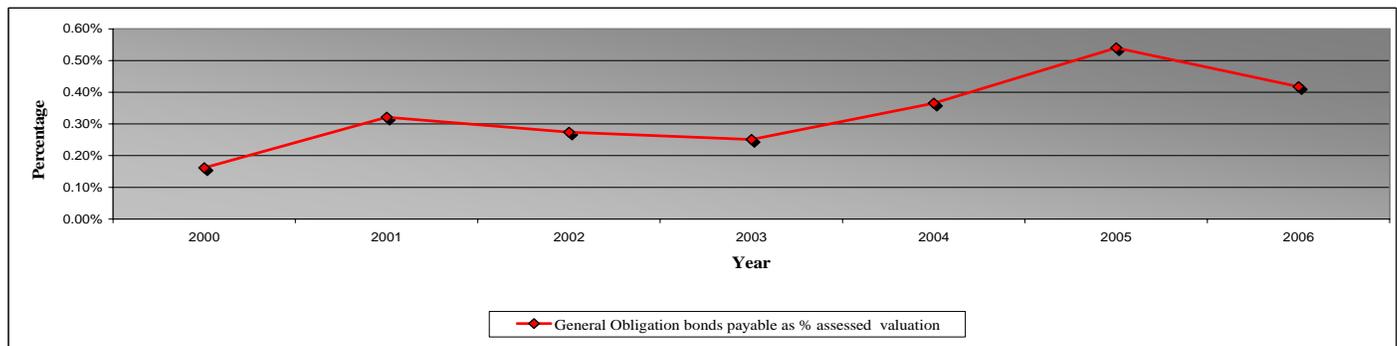
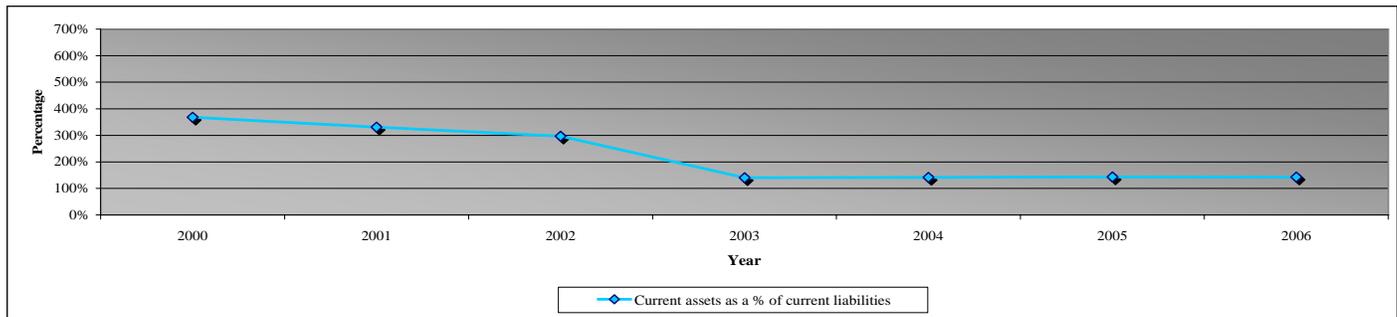
ECONOMIC OUTLOOK

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	2000	2001	2002	2003	2004	2005	2006
Cash and short-term investments	\$3,726,078	\$3,562,500	\$4,314,867	\$9,590,421	\$10,124,254	\$10,551,287	\$10,343,145
Current Liabilities	\$1,011,591	\$1,076,515	\$1,453,381	\$6,844,243	\$7,132,190	\$7,334,508	\$7,222,488
Current assets as a % of current liabilities	368%	331%	297%	140%	142%	144%	143%
Description	2000	2001	2002	2003	2004	2005	2006
Assessed valuation	\$2,680,205,937	\$2,938,870,858	\$3,197,541,210	\$3,248,321,363	\$3,366,693,788	\$3,688,014,044	\$4,445,057,404
Total G. O. bonds	\$4,325,000	\$9,440,000	\$8,760,000	\$8,155,000	\$12,300,000	\$19,915,000	\$18,570,000
General Obligation bonds payable as % assessed valuation	0.16%	0.32%	0.27%	0.25%	0.37%	0.54%	0.42%



Analysis

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

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

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

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

Source

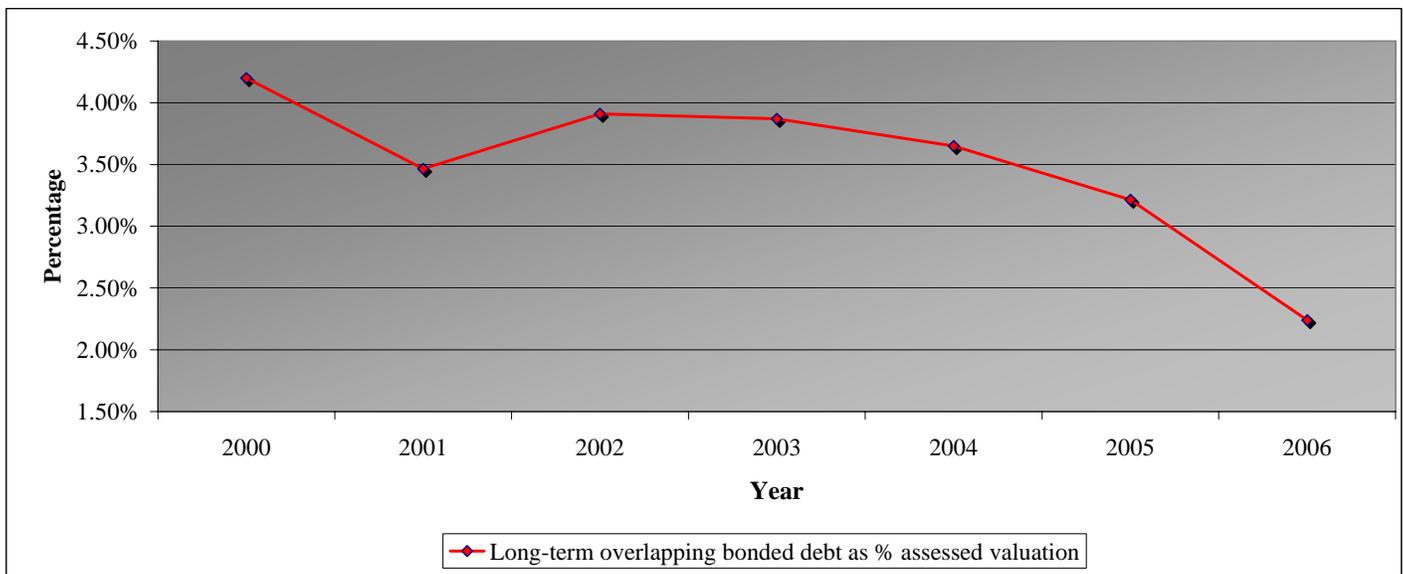
Current Assets - CAFR 05-06 pg. 29, Current Liabilities - CAFR 05-06 pg. 29, Assessed Valuation- Summit County Assessor's Office, Gross Bonded Long-Term Debt - CAFR 05-06 Schedule 13. Current Assets - CAFR 00-04, Current Liabilities - CAFR 00-04, Assessed Valuation- CAFR 00-04, Gross Bonded Long-Term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

ECONOMIC OUTLOOK

Overlapping Debt

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

Description	2000	2001	2002	2003	2004	2005	2006
Park City	\$3,462,229	\$3,087,428	\$8,299,920	\$7,604,811	\$12,122,258	\$19,915,000	\$18,570,000
State of Utah	\$48,614,233	\$37,932,600	\$61,482,480	\$65,656,126	\$62,122,471	\$53,032,654	\$48,125,622
Summit County	\$11,818,086	\$16,107,470	\$14,109,381	\$13,005,836	\$11,051,500	\$11,244,000	\$5,419,885
Park City School District	\$35,263,000	\$31,559,442	\$29,742,088	\$29,089,570	\$27,817,496	\$26,295,854	\$20,306,303
Snyderville Basin Sewer District	\$5,732,480	\$5,752,620	\$5,483,686	\$4,725,300	\$4,280,100	\$2,649,317	\$2,602,414
Weber Basin Water Conservancy District	\$7,630,984	\$7,389,488	\$5,885,789	\$5,588,281	\$5,483,196	\$5,436,791	\$4,567,266
Total Long-term overlapping bonded debt	\$112,521,012	\$101,829,048	\$125,003,344	\$125,669,924	\$122,877,021	\$118,573,616	\$99,591,490
Assessed valuation	\$2,680,205,937	\$2,938,870,858	\$3,197,541,210	\$3,248,321,363	\$3,366,694,000	\$3,688,014,044	\$4,445,057,404
Long-term overlapping bonded debt as % assessed valuation	4.20%	3.46%	3.91%	3.87%	3.65%	3.22%	2.24%



Analysis

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

Source

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

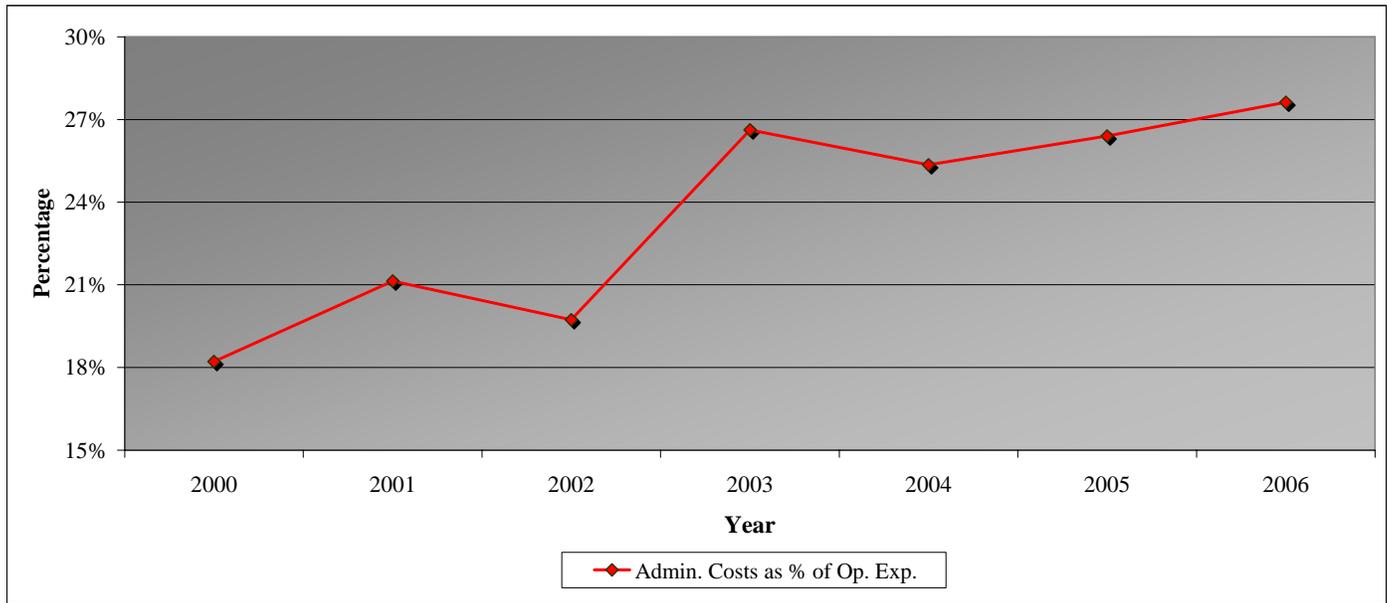
Long-term overlapping bonded debt - CAFR 00-04 Table 10, Assessed valuation - CAFR 00-04 Table 9

ECONOMIC OUTLOOK

Administrative Costs as a Percentage of Total Operating Expenditures

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

Description	2000	2001	2002	2003	2004	2005	2006
Administrative Costs	\$4,082,080	\$4,491,695	\$4,182,812	\$4,979,329	\$5,428,473	\$6,501,354	\$6,263,650
Net Operating Expenses	\$18,360,517	\$16,287,018	\$18,939,789	\$18,705,431	\$21,408,411	\$24,622,663	\$22,674,020
Ratio	18%	21%	20%	27%	25%	26%	28%



Analysis

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

Source

Administrative costs 2001-2005 from 7-140 report, 2000 data from Trial Balance Report of FY2000

Net Operating Expenses - CAFR 00-04 Table 1, CAFR 05-06 Schedule 4 (Debt Service excludes CIP debt service pg. 31)

ECONOMIC OUTLOOK

Bond Ratings for Park City

Description	2000	2001	2002	2003	2004	2005	2006
Moody's	A1	Aa3	Aa3	Aa3	Aa3	Aa3	Aa2
S & P	A+	A+	A+	AA-	AA-	AA-	AA-
Fitch	A+	AA-	AA-	AA-	AA-	AA-	AA-

Bond Scales

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

← 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.

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

FUTURE ISSUES

The following issues may have a significant impact on the City's budget and financial policies and will be thoroughly addressed over the next year (summer of 2007 through spring 2008).

- The change to new City-wide financial software. This project is currently in process and will likely result in additional efficiencies and improved customer service.
- Pay Plan Committee will reconvene in FY 2008 to update the City's pay plan for part time employees (see supplemental section for more Pay Plan information).
- Progress of OTIS, the Public Safety Facility, Downtown Projects, and other major capital projects.
- CIB Project funding for FY 2006 vs. FY 2007.
- Continued monitoring of the Golf Fund performance.
- Continued monitoring of the Water Fund performance.

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

- Sales Tax on Food: The State removed a portion of their sales tax rate from unprepared food purchases during the 2006 General Session. This was followed by the removal of food and food ingredients from the resort and transit tax bases this year. There has been much public debate on the issue, and it is possible the legislative leadership may revisit the matter in the 2008 General Session.
- Streamlined Sales Tax (SST): The State continues to move towards SST, a movement to simplify and unify sales tax rates nationwide, as a long-term goal. The goal has many hang-ups and drawbacks, not the least of which is the diminished ability of municipalities to control their own sales tax rates and institute boutique taxes.
- Single Statewide Sales Tax Rate: This program serves as a stepping stone for the SST project. The effect on Park City of such legislation would be similar, if not identical, to SST.
- Sales Tax Distribution Formula: During the 2006 General Session, the State Legislature thoroughly reviewed the sales tax distribution formula and considered some changes. The only outcome of that discussion that resulted in legislation affecting Park City was the hold-harmless phase out (which is discussed under Sales Tax in the Revenue section of this document). However, it is probable that the discussion will resume during the upcoming legislative sessions. A change resulting in a heavier population weight in the distribution formula would significantly abate Park City's sales tax revenue and eventually lead to service cuts.

ECONOMIC OUTLOOK

PARK CITY DEMOGRAPHIC INFORMATION

FY 2006 Census Bureau estimate of permanent population: **8,066**

Service Population in 2006: **30,381**

(Includes the permanent population, population estimate for secondary homeowners, and average daily visitors)

City Size: **12 square miles**

Government Type: **Elected Mayor and five member City Council / Council-Manager form of government (by ordinance).**

Incorporation Date: **March 15, 1884**

2006 Total Assessed Value: **\$4,833,664,552**

2006 Total Taxable Value: **\$4,195,692,605**

Median Household Income (2001): **\$65,800**

Median Family Income (2001): **\$77,137**

Median Age (2000 Census): **32.7**

Enrolled School Population (2005): **4,344**

Percent of persons 25 years old and over with:

High School Diploma or Higher: **88.2%**

Bachelor Degree or Higher: **51.7%**

Annual Average Snowfall: **350"**

Elevation Range: **6,500' to 10,000'**

2004-05 Season Skier Days (3 area resorts): **1,715,536**

POLICIES & OBJECTIVES

This section of the Budget outlines the City's Policies and Objectives as they relate to the municipal budget. The budget is founded upon the policies described in the Policies and Objectives section of this document. These policies address the following: Budget Organization; Revenue Management; Enterprise Fund Fees and Rates; Investments; Capital Financing and Debt Management; Reserves; Capital Improvement Management; Human Resource Management; and Public Service Contracts. The Policies and Objectives are intended to be proactive as the City evaluates its current business practices and plans for the future. The policies govern the stewardship of public funds and reflect the following principles:

- Basic services will be maintained at current or enhanced levels and will be adequately funded.
- Reserves have stabilized over the past five years to levels sufficient to protect the City from future uncertainties.
- Revenues will be estimated at realistic levels.
- Program costs will be presented to reflect a true picture of the cost of operation. Depreciation of facilities will not be included in program costs, and some City-wide expenses will be separated from program expenditures for ease of administration.
- The adopted budget will comply with standard practices, sound fiscal policy, and State statutes.

During this budget process, Council will be asked to consider minor modifications to several municipal policies. These changes can be found in this section of the document and will be highlighted for quick reference.

BUDGET ORGANIZATION

- A. Through its financial plan (Budget), the City will do the following:
1. Identify citizens' needs for essential services.
 2. Organize programs to provide essential services.
 3. Establish program policies and goals that define the type and level of program services required.
 4. List suitable activities for delivering program services.
 5. Propose objectives for improving the delivery of program services.
 6. Identify available resources and appropriate the resources needed to conduct program activities and accomplish program objectives.
 7. Set standards to measure and evaluate the following:
 - a) the output of program activities
 - b) the accomplishment of program objectives
 - c) the expenditure of program appropriations
- B. All requests for increased funding or enhanced levels of service should be considered together during the budget process, rather than in isolation. A request relating to programs or practices which are considered every other year (i.e. the City Pay Plan) should be considered in its appropriate year as well. According to state statute, the budget officer (City Manager) shall prepare and file a proposed budget with the City Council by the first scheduled council meeting in May.

POLICIES & OBJECTIVES

- C. The City Council will review and amend appropriations, if necessary, during the fiscal year.
- D. The City will use a multi-year format [two years for operations and five years for CIP] to give a longer range focus to its financial planning.
 - 1. The emphasis of the budget process in the first year is on establishing expected levels of services, within designated funding levels, projected over a two-year period, with the focus on the budget.
 - 2. The emphases in the second year are reviewing necessary changes in the previous fiscal plan and developing long term goals and objectives to be used during the next two-year budget process. The focus is on the financial plan. In the second year, operational budgets will be adjusted to reflect unexpended balances from the first year.
- E. Through its financial plan, the City will strive to maintain **Structural Balance**; ensuring basic service levels are predictable and cost effective. A balance should be maintained between the services provided and the local economy's ability to pay.
- 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.

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.

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% of the resort/city sales tax, without any other general fund contribution. Parking operations will be funded through parking related revenues and the remaining portion of the resort/city sales tax not used by the transit operation. The City will take steps to ensure revenues specifically for transit (transit tax and business license) will not be used for parking operations. The administrative charge paid to the general fund will be set to cover the full amount identified by the cost allocation plan.

POLICIES & OBJECTIVES

- C. The City will review and adjust enterprise fees and rate structures as required to ensure they remain appropriate and equitable.

VENTURE FUND

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

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%, the highest approval of any Open Space Bond in the United States.
- E. The City will use the following criteria to evaluate pay-as-you-go versus long-term financing for capital improvement funding:

POLICIES & OBJECTIVES

Factors That Favor Pay-As-You-Go

1. When current revenues and adequate fund balances are available or when project phasing can be accomplished.
2. When debt levels adversely affect the City's credit rating.
3. When market conditions are unstable or present difficulties in marketing.

Factors That Favor Long-Term Financing

1. 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.
2. When the project securing the financing is of the type which will support an investment grade credit rating.
3. When market conditions present favorable interest rates and demand for City financing.
4. When a project is mandated by state or federal requirements and current revenues and available fund balances are insufficient.
5. When the project is immediately required to meet or relieve capacity needs.
6. When the life of the project or asset financed is 10 years or longer.

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.

POLICIES & OBJECTIVES

- 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.

RESERVES

General Fund: Section 10-6-116 of the Utah Code limits the accumulated balance or reserves that may be retained in the General Fund. The use of the balance is restricted as well. The balance retained cannot exceed 18% 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% of the total revenues of the General Fund may be used. The General Fund balance reserve is a very important factor in the City's ability to respond to emergencies and unavoidable revenue shortfalls. Alternative uses of the excess fund balance must be carefully weighed.

The City Council may appropriate fund balance as needed to balance the budget for the current fiscal year in compliance with State Law. Second, 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.

Capital Improvements Fund: 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.

- A. The City will establish and maintain an Equipment Replacement Capital Improvement Fund to provide 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.

Enterprise Funds: The City may accumulate funds as it deems appropriate.

- A. Over the next two years the City will do the following:
1. Maintain the General Fund Balance at approximately the legal maximum.
 2. Continue to fund the Equipment Replacement Fund at 100%.
 3. 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.
- B. 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.
- C. In addition to the designations noted above, fund balance levels will be sufficient to meet the following: 1) funding requirements for projects approved in prior years that are carried forward into the new year; 2) debt service reserve requirements; 3) reserves for encumbrances; and 4) other reserves or designations required by contractual obligations or generally accepted accounting principles.
- D. 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.

RECESSION/NET REVENUE SHORTFALL PLAN

- A. The City has established a plan, including definitions, policies, and procedures to address financial conditions that could result in a net shortfall of resources as compared to requirements. The Plan is divided into the following three components:

Indicators, which serve as warnings that potential budgetary impacts are increasing in probability. The City will monitor key revenue sources such as sales tax, property tax, and building activity, as well as inflation factors and national and state trends. A set of standard indicators will be developed.

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.

Actions, which are the preplanned steps to be taken in order to prudently address and counteract the anticipated shortfall.

- B. The recession plan and classification of the severity of the economic downturn will be used in conjunction with the City's policy regarding the importance of maintaining reserves to address economic uncertainties. As any recessionary impact reduces the City's reserves, corrective action will increase proportionately. Following is a summary of the phase classifications and the corresponding actions to be taken.
- 1. **ALERT: An anticipated net reduction in available reserves from 1% up to 9%.** The actions associated with this phase would best be described as delaying expenditures where reasonably possible, while maintaining the "Same Level" of service. Each department will be responsible for monitoring its individual budgets to ensure only essential expenditures are made.

POLICIES & OBJECTIVES

2. **MINOR: A reduction in reserves in excess of 9%, but less than 23%.** The objective at this level is still to maintain "Same Level" of service where possible. Actions associated with this level would be as follows:
 - a. Implementing the previously determined "Same Level" Budget.
 - b. Intensifying the review process for large items such as contract services, consulting services, and capital expenditures, including capital improvements.
 - c. Closely scrutinizing hiring for vacant positions, delaying the recruitment process, and using temporary help to fill in where possible.

 3. **MODERATE: A reduction in reserves in excess of 23%, but less than 50%.** Initiating cuts of service levels by doing the following:
 - a. Requiring greater justification for large expenditures.
 - b. Deferring capital expenditures.
 - c. Reducing CIP appropriations from the affected fund.
 - d. Hiring to fill vacant positions only with special justification and authorization.
 - e. Closely monitoring and reducing expenditures for travel, seminars, retreats, and bonuses.

 4. **MAJOR: A reduction in reserves of 50% to 100%.** 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. **CRISIS: Reserves have been 100% depleted and potential for having a deficit is present.**
 - a. Implementing reduction in force or other personnel cost-reduction strategies.
 - b. Eliminating programs.
 - c. Eliminating 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.

CAPITAL IMPROVEMENT MANAGEMENT

- A. The public Capital Improvement Plan (CIP) will include the following:

POLICIES & OBJECTIVES

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

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

POLICIES & OBJECTIVES

compensation and benefit schedules for its authorized regular work force. Each regular employee will do the following:

1. Fill an authorized regular position.
 2. Receive salary and benefits consistent with the compensation plan.
- E. To manage the growth of the regular work force and overall staffing costs, the City will follow these procedures:
1. The City Council will authorize all regular positions.
 2. The Human Resources Department will coordinate and approve the hiring of all Full-time Regular, Part-time Non-Benefited, and Seasonal employees.
 3. All requests for additional regular positions will include evaluations of the following:
 - a. The necessity, term, and expected results of the proposed activity.
 - b. Staffing and materials costs including salary, benefits, equipment, uniforms, clerical support, and facilities.
 - c. The ability of private industry to provide the proposed service.
 - d. Additional revenues or cost savings that may be realized.
 4. Periodically, and prior to any request for additional regular positions, programs will be evaluated to determine if they can be accomplished with fewer regular employees.
- F. Part-time Non-Benefited and Seasonal employees will include all employees other than regular employees, elected officials, and volunteers. Part-time Non-Benefited and Seasonal employees will augment regular City staffing only as extra-help employees. The City will encourage the use of Part-time Non-Benefited and Seasonal employees to meet 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:

POLICIES & OBJECTIVES

1. Short-term, peak work load assignments to be accomplished through the use of personnel contracted through an outside temporary employment agency (OEA). In this situation, it is anticipated that the work of OEA employees will be closely monitored by City staff and minimal training will be required; however, they will always be considered the employees of the OEA, and not the City. All placements through an OEA will be coordinated through the Human Resources Department and subject to the approval of the Human Resources Manager.
2. Construction of public works projects and the provision of operating, maintenance, or specialized professional services not routinely performed by City employees. Such services will be provided without close supervision by City staff, and the required methods, skills, and equipment will generally be determined and provided by the contractor.

CONTRACTING AND PURCHASING POLICY

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.

Definitions:

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

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

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

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

POLICIES & OBJECTIVES

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.

General Policy:

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

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- 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;
 - ii – for each year after 2003, the amount of the bid limit for the previous year, plus an amount calculated by multiplying the amount of the bid limit for the previous year by the lesser of 3% or the actual percent change in the CPI during the previous calendar year.
- c. Contracts for grading, clearing, demolition or construction in excess of \$2,500 undertaken by the Community Redevelopment Agency.

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

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

General Rules:

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

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

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

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particular manufacturer or seller, unless the product is exempt by these regulations or the City Council.

2. **Advertising Requirements:** An advertisement for bids is to be published at least twice in a newspaper of general circulation, printed and published in the city and in as many additional issues and publications as the manager may determine, at least five days prior to the opening of bids. Advertising for bids relating to Class B and C road improvement projects shall be published in a newspaper of general circulation in the county at least once a week for three consecutive weeks.

All advertisements for bids shall state the following:

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

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

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:

Maintain a computerized system (driven from the City's budget system) that utilizes the basic concepts and methods used in cost allocation plans.

Fine-tune the methods of cost allocation to ensure the fair and equitable distribution of cost.

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Develop guidelines for the use and maintenance of the plan.

1. Long Range Capital Improvement Plan
 - a. Project identification and prioritization.
 - b. CIP financing plan
2. Rate and fee increases
3. Other related and contributing plans and policies
 - a. Water Management
 - b. Flood Management
 - c. Parking Management

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.

Scope of Plan:

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

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?)

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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

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.

Public Service Fund Distribution Criteria: Organizations must meet the following criteria in order to be eligible for a public service contract in Fund Categories 1-3 below: (1) Accountability and Sustainability of Organization; (2) Program Need and Specific City Benefit; (3) Fiscal Stability and Other Financial Support; and (4) Fair Market Value of the Service.

Criterion #1 - Accountability and Sustainability of Organization: The organization must have the following: (1) Quantifiable goals and objectives; (2) Non-discrimination in providing programs or services; (3) Cooperation with existing related programs and community service; (4) Compliance with the City contract; and (5) Federally recognized not-for-profit status.

Criterion #2 - Program Need and Specific City Benefit: The organization must have the following: (1) A clear demonstration of public benefit and provision of direct services to City residents; and (2) 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.

Criterion #3 - 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; and (4) A history of performing in a financially competent manner.

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.

Total Public Service Fund Appropriations: The City may appropriate up to 1% 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.

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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, including

- Youth Programming;
- Victim Advocacy/Legal Services
- Arts;
- Health;
- Affordable Housing/Community Services
- Recycling;
- History/Heritage;
- Information and Tourist Services;

(2) Rent Contribution; and

(3) Historic Preservation.

A percentage of the total budget (which shall not exceed 1%) 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.

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

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

Each special service provider will have a special service contract with a term of two years. Half of the total contract amount will be available each year. 80% of each annual appropriation will be available at the beginning of the fiscal year, with the remaining 20% to be distributed upon demonstration through quantifiable and qualifiable measures 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

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required to submit current budgets and evidence of contract compliance (as determined by the contract) by March 31st of the first contract year.

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

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

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

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

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

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

2) 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.

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

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

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

ECONOMIC DEVELOPMENT GRANT POLICY (adopted June 15, 2006)

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

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

Criteria #1 – The organization must demonstrate a sound business plan that strongly supports prioritized Goals of the current City Economic Development Plan.

Criteria #2 – The organization must be unique and innovative; with a forecasted ability to generate overnight visitors who would spend dollars within the City’s resort offerings.

Criteria #3 – The organization must be new to Park City or represent a distinctly new enterprise supportive of the current priority Goals of the City’s Economic Development

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Plan. Organizations must commit to and demonstrate the ability to do business in the City limits no less than three years. Funding cannot be used for 1-time events.

Criteria #4 – The organization must produce items or provide services that are consistent with the economic element of the City’s General Plan; enhances the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the inhabitants of the City.

Criteria #5 – Can forecast and demonstrate at the time of application an ability to achieve direct taxable benefits to the City greater than twice the City’s contribution.

Criteria #6 – Fiscal Stability and Other Financial Support: The organization must have the following: (1) A clear description of how public funds will be used and accounted for; (2) Other funding sources that can be used to leverage resources; (3) A sound financial plan that demonstrates managerial and fiscal competence.

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

Economic Development Grant Fund Appropriations: The City currently allocates economic development funds through the operating budget of the Economic Development & Capital Projects department. Of these funds, no more than \$20,000 per annum will be available for ED Grants.

Unspent fund balances at the end of a year will not be carried forward to future years.

ED Grant Categories: ED Grants will be placed in two potential categories:

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

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

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

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.

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

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

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

INVESTMENTS

I. 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.

II. 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.

III. 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.

IV. 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

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default. So, the following factors will be considered, in priority order, to determine individual investment placements: safety, liquidity, and yield.

Safety: Safety of principal is the foremost objective of the investment program. Investments of the Park City Municipal Corporation shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

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.

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.

V. 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.

VI. 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.

VII. 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 a broker dealer as defined by Section 51-7-3 of the Utah Money Management Act.

VIII. 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:

- The Public Treasurer's Investment Fund (PTIF)
- Collateralized repurchase agreements
- Reverse Repurchase agreements
- First Tier Commercial Paper
- Banker Acceptances

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Fixed Rate negotiable deposits issued by qualified depositories
United States Treasury Bills, notes and bonds

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

Federal Farm Credit Banks
Federal Home Loan Banks
Federal National Mortgage Association
Student Loan Marketing Association
Federal Home Loan Mortgage Corporation
Federal Agriculture Mortgage Corporation
Tennessee Valley Authority

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

IX. 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:

A description of eligible investment securities, and a written statement of investment policy and objectives

A description of interest calculations and how it is distributed, and how gains and losses are treated.

A description of how the securities are safeguarded (including the settlement process), and how often are the securities priced and the program audited.

A description of who may invest in the program, how often and what size deposit and withdrawal.

A schedule for receiving statements and portfolio listings

Are reserves, retained earnings, etc. utilized by the pool/fund?

A fee schedule, and when and how is it assessed.

Is the pool/fund eligible for bond proceeds and/or will it except such proceeds.

X. 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.

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XI. 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% of the PCMC's total investment portfolio will be invested in a single security type.

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

XIII. 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.

XIV. 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.

XV. 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:

A listing of individual securities held at the end of the reporting period

Average life and final maturity of all investments listed

Coupon, discount, or earnings rate

Par Value, Amortized book Value and Market Value

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.

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

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.

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

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.

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.

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.

Revenues: 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,

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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.

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.

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.

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

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

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.

Goals:

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

Objectives:

- Encourage citizen involvement in traffic calming programs
- Slow the speeds of motor vehicles
- Improve the real and perceived safety for non motorized users of the street
- Incorporate the preference and requirements of the people using the area
- Promote pedestrian, cycle, and transit use
- Prioritize traffic calming requests

Fundamental Principals:

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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 simple process to propose traffic calming measures;
 - A system for staff to evaluate proposals;
 - Citizen participation in program development and evaluation;
 - Communication of any test results and specific findings to area residents and affected neighborhood organizations
 - Strong neighborhood support before installation of permanent traffic management devices; and
 - 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.

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.

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.

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Funding Alternatives:

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

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 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, or not return petition. Unreturned petitions count as no votes. Resident support for traffic calming is defined as

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- 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% support by the neighborhood. Removal costs in all or part may be assessed to the defined neighborhood boundaries.

Traffic Management Devices (Definitions)

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.

Stop signs - used to assign right-of-ways at intersections and where irremovable visibility restrictions exist.

Speed limit signs - sometimes installed as traffic calming mechanism. Numerous speed limit signs reinforce the posted speed.

Turn prohibition signs - used to prevent traffic from entering a street, thereby reducing traffic volumes.

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.

Positive Physical Controls:

Medians Islands - used to constrict travel lane width and provide an area for additional landscaping and signage.

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.

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.

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.

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.

Rumble Strips - changes in the elevation of the pavement surface and/or changes in pavement texturing which are much less pronounced than speed humps.

Diverter - physical obstructions in intersections which force motorists to turn from the traveled way onto an adjacent intersecting street thereby reducing volume..

Driver Perception/Psychology:

Landscaping - the most effective way to change the perception of a given street environment.

Crosswalks - can be used to alter the perception of a street corridor and at the same time enhance the pedestrian environment.

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Flashing Warning Beacons - can be used to alter driver psychology.

Real-time Speed Display - used to inform drivers of actual speed they are traveling.

Increased Enforcement - additional enforcement of regulations either by law enforcement personnel or citizen volunteer groups.

Pavement Markings - used to guide motorists, delineate on-street parking areas or create the impression of a narrowed roadway, all in an effort to slow traffic speeds.

NEIGHBORHOOD CIP REQUESTS POLICY

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

1. Submission of petition to the Executive Office:

- a. 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.
- b. 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.
- c. Define issues - What is being requested?
- d. Deadline – In order to be considered for upcoming fiscal year, the petition must be submitted by the end of the calendar year.

2. Initial Internal Review:

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

3. Initial Communication to Council (Managers Report):

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

4. Comprehensive Internal Review:

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

5. Initiate Public Forum (Applicant & Staff partnership):

- a. Neighborhood meeting(s) - Create consensus from petitioner and general public
 - i. 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
 - ii. Identify agreeable solutions suited for recommendation for funding assistance

6. Communication to Council (Work Session or Managers Report):

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

SPECIAL EVENTS SERVICES

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

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

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- Building Services (Inspections and Code enforcement).
- Special Events and Facilities Services (Facility leases).

Some of these services can be provided without incremental cost or loss of revenues. However, most special events services do have an impact on departmental budgets in the form of overtime labor, equipment, materials or foregone revenue. The purpose of this policy is to ensure departments are properly funded to provide the special event support they are tasked with providing.

Procedures for Amending Departmental Budgets: For budgeting purposes special events can be categorized into two groups:

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

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

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.

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

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.

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% waiver limit.

If the Economic Benefit Offset is inadequate (on a fund specific basis) to offset waived fees, the City will then look to other General Fund sources to provide funding in lieu of waived fees.

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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.

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.

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

- 1. Resort Economy and General Plan Element:** This group examined the local economy and how it affects municipal finances and presented an update of the City General Plan.
- 2. Program Service Levels and Expenditures:** This group assessed the services, programs, and departments to analyze citywide increases in costs as they relate to the growth in the

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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.)

3. Revenues and Assets: 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.

4. Capital Improvement Program (CIP): 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.

5. Intergovernmental Programs: 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.

6. Non-Departmental/Interfund: 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.

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

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

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

Program Service Levels and Expenditures:

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

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% 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.

Capital Improvement Program:

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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.

Intergovernmental Programs:

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

Non-Departmental/Interfund:

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

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

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should some programs be required to recover a higher level of costs than others? What level of subsidy is appropriate, on a per user basis, for adult programs? At what point should an existing adult program be eliminated? What criteria should be used in this decision?

4. CTAC Adult Programming: CTAC questioned the practice of subsidizing adult programs. A recommendation came forward from that group suggesting that all youth activities be moved into the General Fund with adult programs remaining in the enterprise fund without a subsidy.

5. Youth Programs: Should all youth programs be held to the same standard of cost recovery, or should some programs be required to recover a higher level of costs than others? What level of subsidy is appropriate, on a per user basis, for youth programs? Is the City willing to subsidize indirect costs of SBRD youth participants in order to increase the quality of life for Park City youth? At what point should an existing youth program be eliminated? What criteria should be used in this decision? Should all youth programs be held to the same standard or should there be a different standard for team sports as opposed to individual sports such as tennis or swimming?

6. Potential Revenue and Capital Funding Alternatives: Currently capital replacement of the Recreation facility is funded with an unidentified revenue source. Wikstrom posed several policy questions intended to more fully understand this issue, such as the following: Is the City willing to institute a municipal transient room tax with a portion of the revenues dedicated to funding recreation? Is the City willing to request an increase in the resort tax to the legal limit of 1.5 percent, which is a ballot issue and requires voter approval? Is the City willing to request voter approval for a general obligation bond in the amount of roughly \$2 million?

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.

PERFORMANCE MEASUREMENT PROGRAM

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

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

Figure S1 - Program and Resource Analysis

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

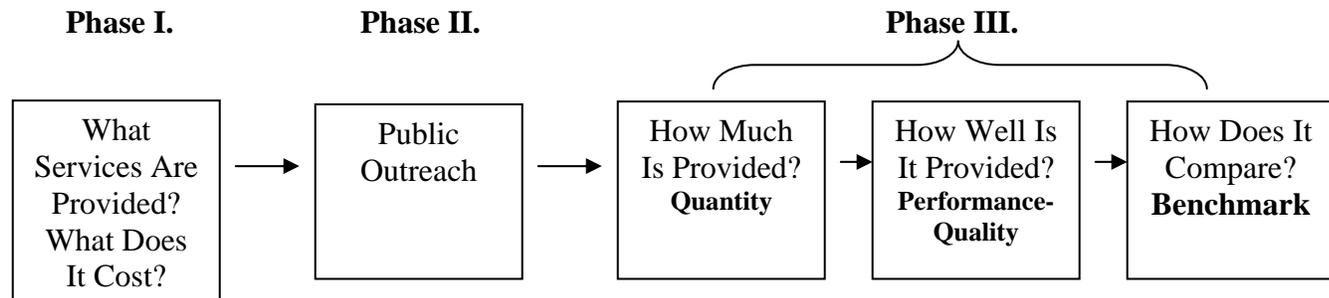


Figure S2 - Program and Resource Analysis Phases

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

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

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

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

WHAT IS PERFORMANCE MEASUREMENT?

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

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

WHAT IS THE PURPOSE OF PERFORMANCE MEASUREMENT?

The purpose of performance measures is not to monitor the performance of individual employees or departments but to assess the cost and quality of services provided (Guajardo and McDonnell p1). The goal of performance measurement is to improve service delivery by identifying

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deficiencies in current work processes and through constant improvement better the product and process for the community.

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

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

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

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

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

TYPES OF PERFORMANCE MEASURES

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

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

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

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

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

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

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

Table 1. Examples of Four Types of Performance Measures

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

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

PERFORMANCE MEASURES CAN BE MANIPULATED!

A common argument is that performance measures, as with all analytical tools or statistics, can be manipulated to "paint a rosy picture." This will be one of the primary issues with implementing a legitimate performance measure process. The goal is to establish measures that paint an accurate picture of the programs and services we offer. Some measures will be more favorable than others, although all areas can improve, we should avoid impractical measures.

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

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

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

Meaningful and understandable: Are performance measures and their results easily understood?

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

Simple: Are the performance measures easily calculated and interpreted?

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

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

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

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

PERFORMANCE MEASURES CONSUME RESOURCES!

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

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

Departments should focus on the information they are already collecting and use this as a foundation for their performance measures. In some cases we may need to ask the question of

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how well we are delivering current services. This may be used in conjunction with the information already on hand. Costs will escalate dramatically as we begin to measure outcomes that we don't currently use or that may have no value to the organization. As we begin to develop performance measures we should consider the impact of what we are trying to measure and be sure that what we are trying to measure is really the outcome of the goal.

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

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

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

HOW DO WE IMPLEMENT PERFORMANCE MEASUREMENT?

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

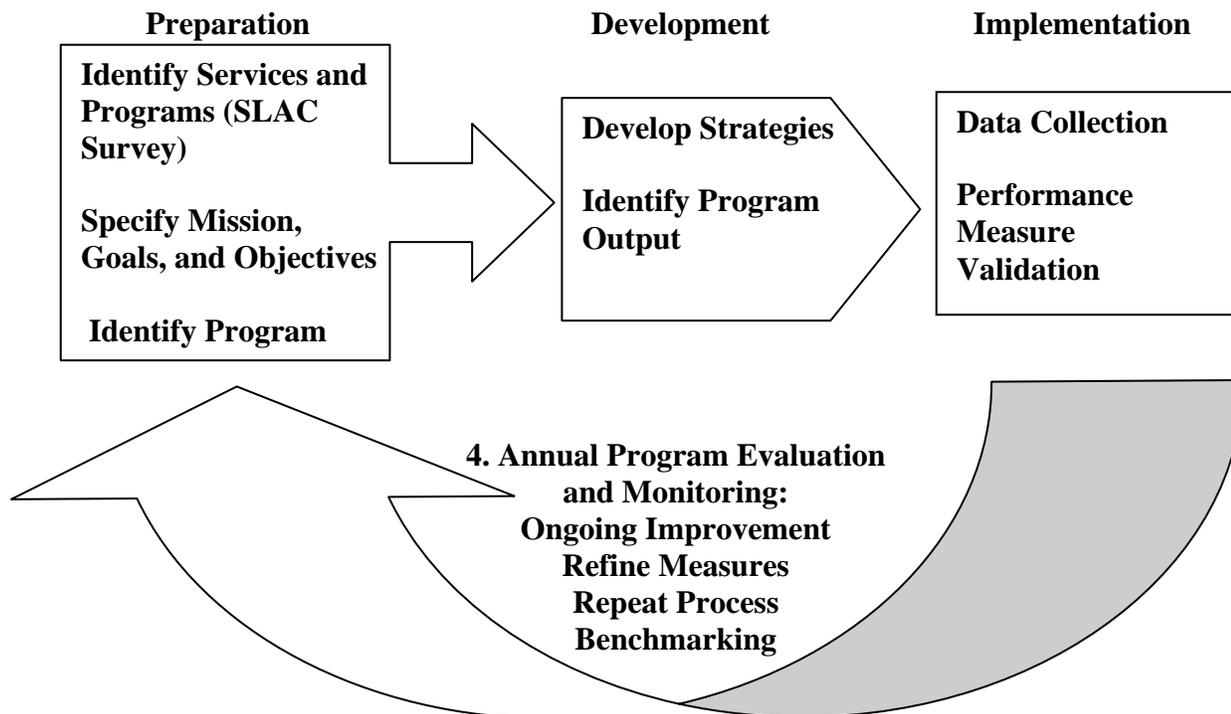


Figure S3 - Performance Measure Process

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

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

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

Specifying mission, goals, and objectives has largely been completed through previous Council direction and the goals established for the City. In some cases program goals have been clearly articulated by Council, Boards, or Commissions while for other programs you may need to create

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the goal of the program yourself. The SLAC identified departmental programs (Attached) that may or may not be measurable based on your departmental needs. Please use this information as you identify your department's performance measures. This information may only reflect a starting point for what you may want to measure. Use your discretion as to what measures are most important for your divisions. It is anticipated that each division will have at least one or two performance measure for each program as a starting point. As we become accustomed to using performance measures we will begin using additional indicators for performance. Some departments may already be measuring more than this. Again the key point is to measure what is important for your department.

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

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

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

The following are questions you will want to ask yourself as you identify measures for your

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programs (Guajardo and McDonnell p31).

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

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

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

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

LINKING PERFORMANCE MEASUREMENT TO PAY FOR PERFORMANCE

Is there a connection between the existing pay for performance program and the link between quantifiable goals, services, and outcomes? Currently the City participates in semi annual and annual review for all regular employees. This process, although consistent in that it occurs on a regular basis, is inconsistent organizationally as to what level of information is tracked during the review process. The current review process allows for a great deal of autonomy from manager to manager in relation to the review requirements of regular employees. In some departments, goals are clearly outlined, reviewed, and incorporated into the process while in

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other departments this tool is not used at all. Figure S5 demonstrates the current process.

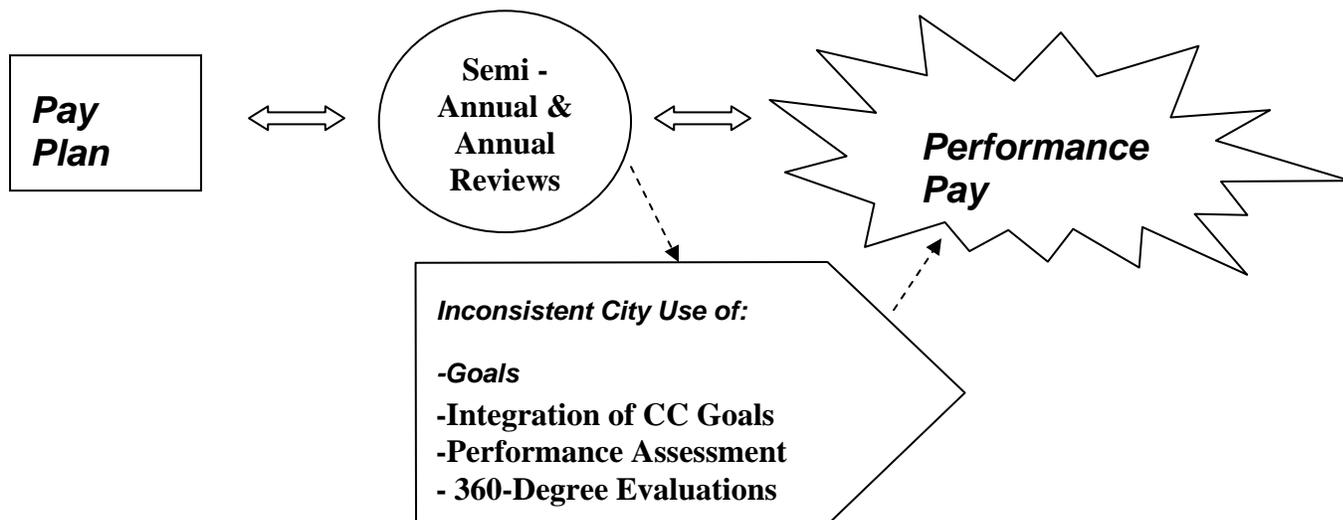


Figure S5 - Current Performance Reviews

In some departments goals and objectives are articulated and performance is measured on defined criteria. Currently, there is varying use of Council goal implementation, 360-Degree evaluations, and performance measures in individual personnel reviews. Implementing these measurement processes allows for greater manager involvement and more consistent performance evaluation.

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

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

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

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

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

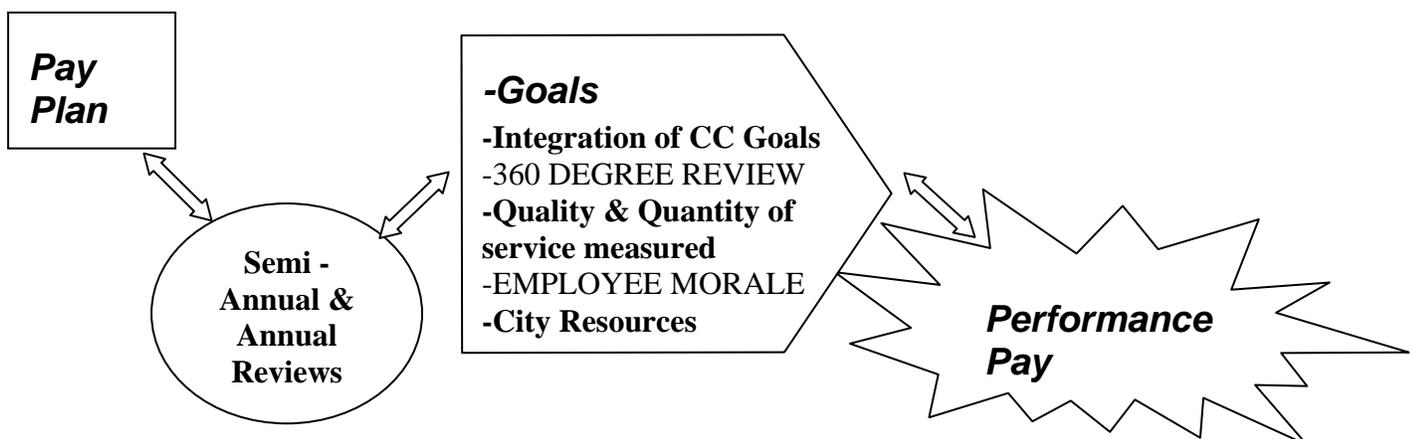
GOALS AND PERFORMANCE MEASURES

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

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

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

Figure S6 - Future Performance Reviews



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

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

The following are examples of criteria that could be adopted for citywide implementation in addition to the outline above. Not all criteria are applicable to every employee; the goal is to incorporate as many criteria as are appropriate for each individual employee. Implementation would occur after manager and employee training and be incorporated into each employee's next performance evaluation.

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

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

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

COMMITMENT TO A PERFORMANCE MEASUREMENT PROGRAM

Council goals indicate a commitment to the development and use of performance measures. This commitment also extends to the direction Park City has been moving for a number of years. Some of the driving factors are Council, the community, and other organizations. These reasons although compelling are not enough to undertake this change. The best reason and motivation for this happening now is that it is the right thing to do. Park City is at a point where we provide a number of services and programs; yet we lack any sort of

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consistent performance indicator to verify the success of the program. We have started the process over the last few years and as part of the budget process it makes sense to take the next step now.

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

Council will need to commit to not micromanage the implementation of performance measures by trying to predetermine or rush outcomes. The commitment of staff to this program will largely be determined by the information needed to assess their programs success if they develop the measure. This program will fail if Council or the community force measures on departments and programs. This is an improvement tool that if used properly will move Park City to a higher performance level. If used improperly performance measures will erode staff moral and negatively impact the organization.

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

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FUND STRUCTURE

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

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

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

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

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

Park City General Long-Term Debt Service Fund: Accounts for the accumulation of money for the repayment of the 1988, 1993 and 1999 A, 2000, and 2005 General Obligation Bonds and the 1992 Excise Tax Revenue Bond (Class "C"). The sources of revenue are property and fuel tax.

Sales Tax Revenue Debt Service Fund: 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: 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: 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

SUPPLEMENTAL

are used to account for the financing and operation of services provided to various City departments and other governments on a cost-reimbursement basis. Included are the following:

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

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

THE PARK CITY PAY PLAN

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

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

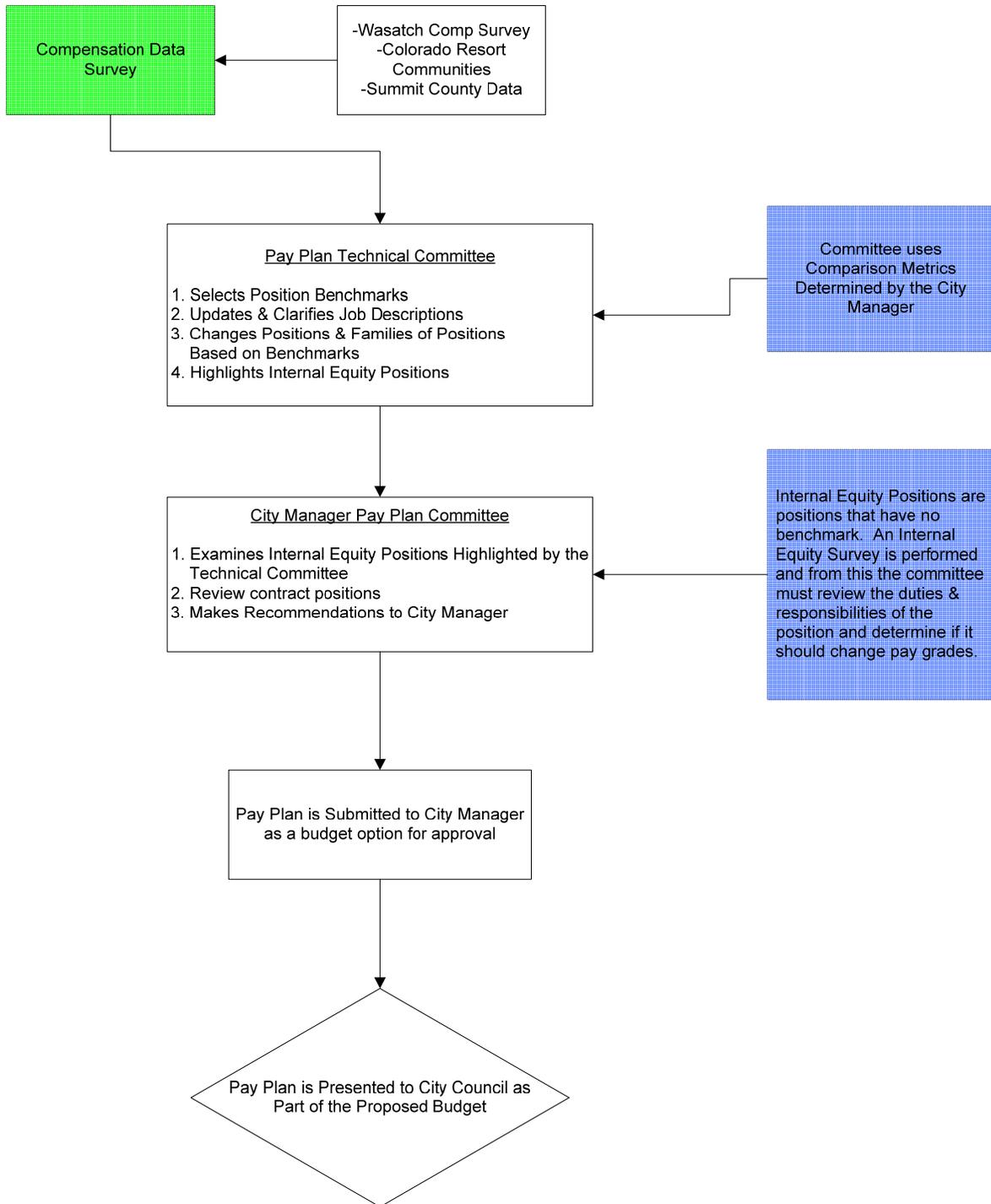
Two employee committees are formed to review the benchmark data and make recommendations for reclassification to the City Manager. The Technical Committee compares job descriptions with benchmarks and forms a preliminary recommendation for reclassification based on market data. For positions with no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

The Pay Plan Committee has three major responsibilities:

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

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

PAY PLAN PROCESS



SUPPLEMENTAL

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

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

Table S1 – The City’s Pay Plan

The City must maintain a competitive total compensation package in order to attract and retain a competent workforce. As part of the adopted budget, a two-year pay plan is included (Table S1). The pay plan is broken into exempt, nonexempt, and part-time non-benefited pay plans according to Fair Labor Standards Act (FLSA) definitions. Establishing a pay plan that will attract and retain quality employees while maintaining a fiscally responsible budget is challenging. Variables that may be considered in developing the City’s pay plan include the following: (1) salary and total compensation rates for similar positions along the Wasatch Front and selected Colorado ski resorts; (2) supply and demand of qualified candidates; (3) internal equity; (4) the cost of living; and (5) available City resources.

Staffing Summary by Fund

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<u>Class Code:</u>	<u>Position Name:</u>	<u>Grade:</u>	<u>Entry</u>	<u>Working</u>	<u>2007 FTEs</u>	<u>2008 FTEs</u>	<u>2009 FTEs</u>
011	General Fund						
	Full-Time Regular						
1190	City Manager	E14	\$110,000	\$130,700		1.00	1.00
1190	City Manager	E13	\$107,171	\$129,540	1.00		
1290	City Attorney	E13	\$105,070	\$127,000		1.00	1.00
1280	Deputy City Attorney	E12	\$91,692	\$110,000		1.00	1.00
1290	City Attorney	E12	\$93,526	\$112,200	1.00		
2190	Chief of Police	E12	\$93,526	\$112,200		1.00	1.00
4190	Public Works Director	E12	\$93,526	\$112,200		1.00	1.00
1280	Deputy City Attorney	E11	\$82,260	\$104,040	1.00		
1590	Finance Manager	E11	\$82,260	\$104,040		1.00	1.00
1690	IT & Customer Service Director	E11	\$82,260	\$104,040		1.00	1.00
1390	Human Resources Manager	E10	\$72,828	\$96,757		1.00	1.00
1990	Budget & Grants Manager	E10	\$72,828	\$96,757		1.00	1.00
2190	Chief of Police	E10	\$72,828	\$96,757	1.00		
3490	City Engineer	E10	\$72,828	\$96,757		1.00	1.00
4180	Deputy Public Works Director	E10	\$72,828	\$96,757		0.25	0.25
4190	Public Works Director	E10	\$72,828	\$96,757	1.00		
1690	IT & Customer Service Director	E09	\$67,626	\$89,142	1.00		
1792	Environmental Affairs Director	E09	\$67,626	\$89,142		1.00	1.00
2090	Economic Development & Capital Projects Dir	E09	\$67,626	\$89,142	1.00		
3080	Chief Building Official	E09	\$67,626	\$89,142		1.00	1.00

Staffing Summary by Fund

<u>Class Code:</u>	<u>Position Name:</u>	<u>Grade:</u>	<u>Entry</u>	<u>Working</u>	<u>2007 FTEs</u>	<u>2008 FTEs</u>	<u>2009 FTEs</u>
3290	Planning Director	E09	\$67,626	\$89,142		1.00	1.00
3390	Public Affairs Director	E09	\$67,626	\$89,142	1.00		
3392	Public & Community Affairs Director	E09	\$67,626	\$89,142		1.00	1.00
3490	City Engineer	E09	\$67,626	\$89,142	1.00		
1390	Human Resources Manager	E08	\$56,182	\$81,098	1.00		
1590	Finance Manager	E08	\$56,182	\$81,098	1.00		
1670	Network Engineer	E08	\$56,182	\$81,098		1.00	1.00
1790	Special Events & Facilities Manager	E08	\$56,182	\$81,098			
1990	Budget & Grants Manager	E08	\$56,182	\$81,098	1.00		
2080	Special Projects & Economic Development Coordinat	E08	\$56,182	\$81,098		1.00	1.00
2180	Police Captain	E08	\$56,182	\$81,098		2.00	2.00
3080	Chief Building Official	E08	\$56,182	\$81,098	1.00		
3280	Principal Planner	E08	\$56,182	\$81,098		1.00	1.00
3290	Planning Director	E08	\$56,182	\$81,098	1.00		
4150	PW Operations Manager	E08	\$56,182	\$81,098		1.00	1.00
4180	Deputy Public Works Director	E08	\$56,182	\$81,098	0.25		
5490	Library Director	E08	\$56,182	\$81,098		1.00	1.00
1240	Attorney IV	E07	\$46,818	\$71,400	1.00	2.00	2.00
1580	Accounting Manager	E07	\$46,818	\$71,400		1.00	1.00
1660	GIS Administrator	E07	\$46,818	\$71,400		0.50	0.50
1670	Network Engineer	E07	\$46,818	\$71,400	1.00		
1790	Special Events & Facilities Manager	E07	\$46,818	\$71,400	1.00		

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Staffing Summary by Fund

<u>Class Code:</u>	<u>Position Name:</u>	<u>Grade:</u>	<u>Entry</u>	<u>Working</u>	<u>2007 FTEs</u>	<u>2008 FTEs</u>	<u>2009 FTEs</u>
2170	Lieutenant	E07	\$46,818	\$71,400	2.00		
3070	Environmental Specialist	E07	\$46,818	\$71,400		1.00	1.00
3078	Assistant Building Official	E07	\$46,818	\$71,400	1.00	1.00	1.00
3224	Senior Planner	E07	\$46,818	\$71,400		2.00	2.00
4150	PW Operations Manager	E07	\$46,818	\$71,400	1.00		
5490	Library Director	E07	\$46,818	\$71,400	1.00		
5690	Golf Manager	E07	\$46,818	\$71,400	0.30	0.30	0.30
5790	Recreation Manager	E07	\$46,818	\$71,400	1.00	1.00	1.00
1580	Accounting Manager	E06	\$43,697	\$63,240	1.00		
1680	Systems Administrator	E06	\$43,697	\$63,240		1.00	1.00
2070	Parks Planner/Project Manager	E06	\$43,697	\$63,240		1.00	1.00
3024	Building Inspector Supervisor	E06	\$43,697	\$63,240		1.00	1.00
3070	Environmental Specialist	E06	\$43,697	\$63,240	1.00		
3222	Planner II	E06	\$43,697	\$63,240		2.00	2.00
3224	Senior Planner	E06	\$43,697	\$63,240	4.00		
1652	IT Coordinator III	E05	\$40,576	\$55,203		2.00	2.00
1680	Systems Administrator	E05	\$40,576	\$55,203	1.00		
2070	Parks Planner/Project Manager	E05	\$40,576	\$55,203	1.00		
3024	Building Inspector Supervisor	E05	\$40,576	\$55,203	1.00		
3050	Plan Check Coordinator	E05	\$40,576	\$55,203	1.00	1.00	1.00
3222	Planner II	E05	\$40,576	\$55,203	2.00		
5480	Senior Librarian	E05	\$40,576	\$55,203		2.00	2.00

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Staffing Summary by Fund

<u>Class Code:</u>	<u>Position Name:</u>	<u>Grade:</u>	<u>Entry</u>	<u>Working</u>	<u>2007 FTEs</u>	<u>2008 FTEs</u>	<u>2009 FTEs</u>
1652	IT Coordinator III	E04	\$36,934	\$49,197	1.00		
2160	Sergeant	E04	\$36,934	\$49,197	1.00	1.00	
5480	Senior Librarian	E04	\$36,934	\$49,197	2.00		
1650	IT Coordinator II	E03	\$32,773	\$43,405	1.00		
2160	Sergeant	N11	\$45,445	\$60,593	5.00	5.00	6.00
3022	Senior Building Inspector	N11	\$45,445	\$60,593		5.80	5.80
2142	Senior Police Officer	N10	\$34,625	\$53,189	16.00	16.00	16.00
2144	Detective	N10	\$34,625	\$53,189	1.00	1.00	1.00
2220	Dispatch Coordinator	N10	\$34,625	\$53,189		1.00	1.00
3020	Building Inspector	N10	\$34,625	\$53,189			
3022	Senior Building Inspector	N10	\$34,625	\$53,189	4.80		
4120	Public Works Inspector	N10	\$34,625	\$53,189	1.00	1.00	1.00
5782	Recreation Supervisor	N10	\$34,625	\$53,189		3.00	3.00
7736	Analyst IV	N10	\$34,625	\$53,189		3.00	3.00
1112	Senior Recorder/Elections	N09	\$28,132	\$47,142	1.00	1.00	1.00
1890	Building Maintenance Supervisor	N09	\$28,132	\$47,142	1.00	1.00	1.00
2220	Dispatch Coordinator	N09	\$28,132	\$47,142	1.00		
3012	Sr. Code Enforcement Officer	N09	\$28,132	\$47,142		1.00	1.00
3020	Building Inspector	N09	\$28,132	\$47,142	1.00		
4490	Streets & Streetscape Supervisor	N09	\$28,132	\$47,142	1.00	1.00	1.00
5430	Cataloguing Librarian	N09	\$28,132	\$47,142		1.00	1.00
5590	Parks & Golf Supervisor	N09	\$28,132	\$47,142	0.50	0.50	0.50

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Staffing Summary by Fund

<u>Class Code:</u>	<u>Position Name:</u>	<u>Grade:</u>	<u>Entry</u>	<u>Working</u>	<u>2007 FTEs</u>	<u>2008 FTEs</u>	<u>2009 FTEs</u>
5782	Recreation Supervisor	N09	\$28,132	\$47,142	3.00		
7734	Analyst III	N09	\$28,132	\$47,142	5.00	4.00	4.00
1110	City Recorder	N08	\$25,968	\$39,844	1.00	1.00	1.00
2140	Police Officer	N08	\$25,968	\$39,844	2.00	4.00	4.00
3010	Code Enforcement Officer	N08	\$25,968	\$39,844		1.00	1.00
3012	Sr. Code Enforcement Officer	N08	\$25,968	\$39,844			
3060	Planning Technician	N08	\$25,968	\$39,844	1.00		
5430	Cataloguing Librarian	N08	\$25,968	\$39,844	1.00		
7732	Analyst II	N08	\$25,968	\$39,844	5.00	7.00	7.44
1514	Accounting Clerk III	N07	\$24,886	\$34,900	2.00	2.00	2.00
2206	Police Records Coordinator	N07	\$24,886	\$34,900		1.00	1.00
2210	Dispatcher	N07	\$24,886	\$34,900	5.00	5.00	6.00
3010	Code Enforcement Officer	N07	\$24,886	\$34,900	1.00		
4416	Streets IV	N07	\$24,886	\$34,900	2.00	2.00	2.00
5420	Circulation Services Super.	N07	\$24,886	\$34,900			
5422	Circulation Team Leader	N07	\$24,886	\$34,900		2.00	2.00
5516	Parks IV	N07	\$24,398	\$34,216	2.00	4.00	3.00
5764	Front Desk Supervisor	N07	\$24,886	\$34,900			
5766	Front Desk Coordinator	N07	\$24,886	\$34,900		1.00	1.00
7730	Analyst I	N07	\$24,886	\$34,900	7.25	6.25	7.00
7732	Analyst II	N07	\$24,886	\$34,900	0.50	0.50	

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Staffing Summary by Fund

<u>Class Code:</u>	<u>Position Name:</u>	<u>Grade:</u>	<u>Entry</u>	<u>Working</u>	<u>2007 FTEs</u>	<u>2008 FTEs</u>	<u>2009 FTEs</u>
1824	Building III	N06	\$22,722	\$31,845	3.00	4.00	4.00
2204	Records Clerk	N06	\$22,722	\$31,845		1.00	1.00
2206	Police Records Coordinator	N06	\$22,722	\$31,845	1.00		
4414	Streets III	N06	\$22,722	\$31,845	6.00	6.00	6.00
5416	Senior Library Assistant	N06	\$22,722	\$31,845			
5420	Circulation Services Super.	N06	\$22,722	\$31,845	1.00		
5514	Parks III	N06	\$22,722	\$31,845		2.50	2.50
5516	Parks IV	N06	\$22,722	\$31,845	1.00	-1.00	
5762	Assistant Front Desk Supervisor	N06	\$22,722	\$31,845			
5763	Front Desk Team Leader	N06	\$22,722	\$31,845		2.00	2.00
5764	Front Desk Supervisor	N06	\$22,722	\$31,845	1.00		
7724	Office Assistant III	N06	\$22,722	\$31,845	3.00		
7730	Analyst I	N06	\$22,722	\$31,845	0.75	0.75	
2210	Dispatcher	N05	\$20,558	\$29,151	1.00	1.00	
5514	Parks III	N05	\$20,558	\$29,151	2.50		
5762	Assistant Front Desk Supervisor	N05	\$20,558	\$29,151	1.00		
7722	Office Assistant II	N05	\$20,558	\$29,151	2.50	2.50	2.50
1822	Building II	N04	\$19,158	\$26,435	1.00	1.00	1.00
5416	Senior Library Assistant	N04	\$19,158	\$26,435	1.00		
<u>Part-Time Non-Benefitted/Seasonal</u>							
5110	Tennis Pro	T12	\$46,675	\$62,400	1.05	1.05	1.05
5754	Recreation Instructor VII	T12	\$46,675	\$62,400	4.27	4.27	4.27

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Park City Municipal Corporation

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Staffing Summary by Fund

<u>Class Code:</u>	<u>Position Name:</u>	<u>Grade:</u>	<u>Entry</u>	<u>Working</u>	<u>2007 FTEs</u>	<u>2008 FTEs</u>	<u>2009 FTEs</u>
1520	Accountant	T11	\$45,445	\$60,593	0.25	0.25	0.25
2124	Special Events Police Officer	T09	\$28,132	\$47,142	0.40	0.40	0.40
2124	Special Events Police Officer	T08	\$25,968	\$39,844	0.10	0.10	0.10
1514	Accounting Clerk III	T07	\$24,886	\$34,900	0.75	0.75	0.75
2122	Reserve Police Officer	T07	\$24,886	\$34,900			
2122	Reserve Police Officer	T06	\$22,722	\$31,845	3.50	3.50	3.50
2210	Dispatcher	T06	\$22,722	\$31,845	0.50		
4414	Streets III	T06	\$22,722	\$31,845	7.92	7.92	7.92
5416	Senior Library Assistant	T06	\$22,722	\$31,845		0.25	0.25
5514	Parks III	T06	\$22,722	\$31,845		0.75	0.75
5730	Recreation Worker VI	T06	\$22,722	\$31,845	0.08	0.08	0.16
7724	Office Assistant III	T06	\$22,722	\$31,845	0.25	0.25	0.25
2110	Crossing Guard	T05	\$20,558	\$29,151	1.00	1.00	1.00
4412	Streets II	T05	\$20,558	\$29,151	1.15	1.15	1.15
5414	Library Assistant	T05	\$20,558	\$29,151		1.00	1.00
5728	Recreation Worker V	T05	\$20,558	\$29,151	1.88	1.88	1.88
5748	Recreation Instructor IV	T05	\$20,558	\$29,151	0.98	0.98	0.98
5416	Senior Library Assistant	T04	\$19,158	\$26,435	0.25		
5512	Parks II	T04	\$19,158	\$26,435		6.25	6.25
5726	Recreation Worker IV	T04	\$19,158	\$26,435	1.21	1.82	1.82
5760	Recreation Front Desk Clerk	T04	\$19,158	\$26,435		3.84	3.84
5414	Library Assistant	T03	\$17,312	\$23,762	1.40		

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Park City Municipal Corporation

<u>Class Code:</u>	<u>Position Name:</u>	<u>Grade:</u>	<u>Entry</u>	<u>Working</u>	<u>2007 FTEs</u>	<u>2008 FTEs</u>	<u>2009 FTEs</u>
5512	Parks II	T03	\$17,312	\$23,762	6.25		
5724	Recreation Worker III	T03	\$17,312	\$23,762	1.60	1.60	1.60
5744	Recreation Instructor II	T03	\$17,312	\$23,762	0.85	0.85	0.85
5760	Recreation Front Desk Clerk	T03	\$17,312	\$23,762	3.84		
8844	General Office Clerk III	T03	\$17,312	\$23,762	0.75	0.75	0.75
5412	Library Clerk	T02	\$15,700	\$21,513	1.25	1.25	1.25
5510	Parks I	T02	\$15,700	\$21,513		2.29	2.29
5714	Official/Referee II	T02	\$15,700	\$21,513	1.00	1.00	1.00
5742	Recreation Instructor I	T02	\$15,700	\$21,513	2.80	2.80	2.80
8852	Intern II	T02	\$15,700	\$21,513	2.30	2.30	2.30
1810	Assistant Custodian I	T01	\$13,960	\$19,370	0.33	0.33	0.33
5410	Library Aide	T01	\$13,960	\$19,370	1.48	1.48	1.48
5510	Parks I	T01	\$13,960	\$19,370	2.29		
5720	Recreation Worker I	T01	\$13,960	\$19,370	2.47	2.47	2.47
8850	Intern I	T01	\$13,960	\$19,370	4.45	4.45	4.45

012 Quinn's Recreation Fund

Full-Time Regular

3590	Ice General Manager	E07	\$46,818	\$71,400	1.00	1.00	1.00
3530	Ice/Fields Operation Supervisor	N09	\$28,132	\$47,142	1.00	1.00	1.00
3528	Ice Arena Operations Assistant	N08	\$25,968	\$39,844		1.00	1.00
5780	Recreation Coordinator	N08	\$25,968	\$39,844	1.00		
5516	Parks IV	N07	\$24,886	\$34,900	1.00	1.00	1.00
5764	Front Desk Supervisor	N07	\$24,886	\$34,900		1.00	1.00

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Staffing Summary by Fund

<u>Class Code:</u>	<u>Position Name:</u>	<u>Grade:</u>	<u>Entry</u>	<u>Working</u>	<u>2007 FTEs</u>	<u>2008 FTEs</u>	<u>2009 FTEs</u>
5764	Front Desk Supervisor	N06	\$22,722	\$31,845	1.00		
<u>Part-Time Non-Benefitted/Seasonal</u>							
5730	Recreation Worker VI	T09	\$28,132	\$47,142		0.45	0.45
3510	Hockey Coordinator	T07	\$24,886	\$34,900	0.75	0.75	0.75
3520	Skating Coordinator	T07	\$24,886	\$34,900	0.25	0.25	0.25
5512	Parks II	T04	\$19,158	\$26,435		1.00	1.00
5760	Recreation Front Desk Clerk	T04	\$19,158	\$26,435		1.00	1.00
5512	Parks II	T03	\$17,312	\$23,762	1.00		
5760	Recreation Front Desk Clerk	T03	\$17,312	\$23,762	1.00		
5722	Recreation Worker II	T02	\$15,700	\$21,513		1.70	1.70
051 Water Fund							
<u>Full-Time Regular</u>							
4180	Deputy Public Works Director	E10	\$72,828	\$96,757		0.25	0.25
4180	Deputy Public Works Director	E08	\$56,182	\$81,098	0.25		
4590	Water Manager	E08	\$56,182	\$81,098		1.00	1.00
1660	GIS Administrator	E07	\$46,818	\$71,400		0.25	0.25
4590	Water Manager	E07	\$46,818	\$71,400	1.00		
4120	Public Works Inspector	N10	\$34,625	\$53,189	1.00	1.00	1.00
4526	Water Worker IV	N09	\$28,132	\$47,142	3.00	3.00	3.00
7734	Analyst III	N09	\$28,132	\$47,142		1.00	1.00
4524	Water Worker III	N08	\$25,968	\$39,844	8.00	7.00	7.00
7732	Analyst II	N08	\$25,968	\$39,844		1.00	1.00
1514	Accounting Clerk III	N07	\$24,886	\$34,900	1.00		
7722	Office Assistant II	N05	\$20,558	\$29,151	0.25	0.25	0.25

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Staffing Summary by Fund

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<u>Class Code:</u>	<u>Position Name:</u>	<u>Grade:</u>	<u>Entry</u>	<u>Working</u>	<u>2007 FTEs</u>	<u>2008 FTEs</u>	<u>2009 FTEs</u>
<u>Part-Time Non-Benefitted/Seasonal</u>							
4510	Water Laborer I	T04	\$19,158	\$26,435	1.50	1.50	1.50
055 Golf Fund							
<u>Full-Time Regular</u>							
5690	Golf Manager	E07	\$46,818	\$71,400	0.70	0.70	0.70
5590	Parks & Golf Supervisor	N09	\$28,132	\$47,142	0.50	0.50	0.50
7732	Analyst II	N08	\$25,968	\$39,844	0.56	0.56	0.56
5516	Parks IV	N07	\$24,886	\$34,900			1.00
5514	Parks III	N06	\$22,722	\$31,845		0.50	0.50
5516	Parks IV	N06	\$22,722	\$31,845	1.00	1.00	
5514	Parks III	N05	\$20,558	\$29,151	0.50		
<u>Part-Time Non-Benefitted/Seasonal</u>							
5650	Assistant Golf Pro	T06	\$22,722	\$31,845	3.00	3.00	3.00
5512	Parks II	T04	\$19,158	\$26,435		8.59	8.50
5512	Parks II	T03	\$16,973	\$23,296	9.10		
5614	Golf Course Starter	T03	\$17,312	\$23,762	1.00	1.00	1.00
5510	Parks I	T02	\$15,700	\$21,513		0.54	0.39
5612	Golf Course Ranger	T02	\$15,700	\$21,513	1.00	1.00	1.00
5510	Parks I	T01	\$13,960	\$19,370	1.05		
5610	Golf Cart Servicer	T01	\$13,960	\$19,370	0.75	0.75	0.49
057 Transportation and Parking Fund							
<u>Full-Time Regular</u>							
4180	Deputy Public Works Director	E10	\$72,828	\$96,757		0.25	0.25
4180	Deputy Public Works Director	E08	\$56,182	\$81,098	0.25		
4290	Fleet and Transit Manager	E08	\$56,182	\$81,098		0.50	0.50

Staffing Summary by Fund

<u>Class Code:</u>	<u>Position Name:</u>	<u>Grade:</u>	<u>Entry</u>	<u>Working</u>	<u>2007 FTEs</u>	<u>2008 FTEs</u>	<u>2009 FTEs</u>
1660	GIS Administrator	E07	\$46,818	\$71,400		0.25	0.25
4290	Fleet and Transit Manager	E07	\$46,818	\$71,400	0.50		
4260	Transit Supervisor	N10	\$34,625	\$53,189		1.00	1.00
7736	Analyst IV	N10	\$34,625	\$53,189		1.00	1.00
4250	Transit Shift Supervisor	N09	\$28,132	\$47,142		4.00	4.00
4260	Transit Supervisor	N09	\$28,132	\$47,142	1.00		
7734	Analyst III	N09	\$28,132	\$47,142	1.00		
4216	Bus Driver IV	N08	\$25,968	\$39,844		2.00	2.00
4250	Transit Shift Supervisor	N08	\$25,968	\$39,844	3.00		
4216	Bus Driver IV	N07	\$24,886	\$34,900	1.00		
4214	Bus Driver III	N06	\$22,722	\$31,845	31.00	30.00	30.00
7724	Office Assistant III	N06	\$22,722	\$31,845	1.00	1.00	1.00
7722	Office Assistant II	N05	\$20,558	\$29,151	1.25	1.25	1.25
<u>Part-Time Non-Benefitted/Seasonal</u>							
4112	Parking Adjudicator	T09	\$28,132	\$47,142	0.20	0.20	0.20
4212	Bus Driver II	T05	\$20,558	\$29,151	22.05	22.05	22.05
4210	Bus Driver I	T04	\$19,158	\$26,435	0.20	0.04	0.09
062 Fleet Fund							
<u>Full-Time Regular</u>							
4180	Deputy Public Works Director	E10	\$72,828	\$96,757		0.25	0.25
4180	Deputy Public Works Director	E08	\$56,182	\$81,098	0.25		
4290	Fleet and Transit Manager	E08	\$56,182	\$81,098		0.50	0.50
4290	Fleet and Transit Manager	E07	\$46,818	\$71,400	0.50		

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Staffing Summary by Fund

<u>Class Code:</u>	<u>Position Name:</u>	<u>Grade:</u>	<u>Entry</u>	<u>Working</u>	<u>2007 FTEs</u>	<u>2008 FTEs</u>	<u>2009 FTEs</u>
4652	Mechanic II	N09	\$28,132	\$47,142	3.00	3.00	3.00
4650	Mechanic I	N08	\$25,968	\$39,844	3.00	3.00	3.00
4610	Mechanic Assistant	N06	\$22,722	\$31,845	2.00	2.00	2.00
Pos							
<u>Full-Time Regular</u>							
4650	Mechanic I	N08	\$25,968	\$39,844			
					310.31	318.74	318.31

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Budget Option Descriptions (by Team)

City Council/City Manager/Legal

	Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request
<u>Approved</u>							
Y	PROS	1	Prosecuting Attorney Request for a permanent, full-time regular Prosecutor.	Legal	\$0	\$0	\$1,539
Y	BADJ	TEC	Base Level Adjustment Zero Sum Change to budget lines within a department	Multiple Departments	\$0	\$0	\$0
Y	ELEC	TEC	Elections Budget Funding for biennial elections	Elections	\$0	\$22,000	\$0
Y	VACA	TEC	Vacancy Factor Request According to City policy, departments can request to have the vacancy factor portion of their personnel expenses replaced in their operating budget. These requests are offset with contingency funds.	Budget, Debt & Grants City Manager Contingency Salary Finance Legal Police Public Affairs	\$60,000	\$0	\$0
Total Approved Options for City Council/City Manager/Legal:					\$60,000	\$22,000	\$1,539
Totals for City Council/City Manager/Legal:					\$60,000	\$22,000	\$1,539

* CM = Proposed during City Manager meetings
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COM = Committee Recommended

Budget Option Descriptions (by Team)

Engineering/Building/Planning

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	Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request
Approved							
Y	CDR2	2	Career Development Reclass Analyst III. The Analyst II position is part of the professional development plan and meets the requirement of the Analyst III.	Building Dept.	\$0	\$0	\$0
Y	MONT	3	Contract Building Inspectors 2 Contract Building Inspectors: These positions would be used to keep up with current development demands. They would be certified and licensed combination building inspectors. Each position would be paid at \$35/hr, totaling \$150,000.	Building Dept.	\$88,006	\$60,236	\$60,404
Y	CODE	4	Code Enforcement Officer This position would aid the department in being more proactive with code enforcement and addressing the increased number of complaints in a timely manner.	Building Dept.	\$0	\$55,115	\$56,022
Y	ASBO	5	Assistant Building Official Contract employee to permanent full-time: This change is to move a contract plan checker to the Asst. Buldg. Official position in compliance with the current City policy.	Building Dept.	\$0	\$0	\$1,539
Y	HAHE	6	Hand-helds and Printers Once we get our Eden module up and running we need to purchase hand-helds and printers for the field inspectors.	Building Dept.	\$0	\$24,500	\$0
Y	SUST1	CM	Sustainability Team Reorganization Personnel Changes for the Sustainability Reorganization	Capital Projects & Econ. Dev. Planning Dept. Public Affairs Special Events & Facilities Sustainability - Implementation Sustainability - Visioning	\$0	\$-144,661	\$-147,186

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Budget Option Descriptions (by Team)

Engineering/Building/Planning

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	Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request
Y	SUST	TEC	Sustainability Team Reorganization Zero Sum Changes to Reflect Sustainability Reorganization	Capital Projects & Econ. Dev. Planning Dept. Public Affairs Special Events & Facilities Sustainability - Implementation Sustainability - Visioning	\$0	\$-28,860	\$-28,860
Y	BANL	(None)	Building Analyst II Reclass Planning Technician to Building Analyst II	Building Dept.	\$0	\$22	\$0
Y	BINS	(None)	Reclass Building Inspector Reclass Building Inspector to a Sr. Building Inspector	Building Dept.	\$0	\$0	\$0
Y	CDR14	(None)	Career Development Reclass Career Development Reclass - Community Services Officer to Sr. Code Enforcement Officer.	Building Dept.	\$0	\$0	\$0
Total Approved Options for Engineering/Building/Planning:					\$88,006	\$-33,649	\$-58,082
<u>Not Approved</u>							
N	PLII	1	Planner II Loss of .5 FTE Sr. Planner to Sustainability Team. Requesting additional 1.0 FTE for Planner II, Grade 5.	Planning Dept.	\$0	\$81,684	\$83,047
N	CDR1	2	Career Development Reclass Office Assistant III. In line with the career development plan, we are recommending that our Office Assistant II be upgraded to the III.	Building Dept.	\$0	\$0	\$57
N	ENVC	5	Environmental Coordinator Contract employee to permanent full-time: This change is to move the Environmental Coordinator position to permanent full-time in compliance with the current City policy.	Building Dept.	\$0	\$0	\$1,539

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Budget Option Descriptions (by Team)

Engineering/Building/Planning

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Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request	
N	3COM	6	Computers We need to purchase computers for our employees that don't have them (3)	Building Dept.	\$0	\$4,950	\$0
N	BFA	7	Copier/Fax Machine Due to the age of our machine, it is difficult to find parts and it is breaking down more often.	Building Dept.	\$0	\$8,400	\$0
N	FURN	8	Furniture Once the Marsac Building has been remodeled we would like to and need to replace several desks and chairs. In addition we need to buy furniture for our employees that don't have desks.	Building Dept.	\$0	\$0	\$5,000
N	COCO	CM	Contract Code Enforcement Officer This contract position would aid the department in being more proactive with code enforcement and addressing the increased number of complaints in a timely manner.	Building Dept.	\$0	\$50,000	\$50,000
N	CDR9	(None)	Career Development Reclass Career Development from Planner II, Grade 5, to Senior Planner, Grade 6	Planning Dept.	\$0	\$0	\$0
Total Not Approved Options for Engineering/Building/Planning:					\$0	\$145,034	\$139,643
				Totals for Engineering/Building/Planning:	\$88,006	\$111,385	\$81,561

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Budget Option Descriptions (by Team)

HR/Budget/Finance/IT

<u>Approved</u>	Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request
Y	GIS	1	GIS Administrator New position request for Geographic Information Systems.	Info Tech & Cust Serv Transportation Oper Water Operations	\$0	\$45,238	\$46,008
Y	CDR3	2	Career Development Reclass Career Development Reclass - HR Analyst II to HR Analyst III.	Human Resources	\$0	\$0	\$0
Y	CDR4	2	Career Development Reclass Career Development Reclass - Office III to HR Analyst II.	Human Resources	\$0	\$0	\$0
Y	CDR5	3	Career Development Reclass Career Development Reclass - IT Coordinator II to IT Coordinator III	Info Tech & Cust Serv	\$0	\$0	\$0
Y	CDR6	3	Career Development Reclass Career Development Reclass - IT Analyst I to IT Analyst II.	Info Tech & Cust Serv	\$0	\$0	\$0
Y	CDR7	3	Career Development Reclass Career Development Reclass - Office Assistant to IT Analyst I.	Info Tech & Cust Serv	\$0	\$0	\$0
Y	MAIR	3	Mobile Aircard Funding Mobile Aircard Funding: CIP funding to support program startup ends, requiring Police Dept to pick up funding.	Info Tech & Cust Serv	\$0	\$0	\$24,000
Y	HRCT	CM	Temporary Employee Needs For Temporary Contract Employee Needs	Human Resources	\$0	\$35,000	\$35,000
Y	SADJ5	CM	Same Level Adjustment Additional funding due to increased usage of employee educational assistance program	Human Resources	\$15,000	\$15,000	\$15,000
Y	BADJ	TEC	Base Level Adjustment Zero Sum Change to budget lines within a department	Multiple Departments	\$0	\$0	\$0

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Budget Option Descriptions (by Team)

HR/Budget/Finance/IT

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	Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request
Y	VACA	TEC	Vacancy Factor Request According to City policy, departments can request to have the vacancy factor portion of their personnel expenses replaced in their operating budget. These requests are offset with contingency funds.	Budget, Debt & Grants City Manager Contingency Salary Finance Legal Police Public Affairs	\$25,000	\$0	\$0
Total Approved Options for HR/Budget/Finance/IT:					\$40,000	\$95,239	\$120,009
Totals for HR/Budget/Finance/IT:					\$40,000	\$95,239	\$120,009

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Budget Option Descriptions (by Team)

Non-Departmental

	Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request
Approved							
Y	SCHL	CM	Ice Facility Scholarships This would cover \$5,000 of costs for the sled hockey program at the ice facility on behalf of the National Abilities Center.	Spec. Svc. Cntrt. Unspecified	\$0	\$5,000	\$5,000
Y	SNOW	CM	Snow Removal Contingency This would establish a contingency fund for snow removal consistent with Council direction.	Contingency Snow Removal	\$0	\$50,000	\$50,000
Y	PPLN	COM	Pay Plan Adjustments Adjustments Recommended by Pay Plan Committee to bring city positions to market.	Operating Departments	\$0	\$668,043	\$974,170
Y	SSC	COM	Special Service Contracts Change in the Special Service Contracts line as a result of the Committee Recommendation.	Spec. Svc. Cntrt. Unspecified	\$0	\$28,973	\$28,973
Y	HEAD	TEC	Health Insurance Adjustment Rising health insurance costs require a contribution to the contingency account. The amount will cover the City in case departments exceed personnel budgets due to rising health insurance costs.	Contingency General	\$0	\$70,000	\$70,000
Y	PSRF	TEC	Police Special Revenue Fund Police Special Revenue Fund Adjustment	Police Special Revenue Fund	\$19,272	\$0	\$0
Y	SINS	TEC	Self Insurance Fund One-time increase of \$200,000 in expenditure appropriations in the Self Insurance Fund to cover increased outside legal fees related to litigation. This is to be paid for from fund balance (from the Self-Insurance fund) and will affect the current fiscal year only.	Self Ins & Sec Bond	\$200,000	\$0	\$0

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Budget Option Descriptions (by Team)

Non-Departmental

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	Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request
Y	SUND	TEC	Adjustment for Sundance Mitigation Adjust Sundance mitigation payment according to current agreement.	Sundance Mitigation	\$0	\$220,000	\$220,000
Y	VACA	TEC	Vacancy Factor Request According to City policy, departments can request to have the vacancy factor portion of their personnel expenses replaced in their operating budget. These requests are offset with contingency funds.	Budget, Debt & Grants City Manager Contingency Salary Finance Legal Police Public Affairs	\$-375,000	\$0	\$0
Y	WCAD	TEC	Workers Compensation Adjustment Rising workers compensation costs require a contribution to the contingency account. The amount will cover the City in case departments exceed personnel budgets due to rising WC costs.	Contingency General	\$0	\$130,000	\$260,000
Total Approved Options for Non-Departmental:					<u>\$-155,728</u>	<u>\$1,172,016</u>	<u>\$1,608,143</u>
Totals for Non-Departmental:					<u>\$-155,728</u>	<u>\$1,172,016</u>	<u>\$1,608,143</u>

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Budget Option Descriptions (by Team)

Public Safety

<u>Approved</u>	Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request
Y	DIFP	2	Shift Differential Pay Shift Differential Pay Adjustment: Evaluation of actual costs by police and budget found that an increase in budgeted amount needed - \$12,000.	Police	\$0	\$12,236	\$12,236
Y	SMNT	4	Police Software Maintenance Contract Police Software Maintenance Contract: Due to Police RMS & CAD software vendor change, annual maintenance costs increased.	Police	\$0	\$0	\$13,000
Y	FTRC	5	Full-Time Records Clerk Re-Class PT Records Clerk to Full-Time Records Clerk to provide a continued level of customer service at the new Police building: Act as a receptionist as well.	Communication Center	\$0	\$29,559	\$29,956
Y	POTE	6	Traffic Enforcement Officer Full-Time Police Officer positions, add 2 officers to increase traffic enforcement and management capabilities.	Police	\$0	\$119,224	\$123,374
Y	OSQ	7	Officer Safety Equipment Enhancement Officer Safety Equipment Enhancement; Dept. advisory team identified additional equipment needed - Electronic Control Devise (9 Units), Phased implementation over 2 years.	Police	\$0	\$14,400	\$14,400
Y	BADJ	TEC	Base Level Adjustment Zero Sum Change to budget lines within a department	Multiple Departments	\$0	\$0	\$0
Y	DIHA	TEC	Dispatch Housing Allowance To budget the appropriate housing allowance for Police Dispatch in accordance with City policy	Communication Center	\$0	\$9,789	\$9,789

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Budget Option Descriptions (by Team)

Public Safety

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	Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request
Y	PRET	TEC	Police Retirement Adjustment Utah State Retirement requires a contribution of 22.61% for sworn Police Officers. Currently police retirement is budgeted at 13.26% (normal for City employees). This needs to be adjusted to reflect true police retirement costs as mandated by URS.	Police State Liquor Enforcement	\$0	\$134,326	\$134,326
Y	TEQN	TEC	Technical Adjustments Adjustments made to correct errors from previous years.	Parks & Cemetery Police State Liquor Enforcement	\$696	\$696	\$696
Y	VACA	TEC	Vacancy Factor Request According to City policy, departments can request to have the vacancy factor portion of their personnel expenses replaced in their operating budget. These requests are offset with contingency funds.	Budget, Debt & Grants City Manager Contingency Salary Finance Legal Police Public Affairs	\$275,000	\$0	\$0
Total Approved Options for Public Safety:					\$275,696	\$320,229	\$337,776
<u>Not Approved</u>							
N	POPO	6	Patrol Officer Police Officer Full-Time Position, Add officer to increase response capabilities for service delivery in maintaining a high level of response.	Police	\$0	\$0	\$81,687
N	PRCO	8	Police Record Coordinator Re-Classification Re-Class Police Records Coordinator to Grade N07 -- Equity adjustment for supervisory job re-alignment.	Communication Center	\$0	\$0	\$0
N	LTOC	9	Police Captains Re-Class Lieutenants positions to Captain to better reflect actual comparative duties with surrounding police agencies.	Police	\$0	\$22,589	\$26,361

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Budget Option Descriptions (by Team)

Public Safety

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	Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request
N	FEEG	10	Furnishings & Equipment Furnishings & Equipment for sub-station at Empire Gap	Police	\$0	\$0	\$3,000
Total Not Approved Options for Public Safety:					\$0	\$22,589	\$111,048
Totals for Public Safety:					\$275,696	\$342,818	\$448,824

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Budget Option Descriptions (by Team)

Public Works

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	Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request
Approved							
Y	GIS	1	GIS Administrator New position request for Geographic Information Systems.	Info Tech & Cust Serv Transportation Oper Water Operations	\$0	\$45,238	\$46,008
Y	GMNT	1	Increased Golf Maintenance Staff This option will add additional seasonal staff to the golf maintenance dept. Cost for this option will be offset through reductions in the CIP contributions. As recommended by Golf Study Group.	Golf Maintenance	\$116,001	\$116,007	\$116,001
Y	PSCL	1	Police Facility New Building Maint. Service New Service: Building Maintenance and Janitorial Services for New Public Safety Facility	Bldg Maint Adm	\$0	\$94,512	\$125,237
Y	SADJ1	1	Same Level Adjustment Same level of service increase in paper products due to increase in cleaning & use.	Bldg Maint Adm	\$0	\$15,000	\$15,000
Y	TOOL	1	Mechanic Tool Allowance Increase annual tool allowance to \$1000 for each mechanic.	Fleet Services Dept	\$0	\$1,020	\$1,020
Y	TRCO	1	Short Range Transit Plan 5-Year transit development plan approved by Council	Transportation Oper	\$63,940	\$0	\$0
Y	CDR10	2	Career Development Reclass Reclass 2 Bus Driver III to IV - completed professional development contract - 30% offset under county transit contract.	Transportation Oper	\$0	\$1,053	\$1,031
Y	FUNI	2	Fleet Uniforms Increase Uniform Budget	Fleet Services Dept	\$0	\$3,000	\$3,000
Y	SADJ4	2	Same Level Adjustment Increased haul and delivery cost due to rises in fuel costs	Street Maintenance	\$0	\$33,000	\$33,000

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Budget Option Descriptions (by Team)

Public Works

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	Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request
Y	UTIN	2	Utility Increase Power use increase for additional pump stations. Adjustment for increase in natural gas rates.	Water Operations	\$0	\$0	\$100,000
Y	CDR11	3	Career Development Reclass Professional Development plan - Analyst I to Analyst II	Water Billing Water Operations	\$0	\$0	\$0
Y	CDR12	3	Career Development Reclass Adjustments for development plans - Water Worker III to Analyst III	Water Operations	\$0	\$0	\$0
Y	HEAT	3	Quinn's Utilities Heating & field lighting for the maintenance building and restrooms.	Fields	\$31,500	\$31,500	\$31,500
Y	PARF	3	Special Event Parking AMPCO contract for paid parking during Sundance - offset by revenue collected.	Transportation Oper	\$37,000	\$37,000	\$37,000
Y	BDRE	4	Transit Supervisor Bus driver recruiting, training, and safety position. 30% offset under county transit contract.	Transportation Oper	\$0	\$63,422	\$64,495
Y	WLOB	5	Washington Lobbyist Contract Fee 70% of total time is spent on water issues, so 70% of \$50,000 contract added to budget,. Has never been included in budget. (\$35,000).	Water Operations	\$0	\$20,000	\$70,000
Y	ASRP	6	Pavement Recycler This is an asphalt recycle program option. This will include the purchase of an asphalt recycler, cold plane, and a hot box. This option will eliminate the need to purchase asphalt FOL patches and has an annual offset of \$25,000.	Street Maintenance	\$0	\$-25,000	\$-25,000

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Budget Option Descriptions (by Team)

Public Works

	Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request
Y	TRUN	7	Bus Driver Uniforms Increased funding for bus driver uniforms.	Transportation Oper	\$0	\$13,000	\$13,000
Y	COOA	CM	Contract Office Assistant II This contract position will assist the department during the Eden system conversion.	Public Works Admin.	\$0	\$20,000	\$20,000
Y	RECY	CM	Recycling Program on Main Council directed Staff to begin a recycling program along Main Street per the Environmental Strategic Plan. This option would provide funding for the initial purchase of recycling receptacles and the ongoing operation of the program.	Parks & Cemetery	\$0	\$20,000	\$20,000
Y	TRUK	CM	Truck to Water Hanging Baskets This option would purchase a truck to water hanging baskets. Currently the Parks Dept. spends \$4,400 annually in rental charges. The cost of this vehicle could be offset with a \$4,400 reduction to equipment rental line item.	Parks & Cemetery	\$0	\$16,000	\$-4,000
Y	WALK	CM	Walkability - Enhanced Trail Maintenance Ongoing operating costs anticipated as a result of the Walkable Communities projects	Parks & Cemetery	\$0	\$49,000	\$49,319
Y	WOFF	CM	Water Offset Finished making back-payments on Spiro Lease.	Water Operations	\$0	\$0	\$-37,000
Y	WSTR	CM	Water Strategic Plan Action Plan Project - Legal and Consulting Support	Water Operations	\$0	\$15,000	\$15,000
Y	BADJ	TEC	Base Level Adjustment Zero Sum Change to budget lines within a department	Multiple Departments	\$0	\$0	\$0

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Budget Option Descriptions (by Team)

Public Works

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	Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request
Y	FLET	TEC	Fleet Fund Adjustments Technical adjustments to Fund 62 to bring the internal service fund in line with actuals.	Fleet Services Dept	\$122,707	\$24,707	\$24,707
Y	FLVA	TEC	Fleet Vacancy Factor Adjustment Adjust Out Vacancy Factor for Fleet Fund	Fleet Services Dept	\$0	\$871	\$1,550
Y	TEQN	TEC	Technical Adjustments Adjustments made to correct errors from previous years.	Parks & Cemetery Police State Liquor Enforcement	\$0	\$6,967	\$0
Y	BOOL	(None)	Boothill Pump Station Landscape Maintenance This option will provide landscape maintenance service to the new Boothill pump station.	Parks & Cemetery	\$0	\$2,500	\$2,500
Y	PCLA	(None)	Police Facility Landscape Maintenance This option will provide landscape maintenance to the new police facility. This option includes snow removal to sidewalks.	Parks & Cemetery	\$0	\$8,959	\$9,118
Y	QUCL	(None)	Quinn's Maintenance Building New Building Maint. Se New Service: Building Maintenance and Janitorial Services for New Maintenance Building at Quinn's Junction	Bldg Maint Adm	\$0	\$11,675	\$12,175
Total Approved Options for Public Works:					\$371,148	\$624,432	\$744,660
<u>Not Approved</u>							
N	SNBP	1	Snyderville Basin Project Fixed O&M for Mt Regional operation of expanded Lost Creek Canyon Pipeline for FY08, then variable costs added assumed @ 1/2 utilization for FY09.	Water Operations	\$0	\$0	\$0
N	CDR13	3	Career Development Reclass Adjustments for development plans - Water Worker III to Water Worker IV	Water Operations	\$0	\$4	\$-18

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Budget Option Descriptions (by Team)

Public Works

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Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request	
N	OAll	3	Office Assistant II This position will be responsible for work order entry to ensure new GBA system is maintained in a timely & accurate fashion.	Public Works Admin. Transportation Oper Water Operations	\$0	\$42,454	\$43,108
N	HAZM	4	Hazardous Materials Trailer This option will provide funding for the City's 1/3 share of the cooperative purchase (Park City, Summit County, Recycle Utah) of a hazardous materials storage trailer for Recycle Utah. The trailer will facilitate the temporary safe storage of hazardous waste gathered during haz-mat collection programs conducted by Recycle Utah (now included in CIP).	Public Works Admin.	\$0	\$5,000	\$0
N	LFIL	5	Landfill Operations Master Plan This option will provide funding for a cooperative 30 year Landfill Master Plan Study with Summit County. This study will lay out a plan for managing Summit County's solid waste through 2042 (now included in CIP).	Public Works Admin.	\$0	\$40,000	\$0
N	RCCL	19	Racquet Club Enhanced Building Maint. Service Increased Level of Service: Additional janitorial service for racquet club, Southend, Rotary Park, and Dozier field restrooms. Requested by Recreation.	Bldg Maint Adm	\$0	\$9,000	\$9,000
N	BMVH	CM	Building Maintenance Vehicle Vehicle for new Building Maintenance staff related to new Police Facility	Bldg Maint Adm	\$0	\$22,500	\$0
Total Not Approved Options for Public Works:					\$0	\$118,958	\$52,091
				Totals for Public Works:	\$371,148	\$743,390	\$796,750

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Budget Option Descriptions (by Team)

Recreation/Library/Golf/Ice Facility

	Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request
Approved							
Y	CDR8	1	Career Development Reclass Career Development Reclass - Library Analyst I to Library Analyst II.	Library	\$0	\$5,541	\$5,541
Y	GINT	1	Golf Interest Pmt Reduce Interest Payment line as debt has been retired on leased golf carts.	Golf Pro Shop	\$-7,000	\$-7,000	\$-7,000
Y	GCAR	2	Golf Cars Repay loan to capital improvement fund for purchase of golf cars.	Golf Pro Shop	\$7,885	\$31,543	\$31,542
Y	YPRO	2	Youth Programming Adventure Camp, Summer Day Camp, Swim Lessons, and Skateboard Clinics have seen increased participation and demand for increased program offerings with over 150 kids on the wait list last year. Due to demand Recreation would like to expand participation levels by offering additional weeks, and increase participation levels as a result of the skate park and recreation building expansion. Expanding the service level for youth programs will require a budget increase of \$25,700 with a revenue offset of \$33,900. The revenue is generated through fee increases and increased participation.	City Recreation	\$0	\$26,121	\$26,442
Y	GINV	3	Golf Inventory Reduce Inventory for Resale budget line by \$20,000 as recommended by Golf Study Group to balance budget.	Golf Pro Shop	\$-20,000	\$-20,000	\$-20,000

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Budget Option Descriptions (by Team)

Recreation/Library/Golf/Ice Facility

	Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request
Y	QUPO	3	Ice Operations '08 Add staff to operate one additional month in 2008. Contract Marketing Coordinator. Staff costs covered by estimated revenue enhancement of \$75,000 - increased business plus one more month operations plus events (addressed in strategic plan).	Ice Facility	\$0	\$27,500	\$27,500
Y	QURW	4	Ice Operations '09 Add staff & materials to operate one additional month in 2008 & 2009. .50 FTE for cashiers & .25 FTE for supervisors. Materials & Supplies cost increase also of \$13,500. All operating costs covered by estimated revenue enhancement of \$48,000 (addressed in strategic plan).	Ice Facility	\$0	\$876	\$-1,516
Y	STRG	5	Racquet Stringing In FY07 the Racquet Club Pro Shop took over the racquet stringing business from the former tennis director versus continuing to contract out the service. As a result the pro shop now pays staff for the time spent stringing and purchases the string that is used. The pro shop needs a budget increase of \$6,500 for personnel costs and \$5,000 in inventory adjustment. This budget option has offsetting revenue of \$20,000.	Tennis	\$11,628	\$11,628	\$11,628
Y	CIRC	6	Circulation Department Reorganization To resolve a recurring recruitment difficulty in filling the position of circulation supervisor (five recruitments in one year) the library is proposing a reorganization of the circulation department which will utilize existing resources to effectively fulfill the duties of this position. Savings \$1,651.	Library	\$0	\$-7,644	\$-7,798

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Budget Option Descriptions (by Team)

Recreation/Library/Golf/Ice Facility

Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request	
Y	REOR	7	Racquet Club Front Desk Reorganization Racquet Club Front Desk Reorganization	City Recreation Tennis	\$0	\$0	\$0
Y	SADJ2	8	Same Level Adjustment To cover annual on-call pay.	Ice Facility	\$0	\$5,206	\$5,206
Y	LRBR	9	Reciprocal Borrowing Potential Requests In response to the Council Goal of regional collaboration the library is working with the County to assess impacts of offering free Park City Library Cards to Summit County residents. This option would provide Library privileges to any student from Summit County. The County is in discussions to provide an additional \$21,000 to help fund the service.	Library	\$0	\$21,000	\$21,000
Y	SADJ3	10	Same Level Adjustment Materials Budget Increase - In order to maintain current levels of service the library's buying power for materials must keep pace with rising costs of books, periodicals, audio books, videotapes, and DVD's. According to School Library Journal children's and young adult book prices increased 7% from 2005-2006. Magazine subscriptions are anticipated to increase by 5%. In order to maintain current buying power the library is requesting an additional \$1165. (\$750 for children's materials and \$415 for periodicals).	Library	\$0	\$1,165	\$1,165

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Budget Option Descriptions (by Team)

Recreation/Library/Golf/Ice Facility

	Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request
Y	BANK	11	Bank Charges As registration has increased in all recreation & tennis programs along with the use of Econnect (online registration) our bank charges have increased substantially. The bank charges the city a percentage based on the dollar volume of the transactions. The bank charge fee is already built into the program registration fee. \$16,000 in bank charges in FY 06 represents 1.3% of total revenue. This is an \$8,000 same level of service budget request.	City Recreation	\$8,000	\$8,000	\$8,000
Y	CLAS	12	Software Licensing The Racquet Club, Recreation, Ice Rink & Human Resources all use the Class Software system of Econnect, point of sale, program registration and several other modules. The annual software licensing fees are in excess of \$11,400 with the recreations share being \$6,375 a year. The revenue offset would come from program fees and facility use fees. The request is for a budget adjustment of \$5,575.	City Recreation	\$5,575	\$5,575	\$5,575
Y	BRGL	13	Library Burglary The Library was burglarized in August 2006 resulting in unexpected expenses, which included \$600 of cash stolen, \$1600 to upgrade motion sensor system and \$1500 for a new safe. Total amount of unanticipated expenses \$3534.	Library	\$3,534	\$0	\$0

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Budget Option Descriptions (by Team)

Recreation/Library/Golf/Ice Facility

	Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request
Y	PLAY	14	Play Magazine Printing The City splits the cost of printing the Play Magazine with Basin Recreation based on the percentage of pages each entity has in the publication. The City has increased its number of pages by two (ice programs). The cost to print the Play Magazine has increased from \$1.441 each to \$1.5223	City Recreation	\$3,000	\$3,000	\$3,000
Y	LEAG	15	Leagues Adult Softball has operated at capacity for several summers with several teams not being able to participate. The development of the lighted playing fields at the Sports Complex enables the league to expand the number of teams that can play each night. League fees this year have increased by \$25 per team which with the same level of participation will result in revenue increasing by \$1,200 with no increase in expenses. If league play expands to the Sports Complex we project an increase of 12 teams in FY 08 with an increase in expenses of \$3,500 (\$1,800 personnel and \$1,700 in equipment) while revenue would increase by \$6,200. In FY 09 we project an expansion of another 12 teams that would result in the same increase in expenses and revenue.	City Recreation	\$2,515	\$4,215	\$6,830
Y	LRBS	16	Reciprocal Borrowing Survey The library board and staff developed a survey to study potential impacts of reciprocal borrowing which could be anticipated if the Park City Library offers free cards to County residents outside of the city limits. Summit County has agreed to fund one half of the survey costs.	Library	\$2,200	\$0	\$0

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Budget Option Descriptions (by Team)

Recreation/Library/Golf/Ice Facility

	Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request
Y	TPRO	18	<p>League Fees</p> <p>The tennis department recently completed a patron survey of tennis league participants. One of the survey questions was "Would you be interested in having a pro watch all home league matches?" Over 88% of the respondents said "Yes." When asked if they were willing to pay \$10 to \$15 additional per league season to support this service, over 75% responded "Yes." To provide this increased level of service the tennis department needs a \$2,800 increase in personnel costs. This budget request has an offset of \$3,000 in revenue from the increased league fees.</p>	Tennis	\$2,863	\$2,863	\$2,863
Y	QPER	CM	<p>Quinn's Personnel</p> <p>Adjustment to Ice Facility part-time personnel to include 2655 hrs for cashiers, 725 hrs for skateguards, 600 hrs for skate sharpener, and 840 hrs for instructors. This is in line with the strategic plan and staffing plan.</p>	Ice Facility	\$0	\$78,029	\$79,077
Y	RVAN	CM	<p>Recreation Van</p> <p>The Recreation Department has a need for a second 15 passenger van due to increased program participation. The existing 15 passenger van is heavily used in the summer by several different programs resulting in program inefficiencies. The addition of a second van would enable Recreation to expend programs in the future.</p>	City Recreation	\$0	\$22,000	\$0
Y	BADJ	TEC	<p>Base Level Adjustment</p> <p>Zero Sum Change to budget lines within a department</p>	Multiple Departments	\$0	\$0	\$0

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Budget Option Descriptions (by Team)

Recreation/Library/Golf/Ice Facility

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	Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request
Y	CPRK	TEC	Christmas In The Park Christmas in the Park is a special event run by the Recreation Department. Funding for the event needs to be transferred from the Special Events Dept. to the Recreation Dept.	City Recreation Special Events & Facilities	\$0	\$5,000	\$5,000
Y	FARM	TEC	McPolin Farm Budget Move operating budget for McPolin Farm from Special Events to Recreation Dept. Zero sum change.	City Recreation Special Events & Facilities	\$0	\$7,000	\$7,000
Total Approved Options for Recreation/Library/Golf/Ice Facility:					\$20,199	\$231,618	\$211,057
<u>Not Approved</u>							
N	RECT	17	Recruitment & Training The Recreation Dept has a large number of part time non benefited staff that needs to be hired on a year round basis. The cost of recruiting staff has increased as various advertising entities have raised the fees that are charged. This is a \$3,000 same level budget adjustment.	City Recreation	\$3,000	\$3,000	\$3,000
Total Not Approved Options for Recreation/Library/Golf/Ice Facility:					\$3,000	\$3,000	\$3,000
Totals for Recreation/Library/Golf/Ice Facility:					\$23,199	\$234,618	\$214,057

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Budget Option Descriptions (by Team)

Sustainability

<u>Approved</u>	Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request
Y	SUST1	CM	Sustainability Team Reorganization Personnel Changes for the Sustainability Reorganization	Capital Projects & Econ. Dev. Planning Dept. Public Affairs Special Events & Facilities Sustainability - Implementation Sustainability - Visioning	\$0	\$68,236	\$66,728
Y	CPRK	TEC	Christmas In The Park Christmas in the Park is a special event run by the Recreation Department. Funding for the event needs to be transferred from the Special Events Dept. to the Recreation Dept.	City Recreation Special Events & Facilities	\$0	\$-5,000	\$-5,000
Y	FARM	TEC	McPolin Farm Budget Move operating budget for McPolin Farm from Special Events to Recreation Dept. Zero sum change.	City Recreation Special Events & Facilities	\$0	\$-7,000	\$-7,000
Y	SUST	TEC	Sustainability Team Reorganization Zero Sum Changes to Reflect Sustainability Reorganization	Capital Projects & Econ. Dev. Planning Dept. Public Affairs Special Events & Facilities Sustainability - Implementation Sustainability - Visioning	\$0	\$28,860	\$28,860
Y	VACA	TEC	Vacancy Factor Request According to City policy, departments can request to have the vacancy factor portion of their personnel expenses replaced in their operating budget. These requests are offset with contingency funds.	Budget, Debt & Grants City Manager Contingency Salary Finance Legal Police Public Affairs	\$15,000	\$0	\$0
Y	CONT	(None)	Sustainability Contract Money Request for additional contract money for Sustainability	Sustainability - Visioning	\$0	\$0	\$0

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Budget Option Descriptions (by Team)

Sustainability

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	Option Code	Priority*	Option Description	Department	2007 Adjustment	2008 Request	2009 Request
Y	EQIP	(None)	Sustainability Equipment Upgrade/Replacement of equipment for laptop, wireless card & service is \$2800.	Sustainability - Visioning	\$0	\$1,940	\$515
Y	MEMB	(None)	Professional Memberships Add two professional memberships (APA/ULI) for Sustainability Visioning Team	Sustainability - Visioning	\$0	\$595	\$595
Total Approved Options for Sustainability:					\$15,000	\$87,631	\$84,698
<u>Not Approved</u>							
N	OTRQ	(None)	Public Affairs Analyst Overtime Funds are requested for overtime expenses associated with night-time/weekend meeting attendance by public affairs analyst.	Sustainability - Visioning	\$0	\$2,508	\$2,508
N	TRAV	(None)	Conferences and Travel Request will support conference travel/networking with other communities to gain knowledge & best practices for sustainable communities.. Additional request will fund 4-6 additional trips by team.	Sustainability - Visioning	\$0	\$8,430	\$8,430
Total Not Approved Options for Sustainability:					\$0	\$10,938	\$10,938
Totals for Sustainability:					\$15,000	\$98,568	\$95,636
Grand Total:					\$717,321	\$2,820,034	\$3,366,517
Total Approved Options:					\$714,321	\$2,519,516	\$3,049,799
Total Not Approved Options:					\$3,000	\$300,518	\$316,719

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