This report is designed to update the community on the operations and financial reporting for ParkFlag, including:

- Benefits of managed parking
- Overview of parking operations
- Program enhancements
- Detailed financial reporting

The reporting period covers July 1, 2021 through June 30, 2023.
MISSION STATEMENT

ParkFlag is committed to providing exceptional customer service to all users, including businesses, residents and visitors. ParkFlag Aides are honest and professional individuals dedicated to helping the public with their parking needs.

ParkFlag Aides act as a City Ambassador, provide a positive customer experience, fairly regulate parking rules, and inform and educate users on appropriate parking practices.

WHY PARKING MATTERS

Adequate parking infrastructure and management is a fundamental need for a vibrant downtown. It supports the vibrancy and success of small businesses and future investment while providing a better experience for visitors and residents alike. Downtown is a premier destination and economic hub, yet the parking supply still does not match demand, resulting in negative impacts to stakeholders, visitors and potential investors. ParkFlag provides a pathway to investment in additional parking supply and management of the existing limited supply for the benefit of all users.

BENEFITS OF PAID PARKING

By managing parking, we achieve the following community goals:
• Better manage our existing – and limited – parking supply
• Provide a dedicated funding source to acquire or build additional parking infrastructure
• Support Downtown Flagstaff as a viable economic center
• Apply a comprehensive approach – addressing parking for residents, employees, business owners, visitors and customers
• Offer a more convenient and positive experience for visitors, residents & employees
• Provide multi-modal options, including additional bike racks and FREE VIP Commuter Passes for all downtown employees
• Parking Aides serve as Ambassadors – by providing education on parking options and positive parking behavior
SPECIAL REVENUE FUND

ParkFlag is a City-run program within the Economic Vitality Division and in partnership with the Flagstaff Police Department. City Council passed an ordinance formally establishing separate accounting for the parking system. This means all revenues and expenses associated with the parking program stay separate from the City’s general fund. Funds in this account must be applied to operation and maintenance of the parking program and may not be used for any other city initiatives, projects, areas of service, etc. The ordinance also requires that a minimum of 20% of gross revenues be set aside in a separate fund dedicated to the acquisition of additional parking supply. This fund, referred to as the “lockbox” has been growing since the launch of ParkFlag in 2017.

AS OF JUNE 30, 2023
THE LOCKBOX HAS
$1,299,874

PARKING OPTIONS
PARKFLAG BY THE NUMBERS*

- **16,586** Total warnings issued
- **4,561** Total citations issued
- **2.12** Average hours spent downtown per parking session
- **64** Square blocks (residential and commercial areas)
- **943** Public spaces (on-street and lots)
- **200+** Facility spaces (free evenings/weekends)
- **154** Two-hour time limited spaces
- **1,644,129** Hours parked
- **892** Employee permits
- **13** Residential permitted zones
- **3,640,000** Steps walked by individual parking aide per year on average
- **10,400** Customer interactions per year on average

*FY 22/23*
**FINANCIALS**

**SUMMARY OF RESOURCES & EXPENDITURES/USES**

<table>
<thead>
<tr>
<th>Resources</th>
<th>FY22-23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay to Park Revenue</td>
<td>$1,099,082</td>
</tr>
<tr>
<td>Parking Permit Revenue</td>
<td>$164,197.61</td>
</tr>
<tr>
<td>Interest Income</td>
<td>$48,535.66</td>
</tr>
</tbody>
</table>

**TOTAL RESOURCES** $1,311,815.27

<table>
<thead>
<tr>
<th>Expenditures/Uses</th>
<th>FY22-23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Wages</td>
<td>$223,398.80</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>$149,990.92</td>
</tr>
<tr>
<td>Utilities</td>
<td>$6,882.87</td>
</tr>
<tr>
<td>Rent</td>
<td>$38,407.41</td>
</tr>
<tr>
<td>Credit Card Fees/Other Fees</td>
<td>$93,112.71</td>
</tr>
<tr>
<td>Other Misc. Services</td>
<td>$84,462.59</td>
</tr>
<tr>
<td>Operating Supplies</td>
<td>$11,053.05</td>
</tr>
<tr>
<td>Computer Equipment &amp; Software</td>
<td>$129,837.66</td>
</tr>
<tr>
<td>Debt Service Payments</td>
<td>$115,025.28</td>
</tr>
<tr>
<td>Advertising</td>
<td>-</td>
</tr>
</tbody>
</table>

**TOTAL EXPENDITURES/USES** $852,171.29

Excess (deficiency) of Resources over Expenditures $459,643.98

20% Reserve (Lockbox) $262,363.00

* Not Audited

**GLOSSARY OF TERMS**

**SPECIAL REVENUE FUND**
Fund used to account for revenues from specific taxes or other earmarked revenue sources that by law are designated to finance functions or activities of government. These funds can only be used for the purposes in the law. ParkFlag is a Special Revenue Fund and the money can only be used for parking related purposes and is kept separate from the General Fund.

**DEBT SERVICE**
Payment of principal, interest and related service charges on obligations resulting from the issuance of bonds. Often paying debt incurred at the beginning of a project.

**GENERAL FUND**
A fund used to account for all general-purpose transactions of the city that do not require a special type of fund.

**PROCEEDS FROM FINANCING**
Funding received as a loan that will need to be repaid

**LOCKBOX**
The 20% of ParkFlag revenue reserved by the ordinance for use only in creating additional parking inventory.
**FINANCIALS**

### BUSINESS REPORTING

**Operating Revenues**  
FY22-23
- **Pay to Park Revenue**: $1,099,082
- **Parking Permit Revenue**: $164,197.61
- **Interest Income**: $48,535.66

**TOTAL OPERATING REVENUES**: $1,311,815.27

**Operating Expenses**  
FY22-23
- **Salaries & Wages**: $223,398.80
- **Employee Benefits**: $149,990.92
- **Utilities**: $6,882.87
- **Rent**: $38,407.41
- **Interest Payments**: $13,245.36
- **Credit Card Fees/Other Fees**: $93,112.71
- **Other Miscellaneous Services**: $84,462.59
- **Operating Supplies**: $11,053.05
- **Computer Equipment & Software**: $129,837.66
- **Advertising**: -
- **Depreciation Estimate**: $106,648.23

**TOTAL OPERATING EXPENSES**: $857,039.60

**Operating Income (Loss)**  
20% Reserve (Lockbox)†  
- **Operating Income (Loss)**: $454,775.67
- **20% Reserve (Lockbox)†**: $262,363.00

*Not Audited

Note: If reported as an Enterprise Fund. For more detailed information please call (928) 213-2906 or go to parkflag.org.
ParkFlag accomplished the following:

- Installed **two new loading zones** to help manage deliveries and business needs
- **Painted all new red curbs** throughout the parking district
- Manage **20 Min curbside pickup zones** providing convenience for businesses and customers
- **Added 2 new kiosks that accept cash** payments as a response to customer feedback
- Transitioned to a **new, more efficient operating system**
- Launched **new customer-friendly online permit portal**
- Researched and received council approval to **incorporate license plate reader equipment and software** anticipated for Fall 2023 operations
- **Implemented VIP Commuter Program**
  - Partnership between Mountain Line, ParkFlag, Flagstaff Downtown Business Alliance, the City's Economic Vitality Division
  - ALL Downtown employees are now eligible for BOTH a free bus pass and a $10/month parking permit