

MEMORANDUM



DATE: DECEMBER 3, 2014
TO: MAYOR & COUNCIL MEMBERS
FROM: CRYSTAL PRENTICE, CITY MANAGER
SUBJECT: BUDGET REALLOCATION

At the November 19, 2014 City Council Meeting, the City Council adopted Resolution #1139-14 adopting the 2015 City Council priorities. Staff recommends the following budgetary changes to the FY 14/15 budget to align resources to meet the objectives identified in the Strategic Plan. The 2015 Strategic Priorities plan will be implemented over two budgets.

TOURISM FUND 42

Reductions:

I recommend reducing six line items (see attachment) in the Tourism fund, major changes include:

- Reduce the Events line item by \$14,355. The budget includes \$4,000 for the Lake Powell Concert Association and \$15,000 for the Page Lake Powell Rock & Reel Film Festival.
- Reduce the Economic Development line item by \$13,500. A request for \$6,500 from SBDC will be forth coming for Council consideration.
- Reduce the Contingency line item by \$ 91,843.

Increases:

I recommend increasing six line items (see attachment) in the Tourism fund, including:

- Increase the personnel line items (salaries, industrial and medical insurance, FICA, ASRS, and unemployment) by \$52,300 to offset the costs of hiring a Community Development Director.
- Increase the Contract Services Line item by \$18,893 to include \$35,000 towards a master plan of Horseshoe Bend and the Amphitheater.
- Increase the Beautification line item by \$55,000 to include funds to complete the North Navajo improvements.

GENERAL SERVICES FUND 10-411

Reduction:

I recommend reducing Compensated Absences line items in the General Services fund by \$47,000 and transferring \$47,000 to Engineering Fund 10-461. The Compensated Absences line item is budgeted at \$100,000. We expect that approximately \$53,000 will be expended with planned retirements.

ENGINEERING FUND 10-461

Increase:

I recommend increasing the personnel line items (salaries, industrial and medical insurance, FICA, ASRS, and unemployment) by \$47,000 to offset the costs of hiring a City Engineer.

TOURISM FUND 42

		BUDGET	UNEXPENDED/ UNCOMMITTED FUNDS	PROPOSED BUDGET	% CHANGE	COMMENTS
42-486-1101	SALARIES	\$65,000	\$43,197	\$105,000	62%	\$40,000 increase - Community Development Director Salary
42-486-1201	INDUSTRIAL INSURANCE	1,651	1,149	1,751	6%	\$100 increase - Personnel
42-486-1202	MEDICAL INSURANCE	14,775	9,996	22,075	49%	\$7300 increase - Personnel
42-486-1203	FICA	4,789	3,183	5,089	6%	\$300 increase - Personnel
42-486-1204	ASRS	7,540	5,011	12,140	61%	\$4600 increase - Personnel
42-486-1205	UNEMPLOYMENT	175	175	175	0%	
42-486-2101	OPERATING SUPPLIES	2,000	951	2,000	0%	
42-486-2403	POSTAGE	1,500	931	1,500	0%	
42-486-2404	UTILITIES	600	427	600	0%	
42-486-2510	EVENTS	41,000	31,308	26,645	-35%	\$14,355 reduction in events; budget includes \$4,000 for LPCA & \$15,000 for the film festival
42-486-2512	BALLOON REGATTA MTKG	15,000	690	15,000	0%	No Change
42-486-2540	MARKETING & PROMOTION	54,970	-220	55,190	0%	\$220.30 Increase to cover committed expended and committed expenditures
42-486-2590	CONTRACT SERVICES	25,000	-18,983	43,983	76%	\$18,983 increase - budget \$35,000 for master plan for Horseshoe Bend and Amphitheater
42-486-2700	TRAVEL, MEALS & SCHOOLS	16,000	3,986	16,000	0%	No Change
42-486-2804	SUBSCRIPTIONS/MEMBERSHIPS	3,000	1,815	1,185	-61%	\$1,185 decrease in subscriptions and memberships
42-486-3285	ECONOMIC DEVELOPMENT	20,000	20,000	6,500	-68%	\$13,500 reduction - Consider SBDC request of \$6,500
42-486-3290	FAMILIARIZATION TOURS	2,000	1,895	1,000	-50%	\$1,000 reduction to familiarization tours
42-486-3300	BEAUTIFICATION	10,000	6,296	65,000	550%	\$55,000 increase for North Navajo Improvements
42-486-9600	CONTINGENCY	180,000	180,000	88,157	-51%	\$ 91,843 reduction to the Tourism Contingency
42-486-9865	MUSEUM/VISITOR CENTER	45,000	-22,500	45,000	0%	No Change
42-486-9866	CHAMBER OF COMMERCE	15,000	7,500	15,000	0%	\$15,000 was contingent upon agreed upon MOU
42-486-9901	FIREWORKS	15,000	3,991	11,009	-27%	\$3,990 reduction in Fireworks
		\$540,000	\$280,797	\$540,000	0%	

MEMORANDUM



DATE: NOVEMBER 24, 2014

TO: MAYOR & COUNCILMEMBERS

FROM: CRYSTAL PRENTICE, CITY MANAGER

SUBJECT: MEMO OF UNDERSTANDING – CHAMBER OF COMMERCE

During initial FY 14/15 budget discussions \$15,000 was allocated for the Page Chamber of Commerce in the Tourism Fund. When the preliminary budget was adopted, the line item had been reduced to \$7,500. Prior to the final budget adoption the Chamber of Commerce Director Judy Franz expressed deep concern about the change in funding and the Tourism Director increased the budget line item back to \$15,000. The City Council directed staff to work with the Chamber of Commerce to establish a memorandum of understanding for the funding.

On September 2, 2014 staff met with Chamber of Commerce President, Chris VanMeenan and Judy Franz to discuss establishing an agreement. As a starting point for discussion, staff drafted five goals. They included:

1. **ECONOMIC DEVELOPMENT STRATEGIES:** Identify strategies that the Chamber can use, either independently or with Tourism, to carry out the mission to "...*promote business development and retention in Page.*"
2. **BUSINESS DEVELOPMENT:** Create a partnership with SBDC to provide management assistance to current and prospective small business owners within Page; and begin "entrepreneur networking" where prospective entrepreneurs can meet with those who have experience launching a business or who can offer other useful support services.
3. **BUSINESS ATTRACTION AND RETENTION:** Assist in formulating a business attraction strategy and work with Tourism to employ marketing techniques, such as: brochures of land sales to targeted industries; advertising in trade publications; participation in industry trade shows; seminars for current and prospective businesses. Assist in formulating a business retention strategy to retain businesses, such as: on-site visits to determine plans for changes and attitudes toward local government; periodic business roundtables; encourage an efficient regulatory environment; and recommend policy changes in response to problems identified by local business.
4. **DEVELOP INCENTIVES AND FINANCING:** Support local government partners in offering incentives to attract and retain business to encourage business investment and create jobs. Long term, the resulting economic development will increase tax base to allow expanded services or lower taxes.
5. **EDUCATION AND TRAINING:** Support local educational partners in continuing to address work-force training issues. Work with Coconino Community College to reinstate and update the Customer Service course to train the work force for the hospitality industry.

After the discussion, we agreed the Chamber would draft a proposal for City Council consideration (see attached).

Staff has arranged for a work session to allow representative of the Chamber of Commerce to present their proposal and provide City Council the opportunity to provide input on the terms of the memorandum of understanding prior to presenting a formal request.

The Chamber Page/Lake Powell is active in Education, Business, Community, Economic and Tourism development to enhance and serve the City of Page and it's residents.

- **Tourism:**

1. Tourist contact – Chamber tracked walk-ins and phone calls from 7/01/13 through 9/30/13. In that time there were 500+ walk-ins and over 660 phone calls all having questions ranging from what to do in Page, medical care, road conditions, local accommodations, restaurants, car/boat repair, and many others. Imagine these numbers were much higher for 2014 as Page enjoyed an increase in tourism this year.
2. Information – distribution of maps, brochures, business cards, relocation and general information.
3. Chamber Web Site: links to Tourism, City of Page, Powell Museum, radio station, newspaper, business/members, tour groups and community resources. See attached *Usage Summary* to view number of hits on the website or Social Media Outlets, which is updated and managed by Chamber staff.
4. The Chamber is an active and contributing tourism outlet for businesses that operate in Page and the surrounding area by booking tours or providing additional resources.

- **Business Development:**

1. Monthly Mixers – average attendance between 40 to 60 people. Members meet to discuss/air opinions & concerns, network, become informed on issues impacting businesses and community.
2. Red Carpet Openings – advertises for new businesses as well as established businesses who change locations, remodel, expanded, etc..
3. Weekly E-Blasts – announces events around the area, new businesses, member information, member ads & specials, job postings, community issues.
4. Chamber Web Site – besides all the other links (see #3 under Tourism) a member's business website is linked and can be easily accessed through Chamber site.
5. Large Web Site Base – our website is and has been used to disseminate information to multiple agencies, businesses and community at one time. Ex: Hwy 89 collapse – City asked Chamber to help coordinate information, meetings and updates due to our broad web site. We are linked to members plus City, County, State agencies, Park Service, ADOT, etc..

6. Membership Retention/Expansion Survey – survey sent to members asking opinions, requesting input to questions such as what issues affect business, ways to increase business, what would they like to see changed, etc.. The survey determines the Strategic Plan for The Chamber Page/Lake Powell towards local government, tourism and business needs.
- **Community Development:**
 1. Circle of Page/Food Pantry – collection/drop off point for food donations, Chamber updates & maintains Circle of Page website and Social Media Outlets on an ongoing basis, Executive Director attends their meetings, Chamber prints posters for food drives plus advertise for them. A request was made by a City official to see if the Chamber could help this group of volunteers who run and staff this very important service to the community.
 2. Backpack Friday – sending food home with children for the weekend so they have something nutritious to eat. Chamber does the same as listed above.
 3. 9/11 Day of Service and Memorial in the Park – community approached Chamber for help and support in sponsoring this event which showcased vital support services available to residents of our community and surrounding area. Also a memorial to pay tribute and thank our military, police and fire personnel who protect and serve.
 - **Educational Development:**
 1. LYNDA Program – Chamber will have 2 computers, computer projector and software available to businesses for employee training. We are working with Coconino Community College to expand the program.
 2. CCC Hospitality Program – working with CCC to bring classes to businesses and students in customer service.
 3. Scholarships to CCC – Chamber raises monies for scholarships so local students can continue their education.
 - **Economic Development:** Many of the Chamber’s programs encompass more than one area.
 1. LYNDA Program – through this program we help educate and train business personnel to create the best Labor Workforce available for the City of Page. When a business improves it is to the betterment of the whole community and tax base.
 2. Customer Service Classes – CCC – training aimed at creating the best Labor Workforce available for the City of Page.

3. Business Information – Chamber answers questions received via phone, mail and email regarding new business ventures, procedures, questions, contacts, etc. and appropriate web site links are passed along.
 4. Mixers – networking
 5. Job Postings
 6. Membership Retention/Expansion Survey
 7. On-site Visits - personal interaction with businesses to determine issues, and advise ways for improvement.
 8. Relocation Guide – these guides are given to businesses for distribution to tourists or whomever is looking for information and also included in packets mailed out by Chamber. Real Estate agents also include this guide in their mailings to prospective business contacts and people interested in moving to area.
 9. Northern Arizona Alliance of Chambers – Chamber is a member of the NAAC which discuss ideas and issues that impact business, tourism and economic development for a larger group of residents.
- **Events & Partnerships:**
 1. 4th of July Parade and Park Activities – City requested the Chamber organize, host, staff and advertise for the event.
 2. Best of Page Annual Banquet & Awards – Recognizes and awards the “Best Of” businesses in Page.
 3. Fireball Run – City requested Chambers participation.
 4. 50th Glen Canyon Dam Celebration – City requested Chambers participation.
 5. Judges Retreat – Judge D. Roberts requested Chambers assistance.
 6. Veteran’s Day Parade – Chamber office used to collect and process parade applications plus advertise event.
 7. Balloon Regatta Vendor Fair – sponsors, organizes, staffs vendor fair for over 60 vendors. There are many volunteer hours and paid staff hours used to complete this event.

8. Parade of Lights – Chamber collects parade applications in office and pays insurance for this event.
9. Holiday Home Tour & Santa's Layover – these simultaneous events raise monies for the CCC Scholarship Fund given to a local student to continue their education.
10. Lake Powell Cruisers Car Show – assisting the Cruisers with vendors and advertising. This event brings in cars and participants from all over.

- **Miscellaneous:**

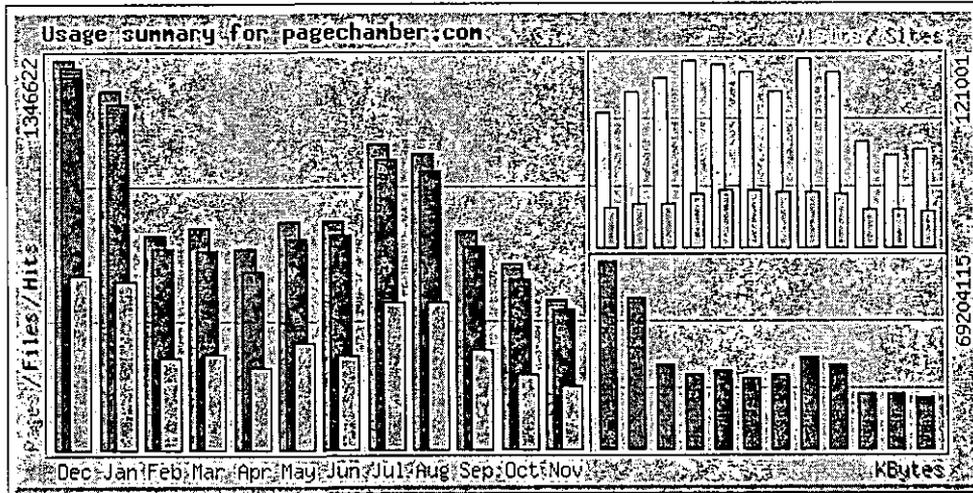
1. Events Calendar – Chamber maintains an up to date Calendar of Events where any and all events can be posted – do not need to be a member to list events.
2. Meeting Facility – Chamber Office available for meetings, training, etc.
3. Organizations – works in concert with various civic, government and private community organizations as requested.
4. Community and Business Referrals – through web site, emails, phone contact or office visits.
5. Membership- Current membership, 240 active members, 15 In-kind trades, 28% increase in membership since June 2014.
6. Volunteers – collectively the Chamber Board & other helpers donate 1700+ hours a year so the events and programs offered for the betterment of the City and community can be carried out. These hours do not include Chamber staff hours, payroll, taxes, etc. which are all part of the process.
7. Expenses – the Chamber operates on funds received from membership dues plus funds from the City/Tourism. Donations and sponsorships from local businesses help defer costs of events and programs.

The Chamber supports this City in many different ways and if the City does not support us in kind then we will be forced to drastically cut events and other programs which impact our community on many different levels.

Usage Statistics for pagechamber.com

Summary by Month

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Summary by Month										
Month	Daily Avg				Monthly Totals					
	Visits	Pages	Files	KBites	Visits	Pages	Files	KBites	Sites	KBites
Nov 2014	21485	19982	9064	2618	22674	19009814	62846	217559	479585	515644
Oct 2014	20743	18947	8305	1904	24101	20144191	59027	257471	587382	643043
Sep 2014	25042	23250	11422	2258	24449	19808600	67764	342685	697519	751284
Aug 2014	32814	30945	16315	3598	33608	30583191	111555	505768	959298	1017260
Jul 2014	33817	32134	16309	3903	35066	33215729	121001	505602	996183	1048343
Jun 2014	26234	24720	10774	3314	34797	27531066	99439	323245	741600	787021
May 2014	25452	23505	11928	3589	36630	25834353	111266	369774	728673	789029
Apr 2014	23113	20524	9396	3888	36420	28931928	116664	281909	615743	693401
Mar 2014	24703	22211	10501	3836	33649	27527782	118926	325536	688553	765822
Feb 2014	26301	24724	11187	3862	28323	30850687	108156	313260	692288	736430
Jan 2014	39928	38458	18830	3188	27646	55178187	98839	583746	1192205	1237772
Dec 2013	43439	42425	19407	2753	25672	69204115	85364	601642	1315189	1346622
Totals						387819643	1160847	4628197	9694218	10331671