

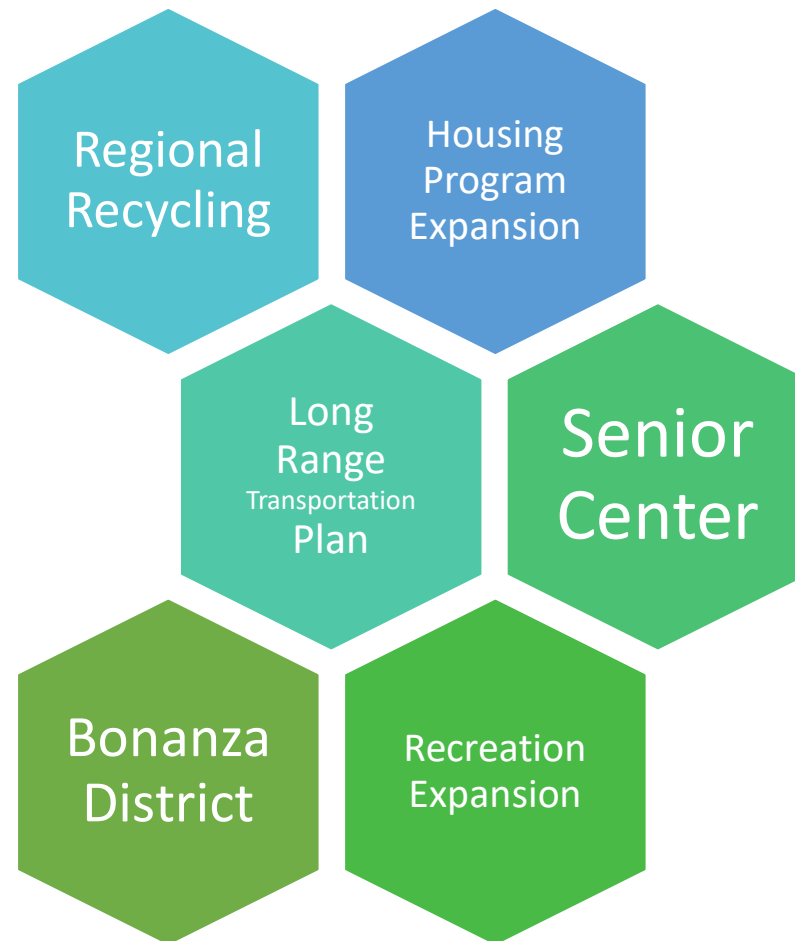
Funding & Financial Tools



FY24 Budget

1. Projected slowdown in economy (less sales tax revenue)
2. Limited flexibility on operating budget changes
3. Capacity to budget and plan for major capital projects
4. New funding sources

Potential Capital Projects



Housing



Source of Existing Housing Funds

Revenues for Housing & Land Acquisition Projects	
2019 Sales Tax Revenue Bond	\$23,096,752
Sale of Assets	\$839,849
LPA RDA Balance	\$29,459
Fee In Lieu	\$1,358,487
Other/Misc Capital Accrued Balance	\$131,993
Total	\$25,456,539

Source: Park City Municipal Corporation. As of December 2022.

Proposed FY24-FY28 Allocation

Ongoing Asset Improvement and Maintenance



\$2M

Asset Acquisition



\$5.5M

Public Private Partnership



\$16.9M

Housing Programs



\$1M

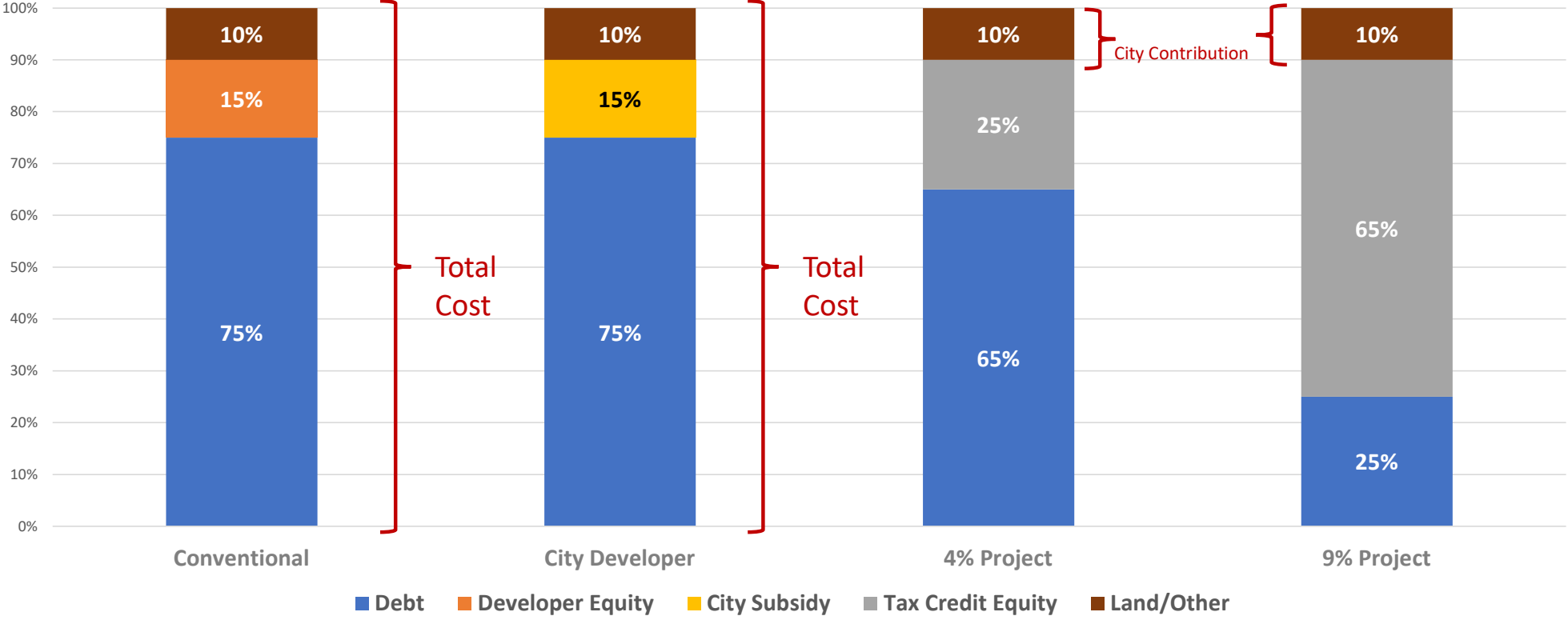
FY24-FY28 Housing Program Capital Budget	
Ongoing Asset Improvement & Maintenance	\$2,009,757
Asset Acquisition	\$5,500,000
Public Private Partnership	\$16,946,782
Housing Programs	\$1,000,000
Total	\$25,456,539

Source: Park City Municipal Corporation. As of December 2022.

Conventional Development v. LIHTC

\$50M Total Cost - 120 Units

Debt and Equity Comparison



Cost per Unit \$416k/unit
 City cost/unit \$0/unit

\$416k/unit
 \$416k/unit

\$416k/unit
 \$41.6k/unit

\$416k/unit
 \$41.6k/unit

Funding & Financial Tools

Existing

Unrestricted Funding

- Fund balance
- Sales tax

Capital Projects

- Defund
- Defer

Revenue Debt

- Water service fees
- Sales tax

Grants/Govnt Agencies

- Federal/state grants
- Summit County

New

GO Debt

- Property tax
- Voter approved

Property Tax

- Tax on property value
- Truth in Taxation

Grants/Govnt Agencies

- Federal/state grants
- Summit County

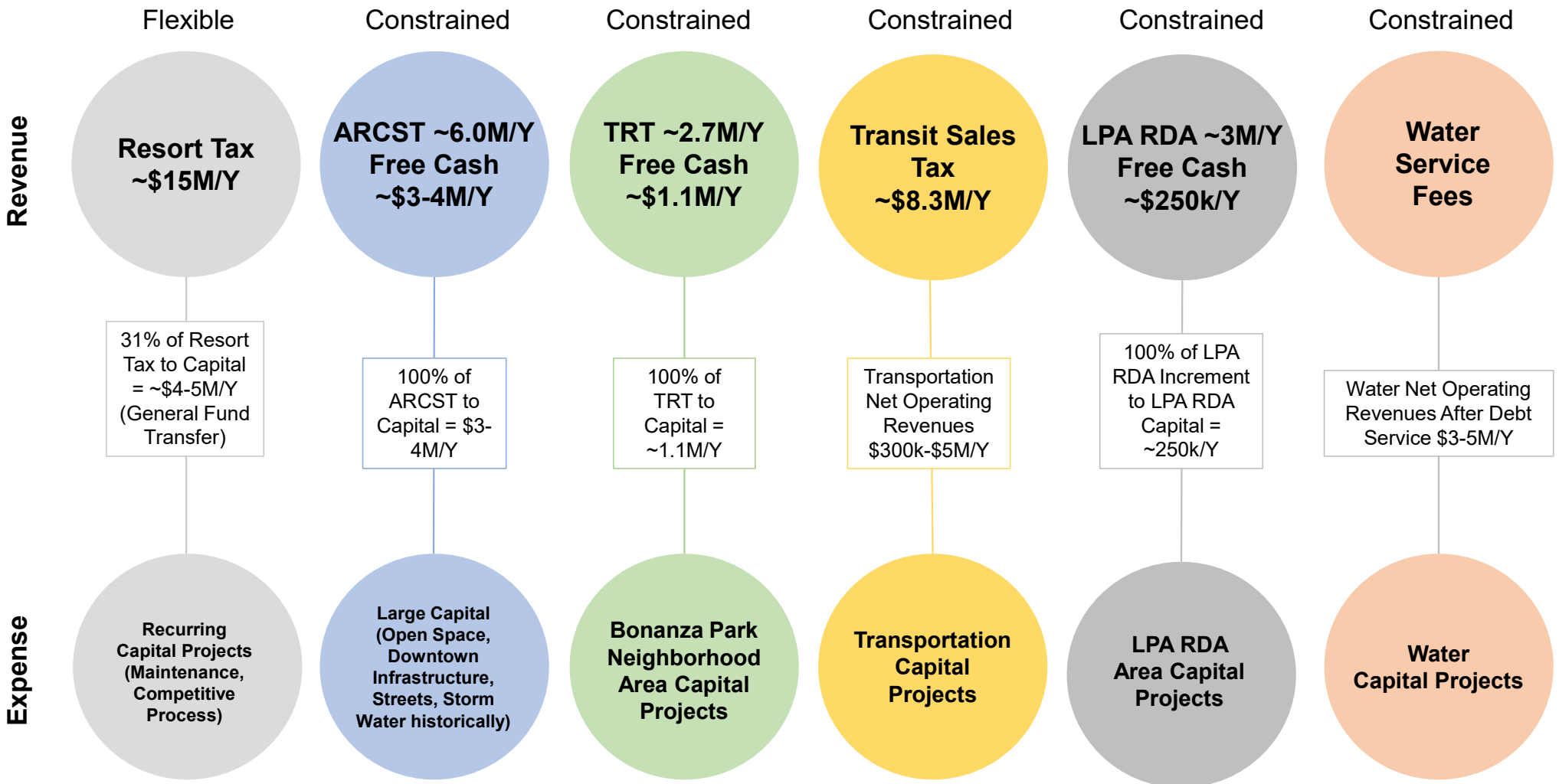
Economic Development Tools

- CRA
- PID

Public-private Partnerships (P3)

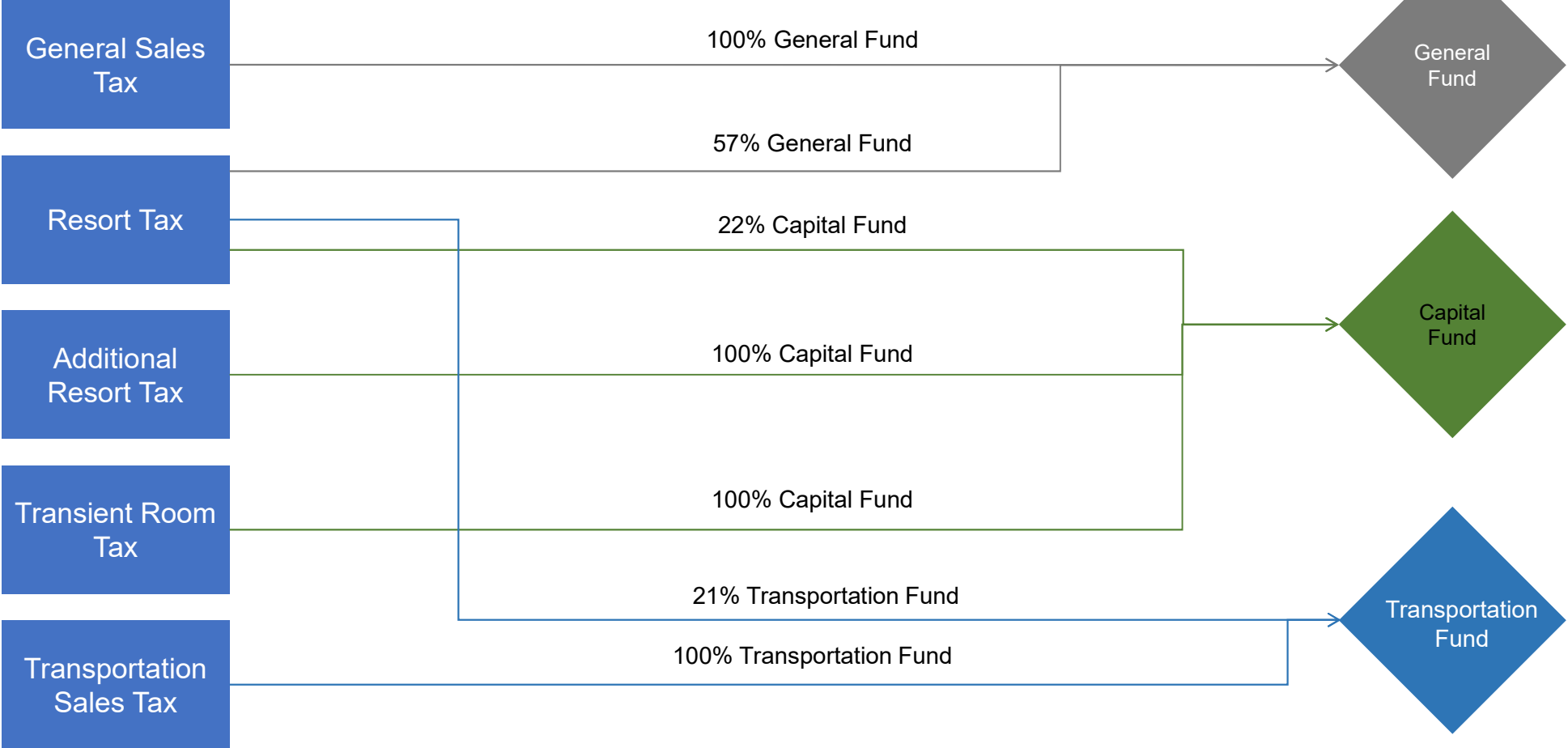
- Private sector
- Reduce City \$

Recurring City Revenues for Capital & Their Uses



Source: PCMC as of June 2022.

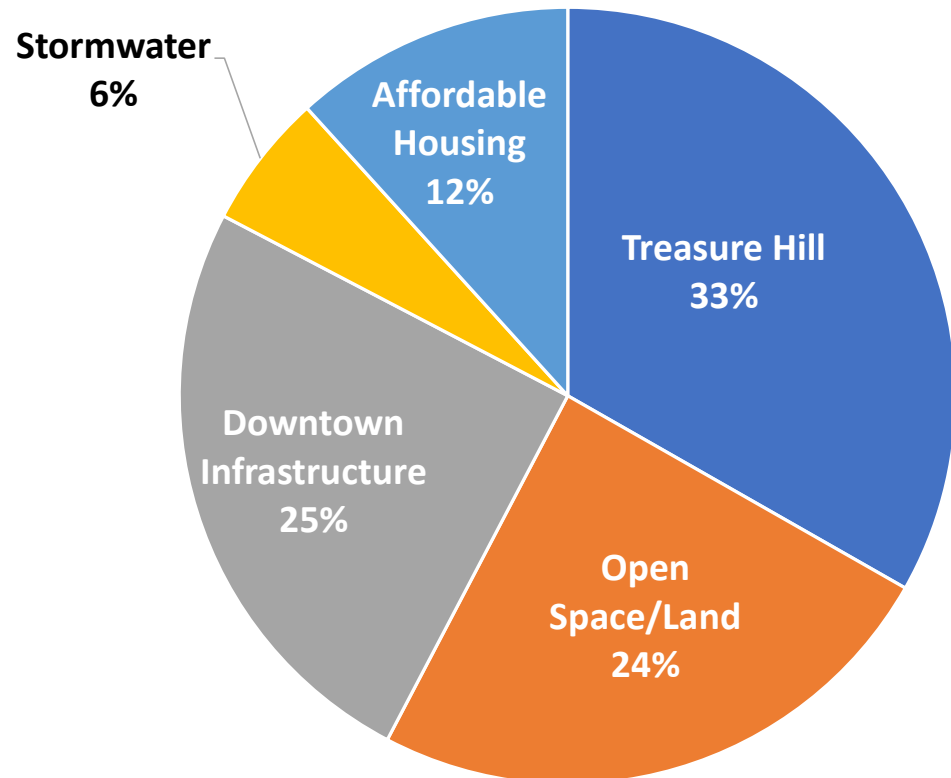
Where Do Our Sales Taxes Go?



Additional Resort Sales Tax

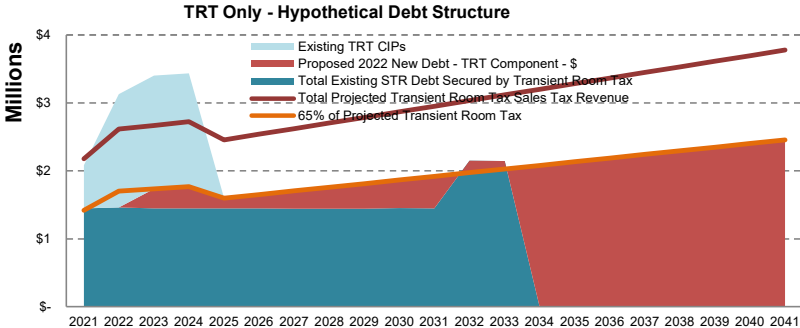
- **Adopted 2012 with Intended Uses**
- **\$5.2M (5-year avg)**
- **\$2.7M/year debt service**
- **\$42.5M Expended**

ARST Historical Uses



Transient Room Tax

Debt Capacity



~\$13-15M over 20 yrs
 @ 65% of Gross Revenue
 ~\$17-20M over 20yrs
 @ 75% of Gross Revenue

Historical Use

Arts & Culture

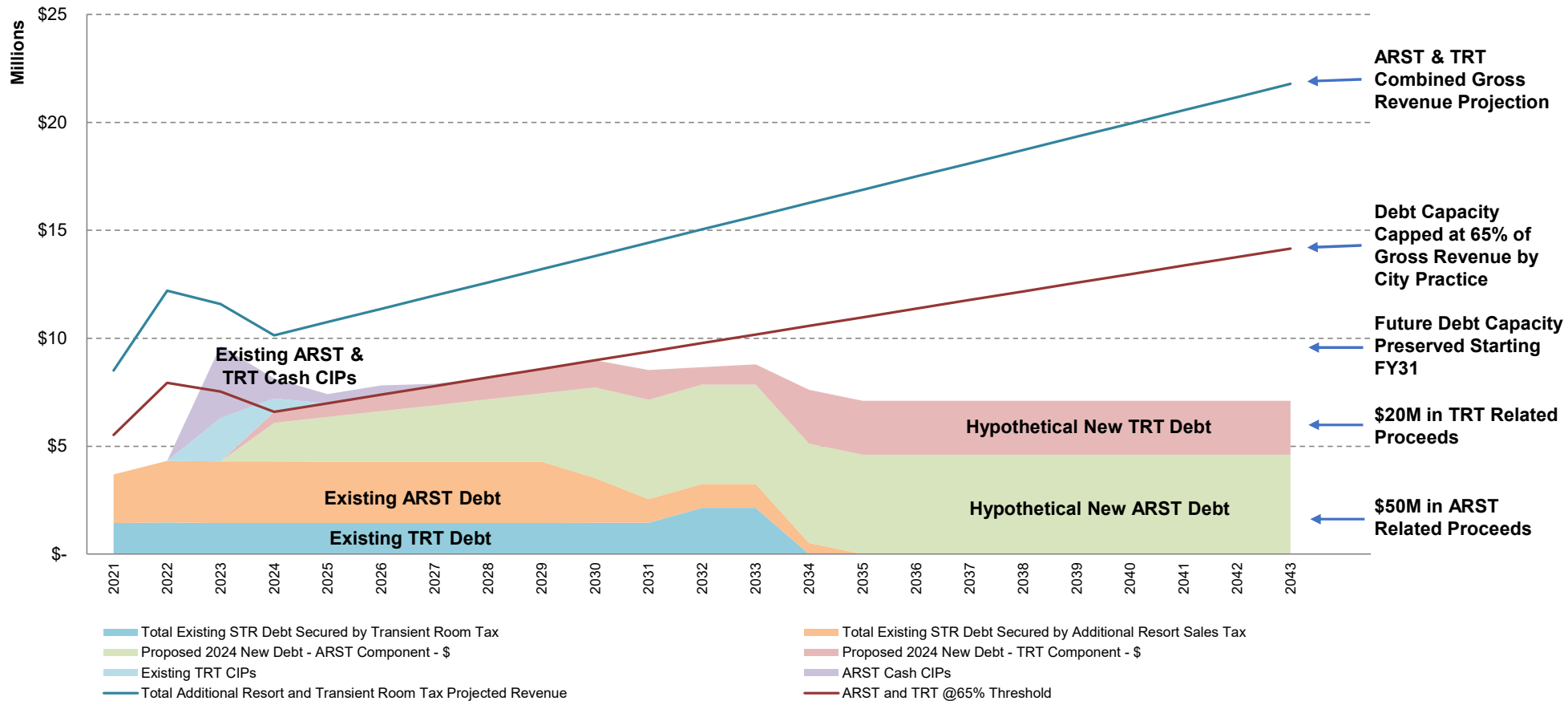
- Adopted 2017
- \$2.7M (3-year avg)
- \$1.4M/year debt service
- \$22.2M Expended

Potential Future Use

100% Flexible at Council Discretion

Hypothetical ARST & TRT Revenue Bond

ARST & TRT Combined Hypothetical Debt Structure
with Revenue Projection v. Expenses



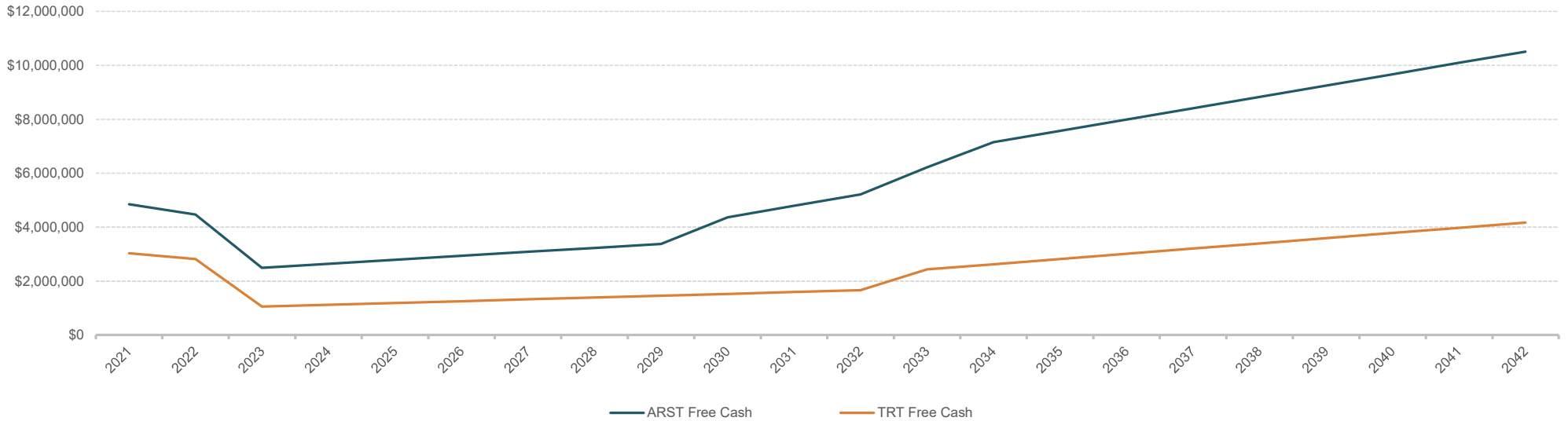
Source: Park City Municipal Corporation. As of December 2022.

Hypothetical ARST & TRT Revenue Bond Statistics

ARST & TRT Combined Hypothetical STR

Term	20 Years
Assumed Interest Rate	4.05%
Gross Revenue Threshold	65%
ARST Proceeds Raised	\$50,639,512
TRT Proceeds Raised	\$20,978,822
ARST Total Principal and Interest Cost	\$78,838,400
TRT Total Principal and Interest Cost	\$34,316,331

ARST and TRT Free Cash Preserved Under Hypothetical New STR Debt Scenario



Source: Park City Municipal Corporation. As of December 2022.

Existing STR Debt Service



2014b
ARST
STR

- Final Payment: **FY29**
- Average Annual P&I: **\$567,717**
- Total Remaining P&I: **\$4,611,278**



2015
ARST
STR

- Final Payment: **FY30**
- Average Annual P&I: **\$1,001,141**
- Total Remaining P&I: **\$7,004,675**



2017 LPA
RDA
Housing
STR

- Final Payment: **FY30**
- Average Annual P&I: **\$707,457**
- Total Remaining P&I: **\$4,951,930**



2017
ARST
STR

- Final Payment: **FY32**
- Average Annual P&I: **\$601,339**
- Total Remaining P&I: **\$5,344,980**



2017
TRT
STR

- Final Payment: **FY32**
- Average Annual P&I: **\$1,589,422**
- Total Remaining P&I: **\$14,632,685**



2017
TRT
STR

- Final Payment: **FY32**
- Average Annual P&I: **\$1,589,422**
- Total Remaining P&I: **\$14,632,685**



2019
ARST
STR

- Final Payment: **FY34**
- Average Annual P&I: **\$796,618**
- Total Remaining P&I: **\$11,323,375**



2019
LPA RDA
Housing
STR

- Final Payment: **FY31**
- Average Annual P&I: **\$1,826,273**
- Total Remaining P&I: **\$15,206,625**

Source: Park City Municipal Corporation. As of December 2022.

Operating Revenues Opportunities



- **Tax on the assessed value of a property**
- **Council discretion through Truth in Taxation**
- **Pay for operating or capital**

Property Tax Increase Scenario Analysis

Current PC Taxable Value (Summit & Wasatch Counties)	Current Rate	Current Operations Revenue Received
\$ 14,483,993,316	0.000737	\$ 10,674,703

Rate Required for Specified Amount of Additional Revenue	%, Increase in Rate	Additional Revenue to Generate Scenario	Implied New General Operations Revenue Received
0.000806	9%	\$ 1,000,000	\$ 11,674,703
0.000875	19%	\$ 2,000,000	\$ 12,674,703
0.000944	28%	\$ 3,000,000	\$ 13,674,703
0.001013	37%	\$ 4,000,000	\$ 14,674,703
0.001082	47%	\$ 5,000,000	\$ 15,674,703

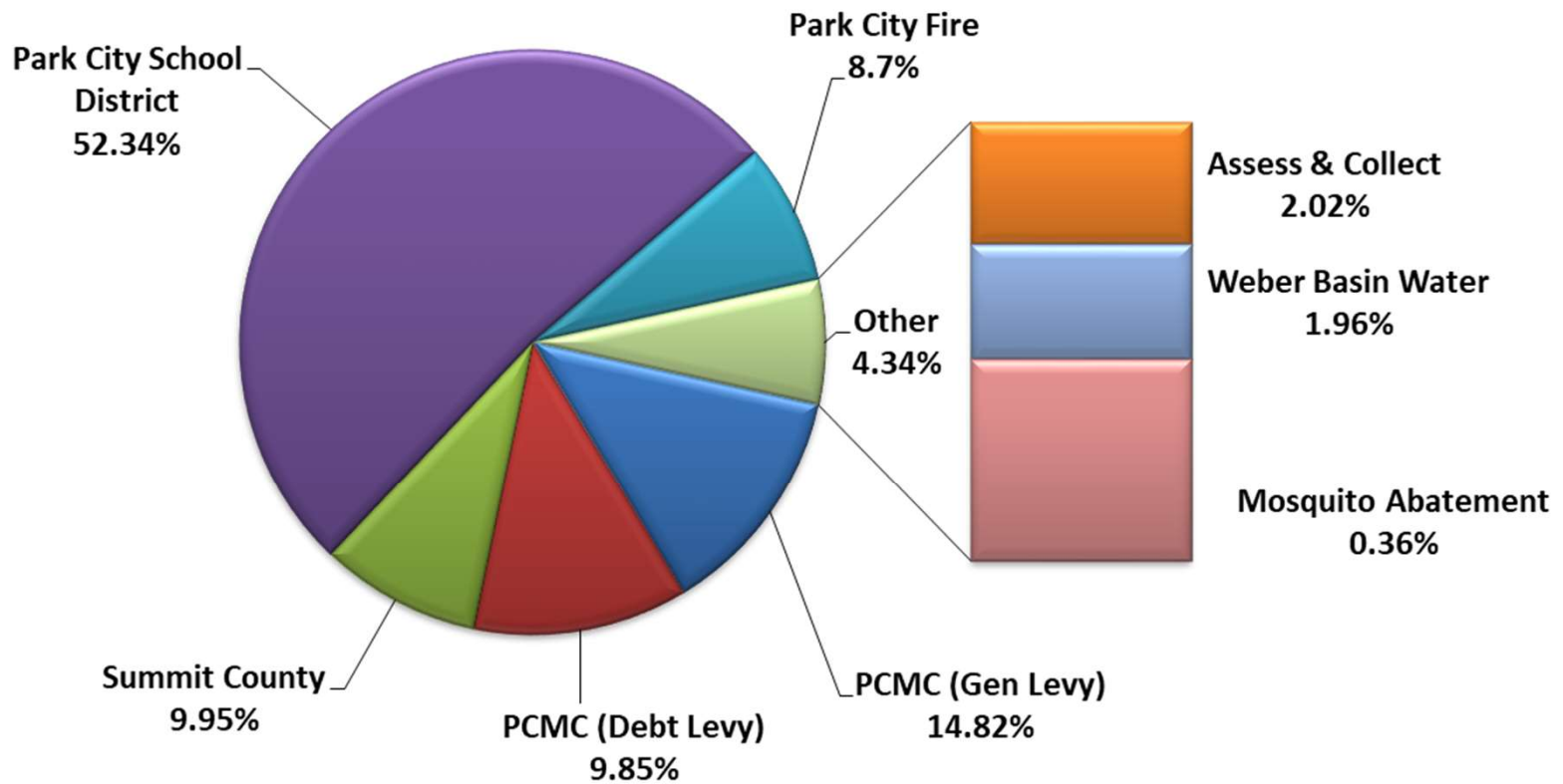
Park City Median Single-Family Home Price as of Q2 2022	\$ 3,700,000
Median Single-Family Home Price Assessed Value	\$ 1,517,000
Median Single-Family Home Price Taxable Value for a Primary Resident	\$ 834,350
Current Annual Property Tax to PCMC from Median Single-Family Primary Home	\$ 614.92

Implied Increase to Median Single-Family Bill Under Hypothetical Scenarios			
Additional Revenue to Generate Scenario	Rate Required for Specified Amount of Additional Revenue	%, Increase in Rate	\$, Annual Increase to a Median Single-Family Primary Home
\$ 1,000,000	0.000806	9%	\$ 57.60
\$ 2,000,000	0.000875	19%	\$ 115.21
\$ 3,000,000	0.000944	28%	\$ 172.81
\$ 4,000,000	0.001013	37%	\$ 230.42
\$ 5,000,000	0.001082	47%	\$ 288.02

Source: Park City Municipal Corporation. As of December 2022.

Property Tax Distribution

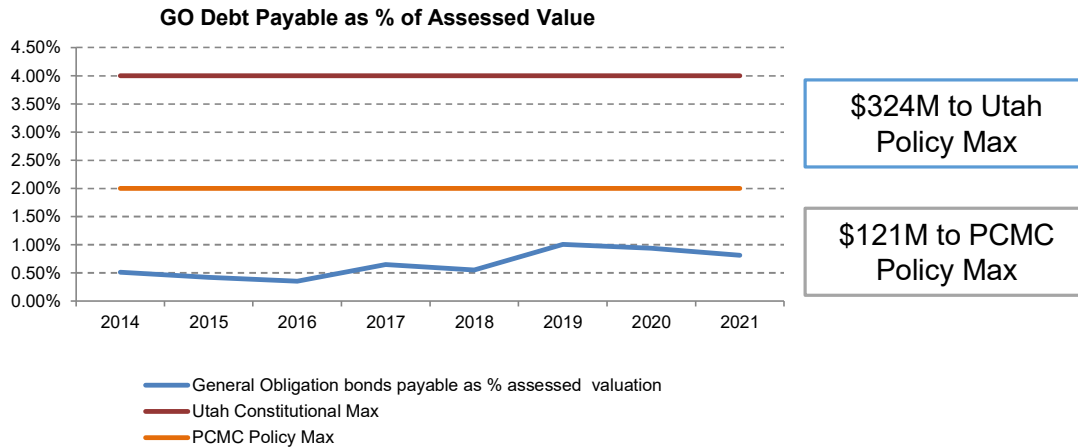
Where Does Your Property Tax Dollar Go?



G.O. Bond Capacity

General Obligation Bonds

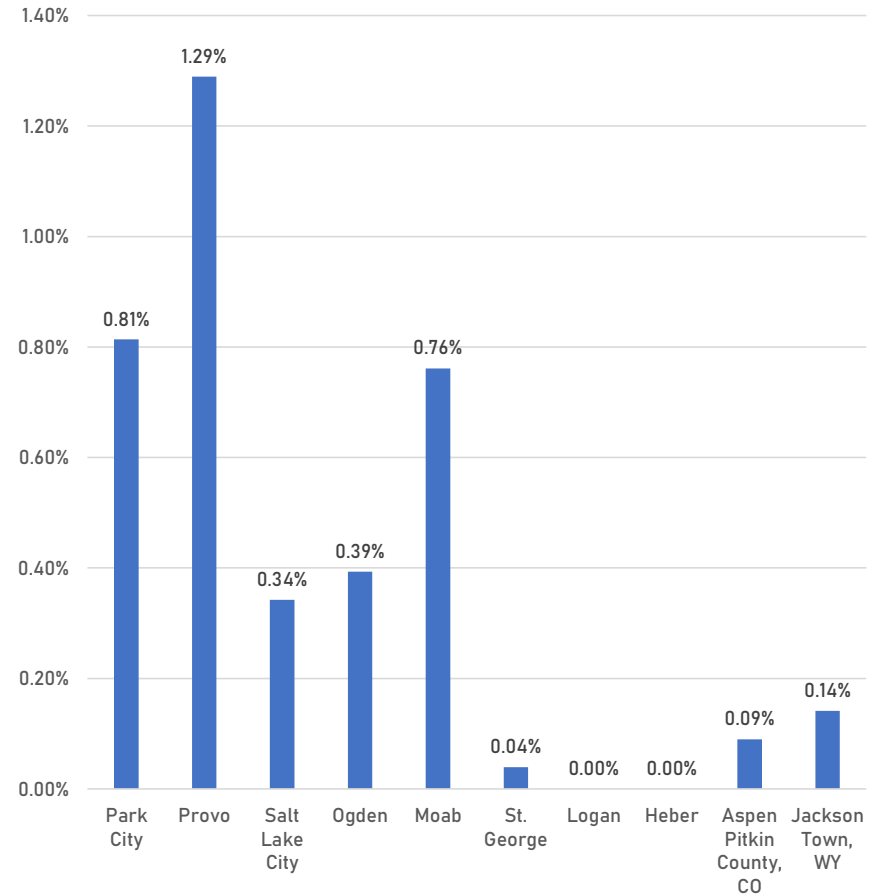
PCMC limits total General Obligation debt payable to not exceed 2% of the City's assessed value, which stood at \$10.1 Bn as of FY21.



\$324M to Utah Policy Max

\$121M to PCMC Policy Max

Selection of Cities
General Obligation Debt as % of Assessed Value



Source: Park City Municipal Corporation. As of December 2022.

Hypothetical G.O. Bond Statistics

Hypothetical New Recreation G.O. Bond Principal Amount	Prevailaing 20Y AA+ Municipal Interest Rate as of 12/5/2022	Term of Hypothetical New G.O. Debt	Annual Debt Payment Implied
\$ 35,000,000	4.04%	20	\$2,584,491
\$ 50,000,000	4.04%	20	\$3,692,131

Hypotethical New Recreation G.O. Bond Principal Amount	Rate Required for Specified Amount of Additional Revenue	%, Increase in Rate	Additional Revenue to Generate For Scenario
\$ 35,000,000	0.000915	24%	\$2,584,491
\$ 50,000,000	0.000992	35%	\$3,692,131

Implied Increase to Median Primary and Secondary Single-Family Property Tax Bill Under Hypothetical Scenarios				
Hypotethical New Recreation G.O. Bond Principal Amount	\$, Annual Increase to a Median Single-Family Primary Home	\$, Annual Increase to a Median Single-Family Secondary Home	\$, Monthly Increase to a Median Single-Family Primary Home	\$, Monthly Increase to a Median Single-Family Secondary Home
\$35,000,000	\$148.88	\$270.69	\$12.41	\$22.56
\$50,000,000	\$212.69	\$386.70	\$17.72	\$32.23

Source: Park City Municipal Corporation. As of December 2022.

Existing G.O. Debt Service



- Final Payment: **FY28**
- Average Annual P&I: **\$585,950**
- Total Remaining P&I: **\$3,014,789**



- Final Payment: **FY32**
- Average Annual P&I: **\$2,185,968**
- Total Remaining P&I: **\$19,434,000**



- Final Payment: **FY33**
- Average Annual P&I: **\$4,040,609**
- Total Remaining P&I: **\$40,406,300**



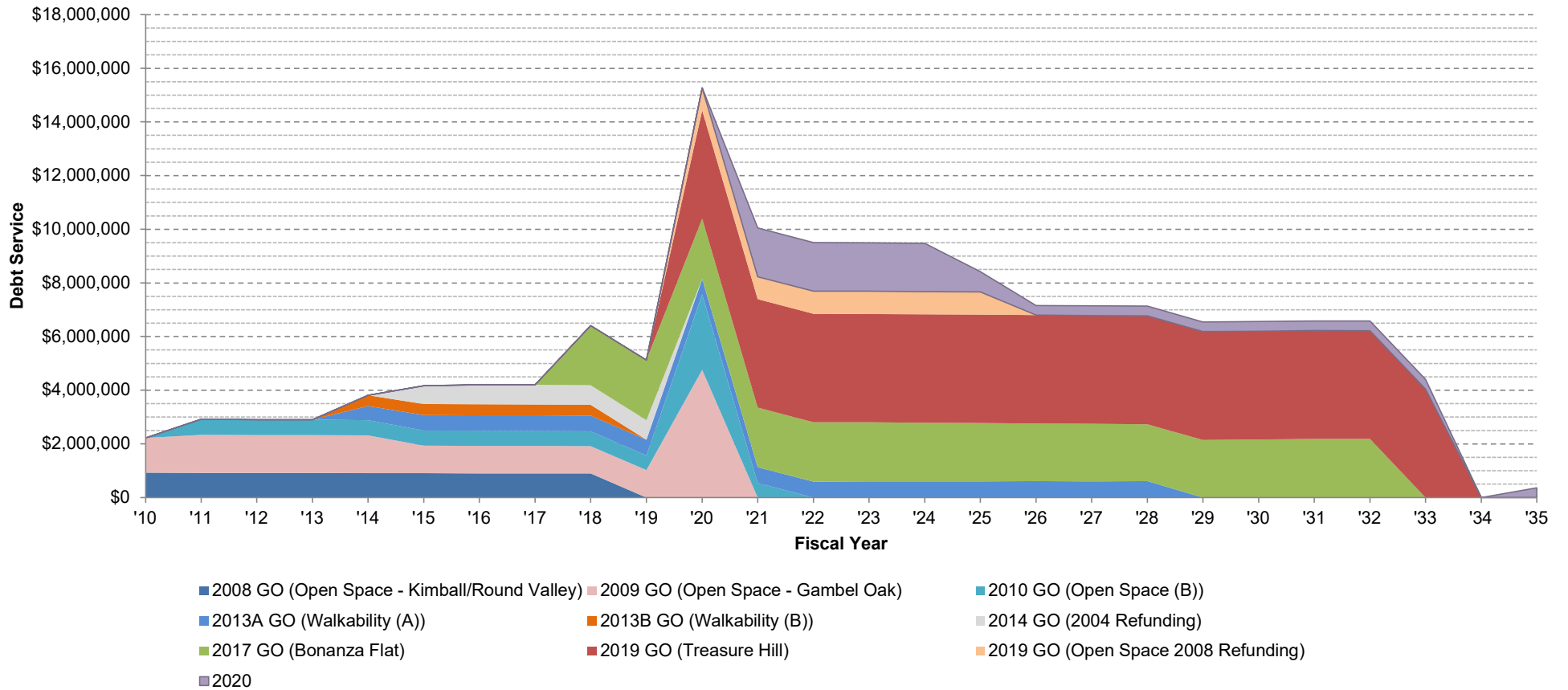
- Final Payment: **FY25**
- Average Annual P&I: **\$841,706**
- Total Remaining P&I: **\$1,688,750**



- Final Payment: **FY35**
- Average Annual P&I: **\$747,600**
- Total Remaining P&I: **\$5,781,001**

Historical and Existing G.O. Debt Service

Long Term GO Debt (by Series)

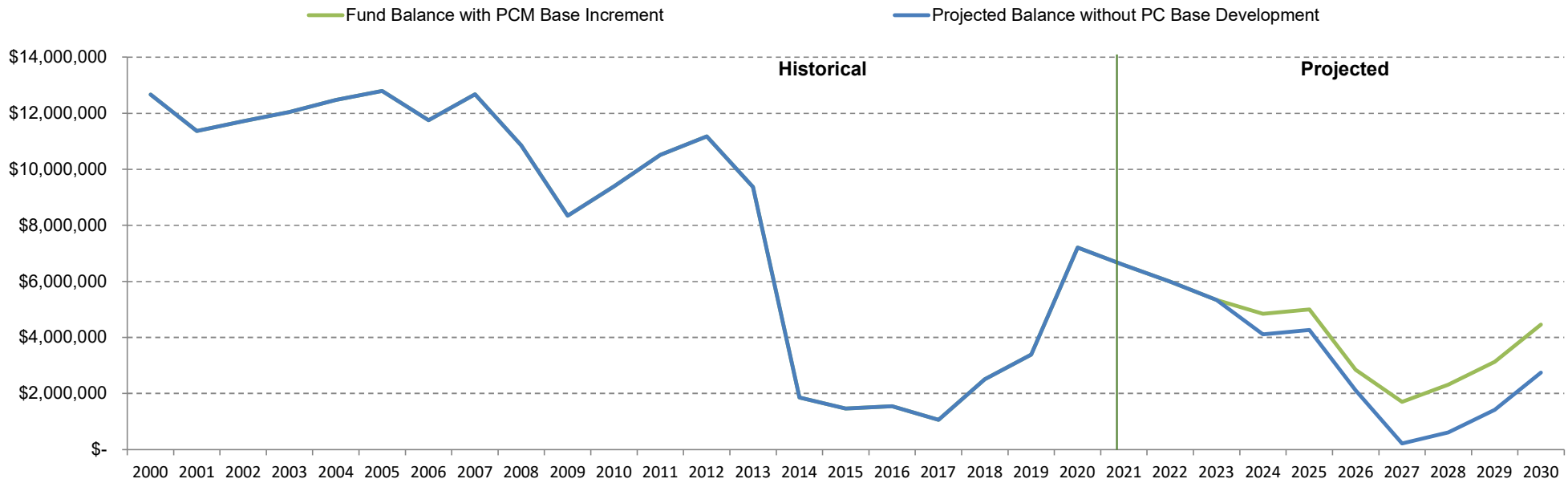


Source: PCMC as of April 2022.

Lower Park Avenue RDA

- An update to our fund balance model indicates fund balance is sustainable, yet fully levered as previously noted
- Potential tax increment from Park City Mountain base development has the potential to benefit RDA fund balance and create slightly more flexibility in the long-term

Lower Park RDA - Historical & Projected Fund Balance Over Time



Additional Opportunity: Special Financing Tools



Community Reinvestment Agency

- Redistributes property tax within geographic boundary based on new growth
- Other governmental entities must authorize



Public Improvement District

- Creates a new property tax within geographic boundary
- City authorizes

Proceeds from special financing deals are 100% dependent on creating new asset growth and the corresponding resulting assessed value of the new asset

Development-Linked Financing Tools

	RDA	CRA	PID
Authorization	Taxing Entity Committee (representatives from each taxing entity)	ILA between each taxing entity and CRA	City/County where PID is proposed
Initiation	City (or County)	City (or County)	Developer seeking more funding
Governance	Same board as initiating entity (City)	Same board as initiating entity (City)	Separate board
Property Tax	Redistributes new growth (development) of property tax within boundaries	Redistributes new growth (development) of property tax within boundaries	Adds new property tax for residents of bounded geography only
Bonding	Proceeds raised from tax increment (new growth in boudaries)	Proceeds raised from tax increment (new growth in boudaries)	Proceeds raised from raised tax levy on new/existing property owners
Debt Liability	RDA is component unit of City, incurs RDA's debt	CRA is component unit of City, incurs CRA's debt	PID is separate political subdivision, City wouldn't incur debt
Extension or Change	Through TEC	Through ILAs with each taxing entity	Determined by governing document
Project Requirement	Flexible	Project area and budget need approval from all taxing entities	Some constraints determined by governing document



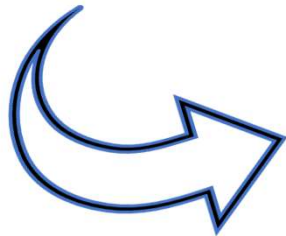
Source: Park City Municipal Corporation. As of December 2022.

Transportation Revenue Opportunities

Transit Sales Taxes



- **\$12M/year can be used for ops & capital**
- **COG (3rd Qtr) - apply through Summit County annually (capital only)**
- **Fund balance**



Grants

- **Federal and state grants**
- **Over \$30M planned in next 5 yrs**
- **Continually applying**