



City of Prescott

City Council - Study Session

February 27, 2024 | 1:00 PM
201 N Montezuma Street
City Council Chambers, 3rd Floor
Prescott, AZ 86301

AGENDA

The following Agenda will be considered by the **Prescott City Council** at its **Study Session** pursuant to the Prescott City Charter, Article II, Section 13. Notice of the meeting is given pursuant to Arizona Revised Statutes, Section 38-431.02. One or more members of the Council may be attending the meeting through the use of a technological device.

Viewing & Participation

This meeting may be viewed on Channel 64, Facebook Live or on the City's website: [City of Prescott Public Portal](#)

Public comments for Council may be submitted through the City website: [Public Comment Form](#)

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **DISCUSSION**
 - A. Presentation & Discussion Regarding an Overview of the City's Communications, Economic Development and Tourism Office.
 - B. Midyear Budget Report for FY2024.
4. **ADJOURNMENT**

Upon a public majority vote of a quorum of the City Council, the Council may hold an executive session, which will not be open to the public, regarding any item listed on the agenda but only for the following purposes:

- (1) Discussion or consideration of personnel matters (A.R.S. §38-431.03(A)(1));
- (2) Discussion or consideration of records exempt by law (A.R.S. §38-431.03(A)(2));
- (3) Discussion or consultation for legal advice with the city's attorneys (A.R.S. §38-431.03(A)(3));
- (4) Discussion or consultation with the city's attorneys regarding the city's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid litigation (A.R.S. § 38-431.03(A)(4));
- (5) Discussion or consultation with designated representatives of the city to consider its

position and instruct its representatives regarding negotiations with employee organizations (A.R.S. §38-431.03(A)(5));

(6) Discussion, consultation or consideration for negotiations by the city or its designated representatives with members of a tribal council, or its designated representatives, of an Indian reservation located within or adjacent to the city (A.R.S. §38-431.03(A)(6);

(7) Discussion or consultation with designated representatives of the city to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. §38-431.03(A)(7)).

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Prescott City Hall on 2/22/24 at 11:00 a.m. in accordance with the statement filed by the Prescott City Council with the City Clerk.



Sarah M. Siep, City Clerk



TO: MAYOR AND CITY COUNCIL
AGENDA: February 27 Study Session
DATE: February 27, 2024
DEPT: City Manager
ITEM #: 3.A
SUBJECT: Presentation & Discussion Regarding an Overview of the City's Communications, Economic Development and Tourism Office.

ITEM SUMMARY

Department overview of the Communications, Economic Development and Tourism Office, including review of responsibilities, budget overview, goals and objectives.

BACKGROUND

Staff will provide an overview of the Communications, Economic Development and Tourism offices, including department objectives, a budget overview, trends and opportunities for each of the three offices.

FINANCIAL IMPACT

There is no financial impact associated with this item.

RECOMMENDED ACTION

This item is for discussion only. No formal action will be taken.

ATTACHMENTS

1. 2024 Department Presentation to Council



Experience Prescott
OFFICE OF TOURISM

COMMUNITY OUTREACH ECONOMIC DEVELOPMENT & *Tourism*

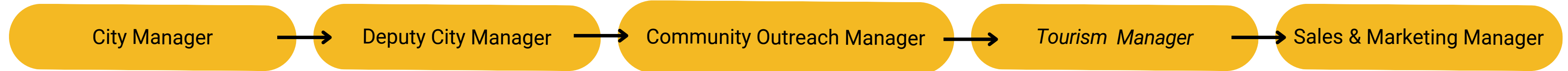
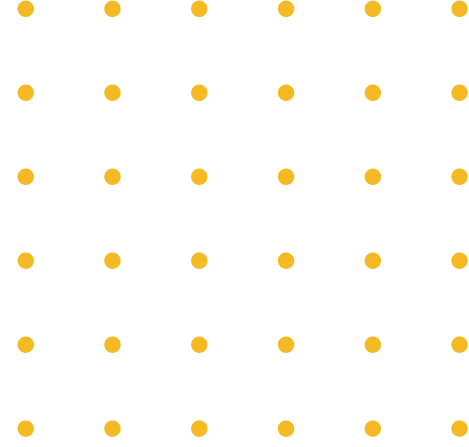
*John Heiney
Cristina Binkley
Mike Kelly*

AGENDA

- 01 Department Overviews
- 02 Structure & Budget
- 03 Strategic Initiatives
- 04 Trends & Opportunities
- 05 Discussion & Questions
- 06 Contact



ORGANIZATIONAL STRUCTURE



JOHN HEINEY

Community Outreach Manager



CRISTINA BINKLEY

Tourism Manager



MIKE KELLY

Sales & Marketing Manager

THREE DIFFERENT DEPARTMENTS

Two Different Funds

GENERAL FUND



Community Outreach



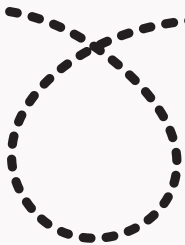
Economic Development



TRANSIENT OCCUPANCY (BED TAX)



Tourism



Overlapping Goals for Community Outreach

ECONOMIC DEVELOPMENT & *Tourism*



Sustainability & Balance

The goal of sustainability is to provide a balance between the economy, society, and the environment. Making Prescott a healthy destination for many generations to come.



Prideful Protection

Our culture, history, and heritage is what makes Prescott, Preskit. Our goal is to always be mindful of where we came from and use it as a guide when planning for the future.



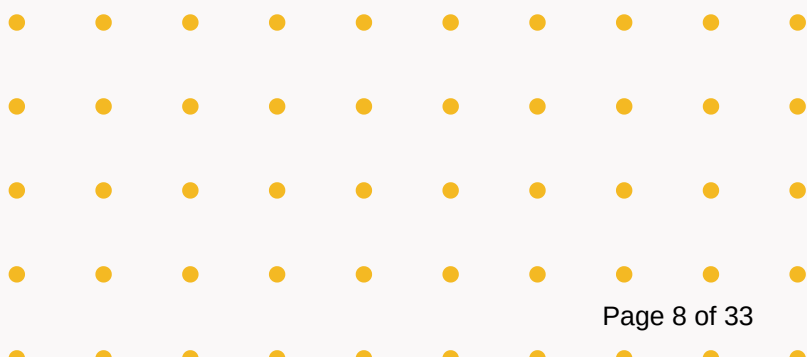
Happy & Healthy Communities

Another goal of our team is to carefully consider the wants and needs of our residents.



Impactful Partnerships

Our goal is to only target visitors and economic development leads who share our passion and our vision.



COMMUNITY OUTREACH

Overview



The Communications Office provides external and internal communications for the City of Prescott. The objective is to enhance the image and to make sure that stakeholders are well-informed. These communication efforts cross all media – print, broadcast, electronic, and social media.

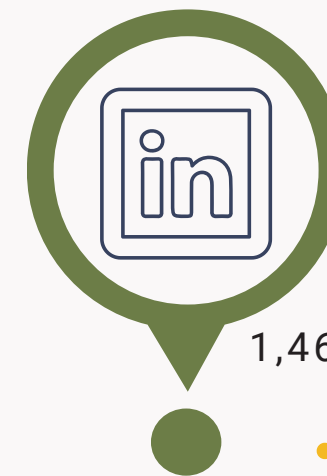
18,335 Followers



6,621 Followers



710,882 views



1,462 Followers

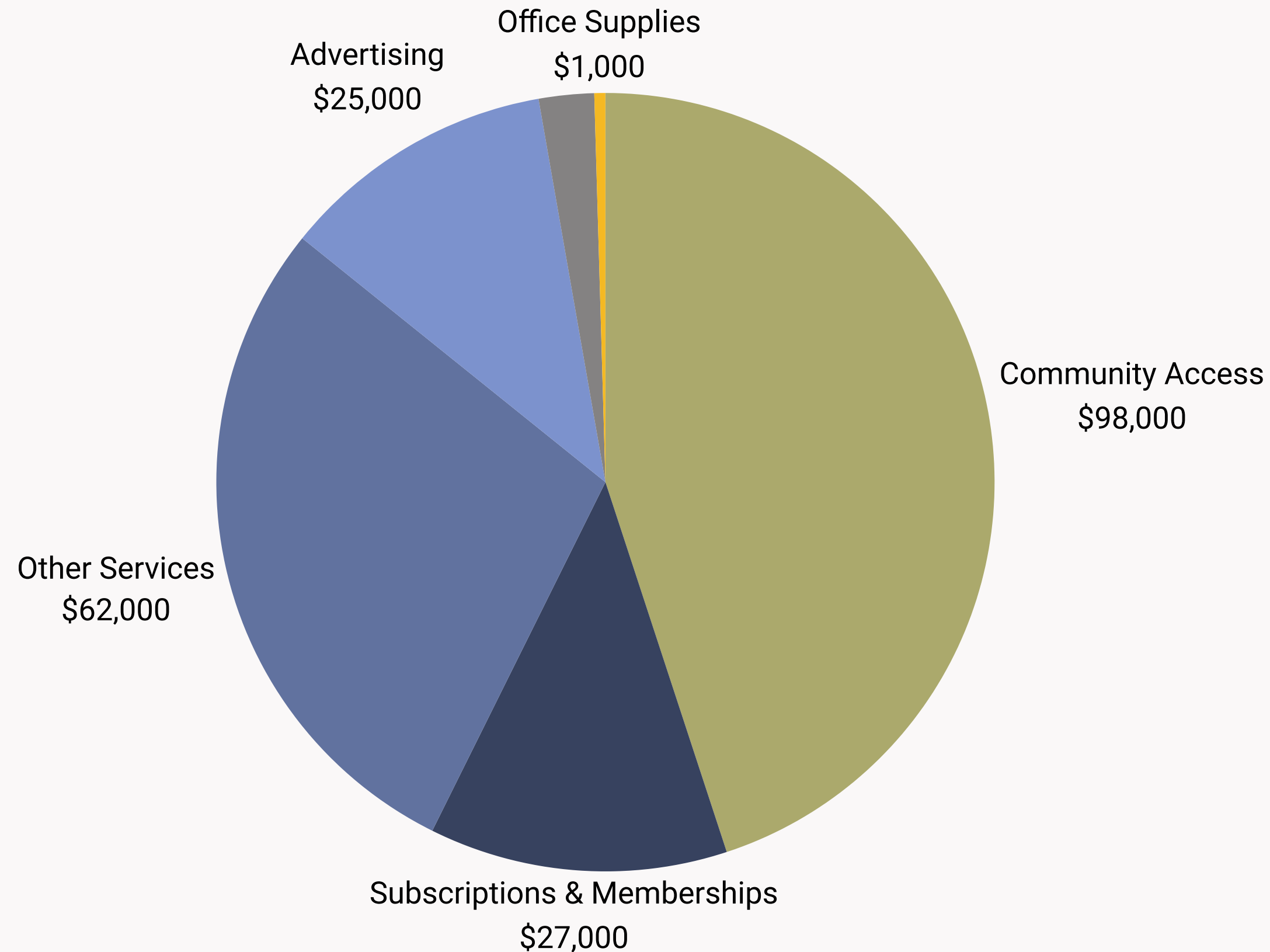


These efforts include, but are not limited to:

- The central point of contact for media requests, to assure the release of accurate information from the City.
- Consulting with the City Manager, Elected Officials, and Department Heads on media inquiries and strategy.
- Working with Elected Officials and City Departments to coordinate press releases and other public information.
- Assisting the Mayor and Elected Officials to submit monthly letters to the editor in three publications including Daily Courier, Prescott E-News, and Quad Cities Business News.
- Coordinate paid Radio “PSA” campaign, on six radio stations all year.

COMMUNITY OUTREACH

Internal Service Charge



- The graph demonstrates proposed budget for FY25
 - \$179,000



TRENDS & OPPORTUNITIES

TRENDS

- Digital Media
- Short Form Content

OPPORTUNITIES

- In-House Content Creator
- Social Media Manager
- Social Pinpoint
- Branding Consistency



City of Prescott

Total Websites that represent City Services

15

Total Social Media Platforms that represent City Services

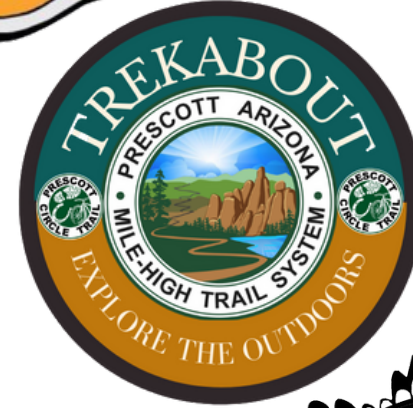
32 Accounts

Combined Audience of the Social Platforms (Potential Reach)

61,457 (current biggest audience 18,000)



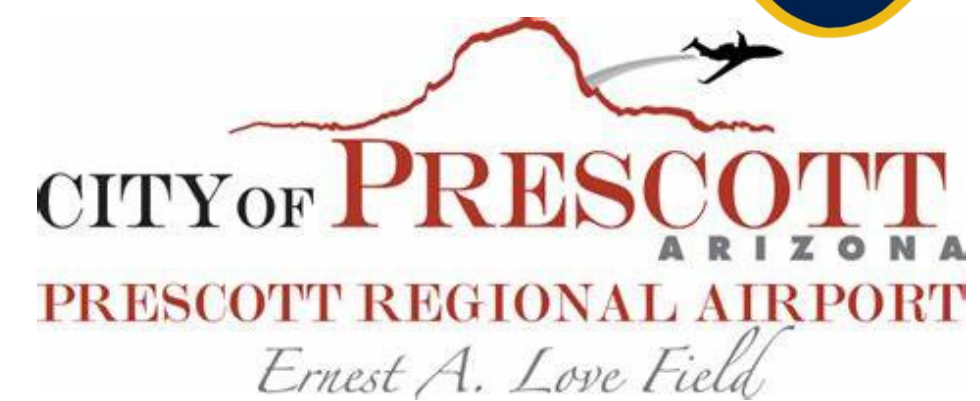
Experience Prescott
True West. Real Adventure.
Experience Prescott
OFFICE OF TOURISM



PRESCOTT REGIONAL



COMMUNICATIONS CENTER





Resource Page

MAIN FONTS

Merriweather

Barlow

Arial

DECORATIVE FONTS

Goudy

Alice

PLAYFAIR DISPLAY SC

PRIMARY COLORS



#000000



#A80404

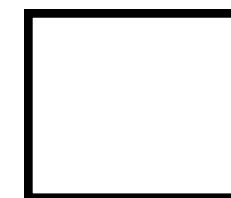


#797979



#bebebe

SECONDARY COLORS



#FFFFFF



#E89922



#C18D42



#ABA96C



#37425F

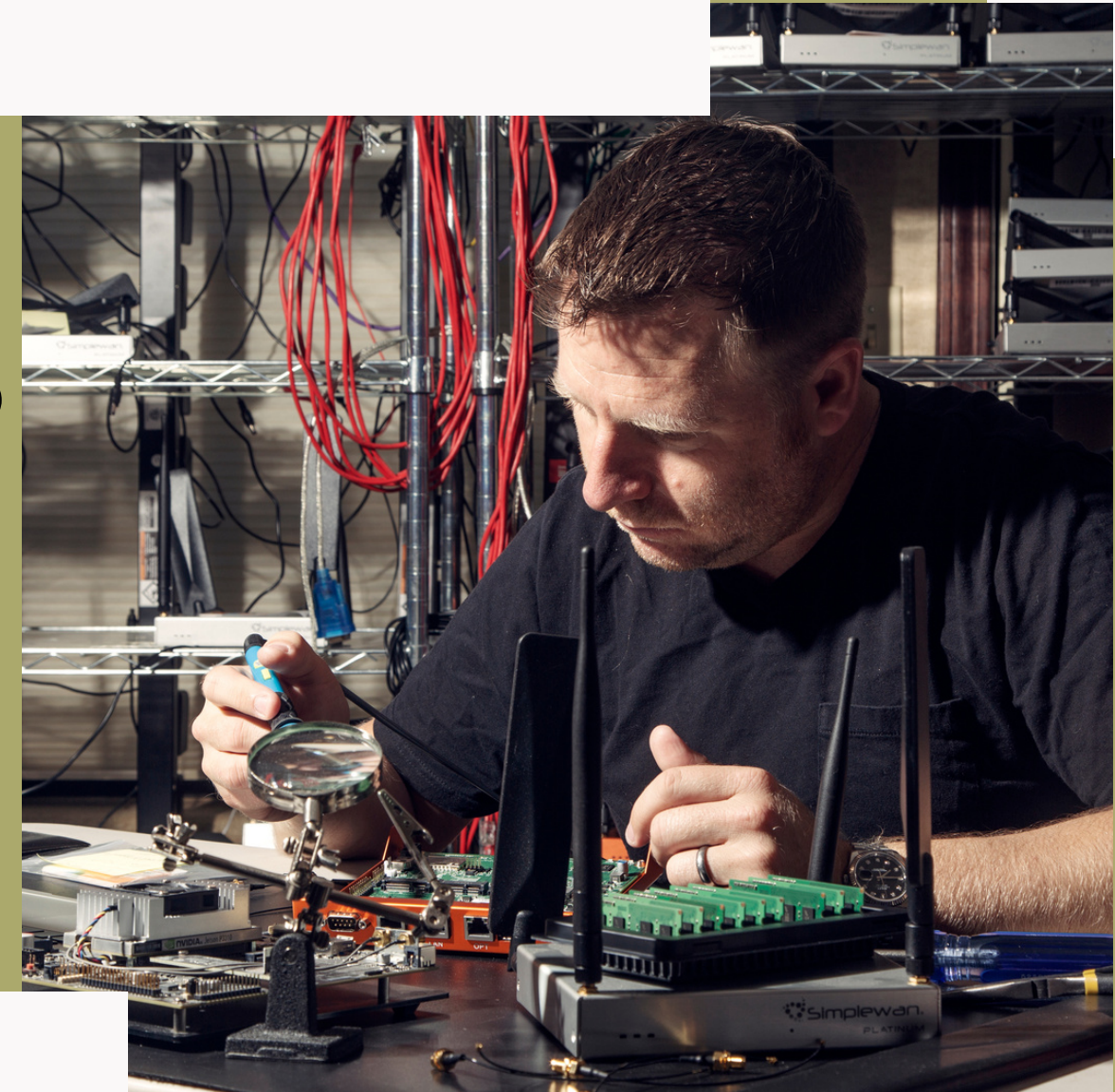
ECONOMIC DEVELOPMENT

Overview

Definition: Influence growth/restructuring of an economy to enhance the economic well-being of a community through policies and proactive planning.

Areas of Emphasis for Prescott:

- Light Manufacturing
- Supply Chain Companies
- Warehouse & Distribution
- Aerospace/Defense
- Aviation
- Retail
- High Tech
- Cybersecurity
- Higher Education
- Medical
- Tourism





- Build Relationships with Property Owners, Local Businesses, & Real Estate Professionals
- Follow Up with Leads
- Assist with Site Selection
- Create & Provide Tools/Resources
- Business Retention Expansion (BRE) Visits
- Business Unusual Campaign continuation



TRENDS & OPPORTUNITIES

TRENDS

- Remote Work/Flexible Schedules
- Tech & Innovation

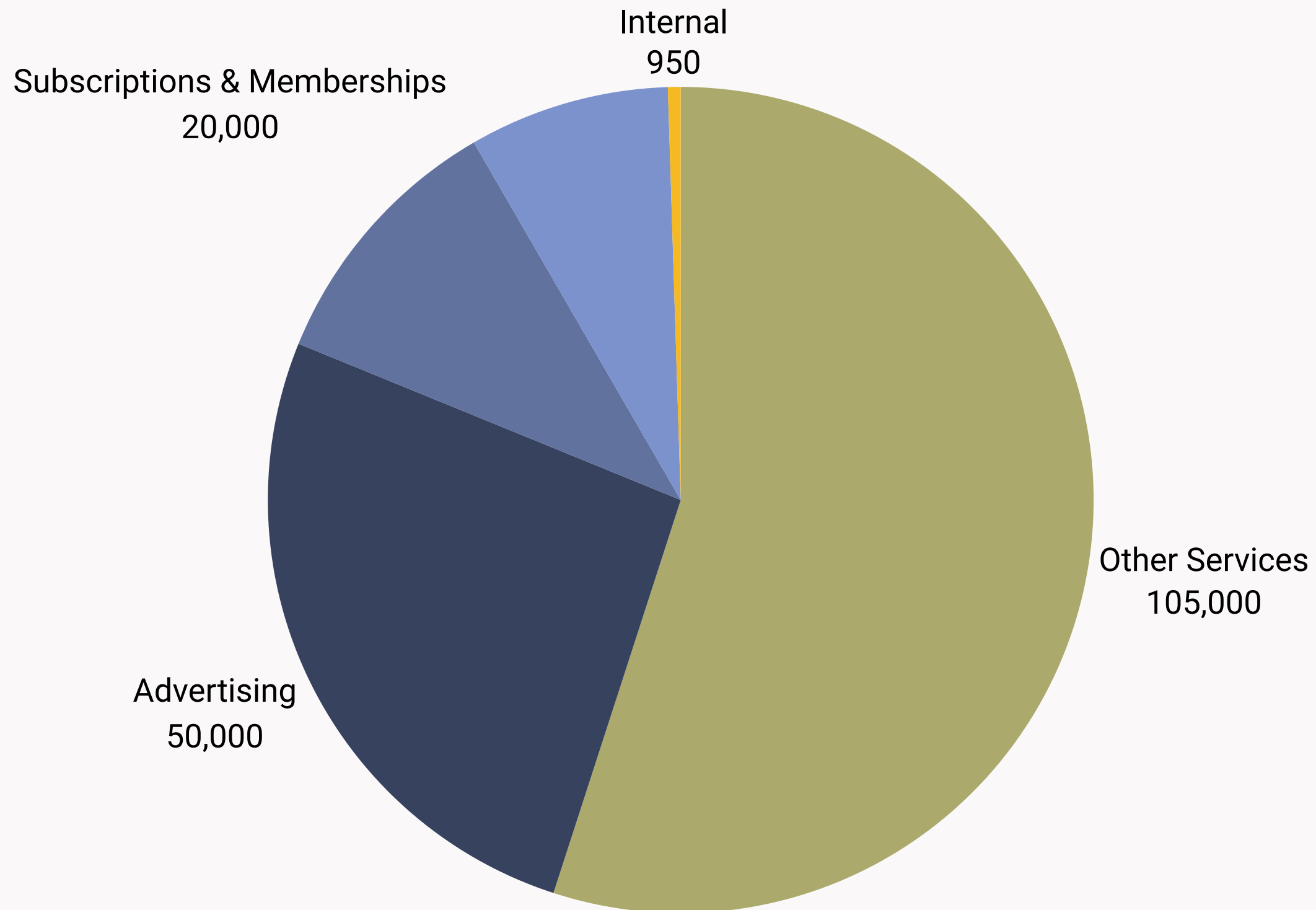
OPPORTUNITIES

- Strategic Plan
- Economic Development Specialist



ECONOMIC DEVELOPMENT

Funded by General Fund



- The graph demonstrates proposed budget for FY25
 - \$163,000



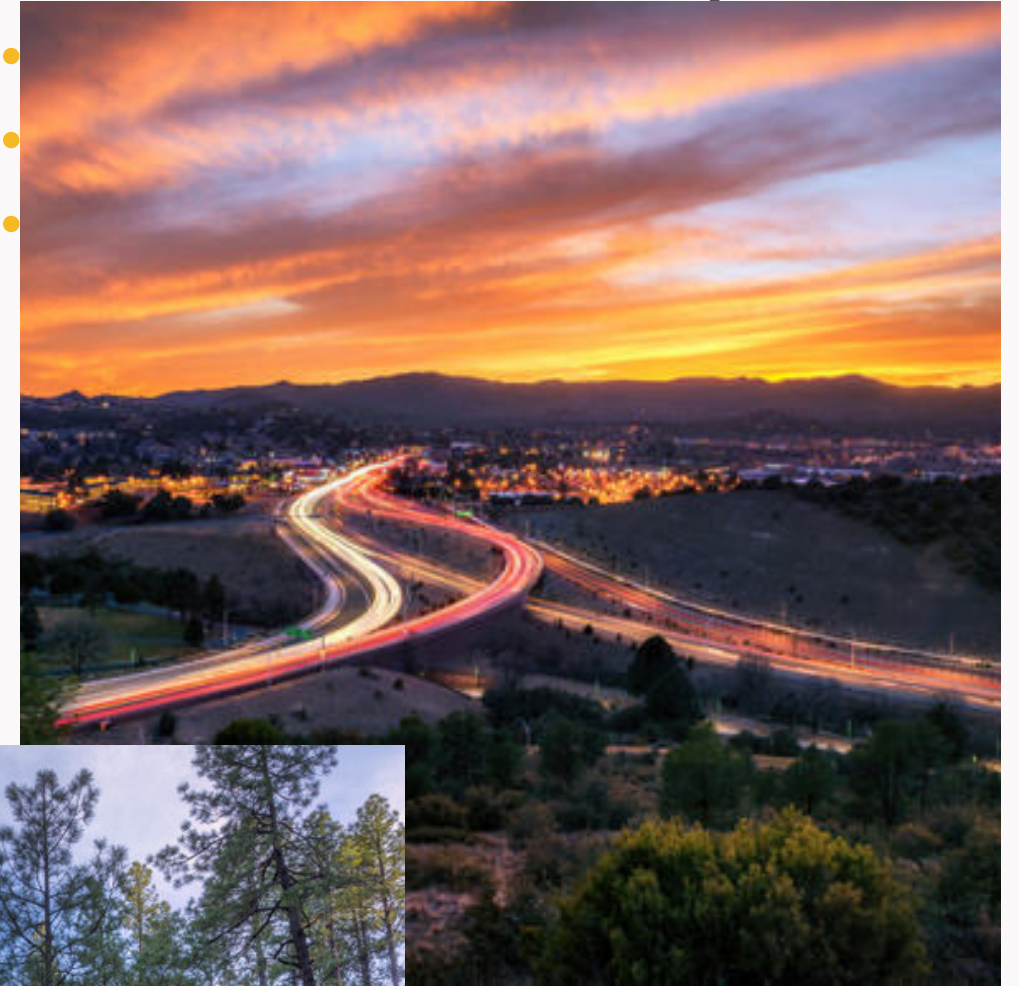
How Tourism Drives ECONOMIC DEVELOPMENT

- Sustains businesses – hotels, venues, restaurants, retailers, museums and other attractions
- Desirability improves property values and encourages local investment
- Creates tax revenue to support public improvements
- Improves quality of life



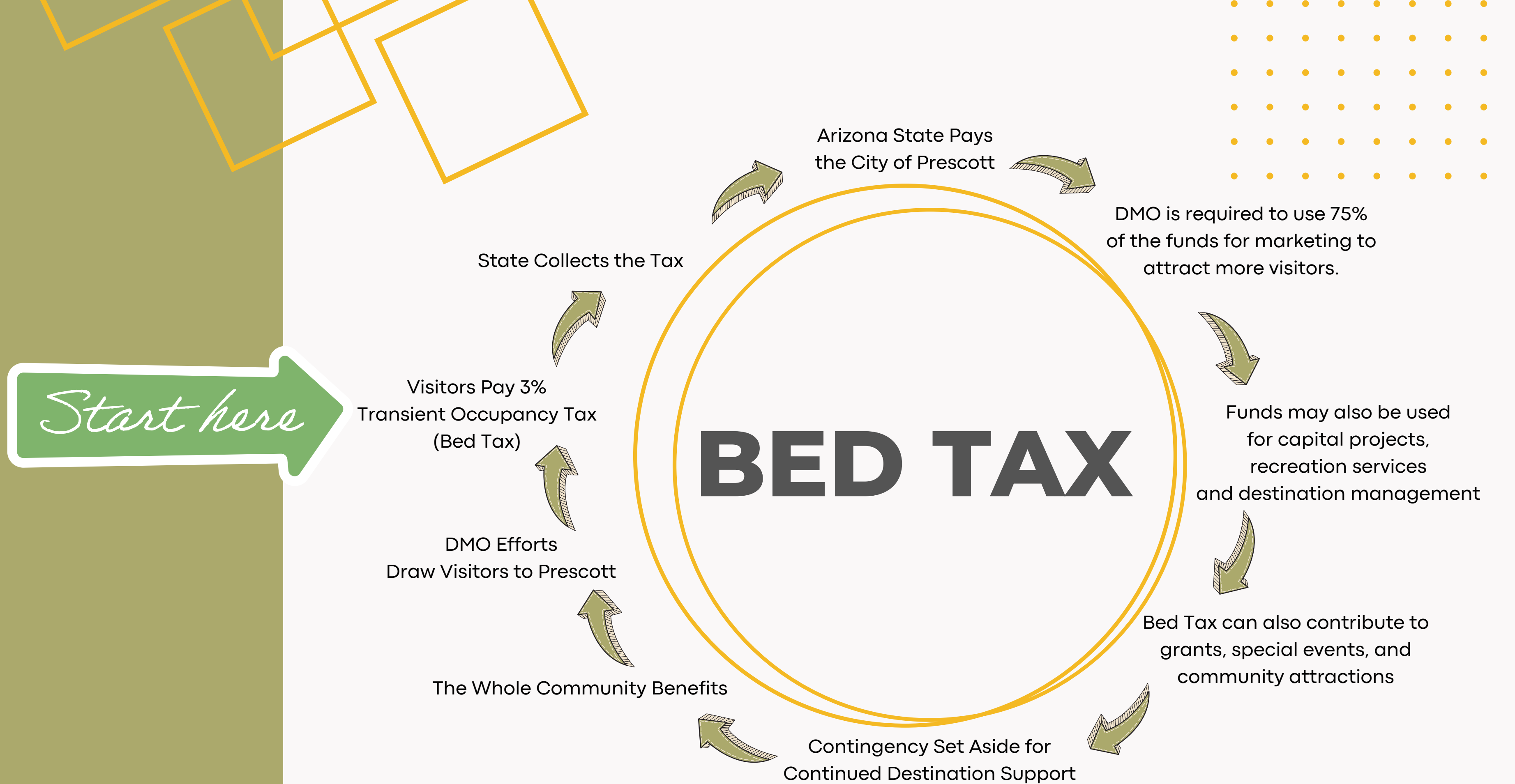
TOURISM *Overview*

Our Mission: We attract visitors to Prescott and enhance our community's quality of life by inspiring a love and respect for our natural beauty, rich history, and hometown atmosphere.





- Non-Member Based Destination Management/Marketing Organization (DMO)
- Responsible for promoting an area as an attractive travel destination, and enhancing the public image.
- Develops long-term travel and tourism strategy for the destination.
- Creates marketing and public relations plans and campaigns.
- Creating tax revenue that benefits the community.
- Improving the quality of life.
- Promotes the destination as a whole, not just one sector.



How Tourism Dollars Benefit Our Local Community

Travelers to Prescott spend an annual average of \$205 million on lodging, food, and beverage, retail, entertainment, and local transportation!

This \$205 million in estimated spending at local establishments created an economic impact of

\$300 million statewide in 2022.

This supports more than 3,200 local jobs!

Tourism dollars generate \$101 million in labor income or payroll at hotels, restaurants, retailers, and other service businesses in Prescott, as well as local businesses that are suppliers to the hospitality industry.





Tourism Benefits the **General Fund Too!**

These travelers generated an estimated \$17 million in state and local tax revenues in 2022, including \$6 million in city sales and bed taxes and an additional \$11 million in county and state sales taxes.

What does \$6 million in annual city sales tax revenues mean...
This amount is enough money to support:

- Annual salaries of 27 police officers or 26 firefighters
- Five years of scheduled police vehicle replacements and additions
- Annual maintenance of 1,046 acres of parks and open space
- Annual maintenance of 240 miles of streets
- Two years of citywide library operations

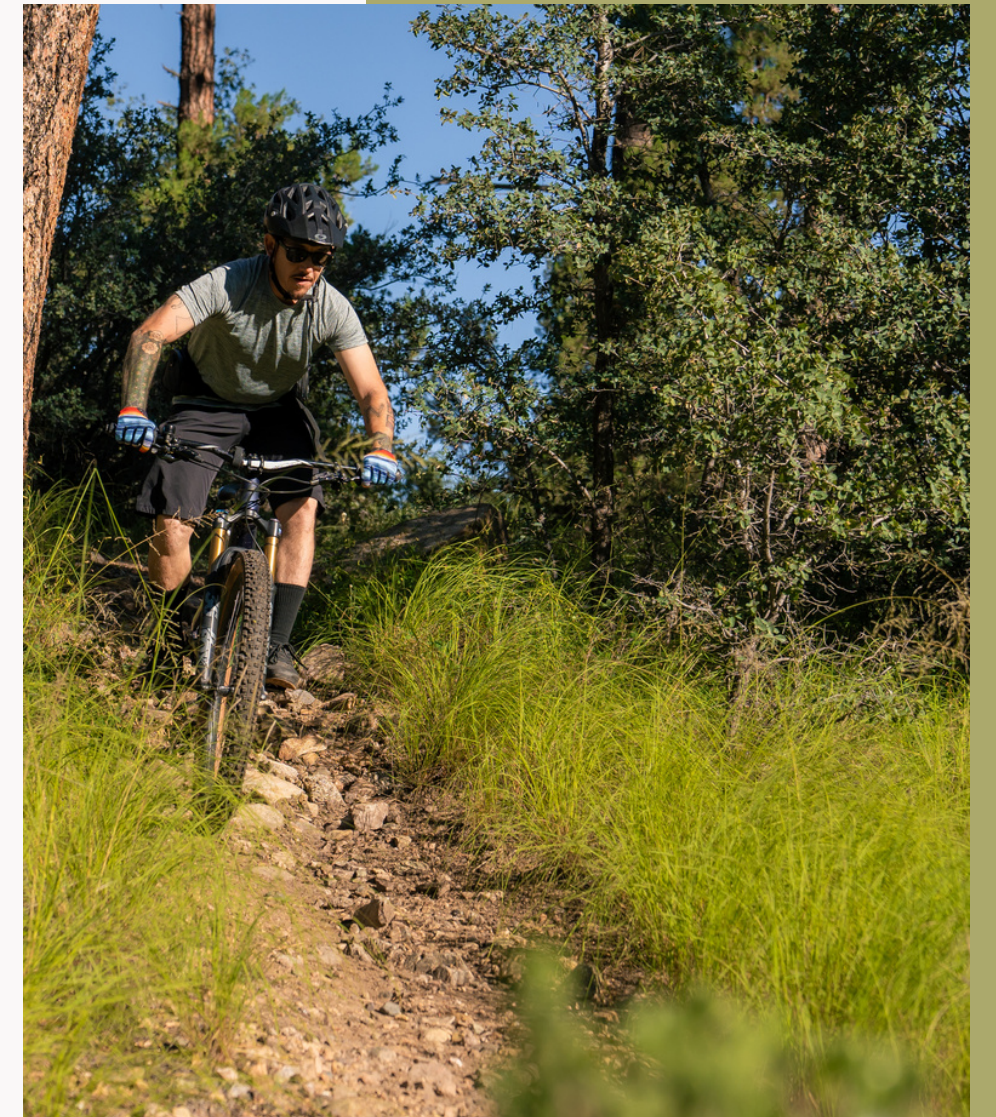
Community Projects

Paid for by Tourism Dollars

- Downtown Parking Garage Maintenance
- Downtown Kiosk Maps & Courtesy Cans
- Special Events Overtime
- Whiskey Row Alley Archways
- Pickleball Court Restrooms
- Constellation Trailhead Restrooms
- Skatepark
- Prescott High School Tennis Courts
- Portable Band Shell
- Kayla's Hands Playground
- Lower Goldwater Lake

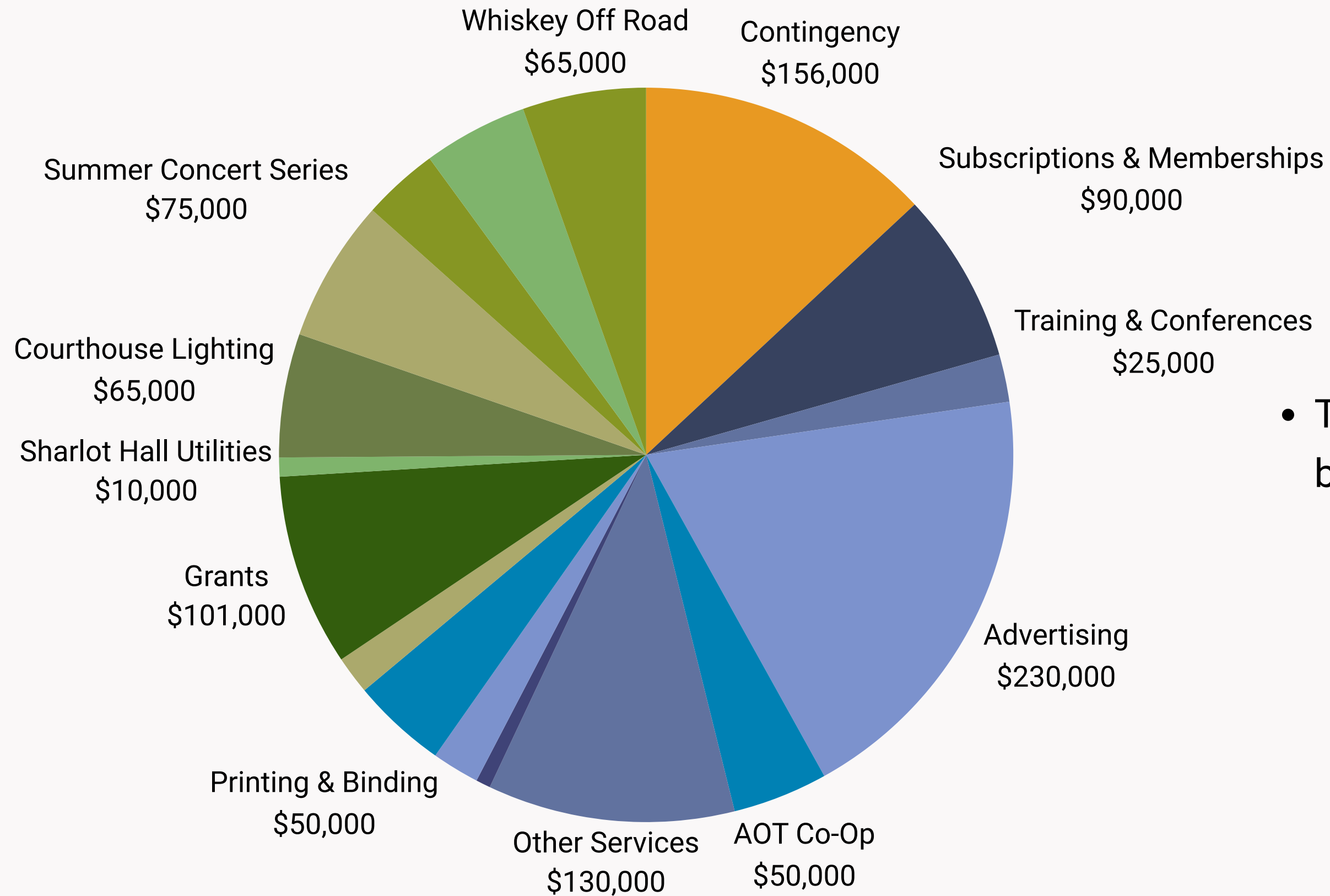
Improvements At:

- Watson Lake Park
- Granite Creek Park
- Pioneer Park
- Heritage Park
- Ken Lindley



TOURISM

Funded by Visitors



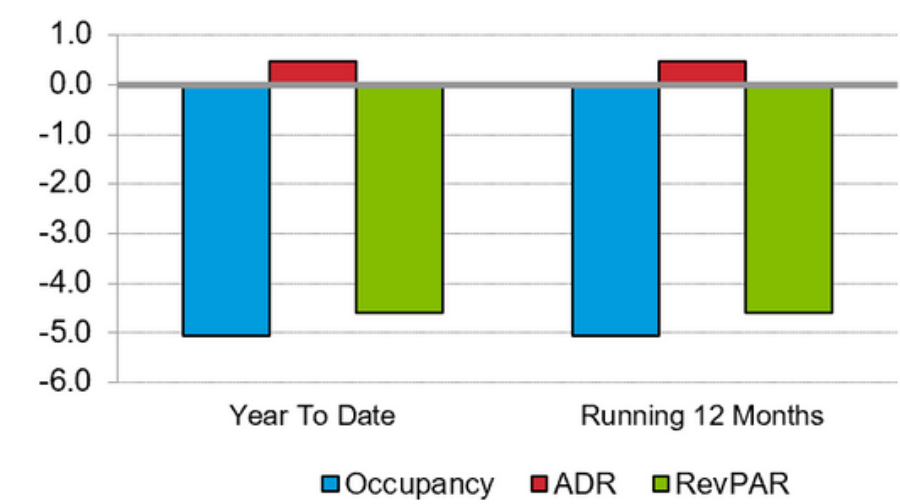
- The graph demonstrates the proposed budget for FY25 \$1,200,000
 - \$587,000 to Destination Support
 - \$275,000 to Other Departments
 - Special Events Overtime
 - Parking Garage
 - Downtown Courtesy Cans
 - Open Space

City of Prescott Transient Lodging (Bed) Tax Collection

	<u>FY 2024</u>	<u>% Chg</u>	<u>FY 2023</u>	<u>% Chg</u>	<u>FY 2022</u>	<u>% Chg</u>	<u>FY 2021</u>
July	\$ 166,261	-2.27%	\$ 170,126	8.36%	\$ 156,996	70.75%	\$ 91,946
August	140,072	4.65%	133,850	-0.19%	134,107	37.77%	97,338
September	144,190	0.29%	143,773	3.67%	138,684	37.16%	101,108
October	142,004	-5.40%	150,114	-2.20%	153,484	33.85%	114,669
November	107,816	-4.97%	113,458	-2.89%	116,831	57.88%	74,001
December	123,247	3.17%	119,465	-1.81%	121,663	70.39%	71,403
Subtotal	\$ 823,591	-0.87%	\$ 830,787	1.10%	\$ 821,765	49.29%	\$ 550,466
January			104,819	-1.80%	106,745	40.26%	76,104
February			103,337	-4.97%	108,737	48.93%	73,013
March			147,763	2.73%	143,842	25.22%	114,868
April			136,761	-13.98%	158,986	18.16%	134,557
May			148,313	-4.42%	155,178	9.27%	142,008
June			151,781	3.61%	146,492	5.73%	138,555
Total			<u>\$ 1,623,562</u>	-1.11%	<u>\$ 1,641,743</u>	33.52%	<u>\$ 1,229,570</u>



Overall Percent Change



Year To Date		
2021	2022	2023
68.0	67.9	64.5
55.0	68.0	67.9
23.7	-0.1	-5.1

Running 12 Months		
2021	2022	2023
68.0	67.9	64.5
55.0	68.0	67.9
23.7	-0.1	-5.1

Year To Date		
2021	2022	2023
120.49	131.54	132.17
97.25	120.49	131.54
23.9	9.2	0.5

Running 12 Months		
2021	2022	2023
120.49	131.54	132.17
97.25	120.49	131.54
23.9	9.2	0.5

Year To Date		
2021	2022	2023
81.93	89.38	85.27
53.48	81.93	89.38
53.2	9.1	-4.6

Running 12 Months		
2021	2022	2023
81.93	89.38	85.27
53.48	81.93	89.38
53.2	9.1	-4.6

Year To Date		
2021	2022	2023
676,345	661,650	669,510
642,307	676,345	661,650
5.3	-2.2	1.2

Running 12 Months		
2021	2022	2023
676,345	661,650	669,510
642,307	676,345	661,650
5.3	-2.2	1.2

Year To Date		
2021	2022	2023
459,909	449,576	431,936
353,204	459,909	449,576
30.2	-2.2	-3.9

Running 12 Months		
2021	2022	2023
459,909	449,576	431,936
353,204	459,909	449,576
30.2	-2.2	-3.9

Year To Date		
2021	2022	2023
55,414,417	59,138,948	57,090,511
34,350,444	55,414,417	59,138,948
61.3	6.7	-3.5

Running 12 Months		
2021	2022	2023
55,414,417	59,138,948	57,090,511
34,350,444	55,414,417	59,138,948
61.3	6.7	-3.5



TRENDS & OPPORTUNITIES

TRENDS

- Digital Media & Short Form Content
- Diversity, Equity & Inclusion
- Sustainability

OPPORTUNITIES

- Expanding Accessibility Opportunities

QUESTIONS?





TO: MAYOR AND CITY COUNCIL
AGENDA: February 27 Study Session
DATE: February 27, 2024
DEPT: City Clerk
ITEM #: 3.B
SUBJECT: Midyear Budget Report for FY2024.

ITEM SUMMARY

This workshop will review the FY2024 budget and performance through the first six months of the year. This discussion provides an overview of the city's twenty-eight budgetary departments in eighteen different funds. A fund is an accounting entity defined as a self-balancing set of accounts and a budgetary department is a functional unit that the Council has appropriated monies to in the budgetary process. Staff will also review the FY2025 budget schedule.

BACKGROUND

The funds and departments are divided into two broad categories, proprietary and governmental.

Proprietary

There are nine proprietary funds each of which is its own budgetary department. Proprietary funds are used to report functions for which a user fee is charged to cover the cost of providing the goods or services. If the customers are external to the organization, enterprise funds are used; and if the customers are internal to the organization, internal service funds are used.

Enterprise Funds

1. Water
2. Wastewater
3. Solid Waste/Transfer Station
4. Golf Course
5. Airport

Internal Service Funds

1. Central Garage
2. Self-Insurance
3. Engineering
4. Facilities Maintenance

Governmental

The other nine funds and nineteen budgetary departments are considered Governmental because their primary funding source is taxes and their function is governmental in nature. As a comparison, in a Proprietary fund you use water and pay a fee based on the amount of water used; in a Governmental fund taxes are assessed and there is no direct correlation to the amount of taxes you pay and the amount of services you receive.

These Governmental funds are divided into three types: Debt Service, Special Revenue and General.

Special Revenue Funds

Seven of our funds and budgetary departments are considered Special Revenue funds because the proceeds of specific revenue sources are restricted or committed to expenditures for specific purposes or for a grant. Here are the funds and their restrictions:

1. Highway User - transportation
2. 1% Streets - transportation

3. 0.75% PSPRS Dedicated Tax Fund
4. Transient Occupancy Tax - tourism promotion and recreation development
5. Impact Fees - purpose the impact fee was assessed
6. Grants - purpose of the grant
7. Acker - purpose in the trust document

General Fund

The General Fund accounts for all financial resources except those required to be accounted for in the previously discussed funds. The primary source of funding is taxes, both locally collected and those collected by other governments on behalf of the City. In addition to the taxes, there are some minor user fees accounted for in this fund. Several of the administrative functions accounted for in this fund are partially funded by the other funds of the City. The twelve budgetary departments accounted for in this fund are:

1. City Council
2. City Clerk
3. City Court
4. City Manager
5. Legal Department
6. Budget & Finance
7. Community Development
8. Recreation Services
9. Library
10. Police
11. Fire
12. Regional Communications

FINANCIAL IMPACT

None at this time.

RECOMMENDED ACTION

This item is for discussion only. No formal action will be taken.

ATTACHMENTS

None