

**THE CITY OF**  
*Washington Terrace*  
1958  
County of Weber, State of Utah

**Budget Document**  
**Fiscal Year**  
**2014 Adjusted, 2015 Final, and**  
**2016 – 2019 Budget Plan**



**June 2014**

Respectfully Submitted By:

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Shari' C. Garrett - Finance Director

[www.washingtonterracecity.com](http://www.washingtonterracecity.com)

**MAKING *Life***  
**BETTER**

A yellow swoosh graphic that starts under the 'B' of 'BETTER' and curves upwards and to the right, ending under the 'R'.

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# **EXECUTIVE SUMMARY**

# **Introduction**

# **EXECUTIVE SUMMARY - INTRODUCTION**

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## **MAYOR AND CITY COUNCIL**

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**Mayor Mark C. Allen**  
170 West 5600 South  
Washington Terrace, UT 84405  
Home: 801.479.7070  
Email: [mayormark41@yahoo.com](mailto:mayormark41@yahoo.com)  
Term: 01/2014 - 01/2018



**Council Member Blair Brown**  
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**Council Member Robert Jensen**  
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Term: 01/2014 - 01/2018

# **EXECUTIVE SUMMARY - INTRODUCTION**

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## **MAYOR AND CITY COUNCIL**

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**Council Member Mary Johnston**

257 East 5450 South  
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**Council Member Scott J. Monsen**

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**Council Member Val D. Shupe**

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Term: 01/2014 - 01/2018

# EXECUTIVE SUMMARY - INTRODUCTION

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July 1, 2014

To the Mayor, City Council, Residents and Stakeholders of Washington Terrace City:

The FY 2014 amended, 2015 final adopted, and 2016-2019 budget plan have been prepared using the best practices recommended by the Governmental Accounting Standards Board (GASB) and the Governmental Finance Officers Association (GFOA). The budget is balanced and has been adopted in accordance with laws and regulations governing the municipality budgetary processes.

The budget presented herein has been constructed to reflect the policies and priorities set by the Washington Terrace City Council and Mayor. These policies and priorities are the fundamental building blocks used in setting the budgetary goals throughout the City that help dictate and direct the activities and services City resources will support. With fiscal restraint and the application of policy priorities as the guide, the City will continue to provide the services and infrastructure needed to support its residents and stakeholders.

Fortunately, we have seen a slight improvement when it comes to the economic stability of the nation, state and locally. We are pleased to note that the overall financial health of the City is also seeing some modest strengthening due to the overall upturn in the economy. Even with the upturn in mind, we are only projecting modest increases in budget amounts for the near future. It is the overall philosophy of the Mayor, Council and our staff to budget conservatively in revenue projections and overall expenditures so that we are able to maintain a healthy, balanced, and sustainable financial outlook.

The financial goals and outcomes of the budget are directly linked to the Council Policy Priorities that can be found within this budget document. The Council Policy Priorities are the framework that budget decisions are made, and used to direct staff in formulating budget recommendations. In the end the budget is a combination of the Mayor and Councils desire to judiciously serve the stakeholders of the City, Staffs desire to meet the Mayor and Councils Policy Priorities and the careful management of funds to provide the services that are critical for the wellbeing of the residents and businesses within our borders.

This budget is the outcome of many hours of dedicated work from the Mayor, Council and committed staff of Washington Terrace City. I would like to thank the Mayor and Council and our dedicated staff for their efforts in producing this outstanding document.

Sincerely,

Tom Hanson  
City Manager

# EXECUTIVE SUMMARY - INTRODUCTION

## CITY HISTORY

Washington Terrace is a bedroom community with a rich history dating back to the World War II era. In the 1940's, the United States Government began creating large housing projects to provide temporary housing for workers of the military facilities supporting the war effort. As part of a military housing project, Washington Terrace was created in 1942-43. This project created approximately 1,400 two-bedroom family homes in barrack style housing. During World War II, the Terrace Housing Project met the needs of many service men and women and war workers from many trades. At the time there was no thought of this project continuing beyond the war.



After World War II, residents began efforts to convert the surplus temporary housing project into a permanent community. Through painstaking planning efforts, residents negotiated with the Federal government to create a permanent community utilizing the temporary infrastructure and housing. It is estimated that the original construction cost of the temporary governmental project was about \$8,000,000.

The Washington Terrace Non-Profit Housing Corporation purchased the temporary housing project from the Federal Government on September 1, 1950, for \$2,250,000. On that day, the Housing Corporation paid a 10 percent down payment of \$225,000 and assumed a mortgage note of \$2,025,000. From 1950 until its incorporation on December 12, 1958, the Housing Corporation operated the municipal needs of the community. The City has always been a leader in innovation and determination. Inspired by the founding residents, this community has never lacked great examples of vision and leadership.

The City operates under a council-manager form of government. Under this organizational structure, the Mayor and a five member Council appoint a city manager to act as the chief executive officer who oversees the daily operations of the City. The Council establishes policy

## **EXECUTIVE SUMMARY - INTRODUCTION**

and direction by enacting local legislation and adopting budgets; the city manager is responsible for implementing the Council's policies and direction. The Mayor is elected for a term of 4 years, while the Council is elected for 4 years with staggered terms.

The Mayor appoints Planning Commission members and alternates. The Planning Commission is a volunteer position appointed to 4 year staggered terms. The Commission's primary responsibilities are to review and provide a recommendation on new development plans in accordance to the direction established by Council, zoning changes, and the general plan.

The City provides many public services including: public safety (police, fire/EMS, animal control, and justice court); parks and open space, recreation and special events; culinary water, sanitary sewer, refuse collection, and storm water services; streets and sidewalks; planning and zoning; and administrative services.

## **DEMOGRAPHIC INFORMATION**

The City has had minimal population growth since the 1980's growing from 8,000 to 9,190 in 2011. The City anticipates "build out" will occur at a population of approximately 12,000 – 14,000 people.

**Table 1 - Census 2010 Demographic Profile**

<b>People QuickFacts</b>	<b>Washington Terrace</b>	<b>Utah</b>
Population, 2011 estimate	9,190	2,814,347
Population, 2010 (April 1) estimates base	9,067	2,763,885
Population, percent change, April 1, 2010 to July 1, 2011	1.4%	1.8%
Population, 2010	9,067	2,763,885
Persons under 5 years, percent, 2010	9.3%	9.5%
Persons under 18 years, percent, 2010	27.6%	31.5%
Persons 65 years and over, percent, 2010	15.0%	9.0%
Female persons, percent, 2010	51.1%	49.8%
White persons, percent, 2010 (a)	86.9%	86.1%
Black persons, percent, 2010 (a)	2.1%	1.1%
American Indian and Alaska Native persons, percent, 2010 (a)	0.7%	1.2%
Asian persons, percent, 2010 (a)	1.3%	2.0%
Native Hawaiian and Other Pacific Islander, percent, 2010 (a)	0.3%	0.9%
Persons reporting two or more races, percent, 2010	2.7%	2.7%
Persons of Hispanic or Latino origin, percent, 2010 (b)	12.9%	13.0%
White persons not Hispanic, percent, 2010	81.1%	80.4%

# EXECUTIVE SUMMARY - INTRODUCTION

<b>Business QuickFacts</b>		
Total number of firms, 2007	645	246,393
Black-owned firms, percent, 2007	F	0.5%
American Indian- and Alaska Native-owned firms, percent, 2007	F	0.6%
Asian-owned firms, percent, 2007	S	1.9%
Native Hawaiian and Other Pacific Islander-owned firms, percent, 2007	F	0.3%
Hispanic-owned firms, percent, 2007	F	3.7%
Women-owned firms, percent, 2007	S	24.9%
Manufacturers shipments, 2007 (\$1000)	NA	42,431,657
Merchant wholesaler sales, 2007 (\$1000)	NA	25,417,368
Retail sales, 2007 (\$1000)	8,001	36,574,240
Retail sales per capita, 2007	\$957	\$13,730
Accommodation and food services sales, 2007 (\$1000)	D	3,980,570
<b>Geography QuickFacts</b>		
Land area in square miles, 2010	1.97	82,169.62
Persons per square mile, 2010	4,604.9	33.6
FIPS Code	82070	49
(a) Includes persons reporting only one race.		
(b) Hispanics may be of any race, so also are included in applicable race categories.		
FN: Footnote on this item for this area in place of data		
NA: Not available		
D: Suppressed to avoid disclosure of confidential information		
X: Not applicable		
S: Suppressed; does not meet publication standards		
Z: Value greater than zero but less than half unit of measure shown		
F: Fewer than 100 firms		
Source: US Census Bureau State & County QuickFacts		

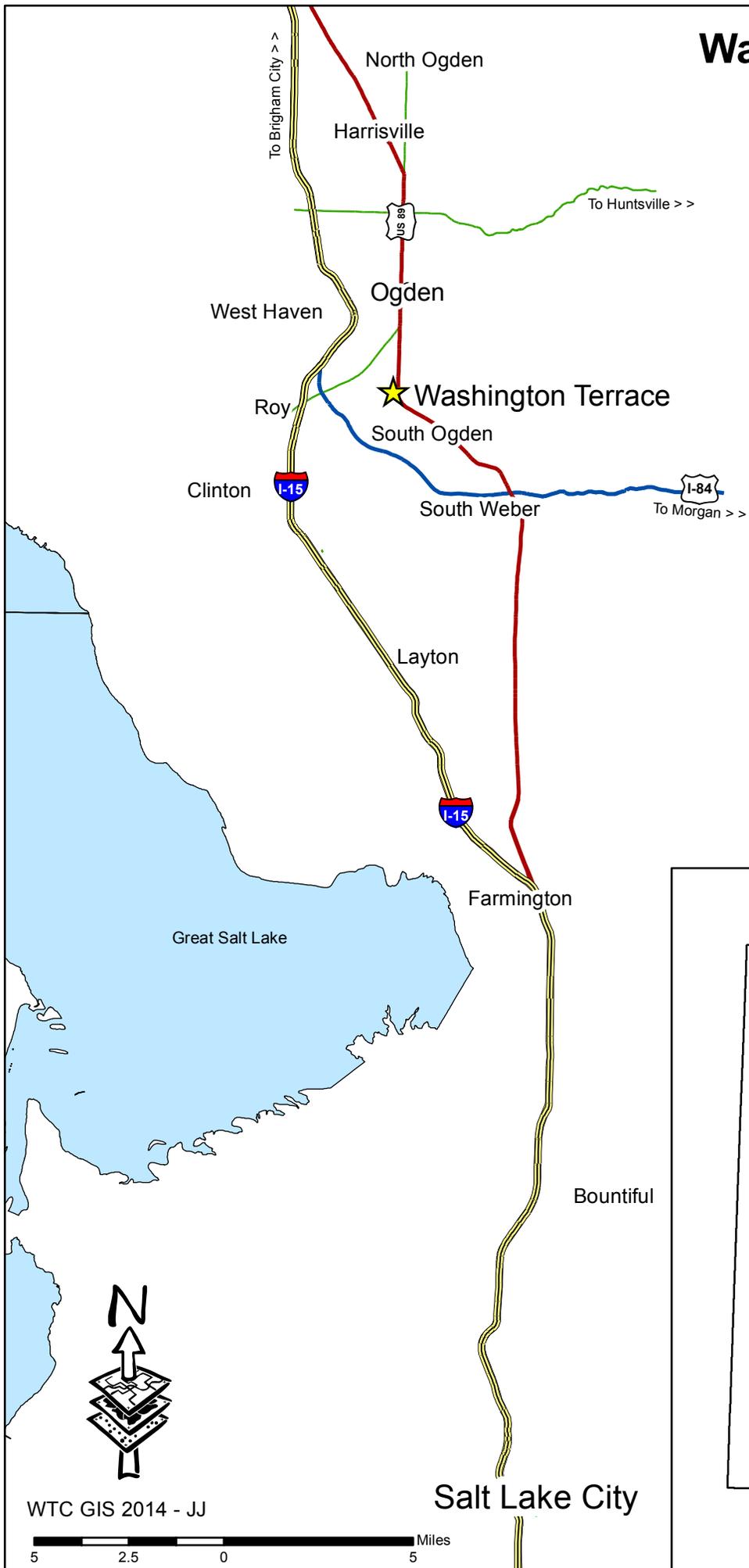
<b>City, County, and State Population History</b>						
Year	City		Weber County		State of Utah	
	Population	change from prior year	Population	change from prior year	Population	change from prior year
2013	9,164	0.2%	238,519	0.8%	2,900,872	1.6%
2012	9,147	0.9%	236,551	2.3%	2,854,871	3.3%
2010	9,067	0.7%	231,236	1.7%	2,763,885	-1.3%
2000	8,551	4.4%	197,541	24.8%	2,246,553	29.9%
1990	8,189	-0.3%	158,330	9.5%	1,729,227	17.3%
1980	8,212	13.4%	144,616	14.5%	1,474,000	38.3%
1970	7,241	12.4%	126,278	14.0%	1,066,000	18.4%
1960	6,441		110,744		900,000	
Source: www.census.gov						
Note: The City was incorporated in 1958.						

Table 2 (left) represents the City, County, and State Historical Population and change from prior year.

Since the City's incorporation in 1958, the population has changed by approximately 2,723 persons or increased by 42 percent, while the County's population has increased by 127,775 or 115 percent, and the

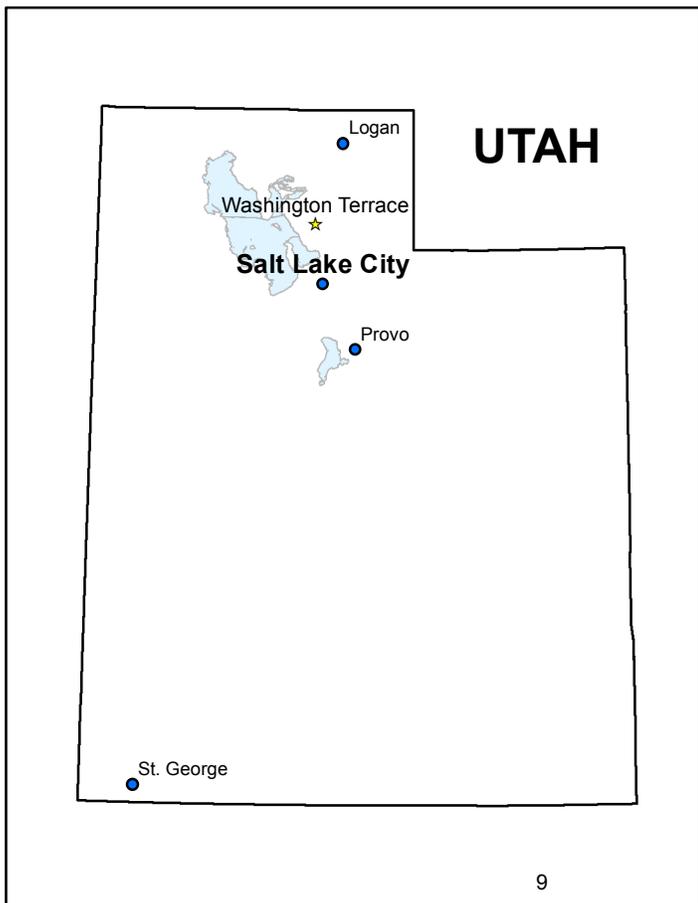
State has increased 2,000,872 or over 222 percent.

# Washington Terrace City Location Map



**Legend**

- US 89
- I-84
- == I-15
- ★ Washington Terrace



WTC GIS 2014 - JJ



# EXECUTIVE SUMMARY - INTRODUCTION

## REGIONAL OVERVIEW

The City of Washington Terrace is a 2 square mile suburban community located along the Wasatch Front in Weber County, Utah. Weber County, population 200,000, is home to 22



communities of cities, towns, and unincorporated areas. The City is located 30 miles north of the capital city Salt Lake City, 40 miles from the Salt Lake International Airport, which can be easily reached by nearby Interstate 15 or the Front Runner Rail System.

Additionally, Interstate 84 runs adjacent to the southern City boundaries serving as a main easterly corridor.

Its location near Ogden City offers excellent local access to commerce, education, recreation, transportation, healthcare, and other services. Washington Terrace is home to Ogden Regional Medical Center, Weber School District, and Bonneville High School. Within an 8 mile radius of the City is Hill Air Force Base, Internal Revenue Service, Weber State University, Ogden Hinkley Airport, and McKay Dee Hospital. The City of Washington Terrace is a proud residential community that focuses on preserving the community as a great place to live.

Northern Utah and the Weber County region offers excellent recreational opportunities that attract visitors around the world. During the 2002 Olympics Winter Games the Weber County



region hosted a number of events including the downhill, combined races, and super-G events. The local area offers a wide-variety of high adventure recreation such as: skiing and snowboarding,



skydiving, hiking, biking and cycling, climbing and bouldering, and kayaking and paddlesports. Other regional recreational opportunities include classic recreation such as golf, swimming, home to the Ogden Marathon, and local sports teams and leagues.

All of these recreational opportunities are within close proximity to the City—within 30 minutes or 20 miles.

## **EXECUTIVE SUMMARY - INTRODUCTION**

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This document includes budgets of all funds and account groups responsible for these activities, organizations, and functions that are related to the City and are controlled by or dependent upon the City's governing body, the Mayor and City Council.

The Washington Terrace Redevelopment Agency and the Washington Terrace Special Improvement District are chartered under Utah law as separate legal governmental entities. This document includes reports of these entities since the Mayor and City Council are the appointed board members for these agencies.

# **EXECUTIVE SUMMARY - INTRODUCTION**

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## **OVERVIEW**

The purpose of this document is to present a budget document to the highest professional quality reflecting sound financial management practices in the following essential areas:

**Serve as a Policy Document** – Clearly describing the City’s short-term and long-term financial and non-financial goals and objectives.

**Serve as a Financial Plan** – Describe the fund environment including structure, balances, and major revenues and expenditures.

**Serve as an Operations Guide** – Describe the activities, services, and functions carried out by the organizational units.

**Serve as a Communication Device** – Provide a clear summary of significant budget issues and trends in resources, requirements, and policies.

The principal objective of this executive summary is to clearly describe the City’s budget process and highlight significant changes to the budget. This will enable the Mayor and City Council to provide policy direction during the budget process. This objective will be accomplished by addressing the following tasks:

1. Overview of goals and outcomes of the Budget Summary
2. Provide a summary of the City’s financial position
3. Outline the overall budget process & changes to the budget format
4. Provide a Budget Summary for Fiscal Year 2014 adjusted budget, 2015 tentative budget, and 2016 - 2019 financial plan
5. Discuss capital project prioritization and CIP funding issues
6. Provide an overview of the City Manager’s Recommended Budget
7. Discuss the status of the various City projects
8. Highlight future issues
9. Discuss Citywide budget policy changes

This budget document should be read and considered with the City’s Comprehensive Annual Financial Report to provide an in depth understanding of the City’s financial and economic condition including historical trend data.

# **EXECUTIVE SUMMARY - INTRODUCTION**

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## **CITY MISSION STATEMENT**

**To provide the citizens of Washington Terrace**

with essential and innovative services  
in a timely and cost efficient manner.

## **ORGANIZATIONAL PHILOSOPHY**

**We do the will of the people,**

under direction from the Council,  
to the highest professional and  
ethical standards.

## **CORE VALUES**

### **People**

Trust, Respect, Recognition

### **Service**

Quality, Helpful, Timely

### **Results**

Planning, Decisions, Follow-through

### **Communication**

Multi-Directional, Formal, Informal

### **Commitment**

Involvement, Dedication, Support

### **Excellence**

Innovation, Details, Professionalism

# **EXECUTIVE SUMMARY - INTRODUCTION**

## **LEGISLATIVE POLICY STATEMENTS AND PRIORITIES**

Each year the Mayor and City Council meet, as part of the planning process, to discuss their vision for the community. The policy statements identified in Table 1 have been identified as top community priorities that are tied to the City’s Mission Statement, Organizational Philosophy, and Core Values in providing quality public services. The executive body has work closely with the legislative body to identify specific measurable strategies for each of these policy statements that can be found in the departmental operating budgets.

### **Legislative Policy Statements**

<b>Community Celebrations and Events</b>
<b>Policy Statements</b>
Encourage resident involvement in the community to help foster a greater sense of inclusion, ownership, and pride.
Provide community with entertaining recreational opportunities that are consistent with the City’s values and promote family interaction.
Promote community based events and celebrations that reflect the values and interests of the residents within the budget constraints of the City.
Evaluate and implement ways to increase interest, excitement, value and participation in City sponsored events.
Evaluate and promote ways for residents and businesses to become involved in volunteer efforts involving City sponsored events and projects.
<b>Economic Development</b>
<b>Policy Statements</b>
Focus on the development and promotion of retail based businesses reflecting generally accepted values and standards of the community.
Aggressively pursue economic development using local, state and national business outlets.
Build and create strong positive ties to local businesses in order to promote future business development.
Pursue planning, funding, and the evaluation of critical traffic corridors directly related to retail business promotion.
Promote the purchase, lease, and development of available structures, and commercial properties for retail business expansion within the City’s commercial areas.
<b>Emergency Management and Planning</b>
<b>Policy Statements</b>
Systematically update and review the City Emergency Management Plan according to the needs of the City and consistent with federal, state, and local standards.
Build good working relationships with emergency managers from federal, state, and local governments by attending emergency preparedness functions.
Ensure the emergency response team is appropriately trained in order to meet federal, state, and local guidelines.
<b>Evaluate, Plan, and Maintain Infrastructure</b>
<b>Policy Statements</b>
Develop, update, and execute short and long-term planning to prioritize available funding, maintain infrastructure, and shape envisioned growth.
Seek out, evaluate, and pursue outside funding sources to supplement City resources.
Professionally and efficiently maintain City resources within budget constraints.
Prioritize capital improvements and operation and maintenance efforts.

# **EXECUTIVE SUMMARY – INTRODUCTION**

<b>Family Oriented Community</b>
<b>Policy Statements</b>
Develop policy and procedures for handling chronic property enforcement issues.
Promote community pride and value by keeping residents, businesses, and customers informed and up to date on events, programs, projects, and volunteer opportunities throughout the City.
Follow state and national guidelines in establishing traffic and pedestrian installations.
Provide, evaluate, and update family based events.
<b>Fiscal Responsibility</b>
<b>Policy Statements</b>
Vigilantly account for public funds and resources.
Continue to develop practices that promote fiscal accountability, full disclosure, and planning.
Follow established policies for overall fiscal management of the City, including the recession/revenue shortfall plan.
Continue to use and develop the 5 year budget plan by evaluating and anticipating current and future needs.
Apply for grants that maximize the City's investment and further the vision of the City.
Maintain a competitive compensation package in order to retain and attract a competent workforce.
Maintain a balance between services provided and ability to pay.
<b>Open and Responsive Government</b>
<b>Policy Statements</b>
Disseminate information that is consistent with Council and staff objectives.
Offer a variety of means to inform residents in a timely manner using the appropriate multi-media social outlets.
Communicate issues to keep external and internal stakeholders informed.
Maintain and develop an open and responsive attitude when dealing with customers.
Maintain regular and effective interstaff communications ensuring the consistent application of goals.
<b>Parks, Trails, and Open Spaces</b>
<b>Policy Statements</b>
Maintain, update, and prioritize City park master plans to support community activities with appropriate resources.
Acquire, renovate, and maintain parks and open space areas to provide the community with facilities, trails, and recreational opportunities.
Coordinate City recreational efforts with neighboring city and county facilities, opportunities, and systems.
<b>Recreation Programs and Facilities</b>
<b>Policy Statements</b>
Ensure that the recreational offerings and programs of the City are available to all appropriate populations if there is demonstrated demand and available resources.
Collaborate with community stakeholders to build cooperative recreation programs, facilities, and relationships.
Administer professionally organized recreational services that effectively utilize resources and facilities to accomplish important community outcomes.

# EXECUTIVE SUMMARY – INTRODUCTION

Regional Cooperation
Policy Statements
Collaborate with community stakeholders to build cooperative services, programs, and facilities.
Coordinate, develop, and maintain cohesive relationships with local, regional, and state agencies.
Participate in regional events, boards, and organizations to establish and strengthen cooperative relationships.
Pursue timely coordination with outside entities to effectively organize events.
Sustainable Growth through Vision and Planning
Policy Statements
Continue to maintain standards in planning, zoning, and policy retail development in approved commercial zones.
Ensure zoning, planning, and building codes encourage a business and retail friendly environment while protecting the City standards.
Evaluate and update the City Master Plan in order to ensure annexation of appropriate and valued land parcels adjacent to the City.
Sustainable and Effective Public Safety
Policy Statements
Maintain appropriate and sustainable staffing and equipment levels in order to serve and protect stakeholders from harm as it relates to public safety services.
Project a sense of community and good will through the efforts of public safety personnel.
Continue to maintain a high level of training and certification for public safety personnel.

**Table 3 – Legislative Policy Statements**

The City Council Policy Priorities, as graphically illustrate in Figure 1, are the core and supporting functions that demonstrate how these functions work together to sustain the service levels needed to support the Stakeholders of the City.

The Core Functions are the fundamental priorities that must be maintained in order to provide the services and activities that make up the Supporting Functions of the City. These core functions provide the financial, responsive, security, and economic foundations necessary to maintain the Supporting Functions of the City.

The Supporting Functions operate concurrently with the Core Functions that result in the service levels offered to stakeholders. The Supporting Functions represent the various activities and services that are performed on a daily basis to sustain a well maintained and enriching environment to live and do business.

# **EXECUTIVE SUMMARY – INTRODUCTION**

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The Core Functions and the Supporting Functions of the policy priorities work in a cyclical fashion to support each of the legislative policy priorities and add value to the entire system. In reality, the entire policy priority system must be interdependent in order for the organization to provide the services needed to support the existing levels of service.



**Figure 1 – Legislative Policy Priorities**

## **THE BUDGET PROCESS**

The budget process is a way to link the legislative policy statements and priorities to the day-to-day operations of the City. Through the budget process, the Council will adopt a budget and financial plan that will serve as a policy document for implementing the legislative policy statements and priorities. The budget provides the executive body with the resources necessary to accomplish the service delivery goals established by the legislative body.

## **EXECUTIVE SUMMARY – INTRODUCTION**

The budget process is an essential element of financial planning, management, control, and evaluation of service delivery. Additionally, the budget process offers a series of public hearings for customers of these services to give input on these programs and levels of services.

According to state statutes, the City Manager shall prepare and present to the City Council a proposed balanced budget by the first regularly scheduled Council meeting in May. According to Utah Code Annotated (UCA) §10-6-110(2), a balanced budget is defined as “the total of the anticipated revenues shall equal the total of appropriated expenditures”. The proposed budget must be available for public inspection during normal business hours after it has been filed with the City Council. 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 by August 17.

The City begins the budget process as early as November with the legislative body identifying priorities and objectives for the next year. Each department director is responsible for preparing budget requests for each program based on specific criteria outlined the following “Considerations for Funding”. Legislative objectives are addressed either in the current level budget or as additional options for enhanced, increased, or decreased service levels. The City Manager reviews budget requests, including budget options, with each department director 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. Between the first City Council meeting in May and the first meeting in June, the Council has the opportunity to review the proposed budget, consider public comment, and finally, adopt a balanced budget. The operating budget is adopted on an annual basis. Capital construction normally takes place over more than one fiscal year; therefore, capital budgets are adopted on a project length basis.

**Budgetary Control:** Budgetary control of each fund is maintained at the department level. Department directors 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

## **EXECUTIVE SUMMARY – INTRODUCTION**

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 exceed appropriations at the department level.

**Considerations for Funding:** Requests for increased funding or levels of service should be considered at one time rather than in isolation or on a “piecemeal” basis. This policy does not preclude budget adjustments pursuant to state laws, but encourages that budget decisions, when possible, be part of comprehensive budget process.

Departments are given specific instructions during the budget process that all budget requests must meet prior to being considered by the City Council. All requests should meet at least one of the following criteria:

1. Offset with equal or greater reductions elsewhere within a department’s budget. Requests that are offset with budget reductions in the same budget category. For example: a new personnel request should be offset with existing personnel funding, materials should offset materials, etc. Personnel requests with offsetting existing funds other than personnel are discouraged and will be subjected to a heightened review.
2. Demonstrate an exceptional need that could not have been anticipated during the budget process.
3. Signify a budget reduction in future budget cycles to offset cost.
4. Tied to a legislative policy statement.
5. Generate new revenues.
6. Federal, State, or local mandate.
7. Tied to contractual obligations.
8. Health/safety concerns.

This stringent process and criteria assists the City in acting fiscally responsible and clearly communicating the expectations for budget requests and changes to levels of services.

# **EXECUTIVE SUMMARY – INTRODUCTION**

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## **BUDGET CALENDAR**

### **Preparation of Tentative Budget**

#### **November**

Legislative body identifies community goals and objectives. Tentative capital improvement plan released.

#### **December**

Budget Calendar and instructions presented to departments. Department mid-year performance measures due.

#### **January**

Department's submit budget options and tentative performance measures. Department's meet with City Manager and Finance Manager to discuss options and performance measures. Begin rate and fee analysis. Personnel pay plan benchmarking and benefit costs updated.

#### **February – March**

Budget analysis conducted. Compilation of Tentative Budget.

#### **April**

Tentative Budget presented to Council. Staff presents introduction, executive summary, and budget policies.

### **Council Presentation and Public Hearings**

#### **May**

The Council holds public hearing on the proposed tentative budget. Staff presents operating and capital budgets and tentative rate and fee schedule. Council adopts tentative budget.

### **Adopt Final Budget and Set Certified Tax Rate**

#### **June**

The Council holds public hearings on the proposed tentative budget; Council adopts final budget, certified tax rate and fee schedule (adopted prior to June 22nd state deadline if no property tax increase)

#### **July - August**

The Council notices and holds Truth-in-Taxation Public Hearing (ad run twice in the two weeks preceding the hearing). Council adopts final budget and certified tax rate.

### **Additional Budget Dates and Deadlines**

July 17 - Budget due to State Auditor's Office (no property tax increase)

August 30 - Budget published and available on-line

September 17 - Budget due to State Auditor's Office (property tax increase)

September 17- Submit Budget Document to Government Finance Officers Association for their Budget Presentation Award

September 30 - Final Budget Document and Citizens Budget made available

## **EXECUTIVE SUMMARY – INTRODUCTION**

On or before the last day of the fiscal period in which a final budget has been adopted, budget amendments may become necessary to change estimated revenues and appropriations in certain funds. The Council, prior to approving budget amendments, must hold a public hearing to solicit public input on said proposed changes.

**Budget Format:** The budget process is approached on a multi-year basis rather than annually. The multi-year approach or five year financial plan anticipates revenues and expenditures for the appropriation year and four years beyond. This multi-year approach encourages a forward thinking approach to programs and service delivery by offering a comprehensive financial outlook that anticipates budgetary assumptions.

Each budget year beyond the required appropriations period, is referred to as a multi-year financial plan that *does not* act as a formal spending document but rather serves as a plan that can be amended freely without legislative approval. The financial plan only becomes a formal spending document with approval by the legislative body at which time the plan becomes the annual budget.

Implementing a multi-year financial plan offers the City numerous advantages, including but not limited to:

**Improve Financial Management**  
**Improve Long-Term Planning**  
**Ability to Evaluate Program and Service Delivery**

In addition to the five year plan, anticipated budgetary changes to the current year budget or the remaining six months of the fiscal year are also considered.

During the first year of a multi-year budget process is when the majority of the planning occurs. The second year typically will include minor adjustments and anticipated programmatic changes. The goal of this type of planning is to ensure that operational needs are meeting the long-term organization's direction. Each year the City will incorporate the current adjusted budget and a five-year plan.

## **EXECUTIVE SUMMARY – INTRODUCTION**

For the first year July 1, 2014 – June 30, 2015, the City Council will approve a budget for the upcoming fiscal year and a fiscal plan for the four years thereafter. The Budget Document is a tool to be used by management and staff to implement the direction established by the legislative body to carry out the needs and direction of the community. The budget document consists of six major areas: (1) Executive Summary; (2) Operating Budgets; (3) Budget Summaries; (4) Financial Policies and Objectives; (5) Performance Measurement Program, and (6) Supplemental Information.

- A. The Executive Summary offers an introduction to the budget through a budget message that provides a summary explanation of key choices and decisions made during the budget process. This message further addresses the ramification of these choices and decisions. The Executive Summary also includes the legislative policy statements that shape the budget parameters and an outline of the budget process and calendar.
- B. The Operating Budget reports in detail how the City's fiscal resources are used to deliver public services. Included with the operational budgets are the department's service overview, goals, accomplishments and highlights, performance measures, and budget requests.
- C. The Budget Summaries focus on government-wide revenues and expenditure summaries and individual fund summaries.
- D. The Policies and Objectives section focuses on improving the decision making by providing clear, agreed-upon parameters. The guidelines strive to achieving fiscal accountability and management, full disclosure, and act as a planning tool to assist in the decision making process.
- E. The Performance Measurement Program included in this document includes outputs of individual units to provide a meaningful way to assess the effectiveness and efficiency of those units. The performance measures are tied to mission, goals, and objectives of each department.

## **EXECUTIVE SUMMARY – INTRODUCTION**

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F. The Supplemental Section offers an introduction to the capital project program, government-wide fee schedule, department options summary, and glossary of terms.

This year's Executive Summary represents staff's recommendations to carry out the Mayor and Council's goals for the upcoming budget year. By adopting the Fiscal Year 2014 budget, City Council is legally appropriating funds and authorizing expenditures in accordance with policies outlined in this document and in accordance with State law. Each year the City Council will be required to adopt the next year's budget. For planning purposes, the Fiscal Plan is not legally adopted but rather it is the anticipated operations plan for future fiscal years.

### **BUDGET AWARD PROGRAM**

The Government Finance Officers Association of the United States and Canada (GFOA) presents an award for Distinguished Budget Presentation. The City has been successful in receiving this prestigious award since 2005. To continue receiving this award, the City must publish a budget document that meets program criteria as a policy document, operations guide, financial plan, and communication device.

This award is significant for several reasons which include the City's adherence to good budget policies and positive planning efforts. The City receiving this award is an external measure of the proactive budgeting practices the City is employing.

The award is valid for a period of one year. We believe this budget conforms to program requirements and will be submitted to GFOA to determine its eligibility for this prestigious award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Washington Terrace  
Utah**

For the Fiscal Year Beginning

**July 1, 2013**

Executive Director

# **Economic Indicators**

# **EXECUTIVE SUMMARY – ECONOMIC INDICATORS**

## **FISCAL FIRST AID**

The Government Finance Officers Association (GFOA) recently released fiscal first aid techniques governments can implement when responding to financial distress. GFOA states that fiscal first aid techniques can be used as an immediate short-term aid to stop perpetuating financial distresses. While the development of permanent treatments may be necessary, in less severe cases of financial distress, fiscal first aid alone may be sufficient. The four categories of fiscal first aid are as follows:

**Primary Treatments** – are those that are recommended as the first line of defense and should be considered as a first option. In many cases, the go-to treatments not only provide immediate help but also improve the long-term prognosis.

**Treatments to Use with Caution** - may be called for if the go-to techniques are not sufficient. However, the side effects of these treatments could potentially worsen financial condition if used improperly.

**Treatments to Use with Extreme Caution** - might help the near term financial situation, but could ultimately work against financial sustainability. For example, a treatment might damage the government's reputation, thereby reducing the public's support for local taxes.

**Treatments Not Advised** - are ones that can cause trouble.

The first step in implementing fiscal first aid is to diagnose the main causes of the problem. Accurate diagnosis is essential for selecting the right treatment and getting support for the treatment regimen. GFOA states that when diagnosing the problem, it is advisable to emphasize factors internal to the organization such as structure, culture, and communications. While external causes, such as a poor economy or state/federal mandates, may be at least partially to blame for fiscal distress, fixating on these largely uncontrollable items saps confidence that a good solution can be found.

## **EXECUTIVE SUMMARY – ECONOMIC INDICATORS**

The City has evaluated its own management practices against the four fiscal first aid treatments identified above. Table 2 compares the actions the City has employed in its current management practices against each treatment. As demonstrated in Table 2, the City has implemented strong fiscal management practices that offer proactive techniques utilized as a short and long-term aid to achieve the highest level of fiscal management. The City has implemented its “Recession/Net Revenue Shortfall Plan” (refer to the Policies and Objectives section) and is closely monitoring the potential budgetary impacts and strategies.

# EXECUTIVE SUMMARY – ECONOMIC INDICATORS

Fiscal First Aid Techniques			
Primary Treatments			
Action	Revenue	Action	Human Resources and Benefits
X	Audit revenue sources	X	Evaluate overtime use
X	Improve billing and collections procedures	X	Address health care costs & workers' compensation claims patterns
X	Explore fees for services	X	Re-examine labor structures
	Propose taxes with a strong nexus	X	Assess organization structure
	Conduct a tax lien sale	X	Integrate human resources and financial systems
		X	Investigate risk management
	<b>Capital and Debt</b>		
X	Start comprehensive capital project planning		<b>Financial Planning and Analysis</b>
X	Restructure debt	X	Evaluate financial condition & get benchmark data
		X	Inventory programs and ascertain their costs
	<b>Management Practices</b>	X	Audit certain recurring expenditures
X	Make managers manage	X	Divest of loss-generating enterprises
X	Enhance purchasing practices	X	Seek state, federal, and/or regional assistance
X	Pursue inter-organizational cooperation	X	Identify sources of liquidity
X	Revisit control system		
X	Centralize financial management and human resources activities		
X	Develop cash flow reporting		
X	Establish a culture of frugality		
X	Recognize opportunities within crisis		
X	Manage perceptions		
X	Be willing to spend money to save money		
X	Network with peer agencies and individuals		
Treatments to Use with Caution			
	<b>Revenue</b>		<b>Human Resources and Benefits</b>
	Sell assets		Offer early retirement program
	Obtain better returns on idle cash	X	Increase part-time labor
		X	Institute hiring/wage freezes
			Reduce hours worked and pay
	<b>Capital and Debt</b>		<b>Financial Planning and Analysis</b>
	Use short-term debt to pay for vehicles	X	Revisit interfund transfer policies
X	Defer and/or cancel capital projects		Use Fund Balance to Soften the Landing
	Use debt to fund pay-go capital projects		<b>Management Practices</b>
			Close facilities (or reduce hours of operation)
		X	Outsource
Treatments to Use with Extreme Caution			
	<b>Revenue</b>		<b>Human Resources and Benefits</b>
	Levy a broad tax increase		Make across-the-board wage cuts
	Create special taxing districts		Defer compensation
	<b>Capital and Debt</b>		<b>Management Practices</b>
			Make large or sustained across-the-board budget cuts
Treatments Not Advised			
	<b>Revenue</b>		<b>Human Resources and Benefits</b>
			Underfund accrued liabilities like pensions
	<b>Capital and Debt</b>		<b>Management Practices</b>
	Shift operational costs into capital budgets		Use accounting manipulations

Table 4 – Fiscal First Aid Techniques, comparing City practices to treatment techniques

# EXECUTIVE SUMMARY – ECONOMIC INDICATORS

## PROPERTY VALUATION AND TAX ASSESSMENTS

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 as shown in the table below.

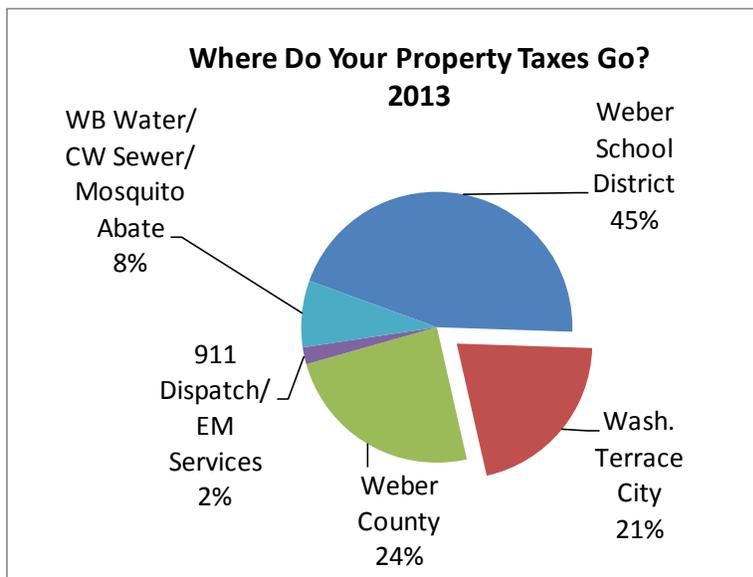
<b>History of Property Statutory Assessment</b>					
	<b>Year</b>	<b>Statutory Assessment Level (% of Market Value)</b>	<b>Real Property Intangible Exemption (Apply to Locally Assessed Only)</b>	<b>Primary Residential Exemption</b>	<b>Total Taxable Value as a Percentage of Market Value</b>
<b>Primary Residential</b>	1961 - 1978	30%	0%	0%	30%
	1979 - 1980	25%	0%	0%	25%
	1981 - 1982	20%	20%	0%	16%
	1983	20%	0%	25%	15%
	1984 - 1985	20%	20%	25%	12%
	1986 - 1990	100%	20%	25%	60%
	1991	100%	5%	29.75%	66.74%
	1992 - 1993	100%	5%	29.50%	66.98%
	1994	100%	0%	32%	68%
1995 - Present	100%	0%	45%	55%	
<b>Other Locally Assessed Real Property</b>	1961 - 1978	30%	0%	N/A	30%
	1979 - 1980	25%	0%	N/A	25%
	1981 - 1982	20%	20%	N/A	16%
	1983	20%	0%	N/A	20%
	1984 - 1985	20%	20%	N/A	16%
	1986 - 1990	100%	20%	N/A	80%
	1991	100%	5%	N/A	95%
	1992 - 1993	100%	5%	N/A	95%
	1994 - Present	100%	0%	N/A	100%
<b>Personal Property</b>	1961 - 1978	30%	N/A	N/A	30%
	1979 - 1980	25%	N/A	N/A	25%
	1981 - 1985	20%	N/A	N/A	20%
	1986 - Present	100%	N/A	N/A	100%
<b>Centrally Assessed Property</b>	1961 - 1978	30%	N/A	N/A	30%
	1979 - 1980	25%	N/A	N/A	25%
	1981 - 1985	20%	N/A	N/A	20%
	1986 - Present	100%	N/A	N/A	100%

Table 5 – The State of Utah property tax statutory assessment from 1961 to present

## **EXECUTIVE SUMMARY – ECONOMIC INDICATORS**

During the 1995 legislative session, the exemption for primary residential property was increased from 32 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. The Utah Supreme Court held this practice to be constitutional in subsequent tests.

**Property Tax Levies and Collections:** Weber County levies, collects, and distributes property taxes for the City of Washington Terrace and all other taxing entities 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. The County Auditor mails notice of valuations and tax changes by July 22.

Figure 2 (above) - Each taxing entity's share of the total levy for property taxes in 2013

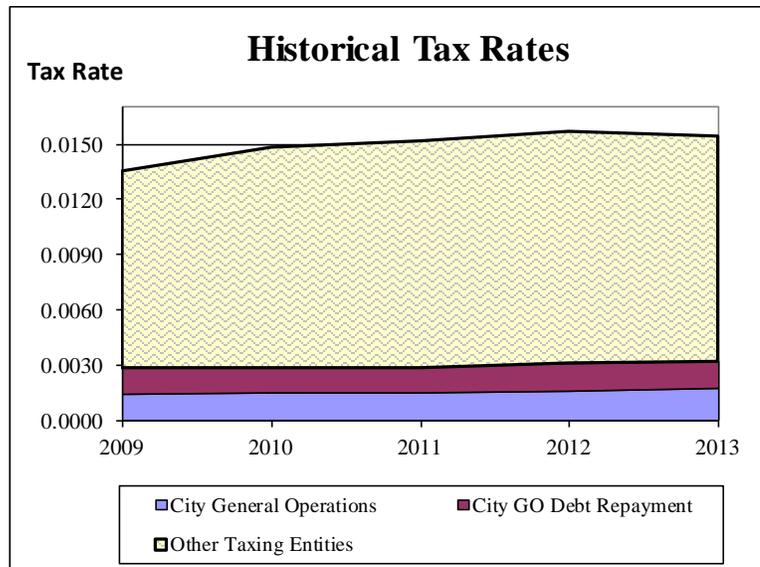
State statutes require that each year a certified tax rate be calculated. The certified tax rate is the rate which will provide the same amount of property tax revenue as was charged in the previous year, excluding the revenue generated by new growth. If a taxing entity determines that it needs greater revenues than what the certified tax rate will generate, State statutes require that the entity must go through a process referred to as Truth-in-Taxation. The Truth-in-Taxation process is a series of steps that include notification and advertisement of the proposed tax increase and holding a public hearing to receive public input before the final rate is adopted.

Tax notices are mailed November 1 and are due November 30. Delinquent taxes, together with penalty of the greater of delinquency, the amount of taxes and penalty shall bear interest on a per

## **EXECUTIVE SUMMARY – ECONOMIC INDICATORS**

annum basis from January 1<sup>st</sup> following the delinquency date. This interest is 600 basis points (6%) above the Federal Discount Rate. Starting in 2010, the penalty and interest requirements have changed. The penalty was changed to the greater of \$10 or 1% of the delinquent amount due if the current year delinquent tax was paid-in-full between December 31<sup>st</sup> and January 31<sup>st</sup>, otherwise the penalty amount is the greater of \$10 or 2.5% of the amount that was delinquent on December 1<sup>st</sup>. Additionally, the interest changed to 6 percent above the targeted federal funds rate, but this must fall within a minimum of 7% and a maximum of 10%.

**Figure 3 (right) - represents the City's and other taxing entities' historical tax rates since 2009.**



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.

The maximum rate of levy applicable to the City for general fund operations authorized by State law is 0.007000 per dollar of taxable value per taxable property within the City. The City may levy an unlimited tax levy to pay the principal of and interest on legally issued General Obligation Bonds.

The City's total tax levy has increased from 0.002866 in 2009 to 0.003217 in 2013. In 2010, the City's tax rate increased to 0.002939 due to the implementation of 2009 HB23, "Certified Tax Rate Amendments". HB 23 states that for calendar year beginning January 1, 2010, and ending on December 31, 2010, a taxing entity may budget an increased amount of ad valorem property tax revenue equal to or less than the taxing entity's five year average of the most recent prior five years of redemptions..." In 2013, the City raised its general purpose tax levy increasing budgeted revenue 39% from the prior year. Said increase will be used to fund the operations and

# EXECUTIVE SUMMARY – ECONOMIC INDICATORS

maintenance of the streets programs.

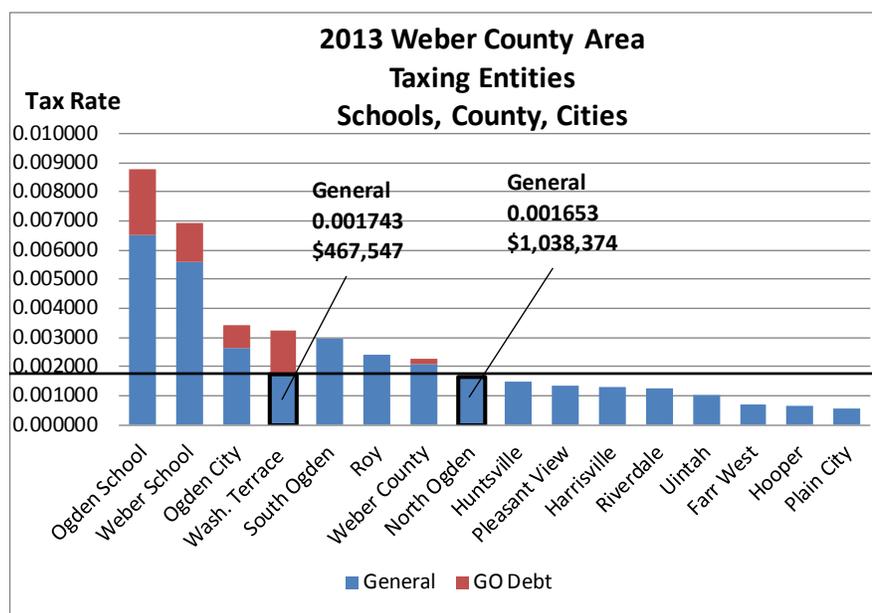
As depicted in Figure 3, a residential home with a market value of \$150,000 is taxable at 55 percent of its value or \$82,500. In 2013, the City would have received \$265.40 in property tax revenue (general purpose and GO Debt repayment). In 2011, the same residential home valued at \$150,000 would have paid \$242.91 in City property tax.

Property Taxes	2011		2012		2013	
	Rate	\$ collected from home value of \$160k	Rate	\$ collected from home value of \$160k	Rate	\$ collected from home value of \$160k
City - General Operations	0.001497	131.74	0.001588	139.74	0.001743	153.38
City - GO Debt Repayment	0.001441	126.81	0.001497	131.74	0.001474	129.71
<b>Total City Levy</b>	<b>0.002938</b>	<b>\$ 258.54</b>	<b>0.003085</b>	<b>\$ 271.48</b>	<b>0.003217</b>	<b>\$ 283.10</b>
<i>% chg from prior year</i>	0%	7%	5%	5%	4%	4%
<b>Other Taxing Entities</b>	<b>0.012262</b>	<b>\$ 1,079.06</b>	<b>0.012596</b>	<b>\$ 1,108.45</b>	<b>0.012170</b>	<b>\$ 1,070.96</b>
<i>% chg from prior year</i>	4%	10%	3%	3%	-3%	-3%
<b>Total Tax Levy</b>	<b>0.015200</b>	<b>\$ 1,337.60</b>	<b>0.015681</b>	<b>\$ 1,379.93</b>	<b>0.015387</b>	<b>\$ 1,354.06</b>
<i>% chg from prior year</i>	3%	10%	3%	3%	-2%	-2%

Table 6 (above) shows historical tax rates and revenue collected by value for the City and the other taxing entities.

The City has a relatively high tax rate compared to other communities and taxing entities in Weber County. This is largely due to General Obligation Debt issued in 2000 being repaid with property taxes, the City's limited retail sector, large residential base with a low to moderate taxable value, and high density tax exempt properties.

Figure 4 (right) – 2013 tax rates for Weber County area school districts, county, and cities



As depicted in Figure 4, the City's tax rate of

## EXECUTIVE SUMMARY – ECONOMIC INDICATORS

0.003217 is the second highest tax rate among cities and towns in Weber County. This is largely due to the City’s General Obligation Debt tax levy. Ogden City had the highest tax rate of 0.003415 and South Ogden City ranked third highest with a tax rate of 0.002962. The highest taxing entities in Weber County in 2013 were Ogden City Schools at a tax rate of 0.008754 and Weber School District the second highest taxing entity at 0.006920.

Although the City’s full taxable value is small compared to other cities of similar size at \$321,597,942 (2012 taxable real, personal, and centrally assessed property value), the City’s tax base has declined by 6 percent since 2010 decreasing from \$341,065,402 to \$321,597,942. Economic indicators, however, are encouraging showing that real estate values are slowing

Principal Property Taxpayers	2012			% of Total Assessed Value
	Taxable Assessed Valuation (1)	Estimated City Tax	Rank	
Columbia Ogden Medical Center	39,255,744	121,104	1	12.21
The Boyer Co.	6,244,087	19,263	2	1.94
Pleasant Valley Office	3,935,731	12,142	3	1.22
CNL Retirement	3,813,931	11,766	4	1.19
Ogden Orthopedic Medical	3,147,824	9,711	5	0.98
Washington House Assisted Living	3,135,559	9,673	6	0.97
Lake Park Apartments Inc	2,628,421	8,109	7	0.82
Mt. Ogden Health & Rehab	2,457,892	7,583	8	0.76
Storage South LLC	2,177,286	6,717	9	0.68
Woodland Cove LLC	1,932,675	5,962	10	0.60
<b>Totals</b>	<b>\$68,729,150</b>	<b>\$212,029</b>		<b>21.37%</b>

(1) Assessed valuation includes real, personal, and centrally assessed.

rebounding in addition to new commercial growth.

Table 7 (left) represents the City’s largest property tax payers in 2012.

As shown in Table 5, the City’s top ten taxpayers have remained relatively the same with Columbia Ogden Medical Center

continuing to be the largest property tax payer representing approximately 12.21 percent of the City’s total taxable value. The City’s top ten taxpayers represent 21.37 percent of the taxable property value.

# **Budget Overview**

# **EXECUTIVE SUMMARY – BUDGET OVERVIEW**

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## **MAJOR BUDGET ISSUES & PRIORITIES**

The major budget issues and priorities outlines the basic premises associated with the budget and its major issues driving the budget development.

### **ENTERPRISE UTILITY FUNDS**

As staff continues to evaluate and balance the current and future requirements of the Culinary Water, Sanitary Sewer, Refuse, and Storm Water utility services, the analysis continues to highlight the following challenges facing each of these services:

- The ability to *fund current and future operations, fleet and equipment, and capital infrastructure*
- The ability to *fund federal and state mandates*
- The ability to *maintain strong creditworthiness*
- The ability to *build/maintain reserves for unforeseen events/emergencies*
- The ability to *keep rates as low as possible with a limited customer base*

The budget document uniquely addresses each of these challenges by balancing our customers' ability to pay and the revenue realities with the services offered.

### **CAPITAL FINANCING**

It is anticipated that pay-as-you-go, short-term, and long-term financing options will be necessary to fund capital infrastructure and equipment. Financing strategies are evaluated to identify challenges and opportunities including sustainability, timing, and balance to deliver a stable level of essential services.

Although City staff has been diligent in seeking grant revenue, the availability and eligibility of grant assistance has become extremely limited and competitive, thus shifting the full financing burden of capital requirements upon the City's customer base.

## **EXECUTIVE SUMMARY – BUDGET OVERVIEW**

The City has taken advantage of low interest loans and an optimal construction environment to assist with keeping costs as low as possible, however, the capital demands continue to exceed available resources thus making progress slower and more expensive.

### **CONSTRUCTION OF A PUBLIC WORKS FACILITY**

The public works facility is an essential facility to provide services to the customers in the City. Having a safe, efficient, and effective facility offers higher serviceability levels for the programs offered.



Services and programs managed in this facility include: culinary water system, sanitary sewer system, storm water system, refuse collection, streets and sidewalks, parks and open space, general government buildings and facilities, and fleet and equipment.

To provide optimal levels of service, the construction of a new public works facility is needed as the following facility deficiencies have been identified as critical needs:

- Structure vulnerability to earthquakes/ limiting the City's ability to respond in an emergency
- Age/deterioration
- Size/ storing of equipment and housing personnel/ needs to build out
- Efficiency/Effectiveness
- Safety
- Facility requirements to comply with federal and state mandates

The concept of constructing a new public works facility is in the preliminary planning phase. Financing options/feasibility, project scope, design, cost, and location will be carefully analyzed to determine what to be in the best interest of the City.

## **EXECUTIVE SUMMARY – BUDGET OVERVIEW**

While this budget document does not include fiscal considerations for this project, it is anticipated that the budget plan may change, pending the outcome of the analysis, to include this concept as part of the development phase.

### **STORM WATER MANAGEMENT REGULATIONS**

Federal and state agencies have issued storm water management regulations governing municipal storm water discharge. These regulations require the City to develop, implement, and enforce a plan designated to reduce the discharge of pollutants from the municipal separate storm sewer system, protect water quality, and satisfy the appropriate water quality requirements.



These regulations are becoming increasingly more rigorous and costly. Effected entities are required to maintain a Storm Water Discharge permit that requires extensive monitoring, control, documentation, and public outreach/education. Staff will continue to evaluate and implement the best alternatives at the lowest possible cost.

### **UTILITY RATES**

Beginning July 1, 2014, utility rates for water, sewer, and storm water services will increase by \$0.94 or \$55.00 base minimum bill for a single family residence.

Service	Single Family Residential					
	Base (\$/4,000 gal.)			Overage (\$/1,000 gal.)		
	Current	New	Change	Current	New	Change
Water	17.65	17.80	0.15	5.05	5.10	0.05
Sewer	17.16	17.55	0.39	4.91	5.03	0.12
Refuse	13.00	13.00	-			-
Storm	6.25	6.65	0.40			-
<b>Minimum Bill</b>	<b>\$ 54.06</b>	<b>\$ 55.00</b>	<b>\$ 0.94</b>	<b>\$ 9.96</b>	<b>\$ 10.13</b>	<b>\$ 0.17</b>

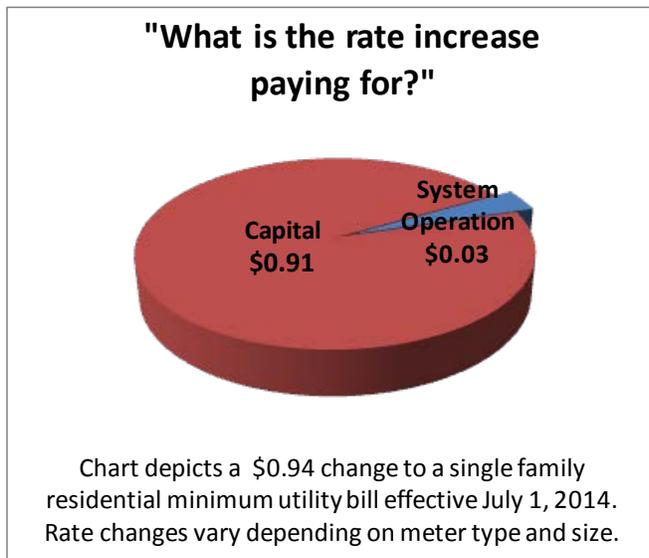
Table 8 (left) represents a single family residential utility rate structure effective July 1, 2014

The increases are necessary to continue to fund the ongoing operations and capital requirements of the system. As depicted in the following figure, 96% or \$0.91 of the increased is expected to fund capital requirements while only 4% or \$0.03 is to fund system operations. One-time

## **EXECUTIVE SUMMARY – BUDGET OVERVIEW**

operating costs in FY14 were able to keep changes to the FY15 budget to a minimum. For a complete fee schedule refer to the Supplemental Section.

**Water** services for FY15 are anticipated to generate an additional \$10,000 of revenue from charges for services to fund additional capital requirements, thereby, increasing water user fees.



For example, a single family residence base fee would increase by \$0.15 or from \$17.65 to \$17.80. Overage per 1,000 gallons would also increase by \$0.05 or from \$5.05 to \$5.10.

**Figure 5 (left) – illustrates “What is the rate increase paying for?” effective July 1, 2014.**

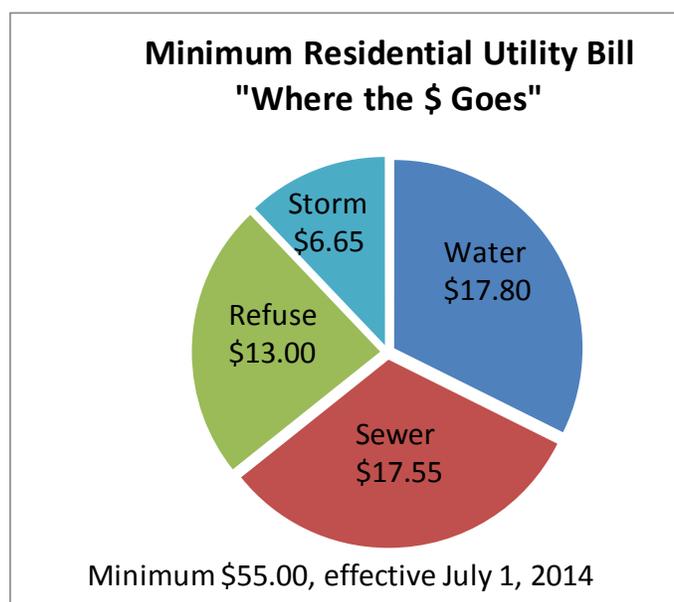
Refer to Fund Summaries, Culinary Water Enterprise Fund for capital requirement details.

Operating requirements are projected to yield a net zero increase. One-time operating costs in FY14 were able to keep changes to the FY15 budget to a minimum.

**Sewer** services anticipate additional revenue requirements or charges for services of \$24,000 to fund additional capital requirements. Refer to Fund Summaries, Sanitary Sewer Enterprise Fund for capital requirement details.

**Figure 6 (right) – illustrates a minimum residential utility bill by service type.**

Operating requirements are projected to



## **EXECUTIVE SUMMARY – BUDGET OVERVIEW**

yield a net zero increase. One-time operating costs in FY14 were able to keep changes to the FY15 budget to a minimum.

Historically sewer operating costs have experienced significant increases. These increases were largely attributed to fees charged by Central Weber Sewer Improvement District (CWSID) for the operations and expansion of their sewer treatment facility. Since FY09 these increases have averaged 33 percent annually. FY14 is the first year since FY09 a moderate increase of 2 percent or approximately \$7,800 is projected. FY15 is projected to increase by up to 5%.

It is anticipated that future increases imposed by CWS should not exceed 3 percent annually through FY19. While increases beyond FY19 are uncertain, it is anticipated that they could reach as high as 20-25% annually. It is expected that the CWSID will be required to continue to make facility improvements to comply with federal regulations.

**Storm Water** services for FY15 are expected to require an additional \$25,000 in revenue, thereby, increasing the storm water fee from \$6.25 to \$6.65 to fund necessary operating and capital requirements—operating \$2,250 and capital \$22,750.

Additional requirements of \$25,000 are projected annually through FY19.

**Refuse** service requirements and rates are projected to remain constant for FY15. While it is anticipated that operating costs will increase by 2%, it is projected that available reserves will be utilized to offset the anticipated increases.

While it is expected that refuse rates will remain flat through FY19 by continuing to absorb minimal operating cost increases with available reserves, this practice will be closely reviewed annually to determine if sustainable through FY19.

Water and Sewer usage rates continue to be structured with overage rates weighted higher per 1,000 gallons compared to the base cost per 1,000 gallons.

## **EXECUTIVE SUMMARY – BUDGET OVERVIEW**

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### **Levels of Service**

It is the desire of the City to provide a high level of public services to our customers that include offering these services at the highest professional level including staff, equipment/technology, and facilities. The levels of service provided for in the FY15 tentative budget match the revenue realities of our customer base.

### **Meter Read System**

Efforts are underway to replace the approximate 1,000 meters that have failed radios and must manually read each month. The failed radios will be replaced with a radio/meter system will be capable of converting from a drive-by (Automatic Meter Reading or AMR) read system to a fixed-base (Advanced Meter Infrastructure or AMI) read system in the future—allowing instantaneous access to every meter from our billing computers and resolution of most resident's questions on-the-spot. Overtime, all of the radios/meters in the City will be converted to this new Badger system. This new system is expected to greatly increase meter reading efficiency and improve customer service.

### **Storm Water Management**

Storm water management regulations are requiring higher levels of service to be in compliance with federal and state laws. The City is required to maintain a storm water discharge permit that requires extensive monitoring, control, documentation, and public outreach/education.

## **GOVERNMENTAL FUNDS**

### **REVENUE PROJECTIONS**

The FY15, General Fund revenues are projected to decrease by 1.9% or \$72,435. Said decrease is attributed to one-time grant and permit revenues received in FY14. These one-time revenues were used for one-time expenditures and therefore its loss will have no impact on funding ongoing requirements. Tax revenue is the only major revenue source projected for real growth at 1.4% or \$29,626.

The FY16-FY19 budget plan projects revenues to increase by 2% annually with no major events

## **EXECUTIVE SUMMARY – BUDGET OVERVIEW**

or occurrences to note. Caution is being used to be conservative with revenue projections given the fragile but stabilizing economic climate. Expenditures are driven from the same conservancy. Major guiding budget issues affecting governmental funds are discussed below.

### **LAW ENFORCEMENT SERVICES**

Law enforcement services continue to be evaluated to determine appropriate and sustainable service levels. Law enforcement services represent the largest department expenditure in the General Fund at approximately \$760,115 for FY15 down 4% or \$30,586 from FY14. The budget plan for FY16-FY19 anticipates up to 3% annual increases.

The costing formula for law enforcement services for each contract entities is weighted 50/50 population and history of police calls.

### **PERSONNEL**

Personnel requirement have been driven from the City's compensation philosophy. Compensation is based on market driven salaries/wages and benefits of other benchmark communities. It is a priority of the City to establish and maintain a compensation plan that balances the interests of the operating budget while attracting, developing, retaining, and rewarding high quality staff.

Personnel costs, excluding the one-time and discontinued Communities That Care Program, are estimated to increase by 3 percent or \$54,411—salaries and wages \$31,395 and benefits \$23,016.

Health coverage offered by PEHP has had a rate renewal *decrease* of .55% and dental has had a rate renewal *increase* of 8%. The employees' share of health/dental premiums is 10% and the City's share is 90%.

Retirement benefits administered through Utah Retirement Systems public employees noncontributory tier 1 system will experience a rate *increase* of 1.18% or a total employer contribution rate of 18.47%. The tier 2 system will experience a rate *increase* of 1.14% or a total employer contribution rate of 16.72%. The firefighters' retirement system (including employer

## **EXECUTIVE SUMMARY – BUDGET OVERVIEW**

pickup election) will experience a rate *increase* of 0.82% or a total employer contribution rate of 18.87%.

### **COMMUNITY REDEVELOPMENT AND RENEWAL AGENCY aka REDEVELOPMENT AGENCY (RDA)**

The two redevelopment project areas in the City, the Southeast and Central Business District, were established to promote economic development and redevelopment. Both project areas service the City's core commercial areas. The tax increment collected within those project areas has acted as an invaluable financing tool for the City to achieve a variety of economic development goals.

The Southeast Project Area is set to expire on December 31, 2015 or FY16. Staff is evaluating the feasibility of renewing this project area or creating a new project area within and/or around the same project area to further promote economic development and redevelopment within the southeast area of the City. The near expiration of this tool will severely limit the City's future ability to actively promote and incentivize economic development and redevelopment within these project areas. Recently, these funds have been used to replace the utility infrastructure on Adams Avenue and will be used to widen and resurface Adams Avenue this year.

The Central Business District is set to expire on December 31, 2019 or fiscal year 2020.

### **Levels of Service**

It is the desire of the City to provide a high level of public services to our customers that include offering these services at the highest professional level including staff, equipment/technology, and facilities. The levels of service provided for in the FY14 budget match the revenue realities of our customer base.

Although no major changes are anticipated for *how* we deliver the services offered, the infrastructure that supports those services continues maintained and replaced as funding becomes available.

# **EXECUTIVE SUMMARY – BUDGET OVERVIEW**

## **Changes in Fund Balance**

Table 8 reports projected ending fund balances for fiscal year ended June 30, 2013, and depicts estimated fund ending balances for governmental funds for fiscal years ended 2014 – 2019. Fund balances are projected to decline between 2013 and 2019 from \$5,643,101 to \$4,102,828 or by 27% or \$1,540,273. Said decrease in reported balances is primarily attributed:

**Using capital reserves for one-time capital purchase/projects**

**Using capital reserves to meet debt service requirements**

### **Governmental Funds: Ending Fund Balances**

Fund	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
10 General	\$ 1,062,187	\$ 1,062,187	\$ 1,014,187	\$ 966,187	\$ 918,187	\$ 870,186	\$ 1,065,186
12 Recreation	13,402	11,821	11,821	11,821	11,821	11,821	11,821
53 Parks Capital Projects	79,036	46,585	56,585	66,585	76,585	86,585	96,585
54 Fire Capital Projects	62,537	62,537	62,537	62,537	62,537	62,537	62,537
55 Capital Projects	2,002,262	1,496,430	1,557,056	1,601,232	1,854,026	1,749,081	1,607,502
57 Capital Facilities	265,614	124,238	98,682	67,807	98,309	149,320	202,537
65 General Obligatoin Debt Service	84,679	83,929	83,179	82,429	81,679	80,929	80,179
66 Special Improvement District	374,002	374,002	371,602	369,193	366,775	364,348	362,040
70 Redevelopment Agency	1,699,383	788,366	788,366	1,049,683	732,540	674,969	614,443
<b>TOTAL ENDING BALANCES</b>	<b>\$ 5,643,101</b>	<b>\$ 4,050,095</b>	<b>\$ 4,044,014</b>	<b>\$ 4,277,473</b>	<b>\$ 4,202,458</b>	<b>\$ 4,049,775</b>	<b>\$ 4,102,828</b>
<i>\$ change from prior year</i>	<i>\$ 663,889</i>	<i>\$ (1,593,006)</i>	<i>\$ (6,081)</i>	<i>\$ 233,459</i>	<i>\$ (75,015)</i>	<i>\$ (152,683)</i>	<i>\$ 53,053</i>
<i>% change from prior year</i>	<i>13%</i>	<i>-28%</i>	<i>0%</i>	<i>6%</i>	<i>-2%</i>	<i>-4%</i>	<i>1%</i>

**Table 9 – Governmental Funds ending fund balance summary**

## **FUND STRUCTURE**

State law requires that budgets be prepared for the following funds: general fund, special revenue funds, debt service funds, and capital improvement funds. All City funds are accounted for in accordance with Generally Accepted Accounting Principles (GAAP). Major funds are as follows:

**General Fund:** The General Fund is the principal fund of the City. The General Fund accounts for the normal recurring operating activities of the City (i.e. general government, public safety, streets and public works, parks and recreation). User fees, property, sales, and franchise taxes primarily fund these activities.

## **EXECUTIVE SUMMARY – BUDGET OVERVIEW**

Accounting records and budgets for governmental fund types are accounted for using the modified accrual basis of accounting. That is, revenues are recognized when they become measurable and available as net current assets. “Measurable” means the amount of the transaction can be determined and “available” means collective within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

**Enterprise Funds:** The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to a business. Accounting records for proprietary fund types are maintained on an accrual basis. That is, their revenues are recognized when they are earned and their expenses are recognized when they are incurred. Budgets for all Enterprise Funds are prepared on a modified accrual basis. Depreciation is not budgeted for in the City’s enterprise funds.

- Water, Sewer, Refuse, and Storm Water Enterprise Fund - Accounts for the operation and maintenance of the City’s utility services, including the accumulation of monies for the repayment of debt service.

**Debt Service Fund:** Accounts for the payment of general long-term principal and interest.

- General Long-Term Debt Service Fund - Accounts for the accumulation of money for the repayment of the General Obligation Road Bonds payable in installments through 2020. Property tax receipts are the revenue source to repay the bonds.

**Redevelopment Agency Fund:** Accounts for operations and redevelopment activities within the Southeast and Central Business District Redevelopment Areas. The activities include the collection of tax increment from properties located within the redevelopment areas for the repayment of the Series 2003 Tax Increment Revenue and Refunding Bonds through 2015. The Southeast Redevelopment area is set to expire in 2015; the Central Business District is set to expire in 2021.

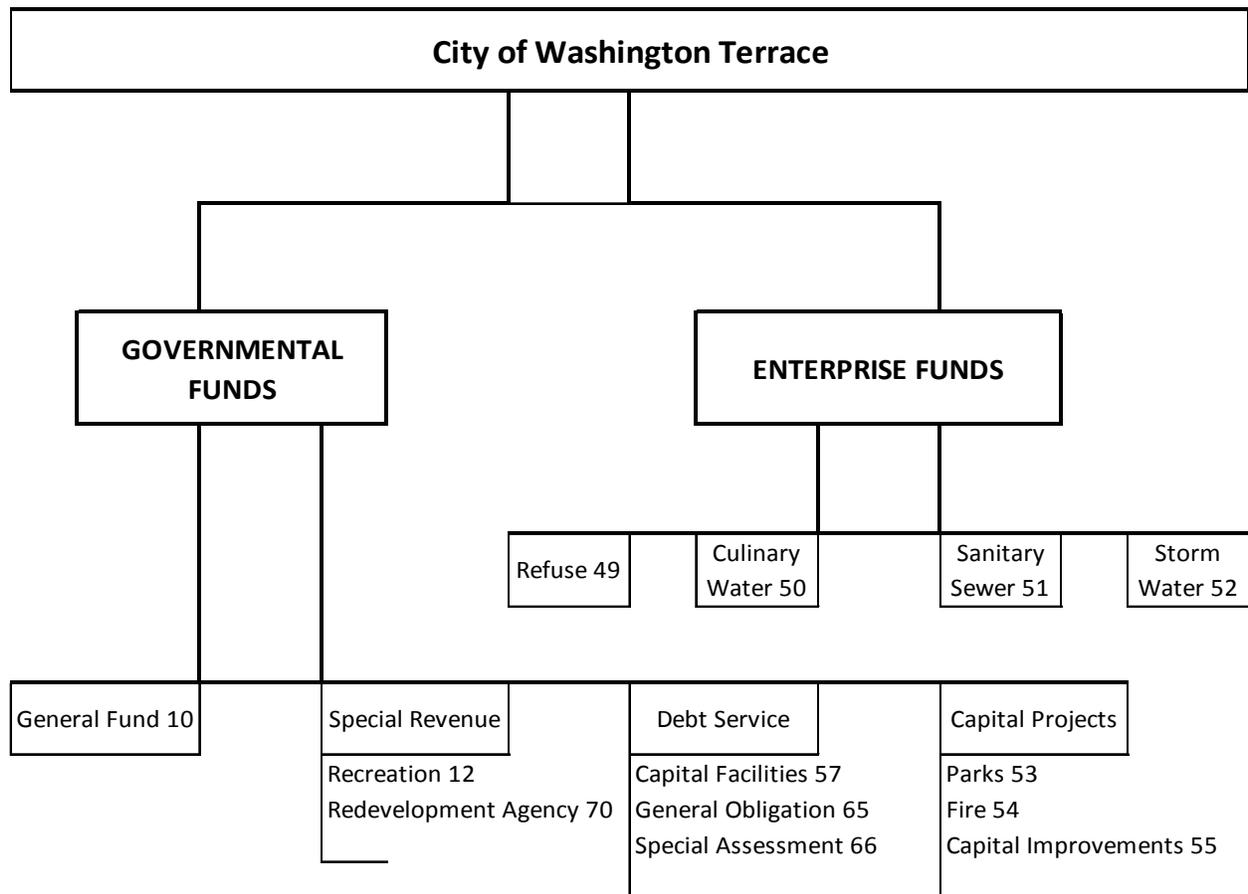
**Special Improvement District Fund:** Accounts for the operations and improvements within the SID and the accumulation of money for the repayment of the 2001 Special Assessment Bonds

# **EXECUTIVE SUMMARY – BUDGET OVERVIEW**

payable in annual installments through 2021. The principal source of revenue is levying a special tax on the properties located within the SID.

**Capital Project Funds:** Prepared accounting records and budgets for all capital project funds are 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 City has undertaken a major prioritization process for its CIP projects. This budget reflects that prioritization.

## **Fund Structure**



**Figure 7 – Fund Structure**

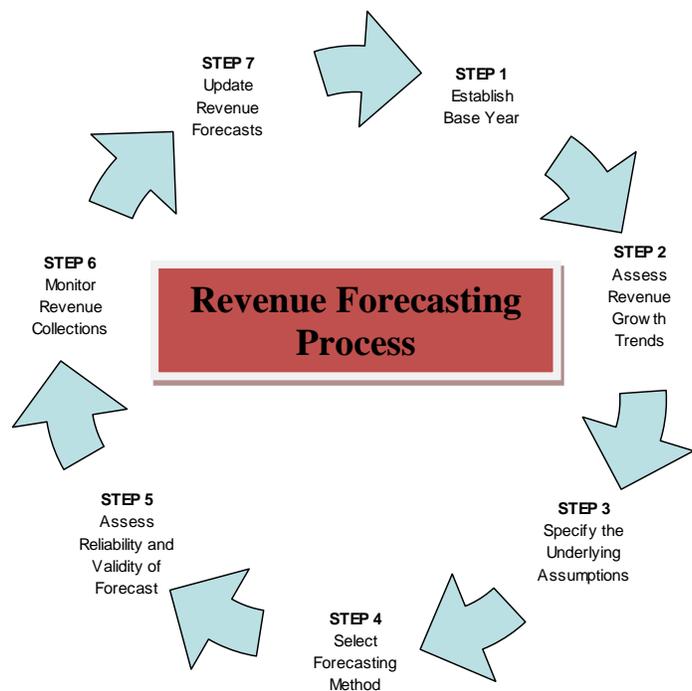
# Revenues

# EXECUTIVE SUMMARY – REVENUES

## MAJOR REVENUES SUMMARY

**Revenue Forecasting-** The City has endorsed the recommended practices issued by the *National Advisory Council on State and Local Budgeting* addressing budgeting and financial planning, specifically the six revenue forecasting practices.

- Multi-year revenue/resource projections
- Maintaining an in-depth understanding of revenues/resources
- Assessing the effects of potential changes to revenue source rates and bases
- Periodically estimate the impact and potential foregone revenue/resources as a result of policies that exempt from payment, provide discounts and credits, or otherwise favor a particular category of taxpayers or service users
- Developing a process for achieving consensus on the forecast of revenues used to estimate available resources for a budget
- Preparing and maintaining a revenue manual that documents revenue sources and factors relevant to present and projected future levels of those revenues



**Figure 8 – Revenue Forecasting Process**

**Forecasting Methodology-** The City uses *qualitative* and *quantitative* approaches to forecasting revenues that include, but are not limited to:

- Economic Reviews/Publications/Symposiums
- Departmental Surveys
- Comparing Collections against Projections
- National, State, and Local Policy Changes

## EXECUTIVE SUMMARY – REVENUES

- Consensus, Expert, and Judgmental Forecasting
- Trend Analysis

Both forecasting methods include global, national, state, and local analysis that may impact revenues and financial planning.

**Charges for Services** or a fee charged to a user for goods or services are expected to increase by 1 percent in 2015. Said increase is primarily attributed to rate increases for water, sewer, and storm drain services. Charges for services are expected to increase at by 2 percent annually through 2019 primarily due to growing operating and capital requirements anticipated for utility services. Charges for services represent 49.5 percent of total revenues for 2015, excluding interfund transfers.

<b>Government-Wide: Revenues by Major Object</b>							
<b>Major Object</b>	<b>2013 Actual</b>	<b>2014 Adj Budget</b>	<b>2015 Budget</b>	<b>2016 Plan</b>	<b>2017 Plan</b>	<b>2018 Plan</b>	<b>2019 Plan</b>
Charges for Services	\$ 3,764,337	\$ 3,999,332	\$ 4,051,750	\$ 4,129,369	\$ 4,204,780	\$ 4,286,992	\$ 4,369,248
<i>% Change from Prior Year</i>	7%	6%	1%	2%	2%	2%	2%
Property Tax	1,654,644	1,708,744	1,714,389	1,720,880	1,079,016	1,095,753	1,101,826
<i>% Change from Prior Year</i>	0%	3%	0%	0%	-37%	2%	1%
Sales & Franchise Tax	1,586,185	1,595,800	1,620,646	1,645,918	1,673,129	1,716,755	1,759,942
<i>% Change from Prior Year</i>	3%	1%	2%	2%	2%	3%	3%
Intergov Revenue	677,856	848,360	303,200	303,500	303,500	303,500	303,500
<i>% Change from Prior Year</i>	-31%	25%	-64%	0%	0%	0%	0%
Court Fines	154,803	152,000	153,500	153,500	153,500	153,500	153,500
<i>% Change from Prior Year</i>	-9%	-2%	1%	0%	0%	0%	0%
Licenses, Permits, & Fees	111,449	198,000	142,500	146,250	154,500	156,500	156,500
<i>% Change from Prior Year</i>	11%	78%	-28%	3%	6%	1%	0%
Other Revenue	219,649	352,812	204,283	181,639	173,386	174,796	173,053
<i>% Change from Prior Year</i>	16%	61%	-42%	-11%	-5%	1%	-1%
Interfund Transfers	443,801	621,698	557,823	541,075	576,186	591,654	601,543
<i>% Change from Prior Year</i>	-49%	40%	-10%	-3%	6%	3%	2%
<b>TOTAL REVENUES</b>	<b>\$ 8,612,724</b>	<b>\$ 9,476,746</b>	<b>\$ 8,748,091</b>	<b>\$ 8,822,130</b>	<b>\$ 8,317,996</b>	<b>\$ 8,479,449</b>	<b>\$ 8,619,113</b>
<i>\$ Change from Prior Year</i>	<i>\$ (407,901)</i>	<i>\$ 864,022</i>	<i>\$ (728,655)</i>	<i>\$ 74,039</i>	<i>\$ (504,134)</i>	<i>\$ 161,453</i>	<i>\$ 139,664</i>
<i>% Change from Prior Year</i>	<i>-5%</i>	<i>10%</i>	<i>-8%</i>	<i>1%</i>	<i>-6%</i>	<i>2%</i>	<i>2%</i>

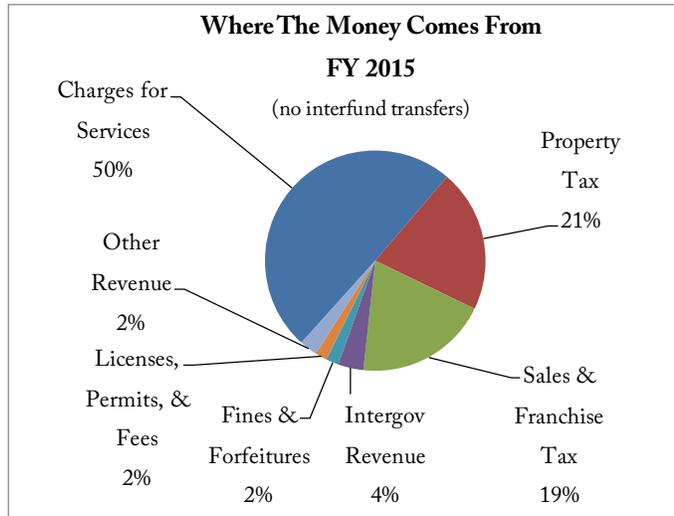
Table 10- Government-wide revenues by major object

**Property Tax** revenues in 2015 are expected to remain relatively constant estimated at \$1,689,173 or 21 percent of City's total revenues (excluding interfund transfers). In 2017, however, property tax collections are expected to decrease 38 percent due to the expiration of the Southeast Redevelopment Project Area and associated tax increment property tax revenues.

## **EXECUTIVE SUMMARY – REVENUES**

Property Tax receipts are accounted for in the General Fund, General Obligation Debt Service Fund, Special Improvement District Fund, and Redevelopment Agency Fund.

**Figure 9 (right) - “Where The Money Comes From - FY 2015 Tentative” identifies the major resources for all funds combined excluding interfund transfers.**



Tax receipts deposited in the General Fund help pay for general governmental programs/services including public safety (police, fire, justice court, inspections) streets, parks and recreation, public facilities, and other supporting

administrative services. Tax receipts deposited in the General Obligation Debt Service Fund are used to repay bonds issued for the constructing and reconstructing of roads within the City together with related sidewalk, storm drainage, water and sewer, and other related improvements. Tax receipts deposited in the Special Improvement District (SID) Fund are used to repay bonds issued for the improvements in a specific area. The SID Bonds were used for the paving of streets on an extension of Adams Avenue together with related sidewalk, storm drainage, water and sewer, and other related improvements. Receipts deposited in the Redevelopment Agency Fund are used to repay bonds issued through tax increment financing for redevelopment and economic development. The redevelopment improvements include land acquisition, street construction, installation of utilities and other related improvements in effort to achieve economic development goals of growth in property values, growth in sales tax receipts, job creation, and protection of the local base.

# EXECUTIVE SUMMARY – REVENUES

<b>Government-Wide: Revenues by Major Object as a Percentage</b>							
<b>Major Object</b>	<b>2013 Actual</b>	<b>2014 Adj Budget</b>	<b>2015 Budget</b>	<b>2016 Plan</b>	<b>2017 Plan</b>	<b>2018 Plan</b>	<b>2019 Plan</b>
Charges for Services	44%	42%	46%	47%	51%	51%	51%
Property Tax	19%	18%	20%	20%	13%	13%	13%
Sales & Franchise Tax	18%	17%	19%	19%	20%	20%	20%
Intergov Revenue	8%	9%	3%	3%	4%	4%	4%
Court Fines	2%	2%	2%	2%	2%	2%	2%
Licenses, Permits, & Fees	1%	2%	2%	2%	2%	2%	2%
Other Revenue	3%	4%	2%	2%	2%	2%	2%
Interfund Transfers	5%	7%	6%	6%	7%	7%	7%
<b>TOTAL REVENUES</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**Table 11 (above) - Government-wide revenues by major object as a percentage of the total (including interfund transfers)**

**Sales & Franchise Tax** receipts are estimated to reach \$1,620,646 in 2015 up 2 percent or \$24,846 from 2014. Sales and franchise taxes continue to represent approximately 20 percent of the City’s revenues (excluding interfund transfers). Sales tax receipts of \$906,576 are estimated to be up by 2 percent from FY 2014 and Franchise Tax receipts of \$714,070 are also estimated to be up 1 percent from FY 2014. While state-wide and local economic indicators are showing

<b>Sales Tax Current Rates</b>	
<b>Tax</b>	<b>Rate</b>
State Sales & Use Tax	4.70%
Local Sales & Use Tax	1.00%
Mass Transit Tax	0.25%
Add'l Mass Transit Tax	0.25%
Botanical, Cultural, Zoo Tax (county)	0.10%
County Option Transportation	0.25%
Supplemental State Sales & Use	0.05%
County Options Sales Tax	0.25%
<b>Total Sales Tax</b>	<b>6.85%</b>

signs of a growing and strengthening economy, these highly elastic revenue sources are cautiously projected to grow by 2 percent annually through 2017 then 3 percent annually through 2019.

**Table 12 (left) Sales Tax Rates for the City effective as of April 1, 2014.**

Sales and franchise tax receipts are deposited into the General Fund to help pay for the

general governmental services. The following Table 11 represents the **Sales and Use Tax** rates for the City in the Weber County locality as of April 1, 2014. The combined sales and use tax rates includes: state, local option, mass transit, rural hospital, arts & zoo, highway, county option, town option and resort taxes. Other tax rates and fees in addition to the combined rate include: transient room taxes, tourism short-term leasing taxes, tourism restaurant tax, E911 emergency telephone fee, telecommunications fees, and the municipal energy tax.

## **EXECUTIVE SUMMARY – REVENUES**

The sales tax rate remained unchanged at 6.60 percent between April 1, 2005, through January 1, 2008, when the rate decreased to 6.50 percent-- the State's portion of the combined sales and use tax was reduced by 0.10 percent on certain transactions. On April 1, 2008, the tax rate increased by 0.25 percent for the county option transportation tax. On July 1, 2008, a supplemental state sales and use tax was imposed increasing the tax rate from 6.75 to 6.80 percent. Effective January 1, 2009, that state sales tax rate increased from 4.65 percent to 4.70 percent. The sales tax rates for the City have remained unchanged at 6.85 percent since January 2009.

**Table 13 (right) Historical Sales Tax Rates for the City between October 1, 2007 and April 1, 2014.**

<b>Historical Sales Tax Rates</b>		
<b>Period Effective</b>	<b>Rate</b>	<b>Change from Prior</b>
10/1/2007	6.60%	0.00%
1/1/2008	6.50%	-1.52%
4/1/2008	6.75%	3.85%
7/1/2008	6.80%	0.74%
1/1/2009	6.85%	0.74%
<b>4/1/2014</b>	<b>6.85%</b>	<b>0.00%</b>

The tax on food and ingredients is 3 percent statewide.

This includes the state rate of 1.75 percent, local option

rate of 1 percent, and county option rate of 0.25 percent. In general, for each dollar collected from the sales and use tax, 50 percent is paid to each county, city, and town on the basis of the percentage that the population bears to the total population of all counties, cities, and towns in the state. An additional 50 percent is paid to each county, city, and town on the basis of the location the point of sale. The City receives one half of 1 percent of the Local Sales and Use Tax. Additionally, for sales of residential energy, the combined rate is reduced by 2.70 percent.

**Franchise Tax** receipts for cable services are collected at 5 percent of gross sales. Power and gas services are collected at 6 percent and telecommunications 3.5 percent of gross sales.

**Intergovernmental Revenue** receipts are estimated to decline to \$303,200 or by 64 percent in 2015. Said decrease is due to one-time capital funding in 2013 and 2014 from the State and Tribal Assistance Grant funds reported in the Water, Sewer, and Storm Drain Funds, one-time capital funding in 2013 from RAMP for park improvements, and the discontinuation of the Communities that Care Program. For 2015, Intergovernmental Revenue represents 4 percent of the City's revenue. Intergovernmental revenue includes \$250,000 of Class 'C' Road Funds, reported in the General Fund, disbursed by the State as a means of providing assistance to

## **EXECUTIVE SUMMARY – REVENUES**

municipalities for the improvement of roads and streets is the primary source of Intergovernmental revenue. The State legislature assigned a formula that appropriates Class ‘C’ monies as follows: 50 percent based on population and 50 percent to weighted road miles. Since October 2013, the City has reported 29.04 miles of eligible paved road. Class ‘C’ road monies are collected in the General Fund and are restricted to road related improvements and maintenance.

**Court Fines** revenues are expected to increase to \$153,400 or 1 percent in 2015. Fines represent 2 percent of the City’s revenue in 2015. Fines and Forfeitures are collected in accordance to the bail schedule established by the State Judicial Council and City ordinance. In general, the City collects 20 percent of the fee imposed for a court security charge, 85 percent for Class B misdemeanors, and 35 percent for Class C misdemeanors. The difference is collected and disseminated to the state as a surcharge. Beginning April 1, 2010, the City entered into an interlocal agreement with Mariott-Slaterville City to consolidate Justice Court services, thereby expanding the jurisdiction of the Washington Terrace Justice Court to include the municipal limits of Mariott-Slaterville City. In 2015, it is estimated that Mariott-Slaterville City will generate \$70,000 in revenue for the City.

**Licenses, Permits, & Fees** receipts are estimated to reach \$142,500 representing 2 percent of the City’s revenue in 2015. Licenses, Permits, and Fees are collected in accordance with the City’s fee schedule established by the local legislative body. Licenses, Permits, and Fees include building permits, business licenses, and planning fees and are deposited in the General Fund. Receipts in 2015 are expected to decrease by 28 percent from 2014. In 2014, several large one-time building permits were issued and related planning fees collected. Licenses, permits, and fees and permits issued for commercial and residential developments are expected to remain constant.

**Other Revenue** receipts are estimated to decline to \$174,764 or by 10 percent from 2014. Other revenues represent approximately 2 percent of the City’s projected revenues for 2015. Other revenue includes, but not limited to, interest earned, late fees and penalties, non-intergovernmental grants, bond proceeds, impact fees, and other miscellaneous receipts.

# Requirements

# EXECUTIVE SUMMARY – REQUIREMENTS

## MAJOR REQUIREMENTS SUMMARY

Departments are given specific instructions during the budget process that all budget requests must meet prior to being considered by the City Council. Generally, the criteria is as follows: (1) directly tied to a legislative policy statement/direction; or (2) the department can demonstrate through quantifiable means that there is an exceptional need; or (3) offset by a new revenue source; or (4) directly tied to an expense reduction in the department’s existing operating budget; or (5) federal, state, or local mandate; (6) contractual obligation; or (7) health/safety issue. See Budget Process for more information.

### **Government-Wide: Requirements by Major Object**

Major Object	2013 Actual	2014 Adj Budget	2015 Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan
Personnel	\$ 1,503,652	\$ 1,690,373	\$ 1,729,699	\$ 1,777,796	\$ 1,836,363	\$ 1,866,564	\$ 1,897,866
% Change from Prior Year	5%	12%	2%	3%	3%	2%	2%
Materials, Supplies, & Services	3,580,480	3,732,699	3,713,808	3,789,059	3,858,571	3,968,056	4,051,686
% Change from Prior Year	8%	4%	-1%	2%	2%	3%	2%
Debt Service	1,204,321	1,357,934	1,139,591	886,652	871,438	885,134	876,232
% Change from Prior Year	-1%	13%	-16%	-22%	-2%	2%	-1%
Capital	893,918	4,898,688	1,502,826	1,480,946	1,496,020	1,274,234	1,297,722
% Change from Prior Year	-57%	448%	-69%	-1%	1%	-15%	2%
Interfund Transfer Dept	443,801	729,305	643,540	630,131	666,877	684,269	696,507
% Change from Prior Year	-49%	64%	-12%	-2%	6%	3%	2%
Ending Balance	5,643,101	4,050,095	4,044,014	4,277,473	4,202,458	4,049,775	4,102,828
% Change from Prior Year	13%	-28%	0%	6%	-2%	-4%	1%
<b>TOTAL REQUIREMENTS</b>	<b>\$ 7,626,172</b>	<b>\$ 12,408,999</b>	<b>\$ 8,729,463</b>	<b>\$ 8,564,584</b>	<b>\$ 8,729,269</b>	<b>\$ 8,678,257</b>	<b>\$ 8,820,013</b>
\$ Change from Prior Year	\$ (1,298,444)	\$ 4,782,826	\$ (3,679,535)	\$ (164,879)	\$ 164,685	\$ (51,013)	\$ 141,757
% Change from Prior Year	-15%	63%	-30%	-2%	2%	-1%	2%

**Table 14 (above) – Government-Wide Requirements by Major Object – Departmental Operations separated by Personnel and Material, Supplies & Services**

### **Government-Wide: Requirements by Major Object**

Major Object	2013 Actual	2014 Adj Budget	2015 Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan
Departmental Operations	\$ 5,084,132	\$ 5,423,072	\$ 5,443,506	\$ 5,566,855	\$ 5,694,934	\$ 5,834,620	\$ 5,949,552
% Change from Prior Year	7%	7%	0%	2%	2%	2%	2%
Capital	893,918	4,898,688	1,502,826	1,480,946	1,496,020	1,274,234	1,297,722
% Change from Prior Year	-57%	448%	-69%	-1%	1%	-15%	2%
Debt Service	1,204,321	1,357,934	1,139,591	886,652	871,438	885,134	876,232
% Change from Prior Year	-1%	13%	-16%	-22%	-2%	2%	-1%
Interfund Transfer	443,801	729,305	643,540	630,131	666,877	684,269	696,507
% Change from Prior Year	-49%	64%	-12%	-2%	6%	3%	2%
<b>TOTAL REQUIREMENTS</b>	<b>\$ 7,626,172</b>	<b>\$ 12,408,999</b>	<b>\$ 8,729,463</b>	<b>\$ 8,564,584</b>	<b>\$ 8,729,269</b>	<b>\$ 8,678,257</b>	<b>\$ 8,820,013</b>
\$ Change from Prior Year	\$ (1,298,444)	\$ 4,782,826	\$ (3,679,535)	\$ (164,879)	\$ 164,685	\$ (51,013)	\$ 141,757
% Change from Prior Year	-15%	63%	-30%	-2%	2%	-1%	2%

**Table 15 (above) – Government-Wide Requirements by Major Object – Departmental Operations (Personnel and Materials, Services, & Supplies combined)**

# EXECUTIVE SUMMARY – REQUIREMENTS

**Government-Wide: Requirements by Major Object as a Percentage**

Major Object	2013 Actual	2014 Adj Budget	2015 Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan
Personnel	20%	14%	20%	21%	21%	22%	22%
Materials, Supplies, & Services	47%	30%	43%	44%	44%	46%	46%
Debt Service	16%	11%	13%	10%	10%	10%	10%
Capital	12%	39%	17%	17%	17%	15%	15%
Interfund Transfers	6%	6%	7%	7%	8%	8%	8%
<b>TOTAL REQUIREMENTS</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**Table 16 – Government-Wide Requirements by Major Object as a Percentage of the Total – Department Operations separated by Personnel and Materials, Supplies, & Services**

**Government-Wide: Requirements by Major Object as a Percentage**

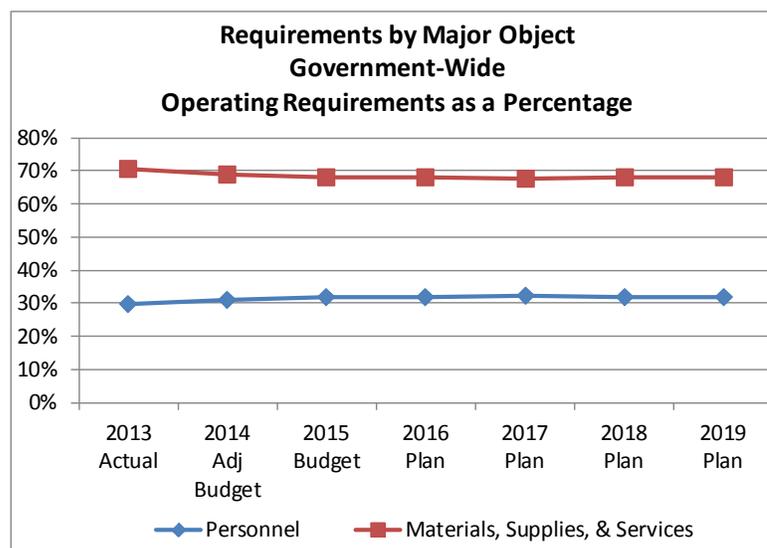
Major Object	2013 Actual	2014 Adj Budget	2015 Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan
Departmental Operations	67%	44%	62%	65%	65%	67%	67%
Debt Service	16%	11%	13%	10%	10%	10%	10%
Capital	12%	39%	17%	17%	17%	15%	15%
Interfund Transfers	6%	6%	7%	7%	8%	8%	8%
<b>TOTAL REQUIREMENTS</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**Table 17 – Government-Wide Requirements by Major Object – Departmental Operations (Personnel and Materials, Services, & Supplies combined)**

Government-wide Operating requirements include Personnel and Materials, Supplies, and Services. In 2015, Operating requirements are expected to remain relatively constant from 2014 at \$5,443,337 then are expected to increase by 2 percent annually between 2016 and 2019. Operating requirements represent 68 percent of total requirements in 2015 (excluding interfund transfers).

Figure 10 (right) represents Personnel and Materials, Services, and Supplies as a percentage of Operating requirements for all funds combined.

Although Operating requirements as a percentage of total requirements (excluding interfund transfers) are expected to increase from 60 percent in 2014 to 70



## EXECUTIVE SUMMARY – REQUIREMENTS

percent by 2018, the relative share of Personnel costs and MSS are expected to remain constant through 2017.

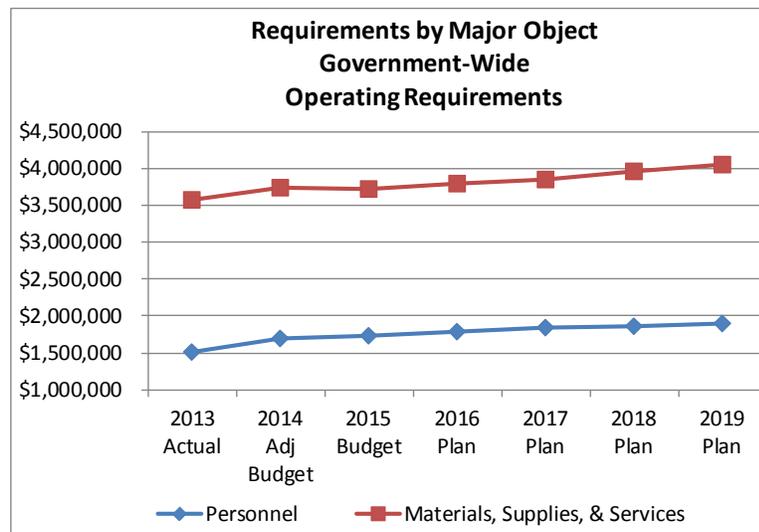


Figure 11 (left) represents Personnel and Materials, Services, and Supplies as a dollar amount of Operating requirements for all funds combined.

Personnel requirements are projected to increase by 2 percent in 2015 then 3 and 2 percent annual increases between 2016 and 2019. Personnel requirements represent approximately 22 percent of total

requirements (excluding interfund transfers).

Personnel costs show the greatest increase in 2014 of approximately \$191,721 or a 13 percent increase from prior year. Personnel costs increases are attributed to market adjustments, staffing levels, and employee benefits (i.e. retirement, health care, FICA, training). Salaries and wages are driven from the Wasatch Comp Group (see Personnel, Market Pay Analysis). For more information on Personnel requirements refer to the Major Budget Issues and Priorities section of this document.

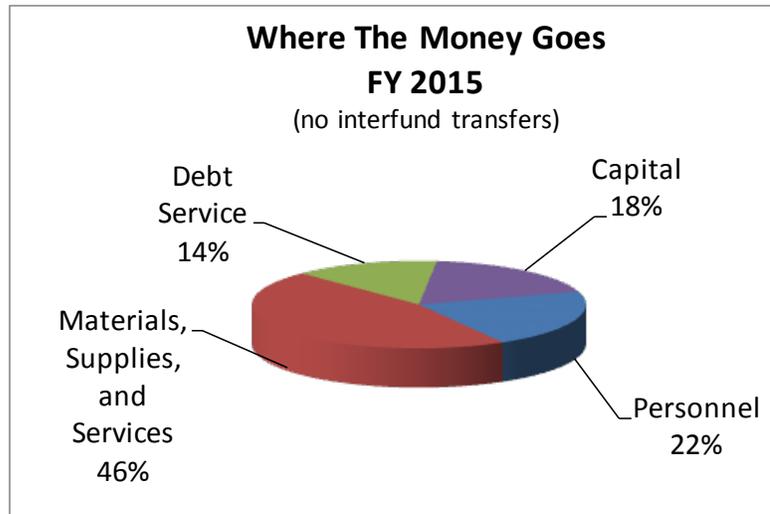
Materials, Services, and Supplies, the largest operating requirement, are projected to remain relatively constant in 2015 at \$3,710,218 then average 2 percent annual increases through 2019. Materials, Supplies, and Services represent 46 percent of total operating requirements in 2015, excluding interfund transfers. Materials, Supplies, and Services expected the greatest change in 2013 increasing by 8 percent or \$259,217 from 2012. Additional detailed information on Materials, Supplies, Services and Personnel Operating Requirements can be found in the Operating budgets.

## EXECUTIVE SUMMARY – REQUIREMENTS

Figure 12 (right) “Where The Money Goes FY 2015 Tentative,” represents the four major city-wide requirements.

The largest major requirement for 2015 is department operations (personnel and materials, services, and supplies) representing 68 percent of total requirements, excluding interfund transfers. Personnel requirements represent

the second largest share at 22 percent of total requirements followed by capital at 18 percent and debt at 14 percent. It is characteristic for departmental operations to be the largest requirement representing approximately half of total requirements.



### PERSONNEL

Recruiting and retaining high quality employees is a primary goal of the City. There continues to be an increasingly competitive market for municipal employees and highly competitive market for general employment. According to the *Utah's Employment Summary: February 2014* issued by the Utah Department of Workforce Services, Utah's nonfarm wages and salaried job count for February 2014 grew by 2.5% adding 32,200 jobs to the economy compared to February 2013. Seasonally adjusted unemployment rate for February 2014, remained steady from January 2014 at 3.9%. Approximately 57,100 Utahans are considered unemployed and actively seeking work. Utah's employment year-over percent change was 2.5%. The national unemployment rate remained virtually unchanged from January, increasing by one tenth to 6.7%. The national employment year-over percent change was 1.5%.

**Pay and Benefits:** The quality of life in and surrounding the City assists in attracting qualified candidates. The City must maintain a competitive total compensation package in order to attract and retain a competent workforce. Establishing a compensation plan that balances the

## **EXECUTIVE SUMMARY – REQUIREMENTS**

interest of the operating budget and attracting, developing, retaining, and rewarding high quality staff is challenging. Variables that may be considered in developing the City’s pay plan include the following: (1) salary and total compensation plans for similar positions among selected benchmark communities; (2) supply and demand of qualified candidates; (3) internal equity; (4) the cost of living; and (5) available City resources.

**Compensation:** In 2006, the City implemented a “Pay-for-Performance” compensation strategy that is based on market driven salaries and wages determined by benchmark communities in connection with incentives for performance or pay-for-performance. This represents a substantial change from a traditional Step-and-Grade system to a new Pay-for-Performance model. The City has moved away from a “step-and-grade” system to a market model for compensation. Each year as part of the budget process, the City conducts a wage compensation study/review. The review includes collection wage data comparable to other benchmark communities in Weber and Davis Counties. The benchmark’s findings have been addressed in the budget and a 4 percent at-risk performance pay continues to be a supported budgetary policy. The pay plan as illustrated in Table 17 is broken into exempt and nonexempt pay plans according to Fair Labor Standards Act (FLSA).

<b>Washington Terrace FY 2014 - 2015 Pay Plan</b>				
<b>Market Adjustments <i>and</i> Pay-For-Performance</b>				
<b>Non-Exempt Employees (Hourly)</b>				
<b>Position</b>	<b>2014</b>		<b>2015</b>	
	<b>Min</b>	<b>Max</b>	<b>Min</b>	<b>Max</b>
Court Clerk	11.47	13.26	11.47	13.40
Fire shift pay (per 12 hr. shift)	55.00	55.00	55.80	55.80
Recreation Aide	8.84	12.50	8.84	13.50
Foreman	17.30	26.01	17.30	26.01
Utility Service Worker I	12.63	16.11	12.63	16.11
Utility Service Worker II	15.19	17.58	15.19	17.98
Utility Service Worker III	17.59	19.86	17.59	20.29
GIS	11.54	12.48	11.54	12.75
Recorder	14.56	24.70	14.56	24.88
Utility Billing Clerk	11.71	16.10	11.71	16.10
Utility Billing Clerk	11.71	16.10	11.71	16.10
<b>Exempt Employees (Salary)</b>				
Building Official	43,216	62,500	43,216	62,500
City Manager	57,680	96,000	57,680	101,026
Council Member	2,400	2,400	2,400	2,400
Court Supervisor	32,167	43,680	32,167	44,116
Court Judge	20,685	26,230	20,685	26,230
Finance Director	47,208	82,100	47,208	82,356
Fire Lieutenant	1,248	1,248	1,248	1,248
Fire Captain	4,992	4,992	4,992	4,992
Fire Chief	31,262	42,890	31,262	46,910
Public Works Director	46,743	80,995	46,743	82,977
Mayor	7,200	7,200	7,200	7,200
RDA Board Member	2,400	2,400	2,400	2,400
Recreation Director	33,264	46,862	33,264	46,910
Treasurer/HR	34,919	61,006	34,919	68,595

**Table 18 (above) – Pay Plan**

## **EXECUTIVE SUMMARY – REQUIREMENTS**

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### **Market Pay Analysis**

Each year, as part of the budget process, the City will complete a pay benchmarking study with the Wasatch Comp Group and a number of governmental entities to determine how the City's salaries, wages, and benefits package compare with other benchmark communities. A predetermined group of cities have been identified by the City Council as a "benchmark" group whereby each position will be compared for market analysis to ensure that the City's compensation packages are comparable to that of other local communities. The City Manager and Human Resource Director have evaluated the compensation and benefits data with other benchmark communities to determine if any position changes or adjustments are necessary. Positions determined by the benchmark to be eligible for an adjustment have been included in the tentative budget

**Benefits:** The City offers a comprehensive and competitive benefit package/options that include: health, dental, life, disability insurance, health promotion, pension, 401k, 457, Roth IRA, and Traditional IRA savings plans, and a variety of leave benefits including vacation, holiday, and sick leave.

**Health and Dental:** The City implements a cost sharing strategy with employees for health and dental care insurance coverage. Public Employees Health Program (PEHP) is the City's current health, life, AD&D and dental provider. Each year the City will evaluate plan coverage and related cost to determine the best affordable option. The sustainability of health care sustainability continues to be on going concern and will be continue to be closely monitored by staff. The tentative budget anticipates that health coverage premiums will decrease by .55% while dental will increase by 8%.

The plan provider is undetermined at this time. Long-term care is provided by the Utah Local Governments Trust. PEHP offers two different coverage levels for employees to choose from— Advantage and Summit. Essentially each plan offers different options for network coverage/benefits. The following table represents the employer and employees' share of premiums. For FY15, the Advantage and Summit plans offer the same premiums. In plan years for which plan premiums may differ, the employer's share will be 90% of the most inexpensive

## **EXECUTIVE SUMMARY – REQUIREMENTS**

plan—the employee would be required to fund the plan difference thus requiring a contribution in excess of 10%. Health coverage offered by PEHP has had a FY15 rate renewal *decrease* of .55% and dental has had a rate renewal *increase* of 8%.

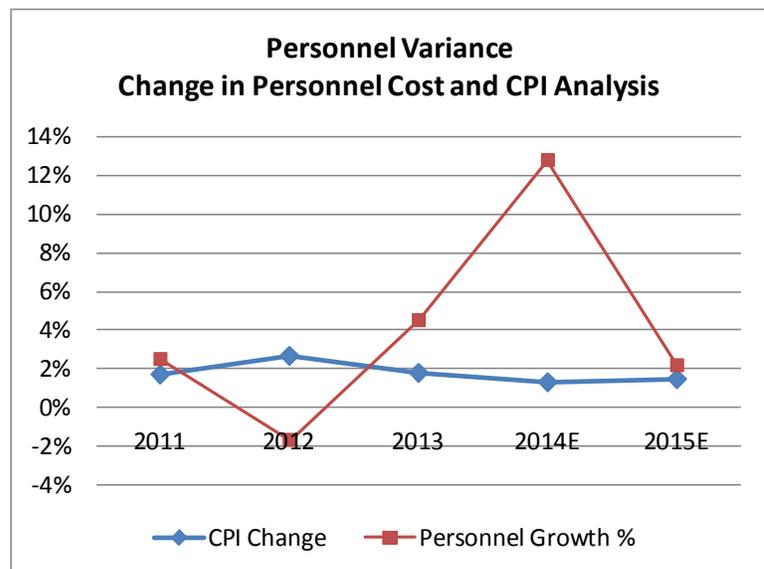
<b>Advantage/Summit Plan</b>			
Share of Premium	Single	Double	Family
Employer's	90%	90%	90%
Employees'	10%	10%	10%

**Table 19 – FY15 proposed employer/employee share of health, dental, and employer provided basic life, AD&D, and long-term care**

**Retirement:** The City offers pension retirement through Utah Retirement Systems (URS) Public Employees' Noncontributory Retirement System. Employer paid retirement contributions are governed by Utah State Law and are subject to change annually.

Retirement benefits administered through Utah Retirement Systems public employees noncontributory Tier 1 system will experience a rate *increase* of 1.18% or a total employer contribution rate of 18.47%. The Tier 2 system will experience a rate *increase* of 1.14% or a total employer contribution rate of 16.72%. The firefighters' retirement system (including employer pickup election) will experience a rate *increase* of 0.82% or a total employer contribution rate of 18.87%. Additionally, the City contributes a non-matching 4 percent to exempt employees' qualified 401k plan.

**Figure 13 (right) – changes to personnel costs to changes in the consumer price index relative to growth**



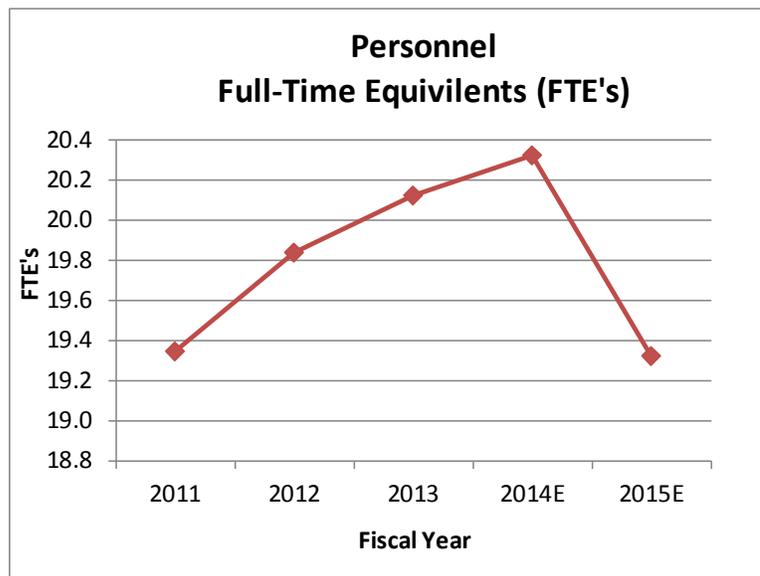
Beginning approximately January 1, 2009, the City began offering pension retirement through

## **EXECUTIVE SUMMARY – REQUIREMENTS**

URS Firefighter’s Retirement System Division A for eligible employees. The City has chosen a pick-up election in which the City elects to pay all of the employees required contribution within the contributory plan. Employer and employee paid retirement contributions are governed by Utah State Law and are also subject to change annually. Total contribution rates for the Firefighter’s Retirement Division A for FY15 (including employer pickup election) will experience a rate *increase* of 0.82% or a total employer contribution rate of 18.87%. Of said amount, 15.05 percent represents the required employee contribution (the City has elected to pick up employee contribution) and 3.82 percent represents the required employer contribution.

Figure 10 shows that personnel growth rates are higher than the CPI in years 2013 through 2015 estimated. There are several nuances associated with comparing personnel cost and CPI such as the difference between budget year estimates in 2014 - 2015 and actual expenditures in 2013.

**Figure 14 (right) changes in full-time equivalents (FTEs).**



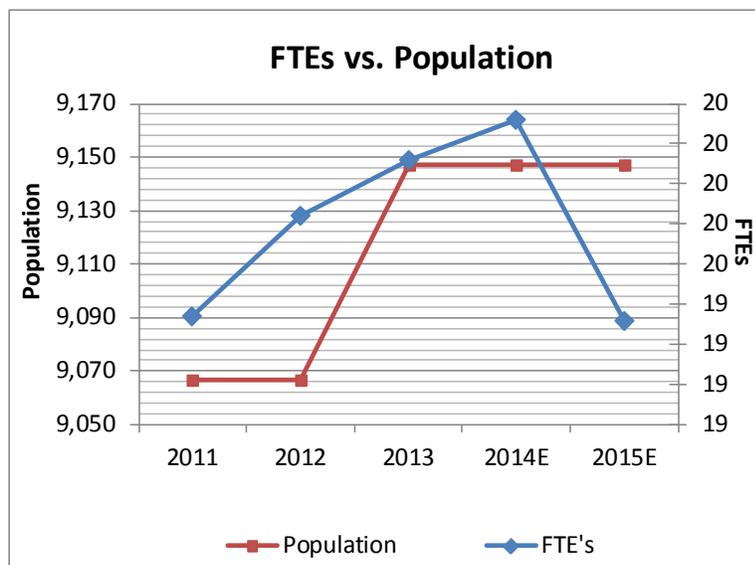
Estimated years may show higher personnel costs than actual years—estimated costs may be higher than actual. Other factors include reinstating the pay plan beginning in 2013, position changes/staffing levels, turnover, and personnel benefits that follow other indexes. Relatively short tenure of employee’s or frozen pay bands indicates that growth could be occurring at a higher rate while employees are moving through their pay scales in addition to raising benefit costs such as health insurance and pension. This indicator further demonstrates that while total personnel costs, although typically higher than the CPI, are within manageable, sustainable rates. Major variances have been specifically identified and are deemed to be isolated events.

## **EXECUTIVE SUMMARY – REQUIREMENTS**

The Personnel Variance analysis shows that the total personnel cost have largely fluctuated since 2011; the largest variance occurring in 2013 increasing by 13%. Personnel costs are attributed to Pay-for-Performance, market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA, training). In 2013, all of the personnel variables changed. Salaries and wages for years 2011 and 2012 remained flat. Beginning in 2013, the City was able to reinstate its pay plan due to improving economic conditions/forecasts. These conditions are continuously being evaluated. Wages/salaries and benefits may be subject to change if economic conditions become unfavorable.

Between 2012 and 2014, full-time equivalents have increased by 5 percent. Increases in the number of FTEs between 2012 and 2014 are largely due to the creation of the Communities that Care Program. Fiscal year 2015 represents the first full year the Communities That Care

Program was discontinued bringing to total number of FTEs to 19.32.



No other changes in FTEs are anticipated at this time.

**Figure 15 (left) compares the number of full-time equivalents (FTEs) to population.**

Figure 12 depicts the relationship between the number of FTEs or

labor productivity to population. Between 2011 and 2014, the number of FTEs grew on average, 2 percent annually, then dropped by 5 percent in 2015. Changes to FTEs during this period are largely due to the creation then discontinuation of the Communities that Care (CTC) Program. Excluding the CTC Program from the analysis would otherwise depict flat FTE growth since 2011. Population growth has remained relatively flat.

## **EXECUTIVE SUMMARY – REQUIREMENTS**

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As shown in Table 19, the Public Works Department is the largest department by FTEs at 8.73. All departments have remained relatively flat between 2011 and 2015, except Administration. Changes to FTEs in 2012-2015 are attributed to the CTC Program as described above. The Fire/EMS Department is a volunteer department comprised of 1 full-time chief and up to 25 volunteers—Table 19 only reports the 1 full-time chief position.

<b>FTEs BY DEPARTMENT</b>					
<b>Department</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Administration	3.00	3.50	3.78	4.00	3.00
Code Enforcement, Building, and Planning	1.00	1.00	1.00	1.00	1.00
Fire /EMS	1.00	1.00	1.00	1.00	1.00
Human Resources, Treasurer, and Utility Billing	2.56	2.56	2.56	2.56	2.56
Justice Court	1.63	1.63	1.63	1.63	1.63
Leisure Services	1.40	1.40	1.40	1.40	1.40
Public Works	8.75	8.75	8.75	8.73	8.73
<b>TOTAL</b>	<b>19.34</b>	<b>19.84</b>	<b>20.12</b>	<b>20.32</b>	<b>19.32</b>

Table 20 (above) compares the number of full-time equivalents (FTEs) by department.

# EXECUTIVE SUMMARY – REQUIREMENTS

## CAPITAL AND DEBT SERVICE REQUIREMENTS

**Capital** requirements are scheduled to decrease by 70 percent or from \$4,792,918 in 2014 to \$1,442,316 in 2015. Capital requirements between 2016 and 2019, are expected to average \$1,387,231 annually. Due to limited and uncertain funding sources and project priorities, scheduled projects may be rescheduled and/or addressed beyond the 2019 budget plan.

In 2015, the fund with the greatest capital requirements is the Redevelopment Area Fund representing \$340,000 or 24 percent of total Capital requirements and the water enterprise fund representing 33 percent or \$475,000. The Southeast Redevelopment Project Area will be constructing, with the participation of state transportation funds, a road and utility reconstruction project on Adams Avenue.

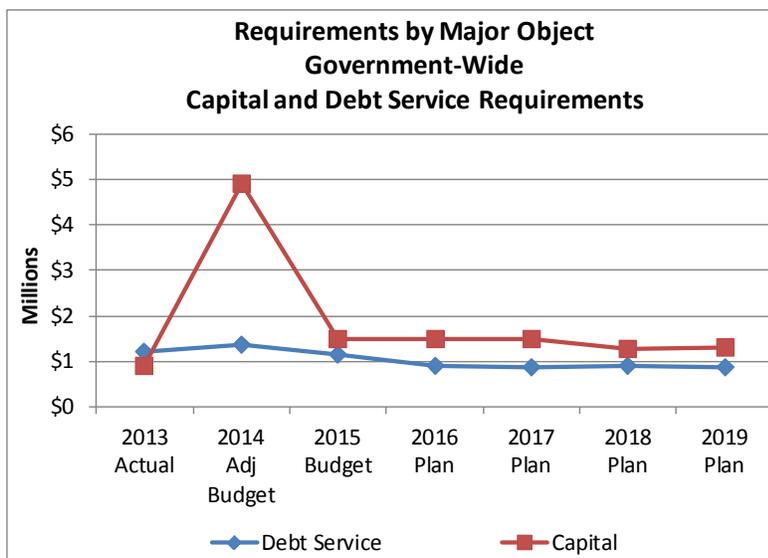


Figure 16 (left) represents capital and debt service requirements for all funds combined.

The share of capital, as a percentage and dollar requirements, tends to fluctuate with funding availability. The City's Capital Facilities Plan addresses capital needs in the

following areas: Road Maintenance and Replacements; Fleet Replacements; Building Maintenance and Replacements; Park Improvements; and Culinary Water, Sanitary Sewer, and Storm Drainage Infrastructure. The Plan further anticipates potential funding sources that include: Class 'C' road funds, Enterprise Funds, Impact Fees, Grants, and General Fund contributions. Debt Service requirements continue to follow relative amortization schedules.

# EXECUTIVE SUMMARY – REQUIREMENTS

Figure 17 (right) represents capital and debt service requirements for all funds combined as a percentage.

## Debt Service

In October 2010, the City refunded its Water, Sewer, and Refuse Collection Revenue Bonds, Series 2001 to take advantage of market conditions lowering the applicable interest rate, thereby

resulting in the Water, Sewer, and Refuse Collection Revenue Refunding Bonds, Series 2010.

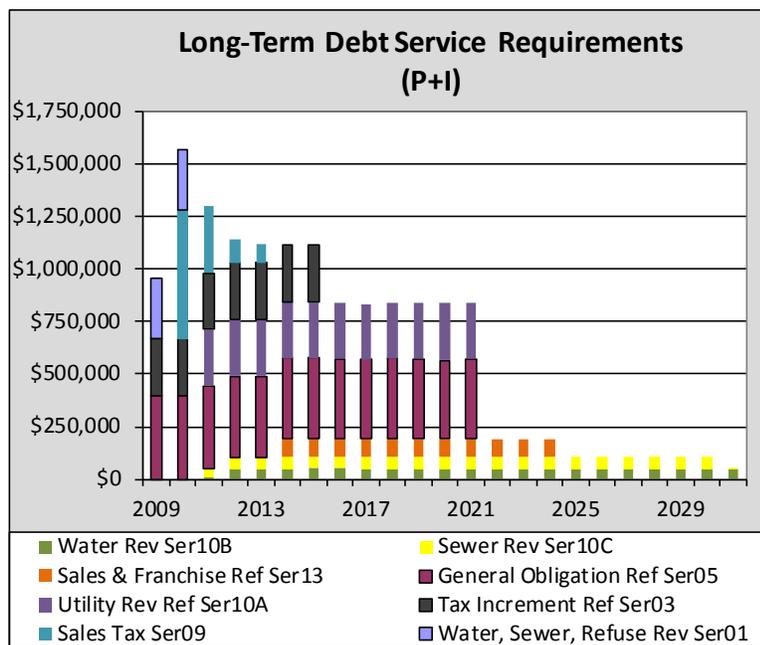
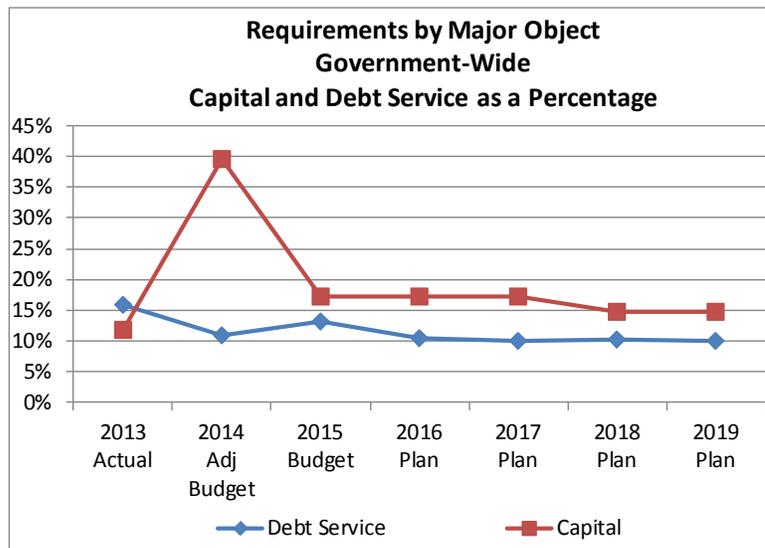


Figure 18 (left) represents total annual debt service requirements through 2031.

In December 2010, the City placed \$1.543 million of Water, Sewer, Refuse Collection Revenue Bonds, Series 2010B&C Federally Taxable, Issuer Subsidy, Build America Bonds for the purpose of completing the 4800 South Reconstruction Project. These bonds were purchased by the State

of Utah as part of the State Revolving Loan Program.

In October 2013, the City refinanced its Sales Tax Revenue Bonds, Series 2009 and its Special Assessment Bonds, Series 2001 to take advantage of market conditions lowering the applicable interest rate and related debt interest requirements. The refinancing of these bonds resulted in the Sales Tax Revenue Bonds, Series 2013.

## EXECUTIVE SUMMARY – REQUIREMENTS

The State of Utah limits a city’s direct general obligation debt to 4 percent of assessed valuation; the City’s outstanding GO debt is 1 percent of assessed value. For more information on the City’s debt management policies, see the Policies and Objectives section of this budget document.

Table 20 details government-wide outstanding debt, principal and interest payments due within one year, maturity, interest rates, and ratings.

Outstanding Debt (Bonds)											
Fiscal Year ended June 30, 2014											
Fund	Bonds Outstanding	Series	Activity	Par Amount	Ending Balance	Principal Due within one year	Interest Due within one year	Maturity (year)	Interest Rate	*Rating	
Debt Service	Fund 65	General Obligation Refunding	2005	Governmental	3,445,000	2,390,000	305,000	89,209	2021	2.10 - 4.10%	Rated 'Aaa' (XLCA Insured; underlying 'A3')
Capital Facilities	Fund 57	Sales and Excise Tax Revenue	2013		1,195,000	1,096,000	96,000	19,760	2024	1.98%	Not rated
Redevelopment Agency	Fund 70	Redevelopment Agency Tax Increment	2003		2,490,000	258,046	258,046	12,128	2015	4.70%	Not rated
Water, Sewer, Storm Drain, & Refuse Enterprise	Fund 50	Utility Revenue	2010A	Business-Type	2,425,000	1,595,000	210,000	55,163	2021	4.00 - 5.25%	Rated 'AAA' (AGM Insured; underlying 'AA')
	Fund 51	Utility Revenue	2010B		708,000	630,000	28,000	22,428	2031	3.56%	Not rated
	Fund 52	Utility Revenue	2010C		835,000	736,000	35,000	18,400	2031	2.50%	Not rated
<b>Total Outstanding</b>					<b>\$11,098,000</b>	<b>\$4,315,046</b>	<b>\$ 627,046</b>	<b>\$127,879</b>			

\*Stated as reflected in the official statement. Does not include any subsequent rating upgrades or downgrades.

**Table 21 – Long-term debt (bonds) outstanding**

### Bond Ratings

Bond ratings function as an evaluation of credit risk, not a recommendation to invest in a bond or the risk preference of an investor. The bond rating is the most important factor affecting the interest cost on bonds. There are three rating agencies for municipal bonds: Moody’s Investors Services, Standard & Poor’s, and Fitch Ratings. Of these agencies, Standard & Poor’s and Moody’s rate over 80 percent of all municipal and corporate bonds. The analytical framework used by rating agencies include both qualitative and quantitative aspects. The areas of analysis generally include the economy, debt structure, financial condition, demographic factors, and management practices of the governing body and administration.

## **EXECUTIVE SUMMARY – REQUIREMENTS**

Insured ratings is the rating agencies assessment of a particular obligation's credit quality given the credit enhancement provided by a financial guarantor. Underlying issuer ratings are the rating agencies opinions of the obligators ability to honor unsecured financial obligations and contracts.

For a comprehensive look at assigned ratings and their representations, please visit [www.moodys.com](http://www.moodys.com), [www.standardpoors.com](http://www.standardpoors.com), or [www.fitchratings.com](http://www.fitchratings.com).

As depicted in Table 20, of the six outstanding debt issuances, two have been rated—General Obligation Refunding Bonds, Series 2005 and the Water, Sewer, and Refuse Collection Revenue Refunding Bonds, Series 2010. The remaining four issuances have been privately placed and unrated.

As part of the refunding process for the General Obligation Refunding Bonds, Series 2005, the City solicited Moody's to conduct a full-rating review. The rating assigned to these bonds was a 'Aaa' XL Capital Assurance Insured with an underlying rating of 'A3'.

Standard & Poor's (S&P) conducted a full-rating review of the refunding process for the Water, Sewer, and Refuse Collection Revenue Refunding Bonds, Series 2010. The rating assigned to these bonds was an AGM insured 'AAA' with an underlying 'AA'. According to S&P, a long-term issue credit rating of 'AA' differs from the highest-rated obligations only to a small degree and believes that obligor's capacity to meet its financial commitments on the obligation is very strong. The highest quality credit rating from Standard & Poor's is AAA.

**Interfund Transfers** are expected to decrease by 19 percent or from \$473,132 in 2014 to \$383,626 in 2015. Transferring excess General Fund balance to the Capital Projects Fund is not anticipated at this time, however, a determination will be made in the forthcoming months if a transfer of excess funds will be necessary. Reported interfund transfers have been for the purpose of funding one-time capital projects.

## **EXECUTIVE SUMMARY – REQUIREMENTS**

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**Summary of Capital Issues:** The following is a summary of the major capital projects included in this year's budget process. As part of the budget process Staff has identified the projects for the next 5 years and devised a funding strategy. In some instances, it was necessary to adjust the capital schedule identified in the Plan until funding becomes available. Project priorities may change as capital plans are updated and facility needs and conditions are evaluated. Refer to the City's Capital Facilities Plan for a comprehensive look at all scheduled capital projects within this budget plan and beyond.

### **Significant Non-Recurring Capital Projects**

As part of the budget process and presentations to Council, staff has identified the following major (projects > \$200,000) capital projects as priorities for fiscal year 2015-2019:

A. **Water Meters with Time-Saving Reading System (CW-21)** - The Project scope includes the installation of time-saving water meters at meter locations throughout the City. The Project funding period is scheduled through 2014 at an estimated cost of \$322,000. It is estimated that approximately \$200,000 of residual State Revolving Loan Funds will be used to help finance this project. The balance of funds available after the completion of 450 West will be used to fund this project.

B. **Culinary Water 48- Meter and Auto Valve Vault at Tank on Adams Avenue** - The project scope includes installation of a concrete vault containing a main water meter and valve. The Project funding period is scheduled through 2014 at a cost of \$200,000. Construction to begin in summer 2014.

C. **Sanitary Sewer 18 – Furnish and Install 12” PVC Sewer Pipe** - The Project scope includes the replacement of the existing 12” & 10” line with regarded 12” line. The Project location is 500 West and 4525 South to 4900 South. Total estimated project costs are \$255,000 with project funding period through 2016. Construction will begin after funding period.

## **EXECUTIVE SUMMARY – REQUIREMENTS**

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D. **Adams Avenue Road Reconstruction (includes CW36)** – The Project scope includes the reconstruction of roadway, curb and gutter, water, sewer, and storm drain improvements on Adams Avenue from the City limits to US Hwy 89. The project is eligible and scheduled to be funded as part of the Surface Transportation Program (STP) at an estimated cost of \$4,700,000. The City's share of this project will be 6.77% of eligible participating costs or \$320,000. Additional, non-participating may be incurred as the City reconsiders roadway design features in addition to utility improvements. Total nonparticipatory costs are estimated at \$1,280,000. The Project is funded in the Redevelopment Agency Fund. Construction is scheduled to begin in the summer of 2014.

### **Other Significant Project Considerations**

**Public Works Facility-** The concept of constructing a new public works facility is in the preliminary planning phase. Financing options/feasibility, project scope, design, cost, and location will be carefully analyzed to determine what to be in the best interest of the City. While the tentative budget and budget plan does not include fiscal considerations for this project, it is anticipated that the budget plan may change, pending the outcome of the analysis, to include this concept as part of the development phase.

### **Significant Changes to Operation and Maintenance Costs**

It is anticipated that significant changes to operations and maintenance (O&M) costs will occur with the completion of Adams Avenue Road Reconstruction due to its increasingly dilapidated condition and having a zero service life. It is estimated that \$6,000 - \$8,000 in labor and material costs will be saved annually from efforts made to salvage road service life with the costs increasing annually.

## **EXECUTIVE SUMMARY – REQUIREMENTS**

No other *significant* changes to O&M costs are expected with any other projects mentioned above. The majority of the projects focus primarily on infrastructure replacement and maintenance rather than infrastructure additions. The City's aggressive approach to capital planning and replacement has been successful in anticipating growing problems before they have a significant impact on current and future operating budgets. As part of the capital planning process, capital infrastructure additions and replacements are individually analyzed to determine if and to what extent the capital project will impact the operating budgets. *Minor* changes to direct O&M costs can typically be absorbed within the operating budgets.

# **OPERATING BUDGETS**

# **General Government**

Mayor & City Council

City Manager

Finance Director

City Recorder

Treasurer

Human Resources

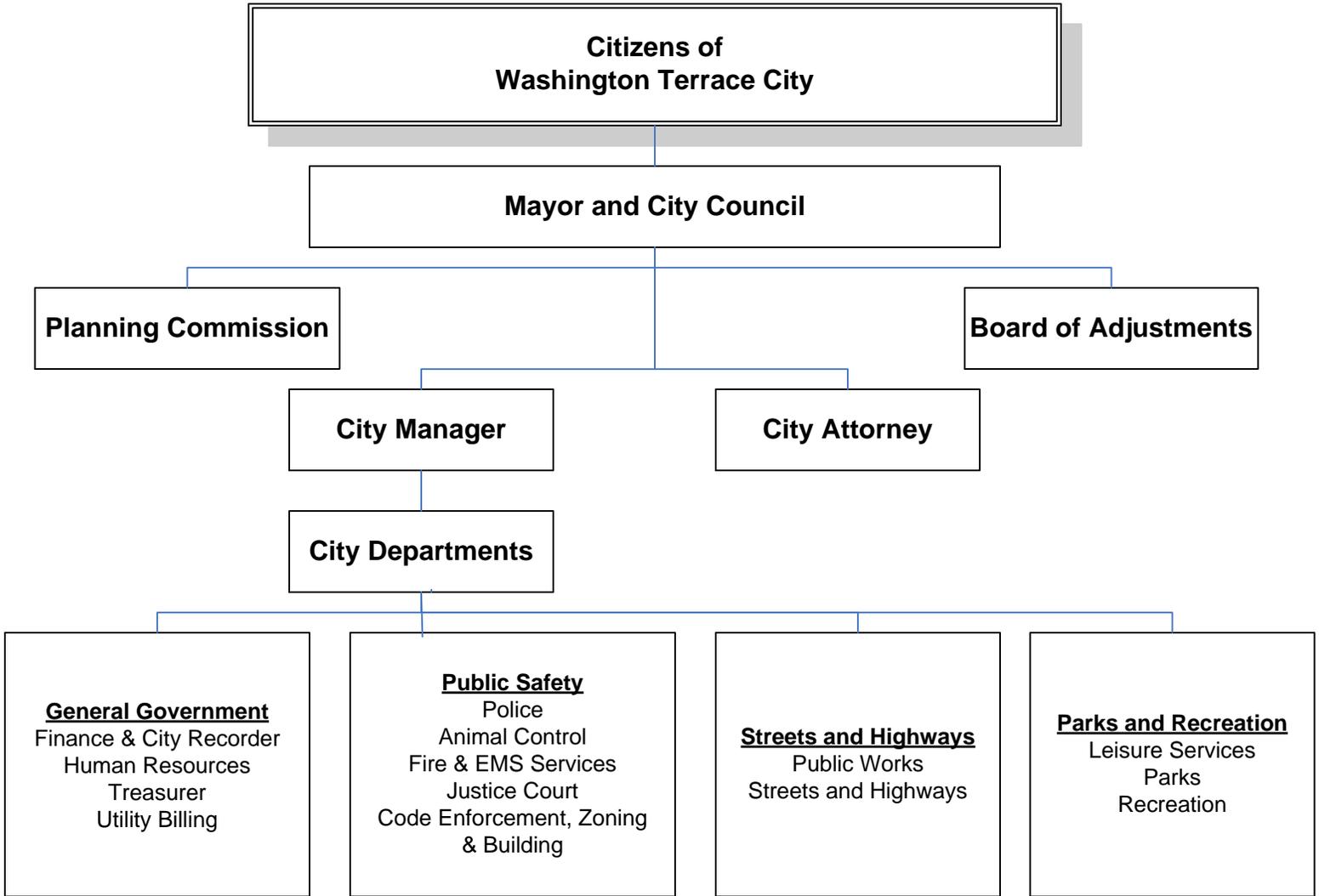
Utility Billing

Non-Departmental

Buildings

# City of Washington Terrace Organizational Structure

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# **GENERAL GOVERNMENT: MAYOR AND CITY COUNCIL**

## **Mission**

To provide the citizens of Washington Terrace with essential and innovative services in a timely and cost efficient manner.

## **Department Overview**

The City operates under a six-member council form of government as defined by Utah Code Annotated §10-3b-102, with the power and authority set forth in Utah Code Annotated §10-3b-301, et seq, as amended, and subject to the provisions of the existing ordinance appointing a city manager.

The governing body is comprised of six elected at large members, one of which is the Mayor. Each Council member shares equal voting power, the mayor only votes in the cases of a tie. The Mayor and Council serve staggered four-year terms, providing for three office vacancies each municipal election.

## **General Fund 10: Mayor & City Council**

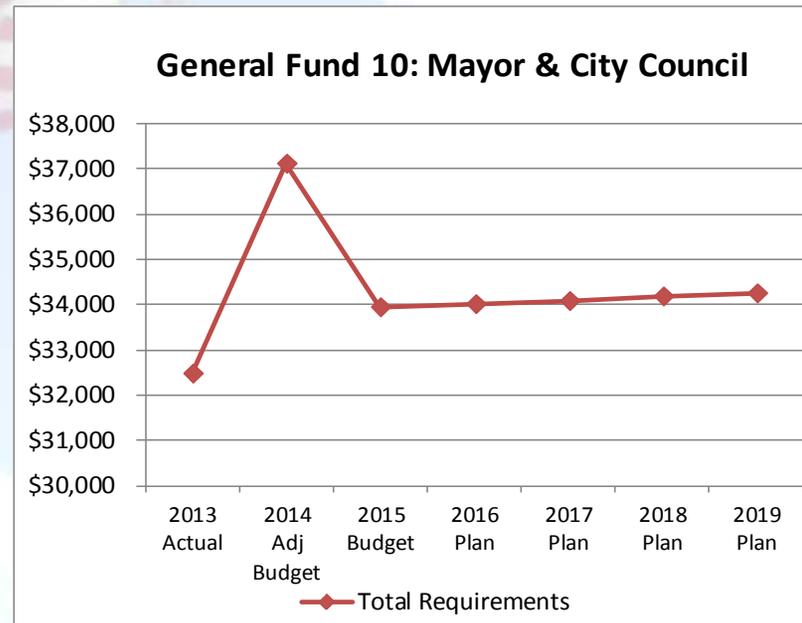
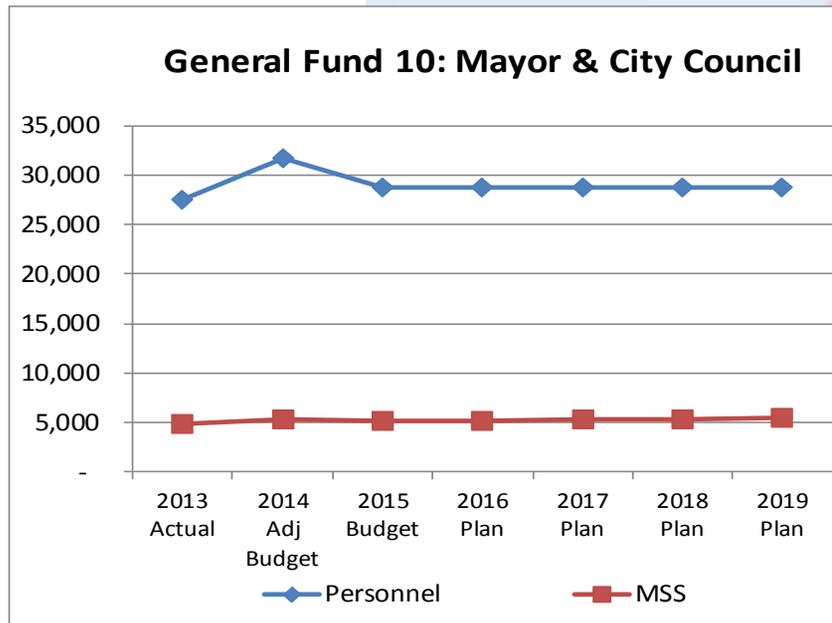
<b>Requirements by Major Object</b>	<b>2013 Actual</b>	<b>2014 Adj Budget</b>	<b>2015 Budget</b>	<b>2016 Plan</b>	<b>2017 Plan</b>	<b>2018 Plan</b>	<b>2019 Plan</b>
Personnel	27,562	31,780	28,785	28,785	28,785	28,785	28,785
Materials, Supplies, and Services	4,901	5,346	5,155	5,231	5,309	5,389	5,469
<b>Total Requirements</b>	<b>\$ 32,463</b>	<b>\$ 37,126</b>	<b>\$ 33,940</b>	<b>\$ 34,016</b>	<b>\$ 34,094</b>	<b>\$ 34,174</b>	<b>\$ 34,254</b>
<i>\$ Change from Prior Period</i>	<i>\$ (209)</i>	<i>\$ 4,663</i>	<i>\$ (3,186)</i>	<i>\$ 76</i>	<i>\$ 78</i>	<i>\$ 80</i>	<i>\$ 81</i>
<i>% Change from Prior Period</i>	<i>-1%</i>	<i>14%</i>	<i>-9%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>

The Mayor and Council's budget remains largely unchanged from year-to-year. The budget includes compensation for the Mayor and Council, membership dues to professional organizations, travel and training, public relations, and office/equipment expenses.

# GENERAL GOVERNMENT: MAYOR AND CITY COUNCIL

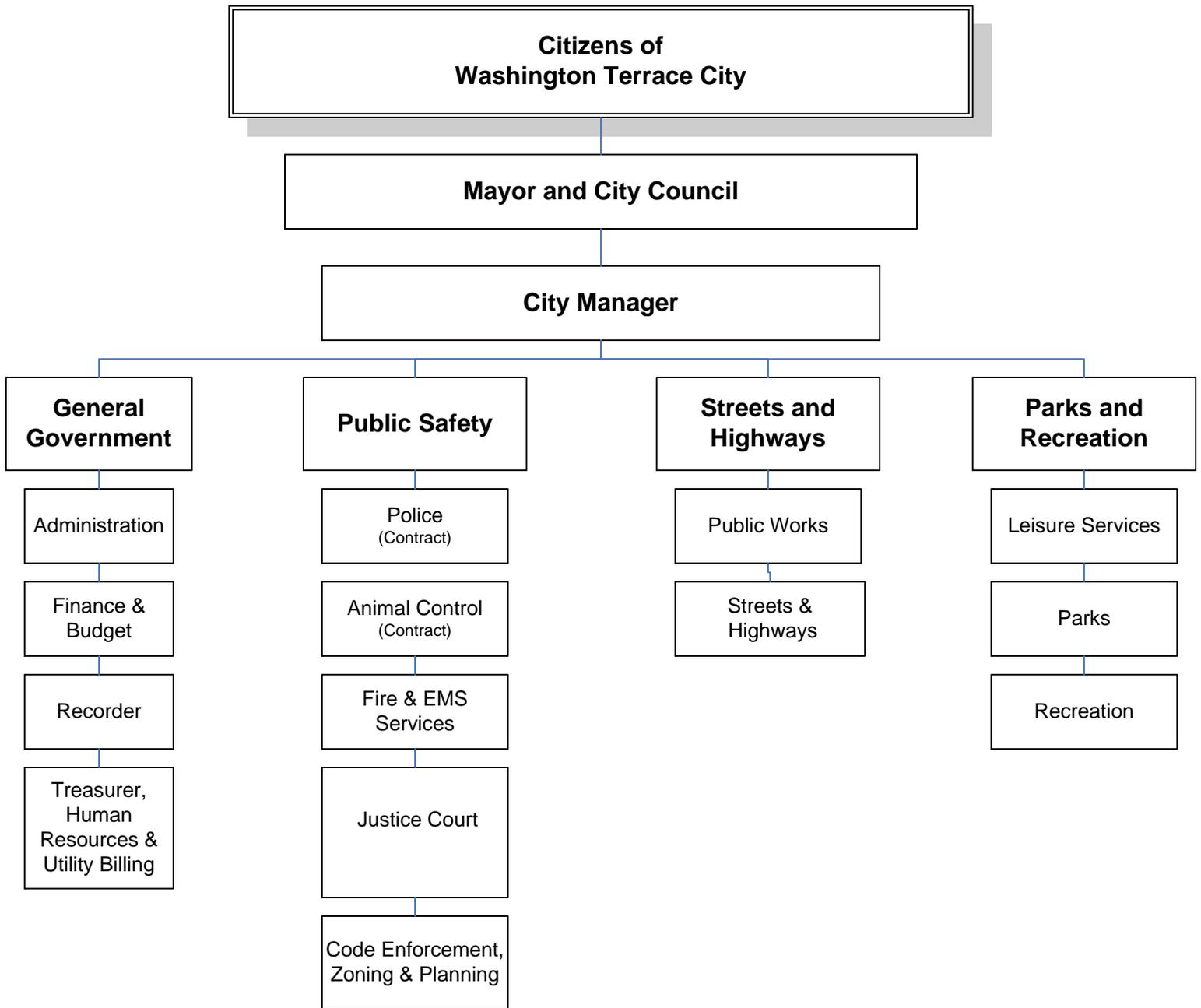
**Personnel** costs that include salaries/wages, benefits, allowances, and travel and training, are expected to remain flat between 2015 and 2019. In 2014, budgeted travel and training requirements increased by 51 percent or \$3,218 from 2013 actual.

**Materials, Supplies, and Services (MSS)** include costs for professional membership dues, public relations, and office equipment/supplies. MSS are expected to remain relatively constant between 2015 and 2019.



# GENERAL GOVERNMENT- CITY MANAGER

City of Washington Terrace  
Organizational Structure



**Departmental Activities**

- Administer City Business
- Oversee the Management of City Departments
- Economic Development
- Risk Management

## **GENERAL GOVERNMENT: CITY MANAGER**

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### **Mission**

The mission of the City Manager is to insure that the City and all of its functions are operated in an efficient and effective manner with a high level of customer service and professionalism.

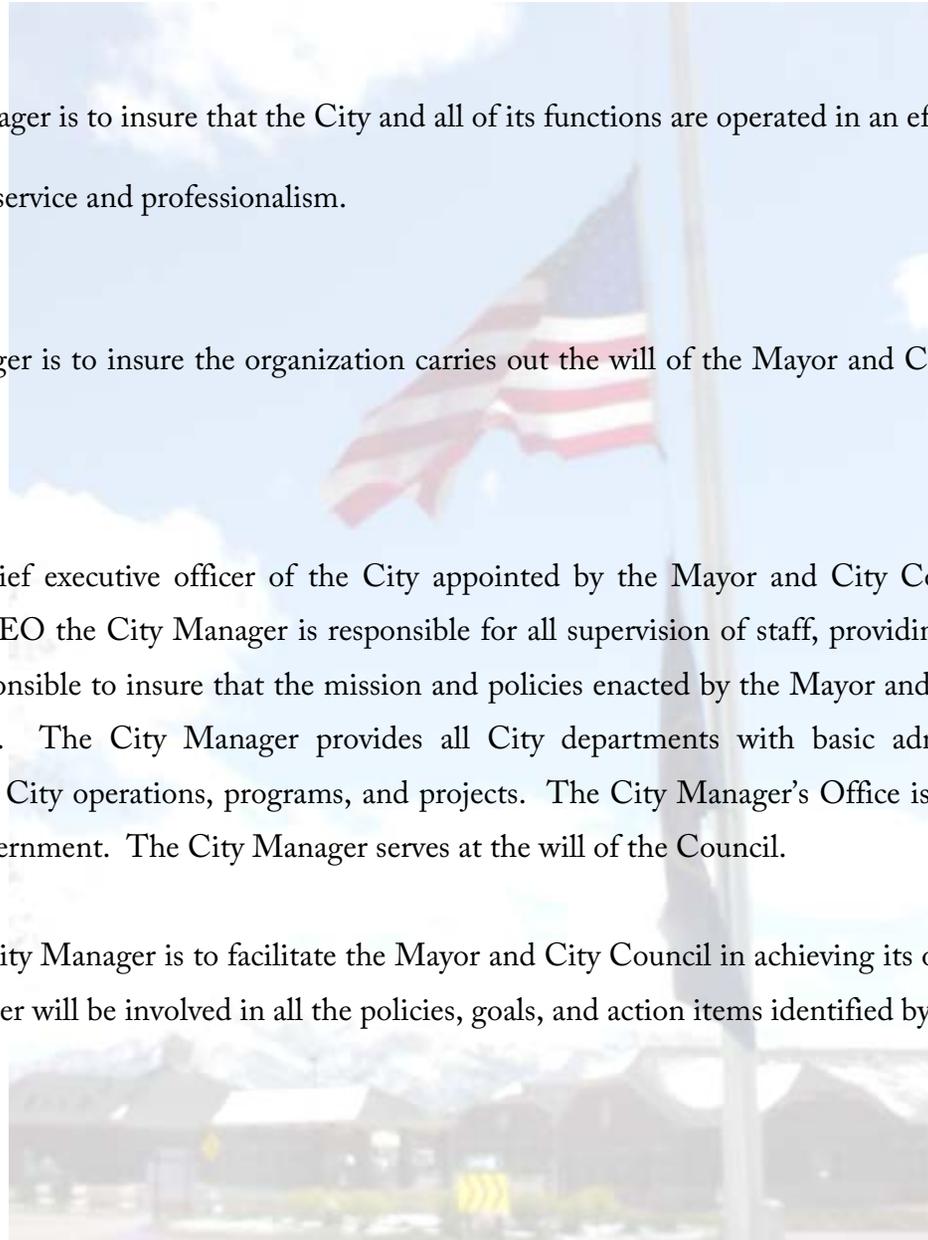
### **Vision**

The vision of the City Manager is to insure the organization carries out the will of the Mayor and Council in the governance of our community.

### **Department Overview**

The City Manager is the chief executive officer of the City appointed by the Mayor and City Council to direct the delivery of municipal services. As the CEO the City Manager is responsible for all supervision of staff, providing the Mayor and City Council with information, and is responsible to insure that the mission and policies enacted by the Mayor and City Council are implemented throughout the organization. The City Manager provides all City departments with basic administrative support, including coordination and guidance of City operations, programs, and projects. The City Manager's Office is the focal point for the day-to-day management of City Government. The City Manager serves at the will of the Council.

The major objective for the City Manager is to facilitate the Mayor and City Council in achieving its objectives. While this concept is often implied the City Manager will be involved in all the policies, goals, and action items identified by the Mayor and City Council.



## **GENERAL GOVERNMENT: CITY MANAGER**

The Administration Department budget in 2015 comprises of the City Manager and Finance Director representing 2 FTEs. Prior to 2015, the Administration Department included the Communities that Care Program (CTC) and related personnel and MSS. This Program is no longer being managed by the City being discontinued September 30, 2013.

### **Genral Fund 10: Administration**

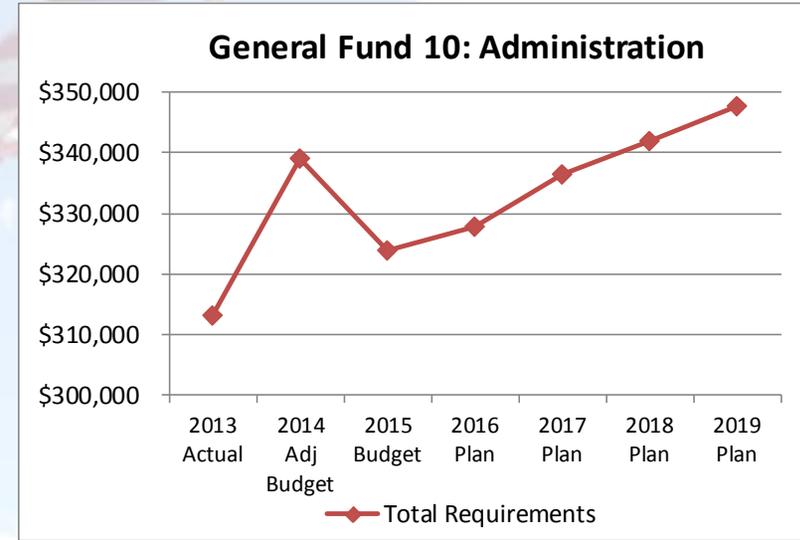
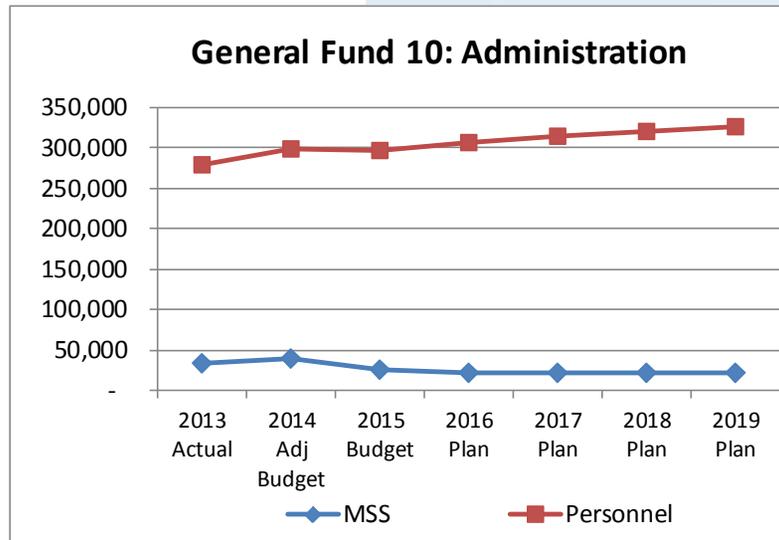
<b>Requirements by Major Object</b>	<b>2013 Actual</b>	<b>2014 Adj Budget</b>	<b>2015 Budget</b>	<b>2016 Plan</b>	<b>2017 Plan</b>	<b>2018 Plan</b>	<b>2019 Plan</b>
Personnel	279,533	299,270	297,356	306,099	314,767	320,194	325,890
Materials, Supplies, and Services	33,528	39,780	26,650	21,650	21,650	21,650	21,650
<b>Total Requirements</b>	<b>\$ 313,061</b>	<b>\$ 339,050</b>	<b>\$ 324,006</b>	<b>\$ 327,749</b>	<b>\$ 336,417</b>	<b>\$ 341,844</b>	<b>\$ 347,540</b>
<i>\$ Change from Prior Period</i>	<i>\$ 33,545</i>	<i>\$ 25,989</i>	<i>\$ (15,044)</i>	<i>\$ 3,742</i>	<i>\$ 8,668</i>	<i>\$ 5,427</i>	<i>\$ 5,696</i>
<i>% Change from Prior Period</i>	<i>12%</i>	<i>8%</i>	<i>-4%</i>	<i>1%</i>	<i>3%</i>	<i>2%</i>	<i>2%</i>

**Personnel** costs account for salaries/wages, benefits (i.e. retirement, healthcare, allowances, and FICA) and travel and training. Salaries and wages are driven from the Wasatch Compensation Group and benefits are driven from the benefits provider (refer to Personnel requirements in the Executive Summary). Although salaries/wages and benefits are expected to increase annually according to the City's compensation philosophy (increases vary with each position), it is subject to funding availability.

Although budgeted Personnel requirements are showing a decrease of 1 percent or \$1,914 in 2015, the true increase, excluding the grant funded and discontinued CTC Program, is approximately 4 percent or \$10,000. Personnel requirements are expected to grow at an average annual rate of 2.3 percent annually between 2016 and 2019.

# GENERAL GOVERNMENT: CITY MANAGER

**Materials, Supplies, and Services (MSS)** are expected to decrease by 22 percent or \$7,630 in 2015. Said decrease is largely attributed to the discontinuation of the CTC program requirements. MSS requirements are expected to decrease by 19 percent or \$5,000 in 2016 then remain constant through 2019. Said decrease in 2016 is attributed to a one-time CDBG grant eligibility survey project proposed in 2015.



# GENERAL GOVERNMENT: CITY MANAGER

Fiscal Year 2014 Accomplishments and Highlights		
Legislative Policy Statement	Legislative Objective	Department Strategy
Professional Development	Credentialed City Manager	Maintained Credentialed City Manager status by participating in continuing education for the City Manager position.
Fiscal Responsibility	Apply for Grants	The City received grant funding for program and infrastructure improvements.
	Risk Management	Developed policies and processes to improve overall safety, accident reporting and claim processing and minimizes liability exposure.
	Fleet Management Plan Evaluation and Implementation	Implemented the Fleet Management plan in order to decrease fleet costs and improve the reliability of fleet vehicles.
Open and Responsive Government	Keep Stakeholders Informed	Regularly communicated with Stakeholders using "What's Right with Washington Terrace City" articles and electronic media outlets.
Economic Development	Education and application	Attended credentialed Economic Development training and applied training throughout the year including Council Retreat planning session.
	Traffic Corridors	Design and property acquisition completed for Adams Avenue.
	Promotion of Retail Based Businesses	Cooperatively worked with GoldenWest Credit Union on the campus expansion into the vacant grocery store property.
Family Oriented Community	Property Enforcement	Streamlined code enforcement processes and enforcement to improve code enforcement compliance.
	Family Based Events	Increased vender participation, parade participation and improved overall community awareness of the Terrace Day event.
Evaluate, Plan and maintain Infrastructure	Short and Long-Term Capital Planning	Analyzed the Public Works facility and began initial steps for the planning and construction of a new Public Works facility.
Sustainable and Effective Public Safety	Evaluate Overall Costs Related to Public Safety Services	Contract law enforcement services were reduced by 4%.
		Successfully transitioned Animal Control service to South Ogden City.
Sustainable Growth through Vision and Planning	Planning and Zoning Standards	Directed and successfully completed a Zion's Bank Retail Leakage Study.
Emergency Management and Planning	Update Emergency Plan	Updated the city Emergency Operations Plan.
	Continuity of Operations	Installed emergency power supplies at City Hall and the Fire Station/Civic Center.
	Exercise emergency plan	Improved staff emergency response coordination by implementing the WEB Emergency Operations Center system into our Emergency Response Plan.
	Apply for Grants	Received grant funding to support ongoing Emergency Preparedness efforts. .
Recreation Programs and Facilities	Administer Professionally Organized Programs	Revised and implemented recreation program policies.

# GENERAL GOVERNMENT: CITY MANAGER

Fiscal Year 2015 Goals		
Legislative Policy Statement	Legislative Objective	Department Strategy
Fiscal Responsibility	Balance Between Ability to Pay and Service Levels	Apply for grant funding where appropriate and fiscally advantageous for the City.
		Evaluate and integrate rate structure analysis in order to maintain and balance revenue funding and ability to pay.
Open and Responsive Government	Open and Responsive Attitude	Maintain an "open door" policy when dealing with stakeholders.
	Disseminate Information	Improve City Manager and Council communications with stakeholders using a variety of media outlets.
Sustainable and Effective Public Safety	Evaluate Overall Costs Related to Public Safety Services	Work with Sheriff Office to provide case status as needed on a monthly basis.
		Work with Animal Control provider to expand proactive animal control efforts.
Economic Development	Aggressively Pursue Economic Development	Actively attend economic development events in order to improve networking relationships and expand economic development opportunities for the City.
Evaluate, Plan and Maintain Infrastructure	Capital Planning and Implementation	Complete Adams Avenue Reconstruction Project.
		Complete preliminary design for the new Public Works facility.
Emergency Management and Planning	Update Emergency Plan	Update and exercise the emergency operations plan and conduct training and exercise .
	Preparation	Conduct Emergency Preparedness Fair. Participate in state-wide emergency exercise, Utah Shake Out
	Apply for Grants	Apply for grants to support emergency management efforts.
	Build Working Relationships	Network with local and State Emergency Management specialists by participating in monthly and yearly meetings.
Recreation Programs and Facilities	Administer Professionally Organized Programs	Support efforts to update the City Web Page.
Community Celebrations	Promote Involvement in City Sponsored Events	Work with local stakeholder to maintain donations for Terrace Day sponsorships.
Professional Development	Credentialed City Manager	Participate in continuing education for Credentialed Manager Certification based on ICMA needs analysis.

# GENERAL GOVERNMENT: CITY MANAGER

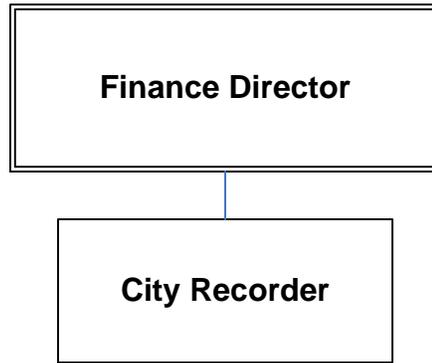
Performance Measures													
City Manager													
Legislative Policy Statement	Legislative Objective	Performance Measure	Target	Actual	Target								
			2010		2011		2012		2013		2014		2015
All	All	% of departmental goals met on an annual basis	90		90	90	90	90	90	90	90	90	90
Open and Responsive Government	Stakeholders informed	% of Council Policy Priorities accomplished during year	75		75	75	75	80	80	85	90	90	90
		# of Facebook and newsletter posting	3	3	2	10	12	45	40	40	40	56	52
Economic Development	Development Planning	# program and project updates to Council	12	12	12	12	45	48	50	50	50	60+	50
		# of months with economic development activities and promotion	12	10	12	12	12	12	12	12	12	12	12
Sustainable and Effective Public Safety	Sheriff Reports	% of monthly reports					90	100	100	95	90	100	100
	Fire Reports	% of quarterly reports					90	100	100	100	100	100	100
	Animal Control Reports	% of quarterly reports							100	50	100	100	100
Economic Development	City Manager / Planning	# of Weber County and State outreach activities							12	12	12	12	12
		# of evaluations for possible development							4	4	6	6	6
	All	# of RDA evaluation events							4	4	4	6	Drop
Family Oriented Community	Leisure Services / City manager	# of programs evaluated and updated	12	12	12	12	45	48	40	40	40	42	40
		# of City Council reports							4	4	4	4	6
Emergency Management	All	# of times Emergency Plan reviewed and exercised							4	4	4	12	6
Regional Cooperation	All	# of times Emergency Plan reviewed and exercised							3	1	2	2	2
		# of outreach opportunities to engage regional cooperation that supports the City							6	12	12	12	12

# GENERAL GOVERNMENT- FINANCE AND CITY RECORDER

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## City of Washington Terrace Organizational Structure

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- Departmental Activities**
- Operating & Capital Budgeting
  - Financial Reporting
  - Audit
  - Payroll
  - Asset Management
  - Financial Analysis
  - Elections
  - Agendas & Minutes
  - Records Management
  - Accounts Payable
  - GRAMA Requests
  - Business Licensing
  - Notary

# **GENERAL GOVERNMENT: FINANCE AND CITY RECORDER**

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## **Mission**

Our mission is to provide our internal and external customers with the highest level of professional service and information in a timely, efficient, and effective manner.

## **Vision**

Our vision is to promote excellence and commitment to people, services, results, and communications.

## **Finance Core Functions**

- Control** To protect and preserve the assets of the City
- Efficiency** Balance capabilities, cost, and service levels
- Performance** Provide financial leadership in determining strategic direction and align financial strategies
- Execute** Simulate behaviors across the organization to achieve strategic and financial objectives

## **Department Goals & Overview**

Our goal is to meet the policy statements of the City and the City Council and by performance measurement to determine the success of our programs in accomplishing our mission, vision, goals, and objectives.

Our department is responsible for maintaining detailed, accurate records of the City's financial performance and business conducted by its elected officials.

## **Services & Programs Overview**

The services and programs of the Finance Department include, but not limited to: preparation of the annual budget including the Redevelopment Agency, responsible for all internal and external financial reporting functions, coordinates with the city's independent auditor in completing the annual audit, performs all payroll functions, and is responsible for city-wide asset management.

## **GENERAL GOVERNMENT: FINANCE AND CITY RECORDER**

The Recorder's Office, working under the direction of the Finance Director, offers services and programs that include, but not limited to: preparing and posting agendas and notices for all city sponsored public meetings, records and transcribes public meeting minutes. Responsible for maintaining city ordinances, resolutions, contracts, and other official documents, acts as the election official to coordinates all municipal and special elections. The City Recorder is the city records official responsible for the city's records management system. Performs accounts payable functions.

### **General Fund 10: City Recorder**

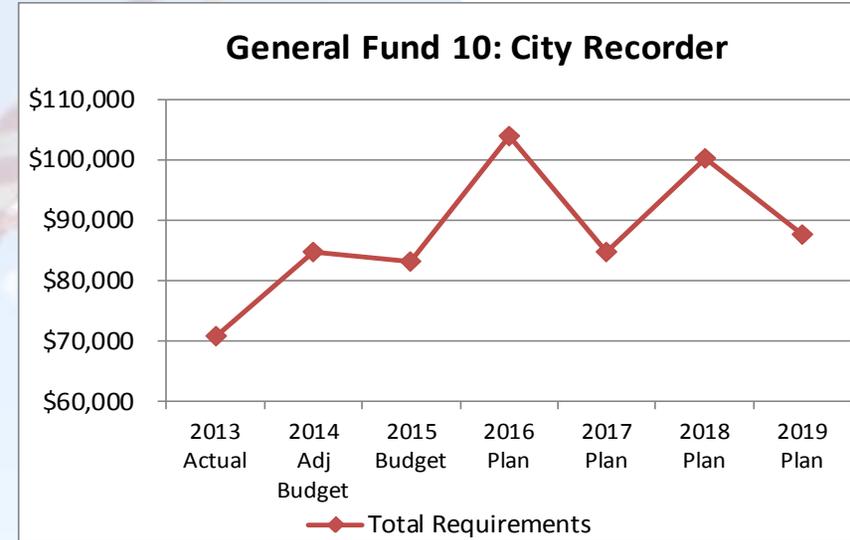
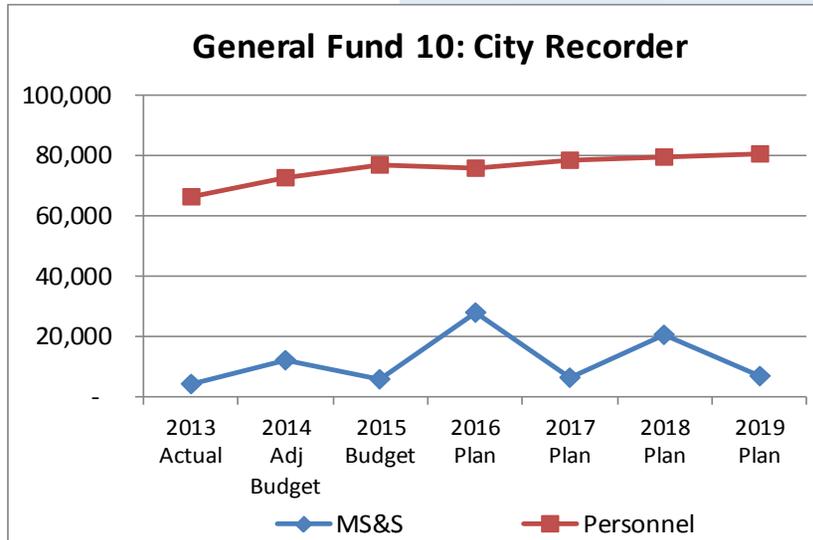
<b>Requirements by Major Object</b>	<b>2013 Actual</b>	<b>2014 Adj Budget</b>	<b>2015 Budget</b>	<b>2016 Plan</b>	<b>2017 Plan</b>	<b>2018 Plan</b>	<b>2019 Plan</b>
Personnel	66,394	72,437	77,120	75,743	78,420	79,601	80,841
Materials, Services, and Supplies	4,563	12,290	5,990	28,190	6,390	20,590	6,790
<b>Total Requirement</b>	<b>\$ 70,957</b>	<b>\$ 84,727</b>	<b>\$ 83,110</b>	<b>\$ 103,933</b>	<b>\$ 84,810</b>	<b>\$ 100,191</b>	<b>\$ 87,631</b>
<i>\$ Change from Prior Period</i>	<i>\$ 3,281</i>	<i>\$ 13,770</i>	<i>\$ (1,617)</i>	<i>\$ 20,823</i>	<i>\$ (19,123)</i>	<i>\$ 15,381</i>	<i>\$ (12,560)</i>
<i>% Change from Prior Period</i>	<i>5%</i>	<i>19%</i>	<i>-2%</i>	<i>25%</i>	<i>-18%</i>	<i>18%</i>	<i>-13%</i>

**Personnel** costs account for salaries/wages, benefits (i.e. retirement, healthcare, allowances, and FICA) and travel and training. Salaries and wages are driven from the Wasatch Compensation Group and benefits are driven from the benefits provider (refer to Personnel requirements in the Executive Summary). Although salaries/wages and benefits are expected to increase according to the City's compensation philosophy (increases vary with each position), it is subject to funding availability.

Budgeted personnel costs are expected to increase by 6 percent or \$4,683 in 2015 than average 1 percent annual increases though 2019.

# GENERAL GOVERNMENT: FINANCE AND CITY RECORDER

**Materials, Supplies, and Services (MSS)** are expected to decrease by 51 percent or \$6,300 in 2015. Said decrease is largely attributed to funding municipal elections in 2014. Municipal elections are required on even numbered fiscal years. The next municipal election is schedule for 2016. Municipal elections are the primary driver to increases in MSS.



# GENERAL GOVERNMENT: FINANCE AND CITY RECORDER

<b>Fiscal Year 2014 Accomplishments and Highlights</b>		
<b>Legislative Policy Statement</b>	<b>Legislative Objective</b>	<b>Department Strategy</b>
Fiscal Responsibility	Vigilantly Account for Public Funds & Resources	Clean audit report for fiscal year 2013. Completed RDA financial analysis plan. Refinanced Sales Tax Revenue and Special Assessment Bonds to obtain lower interest rate and cost savings.
	Balance Between Ability to Pay & Service Levels	Utility rate model evaluated and adjusted in conformance with legislative and budget objectives.
Open and Responsive Government	Disseminate Information Consistent with Legislative Objectives	Implemented a new user-friendly, searchable, and pdf printable online codification with ordinance attachments.
		Conducted city-wide department records management training.
		Successful recipient of GFOA's Distinguished Budget Award.
Emergency Management and Planning	Update & Review Emergency Plan	Updated Emergency Plan manual.
Regional Cooperation	Coordinate, develop, and maintain cohesive relationships with local, regional, and state agencies	Coordinated with County, election judges, and various state agencies to run a successful 2013 Municipal election.
<b>Fiscal Year 2015 Goals</b>		
Open and Responsive Government	Disseminate Information	Post current department information on website, newsletters, and Facebook in a user friendly format.
Fiscal Responsibility	Vigilantly Account for Public Funds & Resources	Clean audit report for fiscal year 2014. Conduct sales tax and business license audit.
Open and Responsive Government	Disseminate Information Consistent with Legislative Objectives	Develop Budget Document in accordance with best practices and submit for GFOA's Distinguished Budget Award.
		Publish Comprehensive Annual Financial Report in accordance with best practice standards and submit for GFOA's Achievement for Excellence in Financial Reporting.

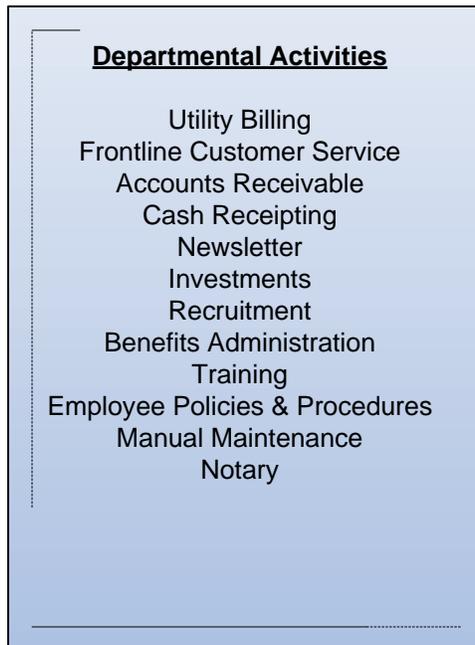
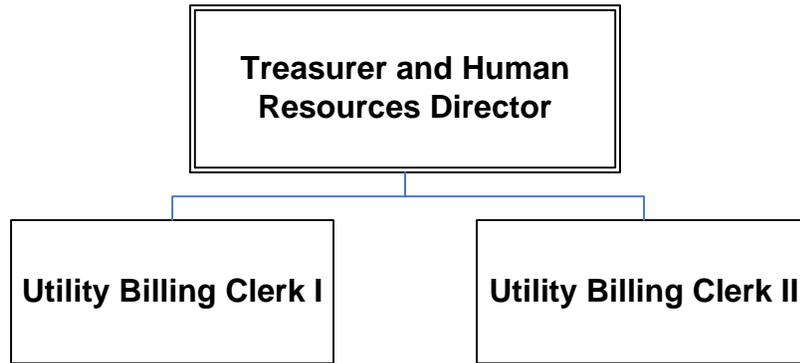
# GENERAL GOVERNMENT: FINANCE AND CITY RECORDER

Performance Measures													
Legislative Policy Statement	Legislative Objective	Performance Measure	Target	Actual	Target								
			2010		2011		2012		2013		2014		2015
Open and Responsive Government	Disseminate Information	# of days council meeting agendas are posted prior to meeting	5	5	5	5	5	5	5	5	5	5	5
		% of times council minutes are ready for approval by next regular meeting	100	100	100	100	100	100	100	100	100	100	100
	Maintain Fiscal Responsibility	# of times annually scheduled records are destroyed	1	1	1	1	1	1	1	1	1	1	1
Fiscal Responsibility	Fiscal Management/Development	# of months for budget process	7	7	7	7	7	7	7	7	7	7	7
		# of public tentative budget meetings in a year	4	4	4	4	4	4	3	3	3	3	4
		# of months to complete annual audit	4	4	4	4	4	4	5	5	5	5	5
Open and Responsive	Disseminate Information	# of months report financials to council	12	11	12	10	12	12	12	8	12	12	12
		# of quarterly reports presented to council									4	4	4
<b>Output Measure</b>													
		# of business licenses issued annually	na	433	na	406	na	411	na	415	na	438	na
		# of Good Landlord Program participants	na	102	na	102	na	104	na	112	na	115	na

# **GENERAL GOVERNMENT- HUMAN RESOURCES, TREASURER, AND UTILITY BILLING**

City of Washington Terrace  
Organizational Structure

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# **GENERAL GOVERNMENT: HUMAN RESOURCE, TREASURER, & UTILITY BILLING**

## **Mission**

To provide the highest quality service with integrity, responsiveness and sensitivity to the citizens of the City of Washington Terrace and customers.

## **Vision**

- Be responsive to the City’s mission to be the “Best Managed Municipality in Utah”.
- Address customers questions and concerns with sensitively and accurate information.
- Respect team members whose values may be different from our own.
- Create an atmosphere, which fosters career and personal development, fun, and safety.

## **Goals**

- Make quality a part of the way we work.
- Develop a sense of teamwork.
- Develop and implement proactive procedures.
- Enhance our ability to support the City and its goals.
- Improve the efficiency and effectiveness at all levels.
- Strive to be proactive and accomplish beyond and above the minimum required.
- Employ technology and methods, which enhance service, communications, and productivity.
- Make the City a great place to work.

## **Overview**

The Treasurer/Human Resources/Utility Billing Department is responsible for providing a wide range of services for the City’s external and internal customers. Services include, but not limited to: customer service, cash receipting and management, investment management, utility billing and collection services, and human resource management. The positions funded in the department include the Treasurer/Human Resources Director and Utility Billing Clerk I and II or 2.56 FTEs.

## GENERAL GOVERNMENT: HUMAN RESOURCE, TREASURER, & UTILITY BILLING

### General Fund 10: Treasurer/Human Resources/Utility Billing

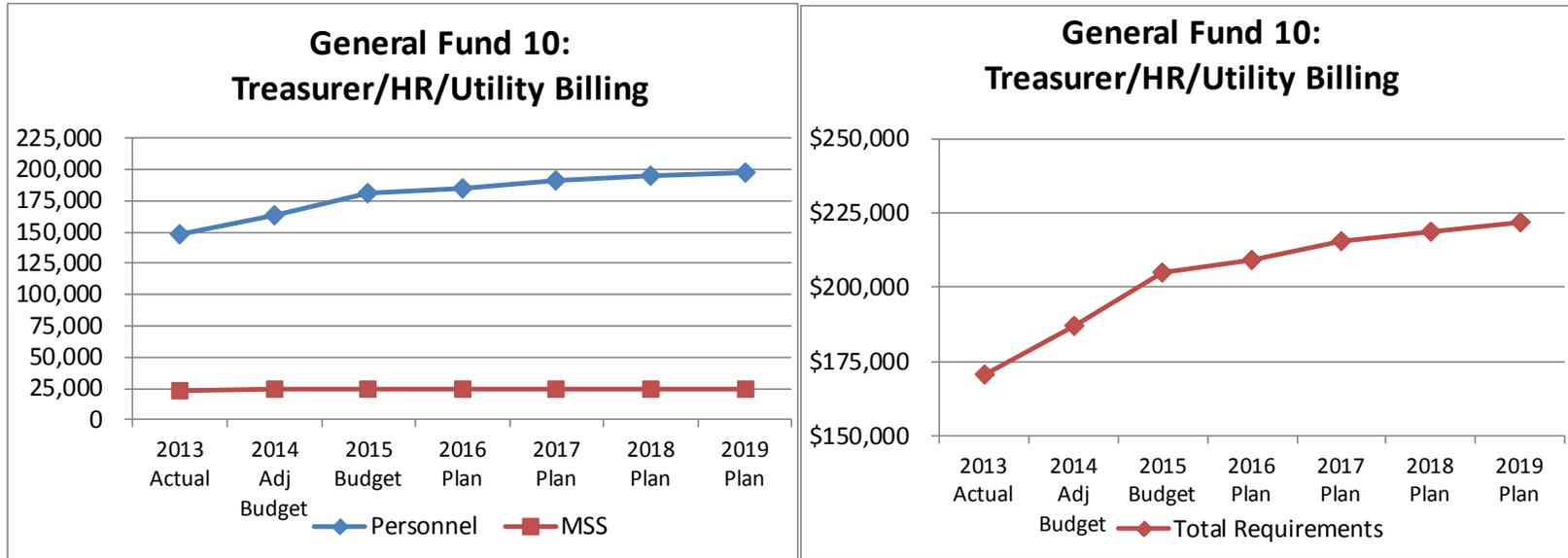
<b>Requirements by Major Object</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
	<b>Actual</b>	<b>Adj Budget</b>	<b>Budget</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>
Personnel	147,832	163,037	180,968	184,778	191,417	194,449	197,633
Materials, Supplies, and Services	22,643	23,890	24,190	24,190	24,190	24,190	24,190
<b>Total Requirements</b>	<b>\$ 170,474</b>	<b>\$ 186,927</b>	<b>\$ 205,158</b>	<b>\$ 208,968</b>	<b>\$ 215,607</b>	<b>\$ 218,639</b>	<b>\$ 221,823</b>
<i>\$ Change from Prior Period</i>	<i>\$ 16,795</i>	<i>\$ 16,453</i>	<i>\$ 18,231</i>	<i>\$ 3,811</i>	<i>\$ 6,639</i>	<i>\$ 3,032</i>	<i>\$ 3,184</i>
<i>% Change from Prior Period</i>	<i>11%</i>	<i>10%</i>	<i>10%</i>	<i>2%</i>	<i>3%</i>	<i>1%</i>	<i>1%</i>

**Personnel** costs account for salaries/wages, benefits (i.e. retirement, healthcare, allowances, and FICA) and travel and training. Salaries and wages are driven from the Wasatch Compensation Group and benefits are driven from the benefits provider (refer to Personnel requirements in the Executive Summary). Although salaries/wages and benefits are expected to increase according to the City's compensation philosophy (increases vary with each position), it is subject to funding availability.

Budgeted personnel costs are expected to increase by 11 percent or \$17,931 in 2015. Personnel costs are expected experience an average annual increase of 2 percent between 2016 and 2019. The number of full-time equivalents (FTEs) are expected to remain the same at 2.56.

**Materials, Supplies, and Services (MSS)** are expected to increase by 1 percent or \$300 in 2015 then remain constant at \$24,190 through 2019.

# GENERAL GOVERNMENT: HUMAN RESOURCE, TREASURER, & UTILITY BILLING



## **GENERAL GOVERNMENT: HUMAN RESOURCE, TREASURER, & UTILITY BILLING**

<b>Fiscal Year 2014 Accomplishments and Highlights</b>		
<b>Council Policy Statement</b>	<b>Objective</b>	<b>Description</b>
Fiscal Responsibility	Continue to develop practices that promote fiscal accountability, full disclosure, and planning	Improved the City's collections and lien processes which resulted in enhanced revenues and account management improvements.
Open and Responsive Government	Customer Service	Cross trained the front office staff to assist other departments resulting in improved customer service.
	Update and improve the UB/HR website pages	Created and uploaded Utility Department forms for residents to use on the City Website.
<b>Fiscal Year 2015 Goals</b>		
Fiscal Responsibility	Continue to develop practices that promote fiscal accountability, full disclosure, and planning	Review ordinances and make recommendations if necessary in order to improve Utility Billing Department procedures.
	Review and improve our policies and procedures in Utility Billing.	Review Utility Billing process in order to improve department efficiencies.
	Garbage and Recycle Can audit	Complete a Refuse and Recycling Can audit in order to ensure that the City billing each resident correctly for the service they are receiving.

# GENERAL GOVERNMENT: HUMAN RESOURCE, TREASURER, & UTILITY BILLING

<b>Performance Measures</b>															
Council Goal	Council Objective	Program	Performance Measure	Target	Actual	Target									
				2010		2011		2012		2013		2014		2015	
Open and Responsive Government	Improve Customer Service	Customer Service	%of billing concerns tracked and resolved	80	85	80	85	80	95	80	95	80	85%	80	
			% of satisfied customers (survey)	90	80	90	80	80	80	80	80	80	80	85%	80
	Maintain Fiscal Responsibility	Utility Billing	% of terminated customers not	80	80	80	85	80	85	80	87.5	80	89	80	
			% of terminated customers sent to collections within 10 days from final due date	95	90	95	85	95	93	95	96	95	90	95	
			% of adjustments due to utility billing error	>20	>20	>20	>20	>20	>20	>20	>20	>20	>20	>20	>20
			Number of adjustments due to drop box error	>20	>5	>20	>10	>20	>20	>20	>20	>20	>20	>20	>20
			% of increase of internet Payments	5	5	5	9%	5	5.6	5	5	5	5	5	5
			% employees satisfied with supplementary programs	-	-	-	-	-	-	-	-	-	-	-	-
	Improve Customer Service	Human Resources	# of times inhouse employee training offered	5	2	5	5	5	5	5	5	6	5	5	5
	<b>Output Measure</b>														
										2,724					
										158					

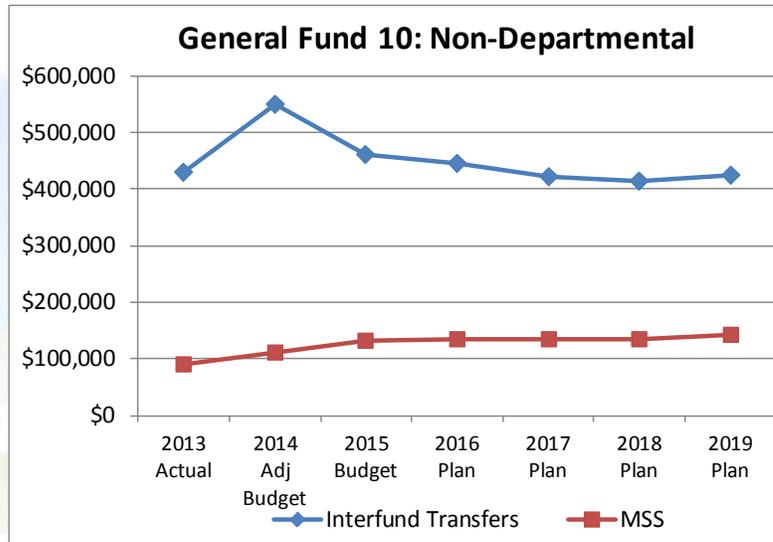
# GENERAL GOVERNMENT – BUILDINGS

## General Fund 10: Non-Departmental

Requirements by Major Object	2013 Actual	2014 Adj Budget	2015 Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan
Materials, Supplies, and Services	89,493	111,957	132,800	133,793	134,796	135,682	141,593
Interfund Transfers	428,484	548,670	460,719	445,190	421,844	413,803	424,585
<b>Total Requirements</b>	<b>\$ 517,977</b>	<b>\$ 660,627</b>	<b>\$ 593,519</b>	<b>\$ 578,983</b>	<b>\$ 556,640</b>	<b>\$ 549,484</b>	<b>\$ 566,179</b>
\$ Change from Prior Period	\$ (453,352)	\$ 142,650	\$ (67,108)	\$ (14,536)	\$ (22,343)	\$ (7,156)	\$ 16,695
% Change from prior period	-47%	28%	-10%	-2%	-4%	-1%	3%

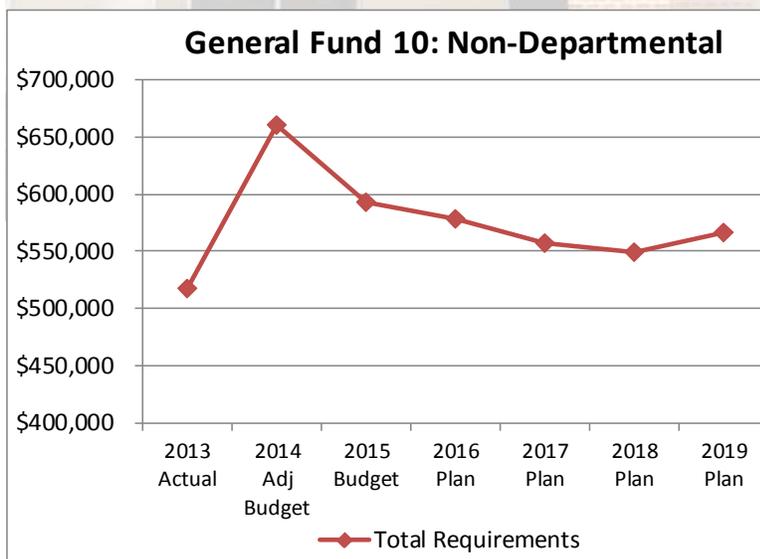
**Materials, Supplies, and Services (MSS)** requirements for Non-Departmental largely consist of

general liability and property insurance, contingency, IT maintenance and support, and emergency preparedness related expenditures. MSS requirements are expected to increase by 19 percent or \$20,843 in 2015. Said increase is attributed to anticipated increases to insurance premiums and increasing undesignated contingency account reserves. MSS



are expected to increase by 1 percent annually between 2016 and 2018 then 4 percent in 2019.

**Interfund Transfer** requirements are primarily driven by transferring excess reserves of restricted



Class C road funds and General Fund monies to capital funds to service capital expenditures for general governmental activities. In 2015, interfund transfers are expected to decrease by 20 percent or \$89,506. Said decrease is attributed to anticipating less excess reserves available for transfer.

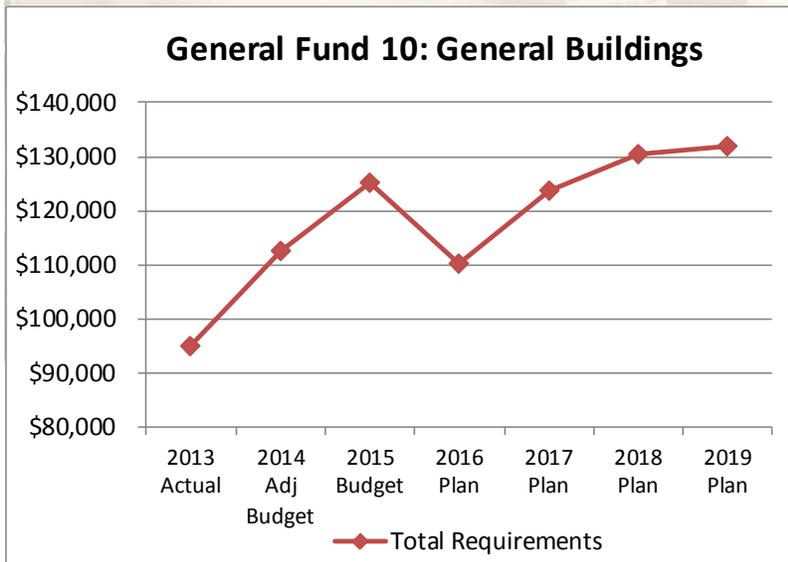
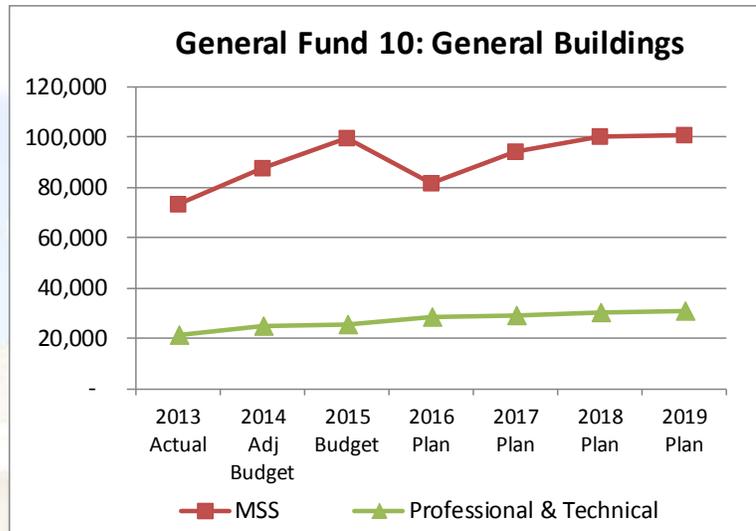
# GENERAL GOVERNMENT – BUILDINGS

## General Fund 10: Buildings

Requirements by Major Object	2013 Actual	2014 Adj Budget	2015 Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan
Materials, Supplies, and Services	73,523	87,650	99,550	82,001	94,595	100,277	100,966
Professional & Technical	21,433	25,000	25,750	28,325	29,175	30,050	30,951
<b>Total</b>	<b>\$ 94,957</b>	<b>\$ 112,650</b>	<b>\$ 125,300</b>	<b>\$ 110,326</b>	<b>\$ 123,769</b>	<b>\$ 130,327</b>	<b>\$ 131,918</b>
<i>\$ Change from Prior Period</i>	<i>\$ 11,512</i>	<i>\$ 17,693</i>	<i>\$ 12,650</i>	<i>\$ (14,974)</i>	<i>\$ 13,443</i>	<i>\$ 6,558</i>	<i>\$ 1,591</i>
<i>% Change from Prior Period</i>	<i>14%</i>	<i>19%</i>	<i>11%</i>	<i>-12%</i>	<i>12%</i>	<i>5%</i>	<i>1%</i>

**Materials, Supplies, and Services (MSS) and Professional & Technical** include costs related to the operations and maintenance of the three City operated public buildings—City Hall, Civic Center, and city shops.

In 2015, requirements are expected to increase by 11 percent or \$12,650 due to one-time maintenance projects. Budget fluctuations in MSS are due to one-time maintenance or small equipment requirements for building operations.



# **Public Safety**

Police

Animal Control

Fire

Emergency Medical Services (EMS)

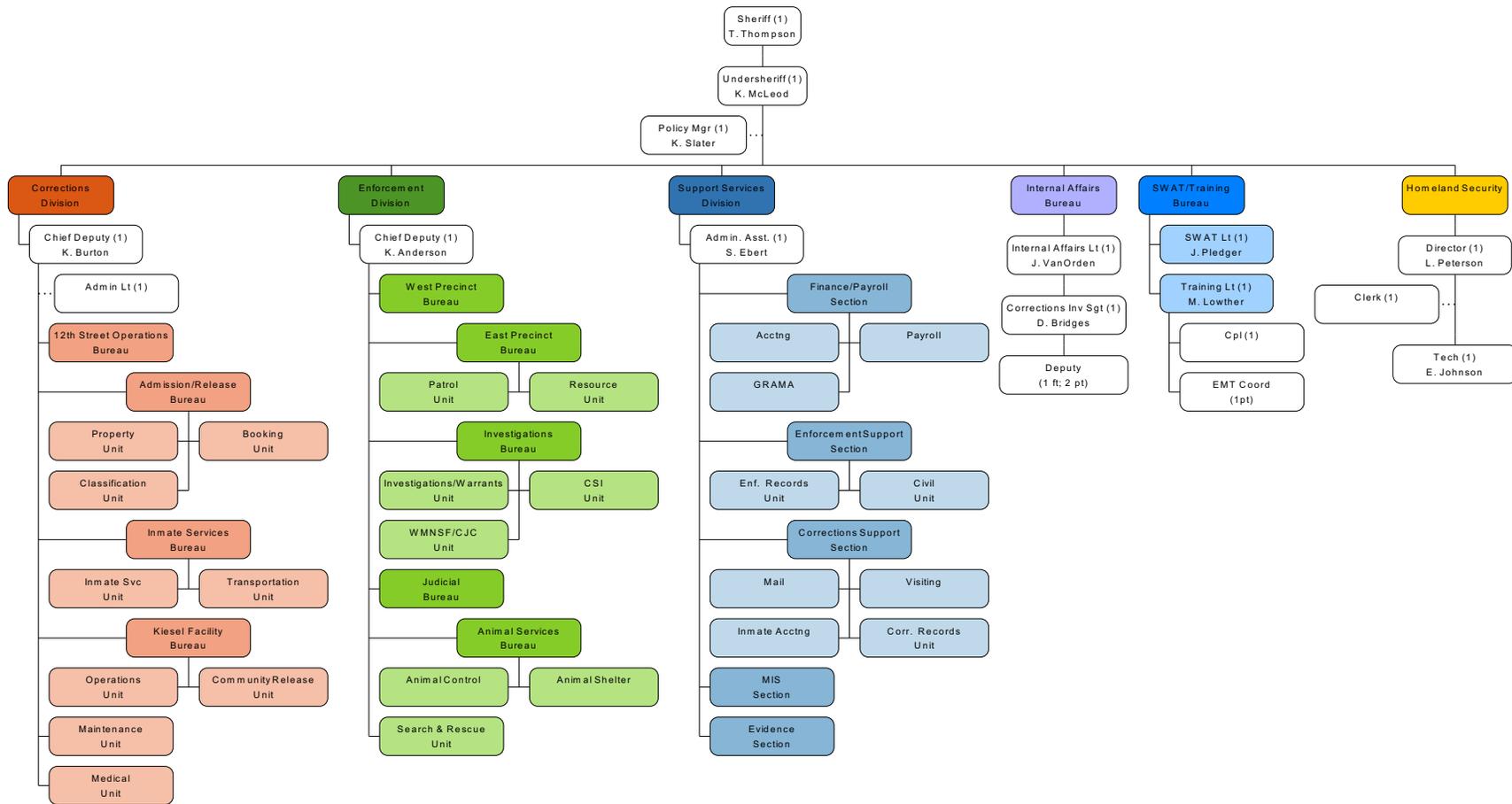
Justice Court

Code Enforcement

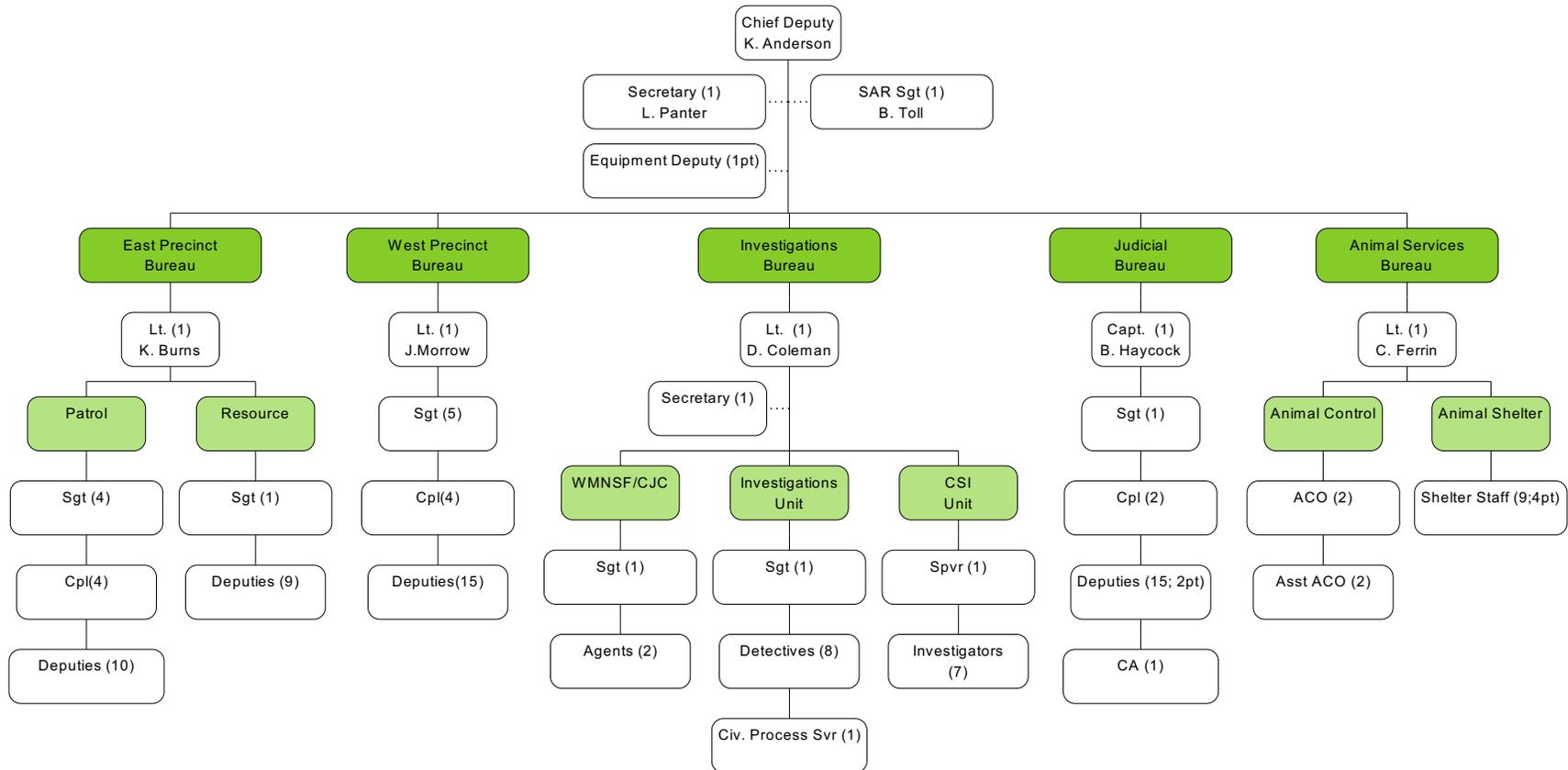
Building/Zoning

Planning

# Weber County Sheriff's Office -2013



# Enforcement Division



# **PUBLIC SAFETY – POLICE**

## **Mission**

The mission of the Weber County Sheriff's Office is to protect life and property through professional and innovative services.

## **Goals**

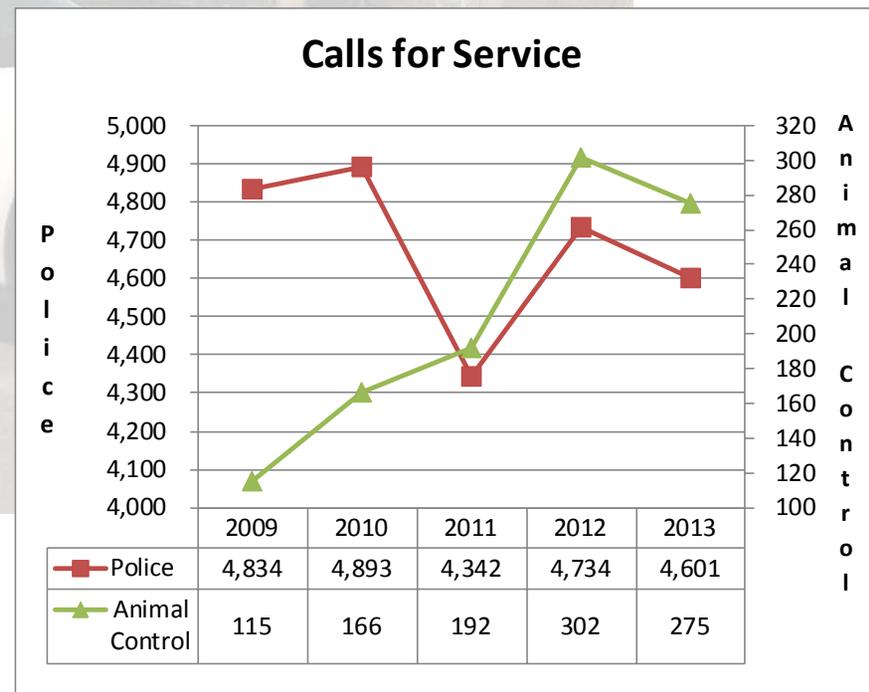
- To instill public confidence in the agency by maintaining a high degree of professionalism, dedication and expertise in the development of police services.
- To facilitate the safe movement of people and vehicles through analysis and commitment of selective traffic enforcement resources.
- To provide our citizens with a feeling of security throughout their community, whether they are in their home, their business, or a walk through their neighborhood.

## **Vision**

To be a leader and model in the delivery of Police and Correctional Services, we will validate our vision by the continued development of successful programs, marked by Superior dedication and performance.

## **Services**

In October 2002, the City, in attempt to make the most effective use of tax dollars, dissolved its standalone police department (the Washington Terrace Police Department) and entered into a contractual agreement with the Weber County Sheriff's Office to provide law enforcement services. On July 1, 2006, the City



## **PUBLIC SAFETY – POLICE**

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dissolved its animal control department and entered into a contractual agreement with the Weber County Sheriff's Office to provide animal control services through June 30, 2012.

The Sheriff's Office provides personnel, supervision, and support to carry out law enforcement functions in the City and provides all appropriate support and supervision. The County also provides additional deputies as school resource officers within the City at no cost to the City as long as the positions are funded by the school district. The Sheriff's Office ensures that there are supervised deputies working patrol, twenty-four hours a day, seven days a week, within the precinct of which the City is a part. The County also provides school crossing guards as required and paid for by the City.

The City is within the East Precinct which includes Washington Terrace, Uintah, unincorporated Weber County and the Upper Ogden Valley. The precinct is staffed with a Commander and all necessary resources to perform patrol and investigation services.

General public safety services provided by the Weber County Sheriff's Office include: Crime Scene Investigation Unit; the Weber/Morgan Narcotics Strike Force; Ogden Metro SWAT; prevention and discouragement of criminal activity, enforcement of state and local laws; responding to residential and business calls for service; interacting with neighborhoods and businesses to prevent crime; school crossing guards are staffed as needed in the City; school resource services during school hours and at school activities for crime prevention, traffic school safety, and educational purposes; detective and follow-up services to investigate crimes in the City; transportation of prisoners and bailiff services in the City's Justice Court; and representation at special events that require law enforcement.

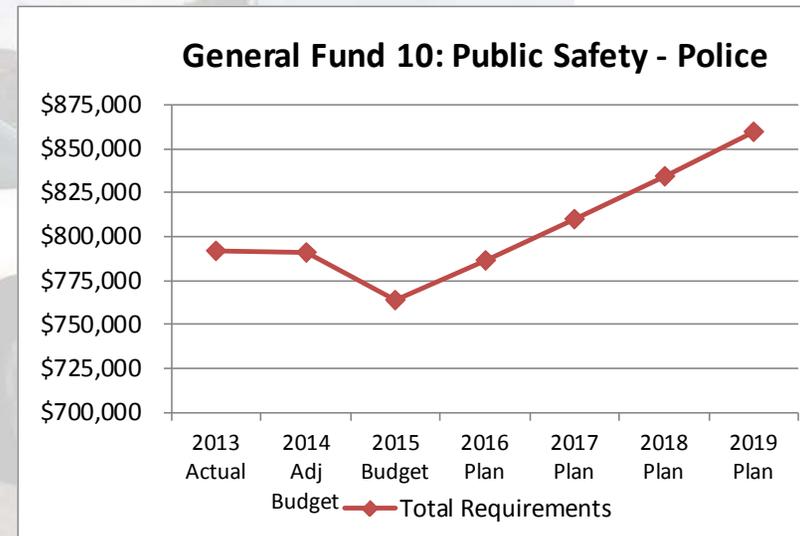
For more information on the Weber County Sheriff's Office, visit them online at [www.co.weber.ut.us/sheriff](http://www.co.weber.ut.us/sheriff).

# PUBLIC SAFETY – POLICE

## General Fund 10: Public Safety - Police

Requirements by Major Object	2013 Actual	2014 Adj Budget	2015 Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan
Materials, Supplies, and Services	792,207	790,701	763,535	786,441	810,034	834,335	859,365
<b>Total</b>	<b>\$ 792,207</b>	<b>\$ 790,701</b>	<b>\$ 763,535</b>	<b>\$ 786,441</b>	<b>\$ 810,034</b>	<b>\$ 834,335</b>	<b>\$ 859,365</b>
<i>\$ Change from Prior Period</i>	<i>\$ (36,740)</i>	<i>\$ (1,506)</i>	<i>\$ (27,166)</i>	<i>\$ 22,906</i>	<i>\$ 23,593</i>	<i>\$ 24,301</i>	<i>\$ 25,030</i>
<i>% Change from Prior Period</i>	<i>-4%</i>	<i>0%</i>	<i>-3%</i>	<i>3%</i>	<i>3%</i>	<i>3%</i>	<i>3%</i>

**Materials, Supplies, and Services (MSS)** negotiated contractual requirements for public safety police services are expected to decrease by 4 percent or \$30,586 in 2015. Total departmental requirements are expected to decrease by 3 percent or \$27,166. Annual requirements between 2016-2019 are estimated to increase by 3 percent.

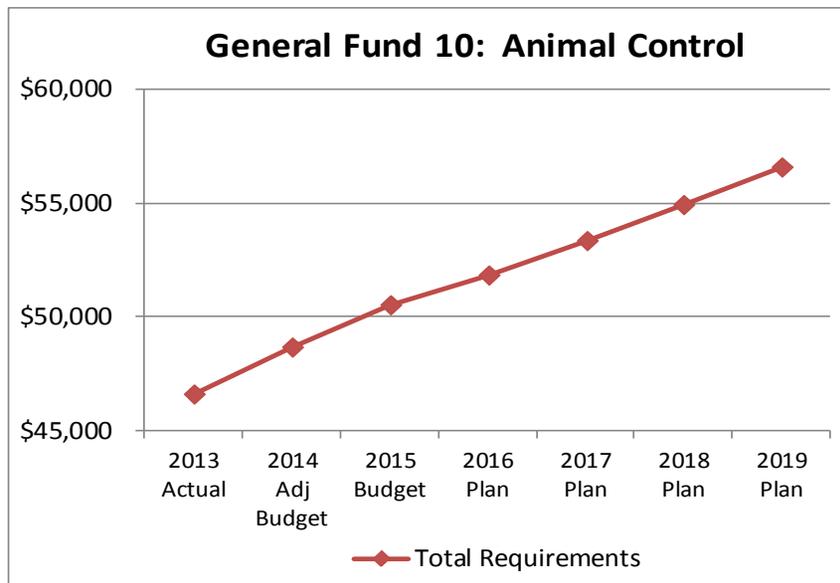


## **PUBLIC SAFETY – ANIMAL CONTROL**

### **General Fund 10: Public Safety - Animal Control**

Requirements by Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Materials, Supplies, and Services	552	500	910	700	700	700	700
Professional & Technical	46,018	48,188	49,626	51,107	52,633	54,205	55,823
<b>Total Requirements</b>	<b>\$ 46,570</b>	<b>\$ 48,688</b>	<b>\$ 50,536</b>	<b>\$ 51,807</b>	<b>\$ 53,333</b>	<b>\$ 54,905</b>	<b>\$ 56,523</b>
<i>\$ Change from Prior Period</i>	<i>\$ 9,067</i>	<i>\$ 2,118</i>	<i>\$ 1,848</i>	<i>\$ 1,271</i>	<i>\$ 1,526</i>	<i>\$ 1,571</i>	<i>\$ 1,619</i>
<i>% Change from Prior Period</i>	<i>24%</i>	<i>5%</i>	<i>4%</i>	<i>3%</i>	<i>3%</i>	<i>3%</i>	<i>3%</i>

Animal Control service costs are expected to increase by 4 percent in 2015, then average up to 3 percent annual increases for each year thereafter through 2019. As reported in Professional & Technical, contract animal control service fees for South Ogden City are expected to increase from \$31,535 in 2014 to



\$32,481 in 2015 or a 3 percent increase. Contract animal sheltering services for Weber County Animal Shelter are expected to increase from \$16,403 in 2014 to \$16,895 in 2015 or a 3 percent increase.



On June 19, 2012, the City entered into an interlocal agreement with South Ogden City to provide animal control services effective

## **PUBLIC SAFETY – ANIMAL CONTROL**

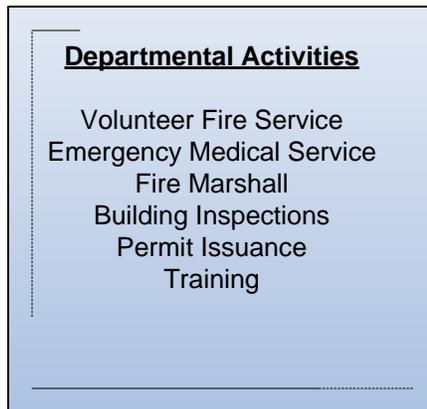
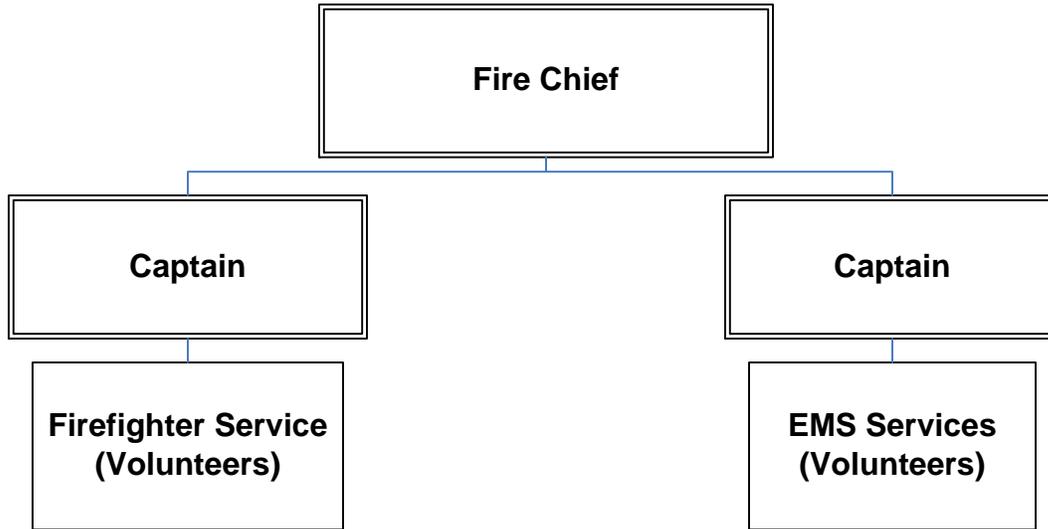
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July 1, 2012. Animal control services include enforcing the ordinances and regulations of the City; providing routine patrol coverage and responding to citizen requests during regular business hours; 24/7 emergency response to all animal incidents; investigation of all animal bites and coordination of rabies services; temporary animal sheltering; provide inspections and reports; and inspections animal related businesses. Animal licensing is administered by the City. Permanent/long-term sheltering is provided by the Weber County Animal Shelter.

For more information on South Ogden City Animal Services Department, visit them online at [www.southogdencity.com](http://www.southogdencity.com).

# **PUBLIC SAFETY- FIRE AND EMERGENCY MEDICAL SERVICES**

City of Washington Terrace  
Organizational Structure



## **PUBLIC SAFETY – FIRE & EMS**

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### **Mission**

Our mission is to provide the citizens of Washington Terrace with the most efficient, effective and professional service as possible in the areas of fire protection, emergency medical services and other emergency services in the most cost-effective manner. We will accomplish this by:

- Conducting ourselves in a professional manner, dedicated to our individual roles, activities and our department's Mission Statement.
- Communicating openly and honestly in all interactions, meetings and written documentation.
- Making decisions, which reflect: consistency, utilization of current technology and practices in the field and attention to human needs.
- Striving to create and move toward a vision of our preferred future, while we continuously seek high performance and improvement each day.

### **Vision**

To be recognized by our customers as:

- The model of excellence in providing fire protection and emergency services.
- Dedicated to continuous improvement in every detail of the services we provide.
- An organization that fosters an environment of tolerance, trust, and involvement.
- Responsive to community needs and concerns.

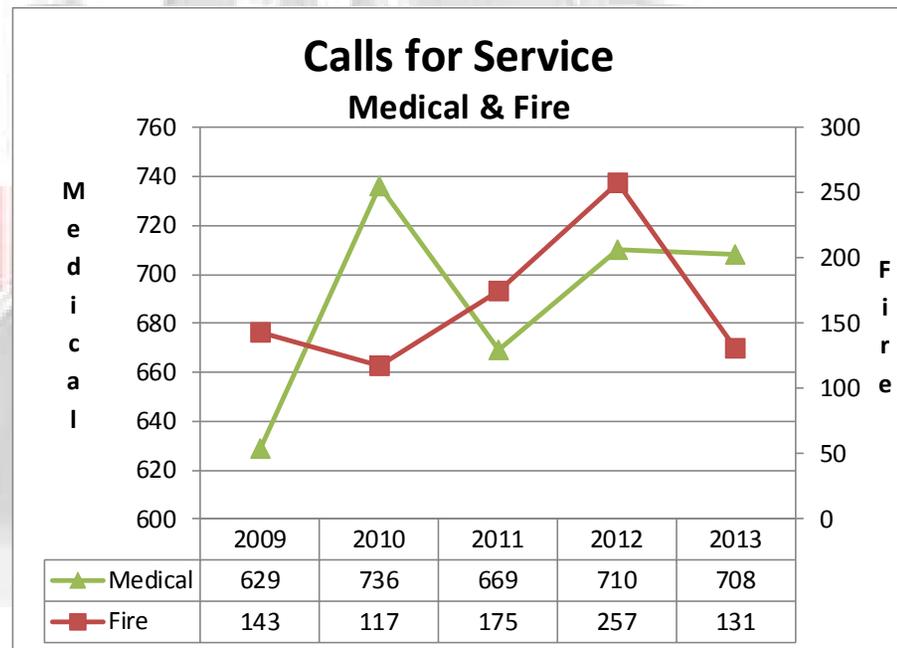
# PUBLIC SAFETY – FIRE & EMS

## *Department Overview*

The Washington Terrace Fire Department is a "Paid On-call and Volunteer" Department. The Department provides EMS first responder, fire protection/prevention and emergency management services. Fire services include fire protection, fire suppression, training, inspections, code enforcement, and HAZMAT. Additionally, the City is covered by a series of Mutual Aid Agreements with the County and other agencies. The Mutual Aid Agreement requires that in the event of an emergency other jurisdictions will respond to the emergency in our community.

The Department is staffed with 1 full-time fire chief and up to 20 firefighters/EMTs. Two firefighter/EMTs are on duty 24/7. The firefighter/EMTs are trained to a minimum of EMT-B (Emergency Medical Technician - Basic) and firefighter II levels of certification.

In 2013, the Department responded to 839 medical and fire calls. Medical calls represented 84 percent and fire 16 percent of the calls for service. Between 2009 and 2013 medical calls for service average 690 annually or 81 percent of the call volume, while fire averaged 165 annually or 19 percent of the call volume.



## PUBLIC SAFETY – FIRE & EMS

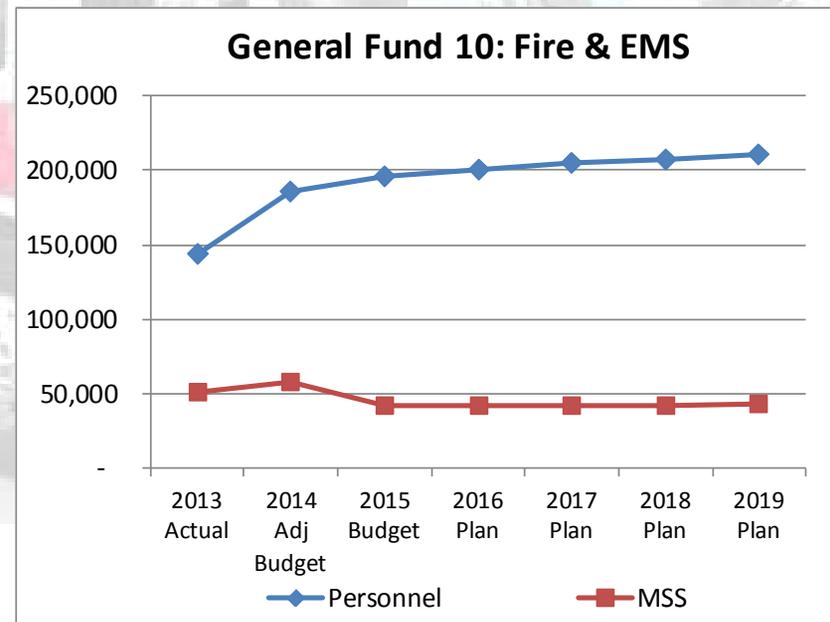
### General Fund 10: Fire & EMS

Requirements by Major Object	2013 Actual	2014 Budget	Adj Budget	2015 Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan
Personnel	143,899	185,436		195,556	200,001	205,262	207,703	210,266
Materials, Supplies, and Service	51,346	57,467		42,110	41,695	42,100	42,526	42,972
<b>Total</b>	<b>\$ 195,245</b>	<b>\$ 242,903</b>		<b>\$ 237,666</b>	<b>\$ 241,696</b>	<b>\$ 247,362</b>	<b>\$ 250,228</b>	<b>\$ 253,238</b>
<i>\$ Change from Prior Period</i>	<i>\$ 12,254</i>	<i>\$ 47,658</i>		<i>\$ (5,237)</i>	<i>\$ 4,030</i>	<i>\$ 5,665</i>	<i>\$ 2,867</i>	<i>\$ 3,010</i>
<i>% Change from Prior Period</i>	<i>7%</i>	<i>24%</i>		<i>-2%</i>	<i>2%</i>	<i>2%</i>	<i>1%</i>	<i>1%</i>

**Personnel** costs account for salaries/wages, benefits (i.e. retirement, healthcare, allowances, and FICA) and travel and training. Salaries and wages are driven from the Wasatch Compensation Group and benefits are driven from the benefits provider (refer to Personnel requirements in the Executive Summary). Although, salaries/wages and benefits are expected to increase according to the City's compensation philosophy (increases vary with each position), it is subject to funding availability.

Budgeted personnel costs in 2015 are expected to increase by 5 percent or approximately \$10,000 then average 2 percent annual increases between 2016 and 2019.

**Materials, Supplies, and Services (MSS)** are expected to decrease by 27 percent or approximately \$15,000 in 2015. Said decrease is primarily attributed to funding of one-time requirements in 2014. MSS are expected to remain relatively constant through 2019.



## **PUBLIC SAFETY – FIRE & EMS**

<b>Fiscal Year 2014 Accomplishments and Highlights</b>		
<b>Council Policy Statement</b>	<b>Policy Objective</b>	<b>Department Strategy</b>
Open and Responsive Government	Fiscal Responsibility	maintained National Fire Incident Reporting System standards for the year to be eligible for federal grants.
Community Pride	Apply for grants	Received State EMS/Fire grants.
Emergency Preparedness	Training	Provided Advanced Cardiac Life Support Training for Firefighters, Provided FF1,2 Training for Firefighter compliant with National Fire Protection Agency and state Fire/ EMS standards--100% compliance.
<b>Fiscal Year 2015 Goals</b>		
Open and Responsive Government	Fiscal Responsibility	Submit all fire reports to National Fire Incident Reporting System to comply with federal regulation to receive grants.
	Customer Service	Maintain a Response times of 3 to 5 Minuets for EMS and 5 to 8 minuets for Fire response 100 % of the time with in the city well below the National Fire Protection Agency standard of 9 to 12 minuets For EMS and 10 to 15 minuets For fire response.
Community Pride	Apply for grants	Find and Apply for grants that support EMS and Fire services.
	Fire Prevention	Provide quality Fire Prevention training to schools and daycares.
Emergency Preparedness	Training	Provided training for firefighters to keep current with ever evolving standards. Have all new hires Firefighter 1and 2 within 1 year of hire date. Have all Officers trained to National Incident Management System 300 and 400 as well as EMS training officer.

## **PUBLIC SAFETY – FIRE & EMS**

<b>Fiscal year 2014 Accomplishments and Highlights / Emergency Manager</b>		
<b>Council Policy Statement</b>	<b>Policy Objective</b>	<b>Department Strategy</b>
Open and Responsive Government	Customer Service	Contacted Faith based organizations to develop good relations for point of distribution, donations drop off, sheltering locations and communications.
Community Pride	Apply for grants	Received Emergency Management Preparedness Grant
Emergency Preparedness	Training	Participated and helped coordinated Shake Out drills to improve City emergency readiness.
<b>Fiscal Year 2015 Goals / Emergency Manager</b>		
Open and Responsive Government	Customer Service	Improve relations with faith based organizations point of distribution, donations drop off, sheltering locations and communications.
Community Pride	Apply for grants	Apply for and manage Emergency Management Preparedness Grant.
Emergency Preparedness	Training	Attend Local Emergency Preparedness Community and Emergency Manager meeting to build relationships. Attend emergency prep classes offered by state and federal agency's and provide emergency prep fair to improve community reediness. Provide emergency prep fair to improve community readiness.

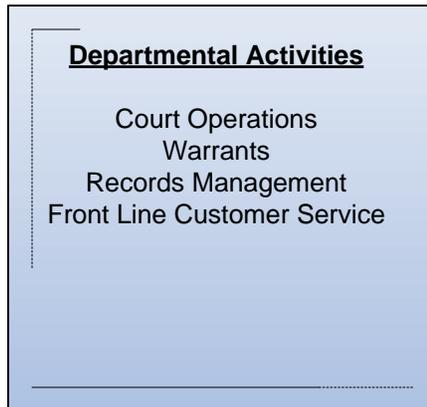
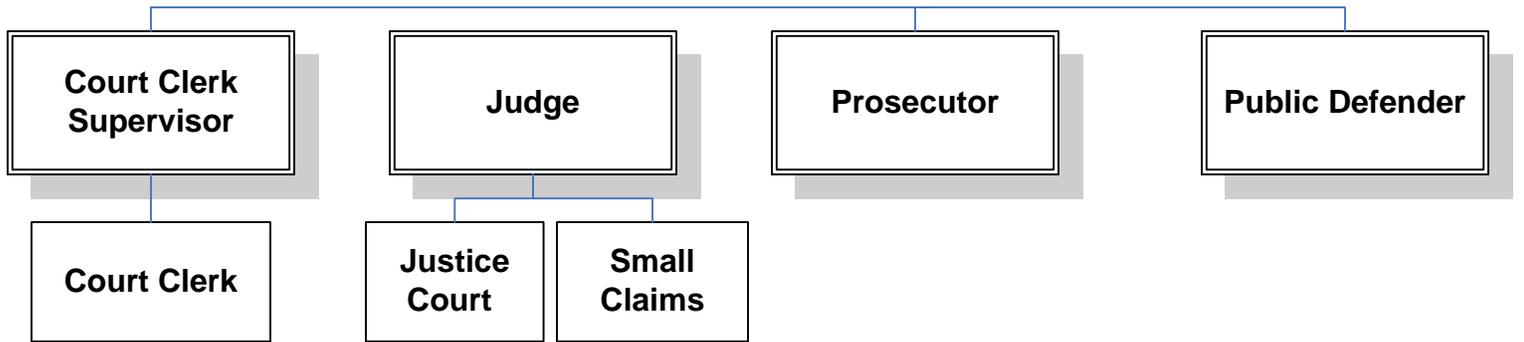
# PUBLIC SAFETY – FIRE & EMS

Performance Measures														
Fire & EMS Department														
Council Goal	Council Objective	Program	Performance Measure	Target	Actual	Target								
				2010	2010	2011	2011	2012	2012	2013	2013	2014	2014	2015
Emergency Preparedness	City Preparedness	Medical Services	% of monthly medical reports tracked	100	100	100	100	100	100	100	100	100	100	100
			% of monthly fire reports tracked	100	100	100	100	100	100	100	100	100	100	100
Open & Responsive Government	Community Preparedness Improve	Fire Services	% of fire/ems staff current with required training	-	-	-	-	-	-	-	-	100	-	100
			Maintain a 4-6 Min Response time for 80% of Fire/EMS calls	-	-	-	-	-	-	-	90	80	95	80
Emergency Preparedness	City Preparedness	Response times	% of times daily vehicle check list completed	100	98	100	100	100	100	100	100	100	100	100
Output Measure														
	Medical Services		# of Calls for service					na	708	na	708	na	725	na
	Fire Services		# of Calls for service					na	131	na	131	na	99	na



# **PUBLIC SAFETY- JUSTICE COURT**

City of Washington Terrace  
Organizational Structure



## **PUBLIC SAFETY - JUSTICE COURT**

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### ***Mission***

Consistent with the Utah Courts, the mission of the Washington Terrace Court is to provide the people an open, fair, efficient and independent system for the advancement of justice under the law.

### ***Vision***

- The position of the Court is to educate people regarding their rights and duties under the law; to teach respect for the law and the importance of safety to persons and property as a result of compliance with the law.
- To render fair and speedy justice at a local level.
- Provide the proper atmosphere for the efficient administration of justice.
- To represent the administration of the City as well as the people of Washington Terrace, in a professional manner through effective punishment and wise admonition.
- Every individual has worth and the right to be treated with dignity.

### ***Department Overview***

The Justice Court, a Class II Court, has jurisdiction over class B and C misdemeanors, local ordinance violations, and infractions committed within their territorial jurisdictions. Positions funded within the Court include the judge, court clerk supervisor, court clerk, and contract prosecution services and public defender services. Total FTEs are approximately 1.63.

# PUBLIC SAFETY - JUSTICE COURT

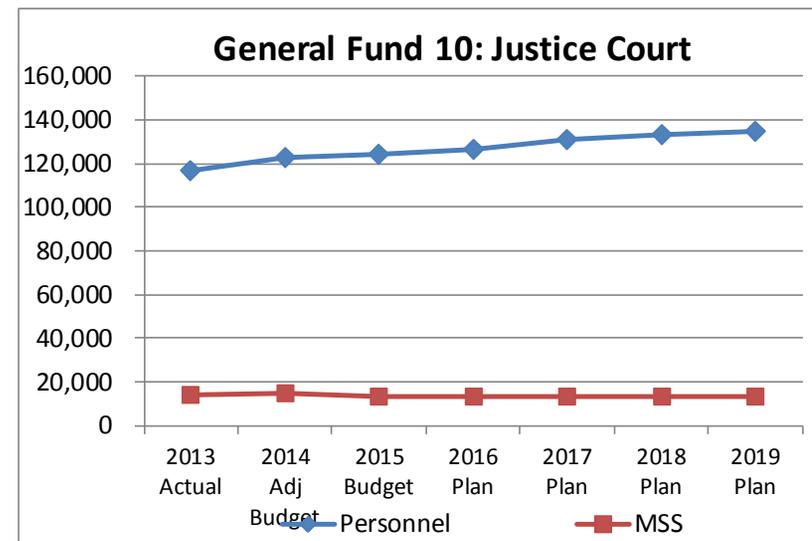
## General Fund 10: Justice Court

Requirements by Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Personnel	116,864	122,690	124,261	126,458	130,863	132,883	134,593
Materials, Services, and Supplies	13,797	14,860	13,400	13,515	13,630	13,630	13,630
<b>Total Requirements</b>	<b>\$ 130,662</b>	<b>\$ 137,550</b>	<b>\$ 137,661</b>	<b>\$ 139,973</b>	<b>\$ 144,493</b>	<b>\$ 146,513</b>	<b>\$ 148,223</b>
<i>\$ Change from Prior Period</i>	\$ 3,963	\$ 6,888	\$ 111	\$ 2,311	\$ 4,520	\$ 2,020	\$ 1,711
<i>% Change from Prior Period</i>	3%	5%	0%	2%	3%	1%	1%

**Personnel** costs account for salaries/wages, benefits (i.e. retirement, healthcare, allowances, and FICA) and travel and training. Salaries and wages are driven from the Wasatch Compensation Group and benefits are driven from the benefits provider (refer to Personnel requirements in the Executive Summary). Although salaries/wages and benefits are expected to increase according to the City’s compensation philosophy (increases vary with each position), it is subject to funding availability.

Budgeted personnel costs are expected to increase by 1 percent or \$1,571 in 2015 than average 2 percent annual increase through 2019..

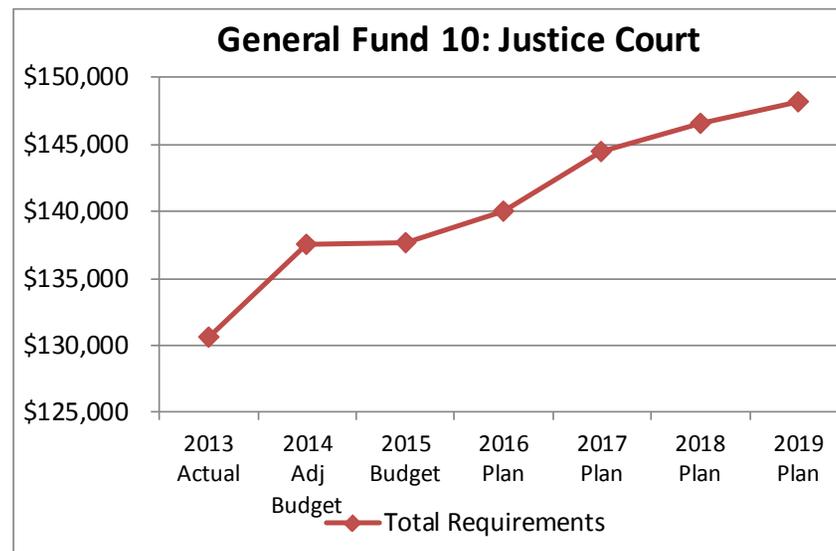
**Materials, Supplies, and Services (MSS)** are expected to decrease by 10 percent or \$1,460 in 2015. Said decrease is attributed to one-time requirements in 2014. MSS between 2016 and 2019 are expected to remain relatively constant.



## **PUBLIC SAFETY - JUSTICE COURT**

Beginning April 1, 2010, the City entered into an interlocal agreement with Marriott-Slaterville City to consolidate Justice Court services, thereby expanding the jurisdiction of the Washington Terrace Justice Court to include the municipal limits of Marriott-Slaterville City. The location of the Court will remain with Washington Terrace City. The Justice Court will remain a Class II Court with the increased case load. Exercising this interlocal agreement has had minimal impact on the Court's operating budget.

Beginning July 1, 2012, the Courts began collecting and overseeing the animal licensing program. This was historically performed by the City's previous animal control provider, Weber County Animal Control. Since July 1, 2012, the City has changed the animal control service provider to South Ogden City and has assumed the licensing program inhouse. Costs associated with the licensing program are accounted for in the Animal Control Department. Animal Control Services operate under the management of the City Manager.



# **PUBLIC SAFETY - JUSTICE COURT**

<b>Fiscal Year 2014 Accomplishments/Highlights</b>		
<b>Legislative Policy</b>	<b>Objective</b>	<b>Department Strategies</b>
Sustainable Public Safety	Transition of new Animal Control Contract	Oversaw the implementation of the new Animal Control contract with South Ogden City.
Open and Responsive Government	E-filing	Developed e-filing tracking system to comply with State regulations and improve customer service
Customer Service	Cross training	Cross trained staff with Utility Billing in order to expand the customer service.
	Inform Stakeholders	Informed Stakeholders of updated Court processes, Bail Schedule, Animal Licensing through various media outlets.
<b>Fiscal Year 2015 Goals</b>		
<b>Legislative Policy</b>	<b>Objective</b>	<b>Department Strategies</b>
Open and Responsive Government	Comply with adjudication mandates	Maintain professional and timely adjudication of court cases based on state mandated criteria.
	Keep stakeholder informed	Update, maintain, and review court information of City website, keeping customers informed of current bail schedule, traffic school, court hours, small claims, and all other pertinent information
	Implement Scanning System	Receive training and implement new State mandated Scanning System and train staff on procedures.

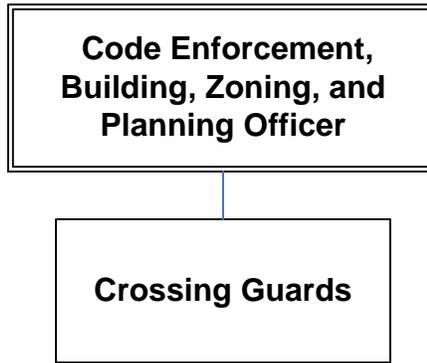
# PUBLIC SAFETY - JUSTICE COURT

Performance Measures														
Legislative Policy Statement	Objective	Program	Performance Measure	Target	Actual	Target								
				2010		2011		2012		2013		2014		2015
Open & Responsive Government	Customer Service	Case Management	% of traffic violations resolved	95	99	96	99	96	95	98	99	98	98	99
			% of criminal violations resolved	75	90	80	90	80	79	85	93	94	96	98
			% of ordinance violations resolved	75	99	80	99	80	80	85	90	91	95	98
			# of days cases resolved after taken under advisement	30	30	25	30	25	25	20	20	20	20	15
			% of pretrials reduced each week	-	-	-	-	-	0	5	5	6	6	3
			% of monthly cases issued and disposed	100	99	100	99	100	100	100	100	100	100	100
			# of incident reports filed with Court annually	<10	0	10	0	10	0	10	0	10	10	10
	Maintain Fiscal	Reporting	% of case summary reports submitted to State by deadline	100	100	100	100	100	100	100	100	100	100	100
			# of times warrant audit completed annually	1	3	2	3	2	4	2	3	4	4	

# **PUBLIC SAFETY- CODE ENFORCEMENT, BUILDING, ZONING AND PLANNING**

City of Washington Terrace  
Organizational Structure

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- Departmental Activities**
- Inspections
  - Permits
  - Plan Check Reviews
  - Engineer Reviews
  - Zoning Review
  - Planning Commission
  - Code Compliance
  - Appeals
  - Nuisance Ordinance
  - Code Inspections
  - Citations
  - Court Appearances
  - Education
  - Crossing Guard Management

## **PUBLIC SAFETY – CODE ENFORCEMENT, BUILDING, ZONING & PLANNING**

### *Mission*

*We* are committed to providing excellent service as a professional Planning, Building, and Code Enforcement department to establish, implement, identify and develop plans and provide Inspections and code enforcement for maintaining the Quality of Life, Health and Safety for the citizens of the City of Washington Terrace.

### *Vision*

In order to fulfill our mission, we have established several guidelines. We are committed to these basic principles:

- *Integrity.* How we get the job done is as important as getting the job done.
- *Courtesy.* Our interaction with the community will be professional, responsive, direct, personal, caring and appropriate.
- *Fairness.* We will promote teamwork, employee satisfaction, and professional development in order to provide innovative, cost effective, efficient service.
- *Honesty.* We want our citizens, clients and customers to have high expectations of government service, and we will do our best to meet and exceed those expectations. The Planning, Building, and Code Enforcement dept. envisions itself to be a model of service to the citizens, customers, and visitors and to the staff of the City.

### *Department Goals*

- *Teamwork.* We will work together, demonstrating collaboration through mutual reliability, openness and flexibility to accomplish our goals.
- *Integrity.* We will demonstrate an uncompromising allegiance to the core values of honesty, respect for others, loyalty, consistency, accountability and sincerity.
- *Excellence.* We will deliver a superior level of commitment, responsiveness, performance and provision of services to all, with the attitude that everything is worth our best effort.

## **PUBLIC SAFETY – CODE ENFORCEMENT, BUILDING, ZONING & PLANNING**

- *Unity.* There is no way we can go forward except together and no way anybody can win except by serving the people's needs, In an atmosphere of openness and accessibility, encourage communication and involvement with the community.
- *Creativity.* Create an atmosphere that entrusts and motivates employees to serve as problem solvers within the community. Support creativity and acceptable risk taking in community problem solving.
- *Trust.* Serve in a manner that demonstrates pride and promotes trust from the community. Respect present community ideas while encouraging a vision of the future and recognize employees as a valuable resource in providing quality services and support their professionalism.
- *Responsibility.* Promote the health, safety and welfare of the community and value fiscal responsibility.

### *Department Overview*

The Planning, Building, and Code Enforcement Department oversee the construction and renovation of buildings and structures in the City and ensure compliance with applicable zoning, construction, and building codes; enforces zoning and nuisance ordinances; and coordinates with the Planning Commission on zoning and planning issues.

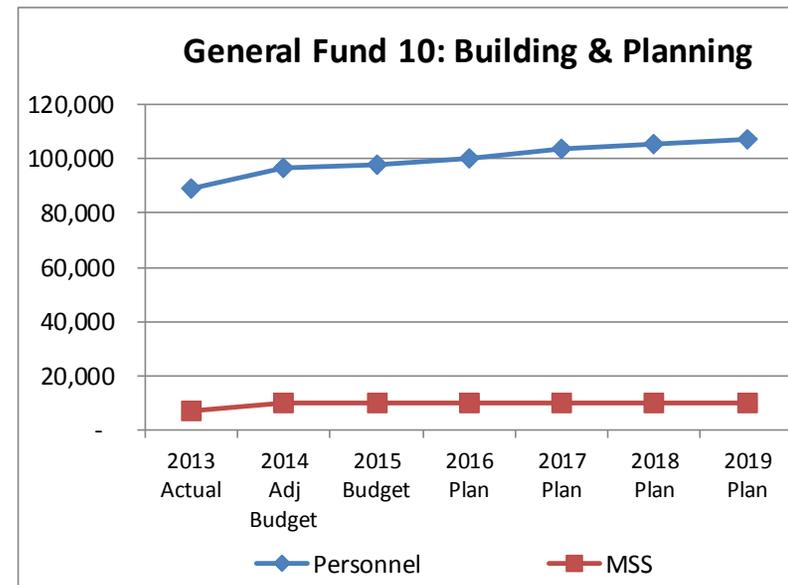
## **PUBLIC SAFETY – CODE ENFORCEMENT, BUILDING, ZONING & PLANNING**

### **General Fund 10: Building & Planning**

Requirements by Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Personnel	89,144	96,793	97,762	100,019	103,646	105,485	107,416
Materials, Supplies, and Services	6,637	9,725	9,675	9,721	9,770	9,821	9,874
<b>Total</b>	<b>\$ 95,781</b>	<b>\$ 106,518</b>	<b>\$ 107,437</b>	<b>\$ 109,740</b>	<b>\$ 113,416</b>	<b>\$ 115,306</b>	<b>\$ 117,291</b>
<i>\$ Change from Prior Period</i>	<i>\$ 4,771</i>	<i>\$ 10,737</i>	<i>\$ 919</i>	<i>\$ 2,304</i>	<i>\$ 3,675</i>	<i>\$ 1,890</i>	<i>\$ 1,985</i>
<i>% Change from Prior Period</i>	<i>5%</i>	<i>11%</i>	<i>1%</i>	<i>2%</i>	<i>3%</i>	<i>2%</i>	<i>2%</i>

**Personnel** costs account for salaries/wages, benefits (i.e. retirement, healthcare, allowances, and FICA) and travel and training. Salaries and wages are driven from the Wasatch Compensation Group and benefits are driven from the benefits provider (refer to Personnel requirements in the Executive Summary). Although salaries/wages and benefits are expected to increase according to the City’s compensation philosophy (increases vary with each position), it is subject to funding availability.

Budgeted personnel costs are expected to increase by 1 percent in 2015 or \$969 then average 2 percent annual increases through 2019. Department FTEs are expected to remain the same at 1 for all plan years.



**Materials, Supplies, and Services (MSS)** are expected to remain relatively constant through 2019.

# **PUBLIC SAFETY – CODE ENFORCEMENT, BUILDING, ZONING & PLANNING**

<b>Fiscal Year 2014 Accomplishments and Highlights</b>		
<b>Council Policy Statements</b>	<b>Objective</b>	<b>Description</b>
Regional Cooperation	Share resources to supplement department cost and time.	Entered into contract with Uintah City to provide building inspections and plan reviews.
Emergency Management &	Emergency power	Installed emergency generators at City Hall and Civic Center.
Family Oriented Community	Develop and reviewed policy and procedures for handling chronic property enforcement issues	Investigated and cited nuisance violations and submitted them to court and created a outline and flow chart of procedures.
Open and Responsive Government	Customer service	Reviewed and implemented updated application process of figuring building permits and related fees.
<b>Fiscal Year 2015 Goals</b>		
Family Oriented Community	Develop procedures for handling chronic property enforcement issues	Investigate and cite nuisance violations and submit them to court for, develop a means to correct nuisance in a timely manner within the approved timeframes permitted by law.
Open and Responsive Government	Customer service	Communicate with contractors/developers and residents, their responsibility in taking out permits and when permits are required.
Family Oriented Community	Promote community pride and values	Information on how to maintain yards and look into possible incentives. Other then fines
	Public Safety & Training	Crossing Guard: Coordinate Crossing Guards responsibilities- advertize for back up/alternates to be available by August 1, 2014

<b>Performance Measures</b>													
Council Goal	Council Objective	Program	Performance Measure	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	
				2010	2011	2012	2013	2014	2015				
Family Oriented Community	Enforce Nuisance Ordinance	Code Enforcement	% of cases that action taken within 60 days	100	100	100	100	100	100	100			
			% of complaints logged & investigated within 24 hours	100	100	100	100	100	100	100			
Open & Responsive Government	Improve Customer Service	Planning	% of applications completed and on agenda within 14 days	100	100	100	100	100	100	100			
		Building	% of inspections completed in a month	100	100	100	100	100	100	100			
			% of plan check reviews completed within 5 days of receipt	90	95	90	90	100	100	100			
<b>Output Measure</b>													
			# of nuisance citations issued		<i>na</i>	<i>na</i>	139	<i>na</i>	135	<i>na</i>	<i>na</i>	376	<i>na</i>
			# o building permits issued		<i>na</i>	<i>na</i>	417	<i>na</i>	405	<i>na</i>	<i>na</i>	155	<i>na</i>
			# of building inspections		<i>na</i>	<i>na</i>		<i>na</i>	405	<i>na</i>	<i>na</i>	465	<i>na</i>

# **Parks and Recreation**

Leisure Services

Parks

Recreation

# **PARKS, RECREATION & COMMUNITY SERVICES**

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City of Washington Terrace  
Organizational Structure

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# **PARKS & RECREATION: LEISURE SERVICES**

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## **Mission**

To provide the citizens of Washington Terrace with meaningful recreation activities and facilities geared toward improving the physical, mental, and social well-being of the participants; and to help them foster a greater sense of community.

## **Vision**

To provide recreational opportunities that are professional, safe, fulfilling, and unique in fulfilling its mission.

## **Goals**

- To strengthen public perceptions of the recreation department activities and programs as a whole.
- To develop partnerships within the community in delivering recreation services
- To continue to increase revenue sources and seek other means of funding for the recreation programs and facilities.
- To improve existing recreation programming
- To continue to introduce new recreational programs where there is a demonstrated demand
- To update existing facilities and plan for future needs
- Promote community pride and relations through special events and programs

## **Department Overview**

The Leisure Services Department develops and organizes the recreation, leisure, community programs/events. Positions funded within the department include the recreation/community events coordinator and recreation assistant. Total FTEs are 1.50.

# PARKS & RECREATION: LEISURE SERVICES

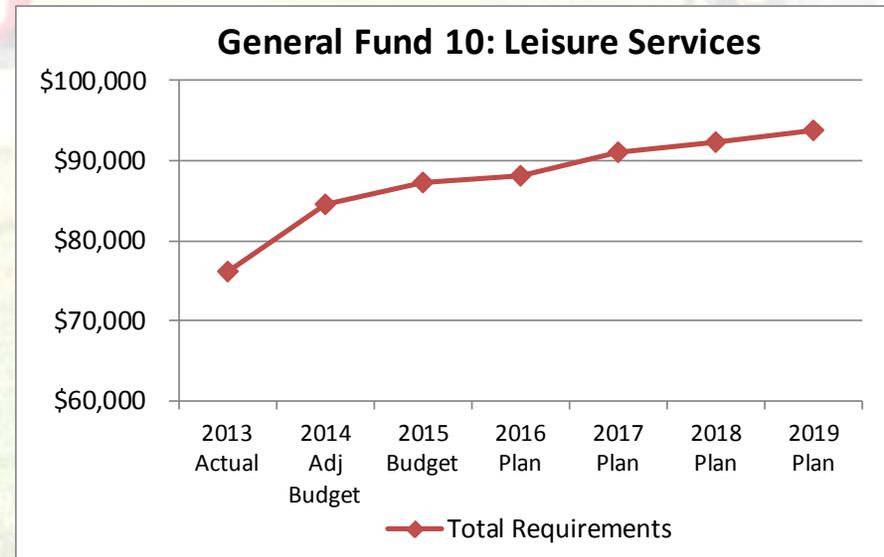
## General Fund 10: Leisure Services

Requirements by Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Personnel	74,109	80,898	83,784	84,489	87,462	88,752	90,107
Materials, Supplies, and Services	2,028	3,600	3,600	3,613	3,626	3,639	3,651
<b>Total Requirements</b>	<b>\$ 76,137</b>	<b>\$ 84,498</b>	<b>\$ 87,384</b>	<b>\$ 88,102</b>	<b>\$ 91,089</b>	<b>\$ 92,392</b>	<b>\$ 93,758</b>
<i>\$ Change from Prior Period</i>	<i>\$ (3,987)</i>	<i>\$ 8,361</i>	<i>\$ 2,886</i>	<i>\$ 718</i>	<i>\$ 2,986</i>	<i>\$ 1,303</i>	<i>\$ 1,366</i>
<i>% Change from Prior Period</i>	<i>-5%</i>	<i>11%</i>	<i>3%</i>	<i>1%</i>	<i>3%</i>	<i>1%</i>	<i>1%</i>

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Budgeted personnel costs are expected to increase by 4 percent or \$2,866 in 2015 than average 2 percent annual increases through 2019. The number of FTEs is expected to remain at 1.50 through the 2019 plan year.

**Materials, Supplies, and Services (MSS)** are expected to remain relatively constant.



## **PARKS & RECREATION: LEISURE SERVICES**

<b>Fiscal Year 2014 Accomplishments and Highlights</b>		
<b>Legislative Policy Statements</b>	<b>Objective</b>	<b>Description</b>
Family Oriented Community	Fundraising for community events and Terrace Days	Successfully improved fundraising for community events and Terrace Days.
Family Oriented Community	Funding for renovation projects and equipment	Applied for and received RAMP Grant funding to update existing park infrastructure and equipment.
Recreation Programs and Facilities	Develop the growth of Recreation participants and facilities Master Plan	Participation in recreation programs increased by an overall 16%.
<b>Fiscal Year 2015 Goals</b>		
<b>Legislative Policy Statements</b>	<b>Objective</b>	<b>Description</b>
Recreation Programs and Facilities	Offer a variety of recreational offerings and community events	To provide a wide variety of Leisure Service activities based on community needs through survey.
Open and Responsive Government	Encourage resident involvement	Develop an economic development and emergency preparedness section on the City website to provide community information.
Family Oriented Community	Promote community pride and value with events, programs, projects, and volunteer opportunities	Become an active administrator in community volunteer training to develop community involvement.
Regional Cooperation by Council and Staff	Coordinate and develop relationships with local, regional, and state agencies	Meet regularly with community stakeholders and neighboring cities to develop relationships.

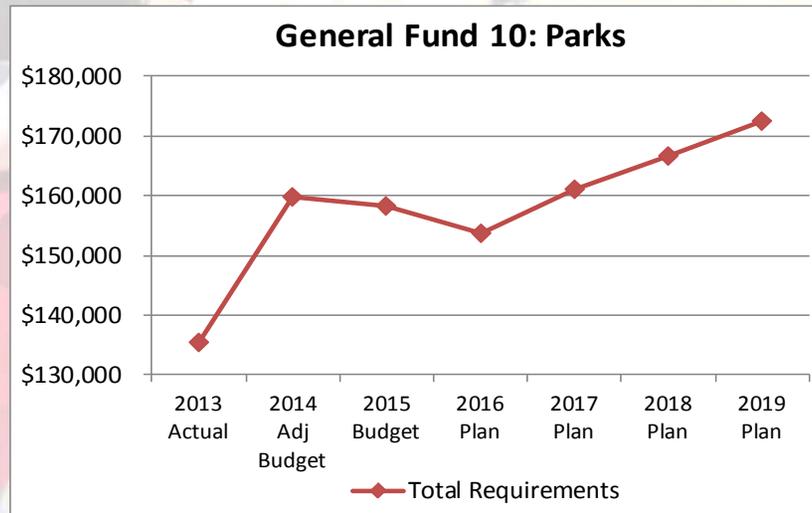
# PARKS & RECREATION: LEISURE SERVICES

Performance Measures															
Council Policy	Council Objective	Program	Performance Measure	Target	Actual										
				2010	2010	2011	2011	2012	2012	2013	2013	2014	2014	2015	2015
Open & Respsive Government	Improve Citizen Communication	Advertising	# months articles or announcements are in newsletter	8	11	9	11	9	9	10	12	12	12	12	
			% of times department webpage updated once a month	90	90	90	90	90	90	90	90	100	100	100	100
		Recreation Parks	increased % of participation of teams/individuals	-	-	0-3	1	0-3	3	10	10	3	8	0	0
			# of park inspections a year									12	12	12	12
<b>Output Measure</b>															
# of dance participants								30	30		34	35	40	40	
# of football camp participants								30	34	40	46	90	90	70	
# of basketball participants				115	117	120	120	120	123	125	162	162	160	160	
# of baseball participants				150	150	150	153	160	203	175	222	222	260	220	
# of football participants				120	136	120	123	125	130	130	130	125	143	125	
# of soccer participants				80	86	90	92	100	105	110	115	115	130	115	

# PARKS & RECREATION: PARKS

## General Fund 10: Parks

Requirements by Major Object	2013 Actual	2014 Adj Budget	2015 Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan
Materials, Supplies, and Services	23,578	41,331	37,344	27,966	30,297	30,637	30,987
Professional & Technical	111,994	118,500	120,870	125,705	130,733	135,962	141,401
<b>Total Requirements</b>	<b>\$ 135,572</b>	<b>\$ 159,831</b>	<b>\$ 158,214</b>	<b>\$ 153,671</b>	<b>\$ 161,030</b>	<b>\$ 166,600</b>	<b>\$ 172,387</b>
<i>\$ Change from Prior Period</i>	<i>\$ (2,473)</i>	<i>\$ 24,259</i>	<i>\$ (1,617)</i>	<i>\$ (4,543)</i>	<i>\$ 7,359</i>	<i>\$ 5,569</i>	<i>\$ 5,788</i>
<i>% Change from prior period</i>	<i>-2%</i>	<i>15%</i>	<i>-1%</i>	<i>-3%</i>	<i>5%</i>	<i>3%</i>	<i>3%</i>



## PARKS & RECREATION: RECREATION

### Recreation Fund 12: Major Program Resources

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Basketball	6,306	10,338	6,400	6,400	6,400	6,400	6,400
Baseball/Softball	8,712	7,200	7,200	7,200	7,200	7,200	7,200
Football	18,353	18,030	17,520	17,520	17,520	17,520	17,520
Soccer	3,850	3,500	3,500	3,500	3,500	3,500	3,500
Volleyball			1,500	1,500	1,500	1,500	1,500
Terrace Days	26,210	15,700	15,000	15,000	15,000	15,000	15,000
Other	-	500	500	500	500	500	500
<b>Total Resources</b>	<b>\$ 63,431</b>	<b>\$ 55,268</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>
<i>\$ change from prior period</i>	<i>\$ 7,349</i>	<i>\$ (8,163)</i>	<i>\$ (3,648)</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
<i>% change from prior period</i>	<i>13%</i>	<i>-13%</i>	<i>-7%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>

### Recreation Fund 12: Major Program Requirements

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Basketball	6,885	10,169	6,400	6,400	6,400	6,400	6,400
Baseball/Softball	9,239	7,200	7,200	7,200	7,200	7,200	7,200
Football	29,467	18,030	17,520	17,520	17,520	17,520	17,520
Soccer	2,500	3,500	3,500	3,500	3,500	3,500	3,500
Volleyball			1,500	1,500	1,500	1,500	1,500
Terrace Days	15,506	17,450	15,000	15,000	15,000	15,000	15,000
<b>Total Requirements</b>	<b>\$ 63,597</b>	<b>\$ 56,849</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>
<i>\$ change from prior period</i>	<i>\$ 11,673</i>	<i>\$ (6,748)</i>	<i>\$ (5,229)</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
<i>% change from prior period</i>	<i>22%</i>	<i>-11%</i>	<i>-9%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>

# PARKS & RECREATION: RECREATION

## Recreation Fund 12: Resources

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Charges for Services	43,842	41,330	41,620	41,620	41,620	41,620	41,620
Interfund Transfers	19,306	10,000	10,000	10,000	10,000	10,000	10,000
Intergovernmental Revenue	283	3,938					
<b>Total Resources</b>	<b>\$ 63,431</b>	<b>\$ 55,268</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>
<i>\$ change from prior period</i>	<i>\$ 7,349</i>	<i>\$ (8,163)</i>	<i>\$ (3,648)</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
<i>% change from prior period</i>	<i>13%</i>	<i>-13%</i>	<i>-7%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>

## Recreation Fund 12: Requirements

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Materials, Supplies, and Services	63,597	56,849	51,620	51,620	51,620	51,620	51,620
<b>Total Requirements</b>	<b>\$ 63,597</b>	<b>\$ 56,849</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>
<i>\$ change from prior period</i>	<i>\$ 11,510</i>	<i>\$ (6,748)</i>	<i>\$ (5,229)</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
<i>% change from prior period</i>	<i>22%</i>	<i>-11%</i>	<i>-9%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>

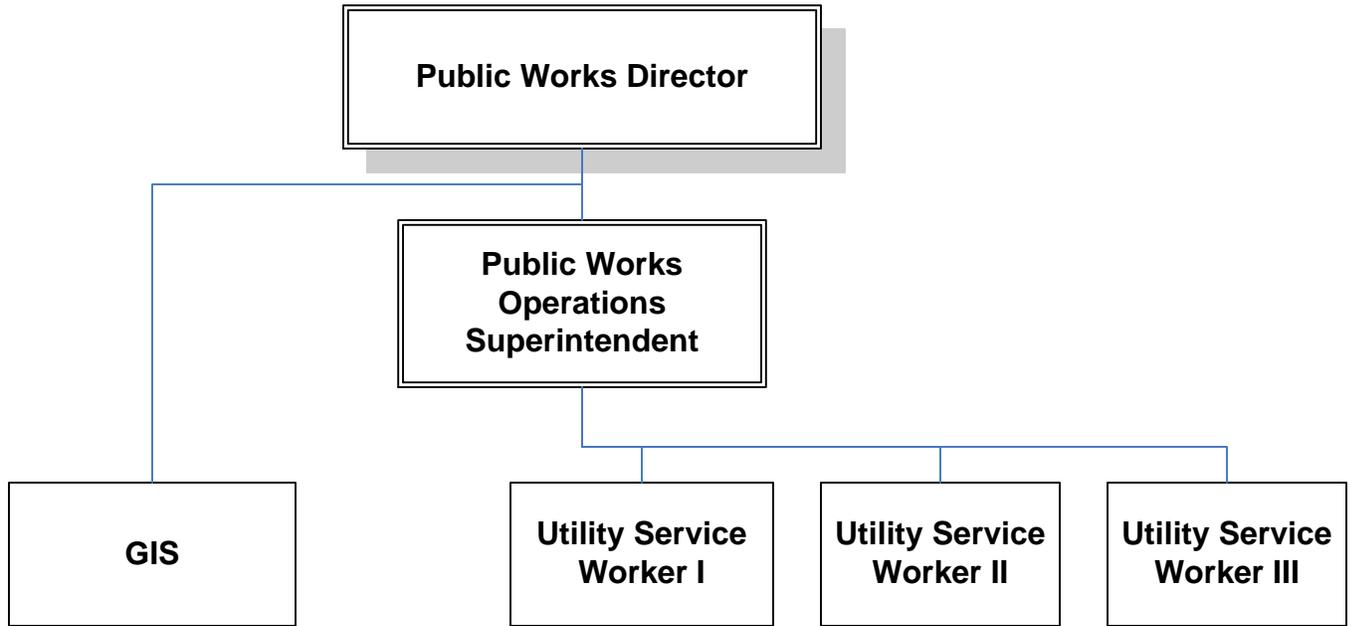
# **Public Works and Streets**

Public Works

Streets

# PUBLIC WORKS AND STREETS

## City of Washington Terrace Organizational Structure



- Departmental Activities**
- Culinary Water
  - Sanitary Sewer
  - Storm Water
  - Refuse
  - Street Operations & Maintenance
  - Construction Project Management
  - Buildings and Grounds
  - Parks and Open Space
  - Maintenance
  - Fleet Management
  - Engineering
  - GIS Mapping

## **PUBLIC WORKS AND STREETS**

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### **Mission**

To provide the citizens of Washington Terrace City with the best possible service in regards to water, sewer, storm drain, streets, parks, and garbage disposal. Be responsive and courteous to all calls, questions and complaints. Be honest and upfront with answers concerning our services and realistic when offering a solution to any problem brought to us. Present a clean and professional appearance when dealing with the public in an official capacity.

### **Vision**

- Create an atmosphere of courtesy and civility within Public Works. Make every situation a win-win situation
- Instill PRIDE in being a member of the Washington Terrace City Public Works Department. Strive for excellence.
- Develop an environment where all Public Works employees have the desire to come to work every day to contribute their expertise and experiences, not just show up.

### **Department Goals**

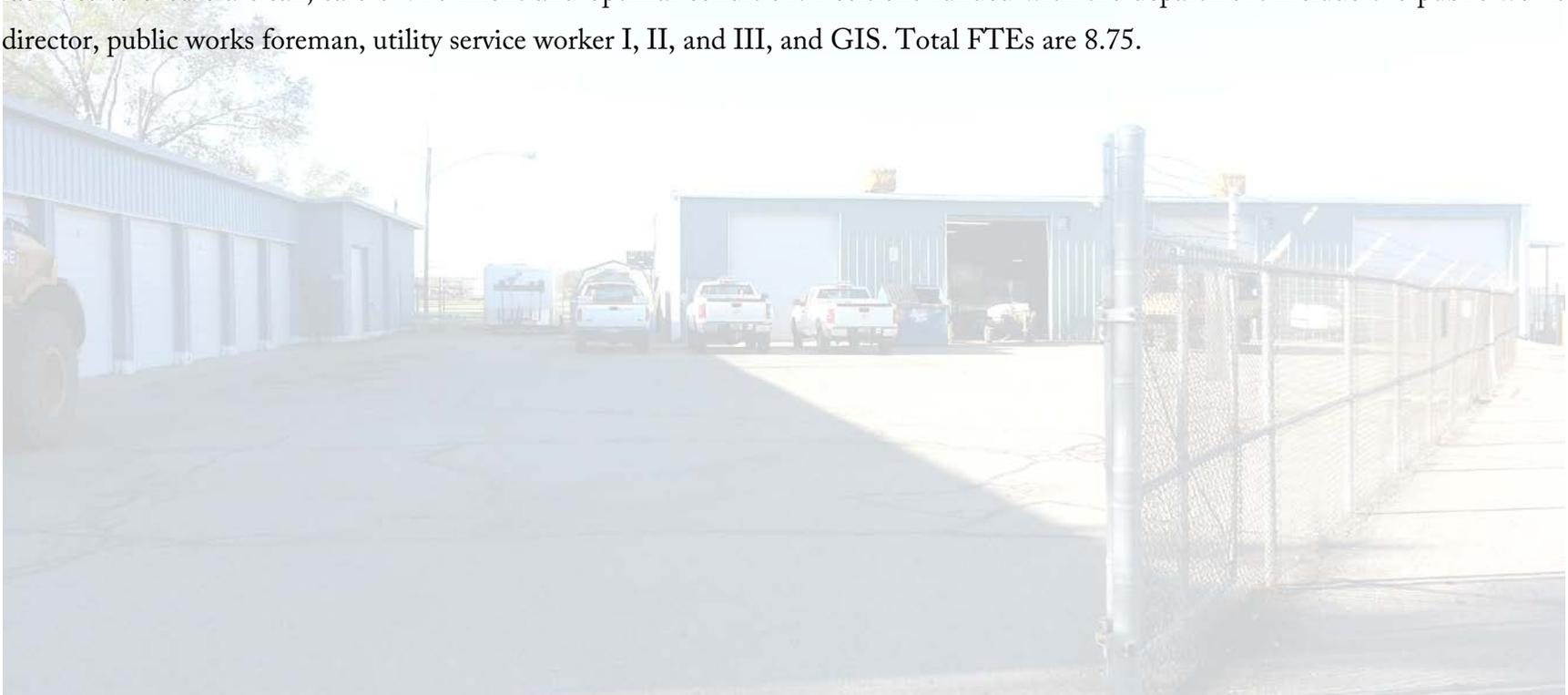
- Provide timely response to problems, questions, and requests from citizens, contractors and fellow employees. Log and document incidents and responses.
- Maintain 100 percent of all required certifications and licenses for all Public Works employees.
- Set and maintain a high standard of work and services performed by the Public Works Department.
- Engender a feeling of ownership of work and services performed by the Public Works Department.

## **PUBLIC WORKS AND STREETS**

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### ***Services and Program Overview***

The Washington Terrace Public Works Department is responsible for the maintenance and compliance of the culinary water, sanitary sewer, storm drain, and road systems. Oversees contracted garbage pickup services. The Department maintains city grounds and facilities to ensure a clean, safe environment and optimal condition. Positions funded with the department include the public works director, public works foreman, utility service worker I, II, and III, and GIS. Total FTEs are 8.75.



# STREETS AND PUBLIC WORKS

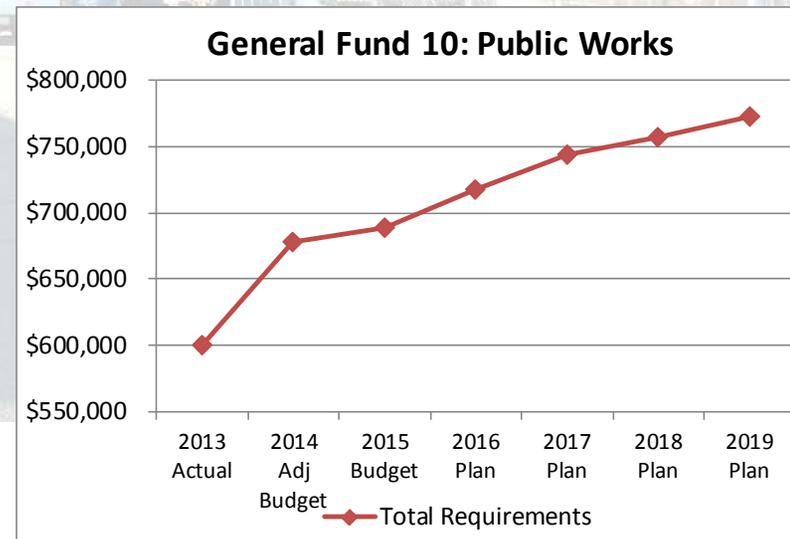
## General Fund 10: Public Works

Requirements by Major Object	2013 Actual	2014 Adj Budget	2015 Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan
Personnel	542,829	622,530	628,604	656,472	680,790	693,761	707,384
Materials, Supplies, and Services	57,708	55,600	60,380	61,441	62,554	62,723	64,951
<b>Total Requirements</b>	<b>\$ 600,536</b>	<b>\$ 678,130</b>	<b>\$ 688,984</b>	<b>\$ 717,913</b>	<b>\$ 743,344</b>	<b>\$ 756,484</b>	<b>\$ 772,334</b>
<i>\$ Change from Prior Period</i>	<i>\$ (2,173)</i>	<i>\$ 77,594</i>	<i>\$ 10,854</i>	<i>\$ 28,929</i>	<i>\$ 25,431</i>	<i>\$ 13,140</i>	<i>\$ 15,850</i>
<i>% Change from Prior Period</i>	<i>0%</i>	<i>11%</i>	<i>2%</i>	<i>4%</i>	<i>3%</i>	<i>2%</i>	<i>2%</i>

**Personnel** costs account for salaries/wages, benefits (i.e. retirement, healthcare, allowances, and FICA) and travel and training. Salaries and wages are driven from the Wasatch Compensation Group and benefits are driven from the benefits provider (refer to Personnel requirements in the Executive Summary). Although salaries/wages and benefits are expected to increase according to the City's compensation philosophy (increases vary with each position), it is subject to funding availability.

Budgeted personnel costs are expected to increase by less than 1 percent or \$4,494 in 2015 than average 3 percent annual increases through 2019.

**Materials, Supplies, and Services (MSS)** are expected to increase by 9 percent or \$4,780 in 2015 than average 2 percent annual increases through 2019.



# **PUBLIC WORKS AND STREETS**

<b>Fiscal Year 2014 Accomplishments and Highlights</b>		
<b>Legislative Policy Statement</b>	<b>Objective</b>	<b>Department Strategy</b>
Open and Responsive Government	Positive Resident/Customer Communications	Responded to 672 logged Calls/Concerns, Completed 874 Work Orders
Evaluate, Plan and Maintain Infrastructure	Short- and Long-term Planning	Reviewed/Updated/Prioritized all Capital Projects
	Efficiently Maintain City Resources	Completed 450 West Road Reconstruction and Adams Avenue Utilities Projects
Fiscal Responsibility	Grants to Further Vision of City	Adams Avenue STP moved to FY 2014 and Increased by \$700,000, Acquired land/easements
	Develop Practices to Promote Fiscal accountability, Disclosure, and Planning	Followed new Fleet Management Program resulting in a reduction of annual operations cost and increase in productivity.
Parks, Trails, and Open Spaces	Renovate Facilities	Renovated bathrooms at Little Rohmer Park with R.A.M.P funding

# PUBLIC WORKS AND STREETS

Fiscal Year 2015 Goals		
Legislative Policy Statement	Objective	Department Strategy
Aggressive Economic Development	Promote Retail Business	Complete Adams Avenue Road Project
Evaluate, Plan and Maintain Infrastructure	Short- and Long-term Planning	Manage and expand proactive O&M program in order to maximize efficiencies.
	Efficiently Maintain City Resources	Activate SCADA system at tank #3 in order to maximize safety and water distribution efficiencies.
		Update/replace street name signs
		Install 1,000 radio read meters in order to improve customer service, meter reading accuracy and efficiency.
	Capital Planning & Improvement	Evaluate, plan, and determine cost associated with the construction of a new public works facility.
Fiscal Responsibility	Grants to Further Vision of City	Apply for CDBG monies for eligible high priority capital projects.

# PUBLIC WORKS AND STREETS

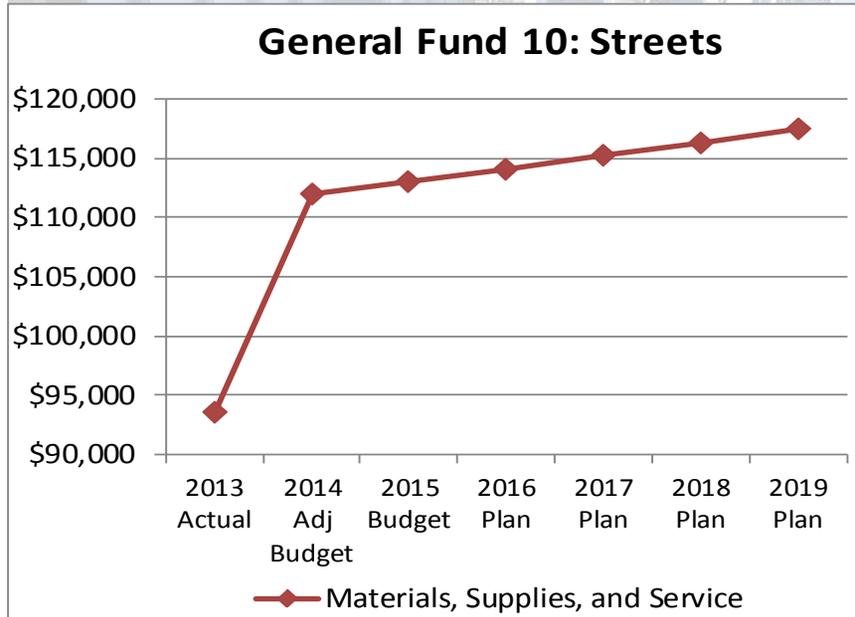
Performance Measures: Public Works and Streets															
Council Goal	Council Objective	Program	Performance Measure	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	
				2010	2011	2012	2013	2014	2015						
Open and Responsive Government	Good Customer Service	Water Services	Maintain water system certification from DDW	100	95	100	100	100	100	100	100	100	100	100	
			% of employees successfully pass certification exams (of those taking)	100	100	100	80	100	100	100	50	100	100	100	100
			# of fire hydrants not in service	NA	0	0	4	0	1	0	1	0	0	0	0
			% of fire hydrants operational	100	100	100	99	100	99	100	99	100	100	100	100
			Miles of water mains	NA	34	NA	34	NA	35	NA	35	NA	35	NA	NA
		# of water line breaks	NA	8	NA	5	NA	10	NA	15	NA	16	NA	NA	
		Maintain sewer system per DWQ, Trust, and local requirements	100	60	100	95	100	100	100	85	100	90	100	100	
		Miles of sewer mains	NA	31	NA	32	NA	32	NA	32	NA	32	NA	NA	
		# of sewer lateral backups	NA	4	NA	4	NA	2	NA	13	NA	2	NA	NA	
		# of sewer backups due to blocked mains	0	2	0	2	0	0	0	0	0	1	0	0	
	Main Route Snow Removal	Street Services	Lane miles of road	NA	52.66	NA	52.66	NA	53.9	NA	53.9	NA	54	NA	
			% of known potholes repaired within 2 weeks	80	45	70	40	70	35	60	30	60	90	60	
			# of storms requiring snow removal/salt application services	NA	12	NA	15	NA	9	NA	13	NA	8	NA	
			% of streets plowed after major storm in 6 hours	100	90	100	85	100	90	100	65	100	80	100	
			% of streets plowed after minor storm in 4 hours	100	90	100	90	100	85	100	90	100	80	100	
		# of times in the year city streets are swept	1	1	4	2	4	4	4	4	4	4.5	4	4	
		Good Customer Service	Buildings O&M	# of times in a year HVAC maintained	4	4	4	4	4	4	4	4	4	4	4
				# of times in a year custodial walk through reviews completed (formal)	12	8	12	6	6	3	6	2	6	2	6
			Park O&M	% of park equipment safe and operational	95	100	100	90	100	95	100	95	100	96	100

# PUBLIC WORKS AND STREETS

## General Fund 10: Streets

Requirements by Major Object	2013 Actual	2014 Adj Budget	2015 Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan
Materials, Supplies, and Service	93,588	112,000	113,040	114,101	115,183	116,286	117,412
<b>Total Requirements</b>	<b>\$ 93,588</b>	<b>\$ 112,000</b>	<b>\$ 113,040</b>	<b>\$ 114,101</b>	<b>\$ 115,183</b>	<b>\$ 116,286</b>	<b>\$ 117,412</b>
<i>\$ Change from Prior Period</i>	<i>\$ 15,139</i>	<i>\$ 18,412</i>	<i>\$ 1,040</i>	<i>\$ 1,061</i>	<i>\$ 1,082</i>	<i>\$ 1,104</i>	<i>\$ 1,126</i>
<i>% Change from Prior period</i>	<i>16%</i>	<i>16%</i>	<i>1%</i>	<i>1%</i>	<i>1%</i>	<i>1%</i>	<i>1%</i>

Materials, Supplies, and Services (MSS) are expected to increase by 1 percent or \$1,040 in 2015 than average 1 percent annual increases through 2019.



# **BUDGET SUMMARIES**

**Budget Summaries**  
**All Funds Combined**

# BUDGET SUMMARIES – BY FUND

## Government-Wide: Revenues by Fund

Fund	2013 Actual	2014 Adj Budget	2015 Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan
<b>Governmental Funds</b>							
10 General	\$ 3,604,599	\$ 3,781,926	\$ 3,709,491	\$ 3,767,420	\$ 3,830,621	\$ 3,907,708	\$ 3,979,878
12 Recreation	63,431	55,268	51,620	51,620	51,620	51,620	51,620
53 Parks Capital Projects	394,378	58,938	15,000	15,000	15,000	15,000	15,000
54 Fire Capital Projects	659	10,000	10,000	10,000	10,000	10,000	10,000
55 Capital Projects	344,444	543,902	367,626	332,176	307,900	298,919	308,753
57 Capital Facilities	-	68,228	92,204	90,985	149,342	172,851	171,958
65 Debt Service	406,026	395,311	394,209	392,426	389,863	396,463	392,463
66 Special Improvement	86,130	79,386	81,354	80,135	80,660	80,935	80,956
70 Redevelopment Agency	638,123	675,000	675,000	675,000	25,000	25,000	25,000
<b>Total Governmental Funds</b>	<b>\$ 5,537,791</b>	<b>\$ 5,667,959</b>	<b>\$ 5,396,504</b>	<b>\$ 5,414,763</b>	<b>\$ 4,860,005</b>	<b>\$ 4,958,495</b>	<b>\$ 5,035,627</b>
<b>Enterprise Funds</b>							
49 Refuse	506,242	457,507	462,668	462,705	462,742	462,779	462,817
50 Water	1,151,728	1,560,743	1,331,959	1,337,917	1,348,724	1,361,875	1,378,603
51 Sewer	1,076,178	1,399,847	1,171,461	1,191,246	1,211,025	1,235,799	1,256,566
52 Storm Drain	340,785	404,547	412,644	430,834	451,447	477,085	502,748
<b>Total Enterprise Funds</b>	<b>\$ 3,074,933</b>	<b>\$ 3,822,644</b>	<b>\$ 3,378,732</b>	<b>\$ 3,422,702</b>	<b>\$ 3,473,938</b>	<b>\$ 3,537,539</b>	<b>\$ 3,600,734</b>
<b>TOTAL REVENUES</b>	<b>\$ 8,612,724</b>	<b>\$ 9,490,603</b>	<b>\$ 8,775,235</b>	<b>\$ 8,837,464</b>	<b>\$ 8,333,944</b>	<b>\$ 8,496,034</b>	<b>\$ 8,636,361</b>

## Government-Wide: Requirements by Fund

Funds	2013 Actual	2014 Adj Budget	2015 Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan
<b>Governmental Funds</b>							
10 General	\$ 3,366,186	\$ 3,781,926	\$ 3,709,491	\$ 3,767,420	\$ 3,830,621	\$ 3,907,708	\$ 3,979,878
12 Recreation	63,597	56,849	51,620	51,620	51,620	51,620	51,620
53 Parks Capital Projects	357,621	91,389	5,000	5,000	5,000	5,000	5,000
54 Fire Capital Projects	-	10,000	10,000	10,000	10,000	10,000	10,000
55 Capital Projects	193,896	1,049,734	307,000	288,000	345,932	369,166	368,381
57 Capital Facilities	90,891	209,604	117,760	121,860	118,840	121,840	118,741
65 Debt Service	396,291	396,061	394,959	393,176	390,613	397,213	393,213
66 Special Improvement	61,497	156,976	83,754	82,544	83,078	83,362	83,263
70 Redevelopment Agency	376,594	1,586,017	675,000	413,683	342,143	82,571	85,527
<b>Total Governmental Funds</b>	<b>4,906,572</b>	<b>7,338,556</b>	<b>5,354,584</b>	<b>5,133,303</b>	<b>5,177,846</b>	<b>5,028,480</b>	<b>5,095,623</b>
<b>Enterprise Funds</b>							
49 Refuse	484,270	457,507	465,191	475,683	486,453	497,513	508,865
50 Culinary Water	837,627	2,395,598	1,331,959	1,337,918	1,348,725	1,361,876	1,378,603
51 Sanitary Sewer	1,091,554	1,657,018	1,171,461	1,191,246	1,211,025	1,235,799	1,256,566
52 Storm Water	306,149	543,251	412,644	430,834	451,447	477,085	502,749
<b>Total Enterprise Funds</b>	<b>2,719,600</b>	<b>5,053,374</b>	<b>3,381,255</b>	<b>3,435,681</b>	<b>3,497,651</b>	<b>3,572,273</b>	<b>3,646,783</b>
<b>Total Requirements by Fund</b>	<b>\$ 7,626,172</b>	<b>\$ 12,391,930</b>	<b>\$ 8,735,839</b>	<b>\$ 8,568,984</b>	<b>\$ 8,675,497</b>	<b>\$ 8,600,753</b>	<b>\$ 8,742,406.40</b>

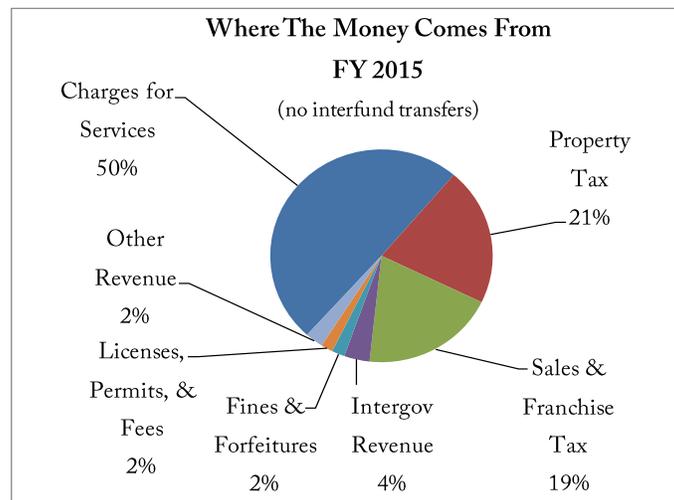
# BUDGET SUMMARIES – BY FUND

## Government-Wide: Revenues by Major Object

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Charges for Services	\$ 3,764,337	\$ 3,997,748	\$ 4,050,129	\$ 4,127,732	\$ 4,203,127	\$ 4,285,322	\$ 4,367,562
% Change from Prior Year	7%	6%	1%	2%	2%	2%	2%
Property Tax	1,654,644	1,708,744	1,714,389	1,720,880	1,079,016	1,095,753	1,101,826
% Change from Prior Year	0%	3%	0%	0%	-37%	2%	1%
Sales & Franchise Tax	1,586,185	1,595,800	1,620,646	1,645,918	1,673,129	1,716,755	1,759,942
% Change from Prior Year	3%	1%	2%	2%	2%	3%	3%
Intergov Revenue	677,856	848,360	303,200	303,500	303,500	303,500	303,500
% Change from Prior Year	-31%	25%	-64%	0%	0%	0%	0%
Court Fines	154,803	152,000	153,500	153,500	153,500	153,500	153,500
% Change from Prior Year	-9%	-2%	1%	0%	0%	0%	0%
Licenses, Permits, & Fees	111,449	198,000	142,500	146,250	154,500	156,500	156,500
% Change from Prior Year	11%	78%	-28%	3%	6%	1%	0%
Other Revenue	219,649	349,144	213,015	177,934	169,644	171,017	169,236
% Change from Prior Year	16%	59%	-39%	-16%	-5%	1%	-1%
Contributions & Transfers	443,801	640,807	577,856	561,750	597,528	613,688	624,295
% Change from Prior Year	-49%	44%	-10%	-3%	6%	3%	2%
<b>TOTAL REVENUES</b>	<b>\$ 8,612,724</b>	<b>\$ 9,490,603</b>	<b>\$ 8,775,235</b>	<b>\$ 8,837,464</b>	<b>\$ 8,333,944</b>	<b>\$ 8,496,034</b>	<b>\$ 8,636,361</b>
\$ Change from Prior Year	\$ (407,901)	\$ 877,879	\$ (715,368)	\$ 62,229	\$ (503,521)	\$ 162,090	\$ 140,327
% Change from Prior Year	-5%	10%	-8%	1%	-6%	2%	2%

## Government-Wide: Revenues by Major Object as a Percentage

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Charges for Services	44%	42%	46%	47%	50%	50%	51%
Property Tax	19%	18%	20%	19%	13%	13%	13%
Sales & Franchise Tax	18%	17%	18%	19%	20%	20%	20%
Intergov Revenue	8%	9%	3%	3%	4%	4%	4%
Court Fines	2%	2%	2%	2%	2%	2%	2%
Licenses, Permits, & Fees	1%	2%	2%	2%	2%	2%	2%
Other Revenue	3%	4%	2%	2%	2%	2%	2%
Contributions & Transfers	5%	7%	7%	6%	7%	7%	7%
<b>TOTAL REVENUES</b>	<b>100%</b>						



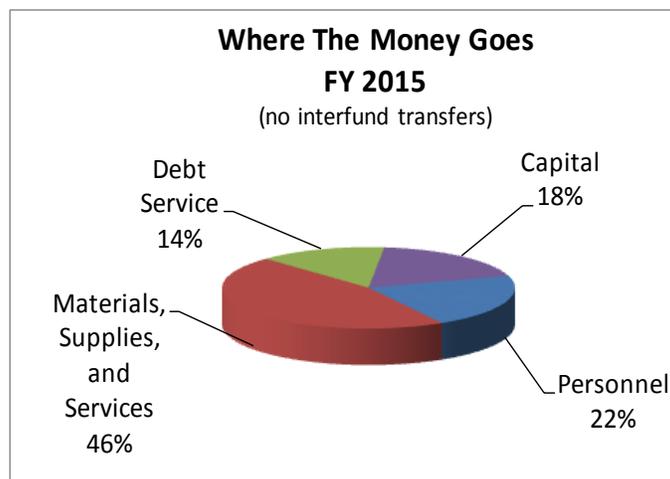
# BUDGET SUMMARIES – REQUIREMENTS BY MAJOR OBJECT

## Government-Wide: Requirements by Major Object

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Personnel	\$ 1,503,652	\$ 1,690,373	\$ 1,729,699	\$ 1,777,796	\$ 1,836,363	\$ 1,866,564	\$ 1,897,866
% Change from Prior Year	5%	12%	2%	3%	3%	2%	2%
Materials, Supplies, & Services	3,582,480	3,734,699	3,715,808	3,791,059	3,860,571	3,970,056	4,053,686
% Change from Prior Year	8%	4%	-1%	2%	2%	3%	2%
Debt Service	1,204,321	1,357,934	1,139,591	886,652	871,438	885,134	876,232
% Change from Prior Year	-1%	13%	-16%	-22%	-2%	2%	-1%
Capital	891,918	4,896,688	1,500,826	1,478,946	1,436,088	1,191,068	1,215,341
% Change from Prior Year	-57%	449%	-69%	-1%	-3%	-17%	2%
Contributions & Transfers	443,801	712,236	649,916	634,531	671,037	687,931	699,281
% Change from Prior Year	-49%	60%	-9%	-2%	6%	3%	2%
<b>TOTAL REQUIREMENTS</b>	<b>\$ 7,626,172</b>	<b>\$ 12,391,930</b>	<b>\$ 8,735,839</b>	<b>\$ 8,568,984</b>	<b>\$ 8,675,497</b>	<b>\$ 8,600,753</b>	<b>\$ 8,742,406</b>
\$ Change from Prior Year	\$ (1,298,444)	\$ 4,765,757	\$ (3,656,090)	\$ (166,856)	\$ 106,513	\$ (74,744)	\$ 141,653
% Change from Prior Year	-15%	62%	-30%	-2%	1%	-1%	2%

## Government-Wide: Requirements by Major Object as a Percentage

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Personnel	20%	14%	20%	21%	21%	22%	22%
Materials, Supplies, & Services	47%	30%	43%	44%	44%	46%	46%
Debt Service	16%	11%	13%	10%	10%	10%	10%
Capital	12%	40%	17%	17%	17%	14%	14%
Contributions & Transfers	6%	6%	7%	7%	8%	8%	8%
<b>TOTAL REQUIREMENTS</b>	<b>100%</b>						



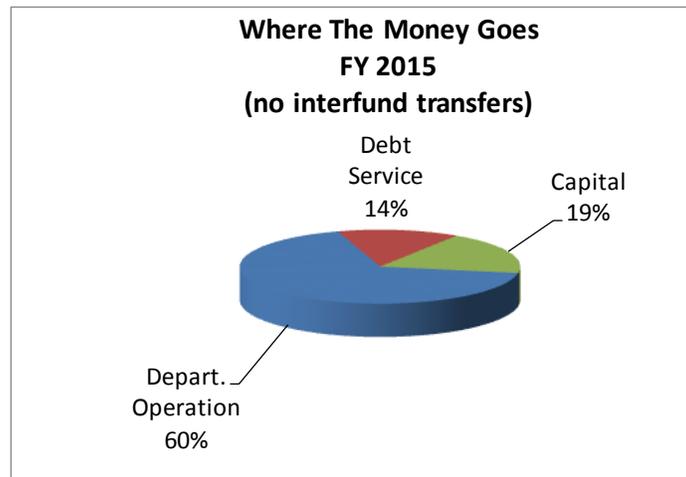
# BUDGET SUMMARIES – REQUIREMENTS BY MAJOR OBJECT

## Government-Wide: Requirements by Major Object

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Departmental Operations	\$ 5,086,132	\$ 5,425,072	\$ 5,445,506	\$ 5,568,855	\$ 5,696,934	\$ 5,836,620	\$ 5,951,552
% Change from Prior Year	7%	7%	0%	2%	2%	2%	2%
Capital	891,918	4,896,688	1,500,826	1,478,946	1,436,088	1,191,068	1,215,341
% Change from Prior Year	-57%	449%	-69%	-1%	-3%	-17%	2%
Debt Service	1,204,321	1,357,934	1,139,591	886,652	871,438	885,134	876,232
% Change from Prior Year	-1%	13%	-16%	-22%	-2%	2%	-1%
Contributions & Transfers	443,801	712,236	649,916	634,531	671,037	687,931	699,281
% Change from Prior Year	-49%	60%	-9%	-2%	6%	3%	2%
<b>TOTAL REQUIREMENTS</b>	<b>\$ 7,626,172</b>	<b>\$ 12,391,930</b>	<b>\$ 8,735,839</b>	<b>\$ 8,568,984</b>	<b>\$ 8,675,497</b>	<b>\$ 8,600,753</b>	<b>\$ 8,742,406.40</b>
\$ Change from Prior Year	\$ (1,298,444)	\$ 4,765,757	\$ (3,656,090)	\$ (166,856)	\$ 106,513	\$ (74,744)	\$ 141,653
% Change from Prior Year	-15%	62%	-30%	-2%	1%	-1%	2%

## Government-Wide: Requirements by Major Object as a Percentage

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Departmental Operations	67%	44%	62%	65%	66%	68%	68%
Debt Service	16%	11%	13%	10%	10%	10%	10%
Capital	12%	40%	17%	17%	17%	14%	14%
Contributions & Transfers	6%	6%	7%	7%	8%	8%	8%
<b>TOTAL REQUIREMENTS</b>	<b>100%</b>						



# **Fund Summaries**

# BUDGET SUMMARIES – GENERAL FUND

## General Fund 10: Resources & Requirements

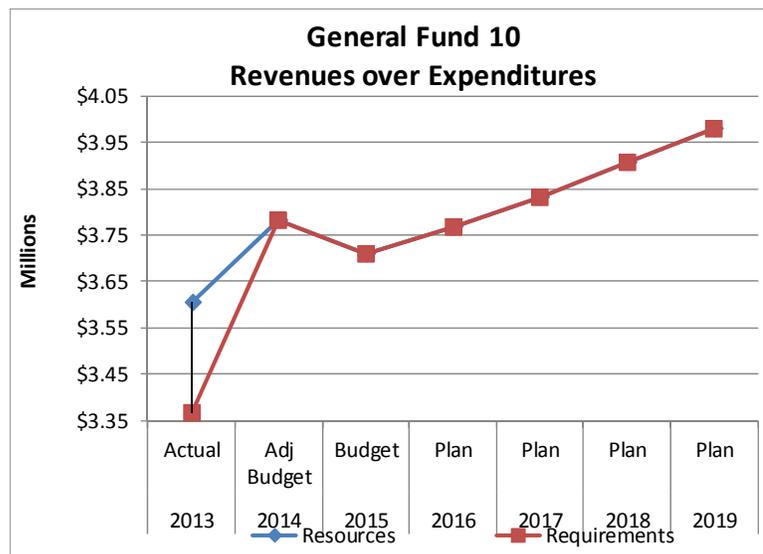
Resources	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Tax	\$ 2,119,428	\$ 2,154,847	\$ 2,184,473	\$ 2,219,237	\$ 2,256,622	\$ 2,310,110	\$ 2,363,350
Licenses & Permits	111,449	198,000	142,500	146,250	154,500	156,500	156,500
Intergovernmental	349,177	301,069	273,200	273,500	273,500	273,500	273,500
Fines & forfeitures	154,803	152,000	153,500	153,500	153,500	153,500	153,500
Miscellaneous	86,365	59,983	45,777	46,089	44,407	46,304	45,063
Contributions & Transfers	783,376	916,027	910,042	928,845	948,091	967,794	987,965
<b>TOTAL REVENUES</b>	<b>\$ 3,604,599</b>	<b>\$ 3,781,926</b>	<b>\$ 3,709,491</b>	<b>\$ 3,767,420</b>	<b>\$ 3,830,621</b>	<b>\$ 3,907,708</b>	<b>\$ 3,979,878</b>
<i>\$ Change from Prior Period</i>	\$ 160,404	\$ 177,327	\$ (72,435)	\$ 57,929	\$ 63,200	\$ 77,087	\$ 72,170
<i>% Change from Prior Period</i>	5%	5%	-2%	2%	2%	2%	2%

## Requirements

Mayor & City Council	32,463	37,126	33,940	34,016	34,094	34,174	34,254
Justice Court	130,662	137,550	137,661	139,973	144,493	146,513	148,223
Administration	313,061	339,050	324,006	327,749	336,417	341,844	347,540
Treasurer/HR/Utility Billing	170,474	186,927	205,158	208,968	215,607	218,639	221,823
Recorder	70,957	84,727	83,110	103,933	84,810	100,191	87,631
Leisure Services	76,137	84,498	87,384	88,102	91,089	92,392	93,758
Non-Departmental	517,977	660,627	593,519	578,983	556,640	549,484	566,179
Building	94,957	112,650	125,300	110,326	123,769	130,327	131,918
Public Safety - Police	792,207	790,701	763,535	786,441	810,034	834,335	859,365
Public Safety - Fire	195,245	242,903	237,666	241,696	247,362	250,228	253,238
Building and Planning	95,781	106,518	107,437	109,740	113,416	115,306	117,291
Animal Control	46,570	48,688	50,536	51,807	53,333	54,905	56,523
Public Works	600,536	678,130	688,984	717,913	743,344	756,484	772,334
Streets	93,588	112,000	113,040	114,101	115,183	116,286	117,412
Parks	135,572	159,831	158,214	153,671	161,030	166,600	172,387
<b>TOTAL REQUIREMENTS</b>	<b>\$ 3,366,186</b>	<b>\$ 3,781,926</b>	<b>\$ 3,709,491</b>	<b>\$ 3,767,420</b>	<b>\$ 3,830,621</b>	<b>\$ 3,907,708</b>	<b>\$ 3,979,878</b>
<i>\$ Change from Prior Period</i>	\$ (388,606)	\$ 415,740	\$ (72,435)	\$ 57,929	\$ 63,201	\$ 77,087	\$ 72,170
<i>% Change from Prior Period</i>	-10%	12%	-2%	2%	2%	2%	2%

The General Fund total resources are expected to decrease by 2 percent or \$72,435. Said decrease is primarily attributed to licenses and permits and intergovernmental revenues. License and permits in 2015 are expected to decrease by \$55,500. In 2014, several large one-time permits were issued. Intergovernmental revenues are expected to decrease by \$27,869 due to the discontinued grant funding for the Communities that Care Program.

Total General Fund requirements are expected to decrease by 3



## **BUDGET SUMMARIES – GENERAL FUND**

percent or \$72,435. Said decrease is primarily attributed to a reduction to the Public Safety – Police requirements. For 2015 the required contract requirements for the Sheriff's Office to provide law enforcement and related services was reduced by 4 percent or from \$790,701 to \$763,535. Additionally, Non-Departmental requirements were reduced by 10 percent or from \$660,627 to \$593,519. Said reduction is primarily attributed to a reduction to interfund transfers for one-time capital projects.

Major budget issues impacting the General Fund are as follows:

### **LAW ENFORCEMENT SERVICES**

Law enforcement services continue to be evaluated to determine appropriate and sustainable service levels. Law enforcement services represent the largest department expenditure in the General Fund at approximately \$763,535 for 2015 down 4% or \$27,166 from 2014. The budget plan for 2016 - 2019 anticipates up to 3% annual increases. The costing formula for law enforcement services for each contract entities is weighted 50/50 population and history of police calls.

### **PERSONNEL**

Personnel requirement have been driven from the City's compensation philosophy. Compensation is based on market driven salaries/wages and benefits of other benchmark communities. It is a priority of the City to establish and maintain a compensation plan that balances the interests of the operating budget while attracting, developing, retaining, and rewarding high quality staff.

Personnel costs, excluding the one-time and discontinued Communities That Care Program, are estimated to increase by 3 percent or \$54,411—salaries and wages \$31,395 and benefits \$23,016.

Health coverage offered by PEHP has had a rate renewal *decrease* of .55% and dental has had a rate renewal *increase* of 8%. The employees' share of health/dental premiums is 10% and the City's share is 90%.

## **BUDGET SUMMARIES – GENERAL FUND**

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Retirement benefits administered through Utah Retirement Systems public employees noncontributory tier 1 system will experience a rate *increase* of 1.18% or a total employer contribution rate of 18.47%. The tier 2 system will experience a rate *increase* of 1.14% or a total employer contribution rate of 16.72%. The firefighters' retirement system (including employer pickup election) will experience a rate *increase* of 0.82% or a total employer contribution rate of 18.87%.

# BUDGET SUMMARIES – RECREATION FUND

## Recreation Fund 12: Major Program Resources

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Basketball	6,306	10,338	6,400	6,400	6,400	6,400	6,400
Baseball/Softball	8,712	7,200	7,200	7,200	7,200	7,200	7,200
Football	18,353	18,030	17,520	17,520	17,520	17,520	17,520
Soccer	3,850	3,500	3,500	3,500	3,500	3,500	3,500
Volleyball			1,500	1,500	1,500	1,500	1,500
Terrace Days	26,210	15,700	15,000	15,000	15,000	15,000	15,000
Other	-	500	500	500	500	500	500
<b>Total Resources</b>	<b>\$ 63,431</b>	<b>\$ 55,268</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>
<i>\$ change from prior period</i>	<i>\$ 7,349</i>	<i>\$ (8,163)</i>	<i>\$ (3,648)</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
<i>% change from prior period</i>	<i>13%</i>	<i>-13%</i>	<i>-7%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>

## Recreation Fund 12: Resources

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Charges for Services	43,842	41,330	41,620	41,620	41,620	41,620	41,620
Interfund Transfers	19,306	10,000	10,000	10,000	10,000	10,000	10,000
Intergovernmental Revenue	283	3,938					
<b>Total Resources</b>	<b>\$ 63,431</b>	<b>\$ 55,268</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>
<i>\$ change from prior period</i>	<i>\$ 7,349</i>	<i>\$ (8,163)</i>	<i>\$ (3,648)</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
<i>% change from prior period</i>	<i>13%</i>	<i>-13%</i>	<i>-7%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>

The Recreation Fund activities are managed by the Leisure Services Department. Total Fund resources are expected to decrease by 7 percent in 2015 due to a one-time intergovernmental operating grant in 2014. Resources are expected to remain constant at \$51,620 between 2016 and 2019.

New City sponsored recreation programs offered beginning in 2015 include volleyball for children grades 3<sup>rd</sup> through 9<sup>th</sup>.



# BUDGET SUMMARIES – RECREATION FUND

## Recreation Fund 12: Major Program Requirements

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Basketball	6,885	10,169	6,400	6,400	6,400	6,400	6,400
Baseball/Softball	9,239	7,200	7,200	7,200	7,200	7,200	7,200
Football	29,467	18,030	17,520	17,520	17,520	17,520	17,520
Soccer	2,500	3,500	3,500	3,500	3,500	3,500	3,500
Volleyball			1,500	1,500	1,500	1,500	1,500
Terrace Days	15,506	17,450	15,000	15,000	15,000	15,000	15,000
<b>Total Requirements</b>	<b>\$ 63,597</b>	<b>\$ 56,849</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>
<i>\$ change from prior period</i>	<i>\$ 11,673</i>	<i>\$ (6,748)</i>	<i>\$ (5,229)</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
<i>% change from prior period</i>	<i>22%</i>	<i>-11%</i>	<i>-9%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>

## Recreation Fund 12: Requirements

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Materials, Supplies, and Services	63,597	56,849	51,620	51,620	51,620	51,620	51,620
<b>Total Requirements</b>	<b>\$ 63,597</b>	<b>\$ 56,849</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>	<b>\$ 51,620</b>
<i>\$ change from prior period</i>	<i>\$ 11,510</i>	<i>\$ (6,748)</i>	<i>\$ (5,229)</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
<i>% change from prior period</i>	<i>22%</i>	<i>-11%</i>	<i>-9%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>

# **BUDGET SUMMARIES – REFUSE ENTERPRISE FUND**

## **Refuse Enterprise Fund 49: Resources**

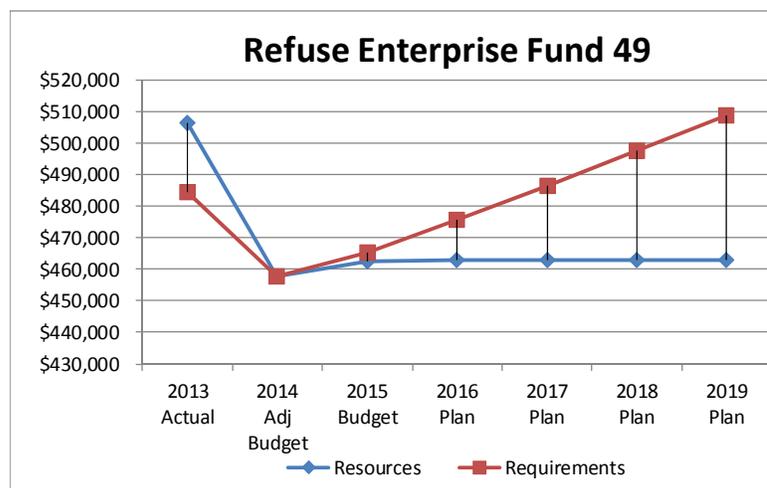
Major Object	2013	2014	Adj	2015	2016	2017	2018	2019
	Actual	Budget	Budget	Budget	Plan	Plan	Plan	Plan
Charges for Services	495,757	450,000	450,000	450,000	450,000	450,000	450,000	450,000
Other Revenue	10,486	3,839	9,000	9,000	9,000	9,000	9,000	9,000
Contributions & Transfers	-	3,668	3,668	3,705	3,742	3,779	3,817	
<b>Total Resources</b>	<b>\$ 506,242</b>	<b>\$ 457,507</b>	<b>\$ 462,668</b>	<b>\$ 462,705</b>	<b>\$ 462,742</b>	<b>\$ 462,779</b>	<b>\$ 462,817</b>	
<i>\$ change from prior period</i>	<i>\$ (20,231)</i>	<i>\$ (48,735)</i>	<i>\$ 5,161</i>	<i>\$ 37</i>	<i>\$ 37</i>	<i>\$ 37</i>	<i>\$ 38</i>	
<i>% change from prior period</i>	<i>-4%</i>	<i>-10%</i>	<i>1%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	

## **Refuse Enterprise Fund 49: Requirements**

Major Object	2013	2014	Adj	2015	2016	2017	2018	2019
	Actual	Budget	Budget	Budget	Plan	Plan	Plan	Plan
Materials, Supplies, and Services	468,953	448,839	456,523	466,978	477,712	488,734	500,048	
Contributions & Transfers	15,317	8,668	8,668	8,705	8,742	8,779	8,817	
<b>Total Requirements</b>	<b>\$ 484,270</b>	<b>\$ 457,507</b>	<b>\$ 465,191</b>	<b>\$ 475,683</b>	<b>\$ 486,453</b>	<b>\$ 497,513</b>	<b>\$ 508,865</b>	
<i>\$ change from prior period</i>	<i>\$ 32,641</i>	<i>\$ (26,763)</i>	<i>\$ 7,684</i>	<i>\$ 10,492</i>	<i>\$ 10,770</i>	<i>\$ 11,060</i>	<i>\$ 11,352</i>	
<i>% change from prior period</i>	<i>7%</i>	<i>-6%</i>	<i>2%</i>	<i>2%</i>	<i>2%</i>	<i>2%</i>	<i>2%</i>	

The **Refuse Enterprise Fund** activities are managed primarily by the Public Works Department and Utility Billing Department. Total Fund resources are expected to increase by 1 percent or \$5,161 in 2015 then remain relatively constant at \$462,705 through 2019. Requirements are projected to also increase by 2 percent or \$7,684 in 2015 then increase annually by 2 percent through 2019.

In 2014, resource and requirement changes were due to contract renewal negotiations between the City and Republic Services (formally Allied Waste) for solid waste disposal/recycling services. Major renegotiated contract terms include a 14 percent service fee reduction. Said reduction is based on the initial term's lease-to-own recycle can option in which the City would own the can at the end of the initial term thereby not having to pay a can premium. Additionally, the fuel surcharge base was raised from \$3.50 per gallon to \$4.00 per gallon.



While it is expected that refuse rates will remain flat through 2019 by continuing to absorb

## **BUDGET SUMMARIES – REFUSE ENTERPRISE FUND**

minimal operating cost increases with available reserves, this practice will be closely reviewed annually to determine if sustainable through 2019.

Effective July 1, 2013, refuse user fees decreased from \$14.35 to \$13.00. User rates are will remain flat for 2015 and are expected to remain flat through 2019.

Service	First Can			Second Can		
	<u>Current</u>	<u>New</u>	<u>Change</u>	<u>Current</u>	<u>New</u>	<u>Change</u>
Refuse	13.00	13.00	-	13.00	13.00	-

For a complete fee schedule refer to the Fee Schedule section of this document.

## **BUDGET SUMMARIES – CULINARY WATER ENTERPRISE FUND**

The Culinary Water Enterprise Fund activities are managed primarily by the Public Works Department and Utility Billing Department.

As staff continues to evaluate the current and future requirements of the Water utility service, the analysis continues to highlight challenges facing each of these services ability to fund future operations, federal and state mandates, capital projects and equipment, satisfy debt reserve levels, build/maintain reserves for unforeseen events, while keeping rates as low as possible.

It is anticipated that pay-as-you-go financing in connection with other short-term and long-term financing are necessary to fund capital projects and equipment. City staff has been diligent in seeking grant revenue, low interest loans, and taking advantage of an optimal construction environment to assist with the cost of funding necessary capital improvements and equipment.

### **Culinary Water Enterprise Fund 50: Resources**

<b>Major Object</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
	<b>Actual</b>	<b>Adj Budget</b>	<b>Budget</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>
Charges for Services	1,082,033	1,228,929	1,239,560	1,254,281	1,266,359	1,279,791	1,296,809
Other Revenue	51,860	79,289	57,399	48,636	47,365	47,084	46,794
Intergovernmental	2,519	247,525	30,000	30,000	30,000	30,000	30,000
Contributions & Transfers	15,317	5,000	5,000	5,000	5,000	5,000	5,000
<b>Total Resources</b>	<b>\$ 1,151,728</b>	<b>\$ 1,560,743</b>	<b>\$ 1,331,959</b>	<b>\$ 1,337,917</b>	<b>\$ 1,348,724</b>	<b>\$ 1,361,875</b>	<b>\$ 1,378,603</b>
<i>\$ change from prior period</i>	<i>\$ (132,211)</i>	<i>\$ 409,015</i>	<i>\$ (228,785)</i>	<i>\$ 5,958</i>	<i>\$ 10,807</i>	<i>\$ 13,151</i>	<i>\$ 16,727</i>
<i>% change from prior period</i>	<i>-10%</i>	<i>36%</i>	<i>-15%</i>	<i>0%</i>	<i>1%</i>	<i>1%</i>	<i>1%</i>

Total fund resources in 2015 are expected to decrease by 15 percent or \$214,578. Said decrease is primarily attributed to intergovernmental revenues. Previously, the City received federal grant funds through the State Tribal Assistance Grant (STAG) to fund the 4800 South and 450 West projects. These funds were fully utilized in 2014.

Fund resources are expected to increase by 1 percent annually through 2019. Said increase is expected to be generated from charges for services or user fees.

Water service charges for services for 2015 are anticipated to generate an additional \$10,000 of revenue to fund additional capital requirements, thereby, increasing water user fees. For example, a single family residence base fee would increase by \$0.15 or from \$17.65 to \$17.80. Overage per 1,000 gallons would also increase by \$0.05 or from \$5.05 to \$5.10.

## BUDGET SUMMARIES – CULINARY WATER ENTERPRISE FUND

The following figure details the rate changes beginning July 1, 2014, for a single family residential user.

Service	Single Family Residential					
	Base (\$/4,000 gal.)			Overage (\$/1,000 gal.)		
	Current	New	Change	Current	New	Change
Water	17.65	17.80	0.15	5.05	5.10	0.05

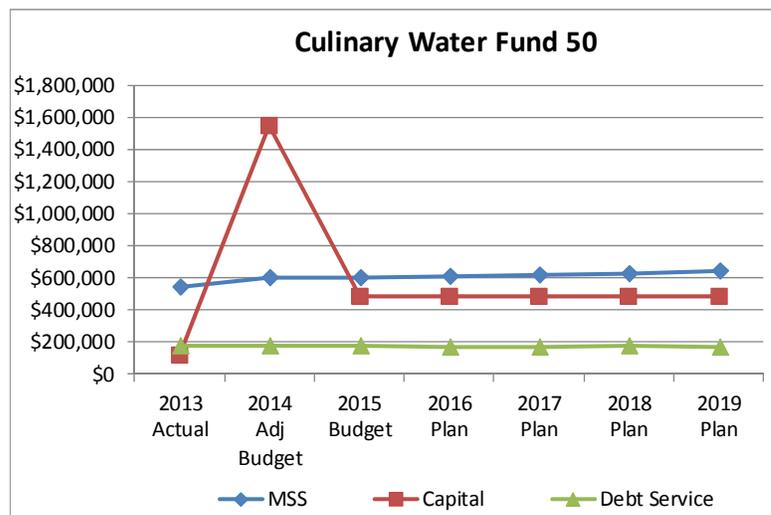
For a complete fee schedule refer to the Fee Schedule section of this document.

### **Culinary Water Enterprise Fund 50: Requirements**

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Materials, Supplies, and Services	545,366	604,878	601,655	606,601	614,423	627,501	641,012
Capital	117,896	1,544,698	483,190	485,453	487,860	485,345	488,744
Debt Service	174,364	174,593	175,054	173,083	172,934	174,787	173,861
Contributions & Transfers	-	71,429	72,060	72,781	73,508	74,243	74,986
<b>Total Requirements</b>	<b>\$ 837,627</b>	<b>\$ 2,395,598</b>	<b>\$ 1,331,959</b>	<b>\$ 1,337,918</b>	<b>\$ 1,348,725</b>	<b>\$ 1,361,876</b>	<b>\$ 1,378,603</b>
<i>\$ change from prior period</i>	<i>\$ (284,393)</i>	<i>\$ 1,557,971</i>	<i>\$ (1,063,639)</i>	<i>\$ 5,959</i>	<i>\$ 10,807</i>	<i>\$ 13,151</i>	<i>\$ 16,727</i>
<i>% change from prior period</i>	<i>-25%</i>	<i>186%</i>	<i>-44%</i>	<i>0%</i>	<i>1%</i>	<i>1%</i>	<i>1%</i>

Total requirements in 2015 have also been reduced by 46 percent or \$1,072,770. Said reduction is largely attributed to capital requirements funded through STAG assistance and the state revolving loan funds for the 4800 South and 450 West projects completed in 2014.

Operating requirements or MSS are projected to yield an approximate net zero increase. One-time operating costs in 2014 were able to keep changes to the 2015 budget to a minimum.



Fund requirements are expected to increase by 1 percent annually through 2016 - 2019. Said increase is expected to fund ongoing operating and capital requirements.

In 2010, the City secured financing from the Utah Division of Drinking Water State Revolving Loan Funds and a 55/45 match from the State and Tribal Assistance Grant (federal) for the

## **BUDGET SUMMARIES – CULINARY WATER ENTERPRISE FUND**

purposes of completing water related projects. The recently completed 4800 South and 450 West projects was funded by these sources. The scheduled purchase of electronic meters/radios will also be funded with the balance of the Revolving Loan Funds. These funding sources are expected to be spent down by December 2014.

Water facilities and project priorities are analyzed according to the Capital Facilities Plan. Project priorities and scope may change annually according to need and funding availability. The following major projects have been identified as high priority projects between 2014 and 2019. Acquiring adequate funding through pay-as-you-go often takes years to accumulate required amounts. Financing methods will be continually reviewed to determine the best approach to secure funding for these projects.

### **Significant Non-Recurring Capital Projects**

As part of the budget process and presentations to Council, staff has identified the following major (projects > \$200,000) capital projects as priorities for fiscal year 2015-2019:

A. **Water Meters with Time-Saving Reading System (CW-21)** - The Project scope includes the installation of time-saving water meters at meter locations throughout the City. The Project funding period is scheduled through 2014 at an estimated cost of \$322,000. It is estimated that approximately \$200,000 of residual State Revolving Loan Funds will be used to help finance this project. The balance of funds available after the completion of 450 West will be used to fund this project.

B. **Culinary Water 48- Meter and Auto Valve Vault at Tank on Adams Avenue** - The project scope includes installation of a concrete vault containing a main water meter and valve. The Project funding period is scheduled through 2014 at a cost of \$200,000. Construction to begin in summer 2014.

### **Other Significant Project Considerations**

**Public Works Facility-** The concept of constructing a new public works facility is in the preliminary planning phase. Financing options/feasibility, project scope, design, cost, and

## **BUDGET SUMMARIES – CULINARY WATER ENTERPRISE FUND**

location will be carefully analyzed to determine what to be in the best interest of the City. While the tentative budget and budget plan does not include fiscal considerations for this project, it is anticipated that the budget plan may change, pending the outcome of the analysis, to include this concept as part of the development phase.

	2013	2014	2015	2016	2017	2018	2019
<b>Capital Projects</b>	<b>Actual</b>	<b>Adj Budget</b>	<b>Budget</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>
CW6, CW7 Tank #1 Rehabilitation	-	18,000					
CW8, CW45, CW19, CW20 Tank on	10,713	235,046					
CW12 5050 S - 400 W to 500 W	-	29,973					
CW28 5200 S, 400 W, & 5300 S - 50	50,878	333,591					
CW17 300 E - 5050 S to 5100 S			25,000				
CW37 Zone B Looping	-	170,000					
CW46 5050 S/150W 10" waterline		24,180	75,820				
CW47 new pipe 5150 S, 150 E - 300 E		90,000	10,000				
CW 48 meter & auto valve vault at tank		200,000					
CW 49 ext. 8" along Ridgeline - 5350-5300 S.		25,000					
CW 51 Southpointe Dr. business water laterals			35,000				
Future Capital Projects			248,870	405,453	407,860	405,345	408,744
<b>Total Capital Project</b>	<b>\$ 61,591</b>	<b>\$ 1,125,790</b>	<b>\$ 394,690</b>	<b>\$ 405,453</b>	<b>\$ 407,860</b>	<b>\$ 405,345</b>	<b>\$ 408,744</b>

### **Fleet & Equipment Requirements**

CW21 Electronic meters/radios	53,189	92,305	20,000	20,000	20,000	20,000	20,000
Capital Equipment	3,116	161,634	30,000	30,000	30,000	30,000	30,000
Fleet Replacements	0	164,969	38,500	30,000	30,000	30,000	30,000
<b>Total Fleet &amp; Equipment</b>	<b>\$ 56,305</b>	<b>\$ 418,908</b>	<b>\$ 88,500</b>	<b>\$ 80,000</b>	<b>\$ 80,000</b>	<b>\$ 80,000</b>	<b>\$ 80,000</b>

### **Debt Service Requirements**

Bond Interest Series 2010A	27,809	27,854	25,926	23,952	21,485	18,706	15,534
Bond Principal Series 2010A	96,350	96,350	98,700	98,700	101,050	105,750	108,100
BABs Bond Series 2010B Principal	26,000	27,000	28,000	29,000	30,000	31,000	32,000
BABs Bond Series 2010B Interest	24,206	23,389	22,428	21,431	20,399	19,331	18,227
<b>Total Debt Service</b>	<b>\$ 174,364</b>	<b>\$ 174,593</b>	<b>\$ 175,054</b>	<b>\$ 173,083</b>	<b>\$ 172,934</b>	<b>\$ 174,787</b>	<b>\$ 173,861</b>

## **BUDGET SUMMARIES – SANITARY SEWER ENTERPRISE FUND**

The Sanitary Sewer Enterprise Fund activities are managed primarily by the Public Works Department and Utility Billing Department.

As staff continues to evaluate the current and future requirements of the Sewer utility service, the analysis continues to highlight challenges facing each of these services ability to fund future operations, federal and state mandates, capital projects and equipment, satisfy debt reserve levels, build/maintain reserves for unforeseen events, while keeping rates as low as possible.

It is anticipated that pay-as-you-go financing in connection with other short-term and long-term financing are necessary to fund capital projects and equipment. City staff has been diligent in seeking grant revenue, low interest loans, and taking advantage of an optimal construction environment to assist with the cost of funding necessary capital improvements and equipment.

### **Sanitary Sewer Enterprise Fund 51: Resources**

<b>Major Object</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
	<b>Actual</b>	<b>Adj Budget</b>	<b>Budget</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>
Charges for Services	1,034,683	1,102,000	1,126,000	1,146,000	1,166,000	1,191,000	1,212,000
Other Revenue	39,738	74,563	43,840	43,609	43,372	43,129	42,879
Intergovernmental	1,757	221,700	-	-	-	-	-
Contributions & Transfers	-	1,584	1,621	1,637	1,653	1,670	1,687
<b>Total Resources</b>	<b>\$ 1,076,178</b>	<b>\$ 1,399,847</b>	<b>\$ 1,171,461</b>	<b>\$ 1,191,246</b>	<b>\$ 1,211,025</b>	<b>\$ 1,235,799</b>	<b>\$ 1,256,566</b>
<i>\$ change from prior period</i>	<i>\$ (94,235)</i>	<i>\$ 323,669</i>	<i>\$ (228,386)</i>	<i>\$ 19,785</i>	<i>\$ 19,779</i>	<i>\$ 24,774</i>	<i>\$ 20,767</i>
<i>% change from prior period</i>	<i>-8%</i>	<i>30%</i>	<i>-16%</i>	<i>2%</i>	<i>2%</i>	<i>2%</i>	<i>2%</i>

Total fund resources in 2015 are expected to decrease by 16 percent or \$228,386. Said decrease is primarily attributed to intergovernmental revenues. Previously, the City received federal grant funds through the State Tribal Assistance Grant (STAG) to fund the 4800 South and 450 West projects. These funds have been fully utilized in 2014 thereby reducing intergovernmental resources from \$221,700 to zero in 2015.

Fund resources are expected to increase by 2 percent annually through 2019. Said increase is expected to be generated from charges for services or user fees.

Sewer services anticipate additional revenue requirements or charges for services of \$24,000 to fund additional capital requirements.

## BUDGET SUMMARIES – SANITARY SEWER ENTERPRISE FUND

The following figure details the rate changes beginning July 1, 2014, for a single family residential user.

Service	Single Family Residential					
	Base (\$/4,000 gal.)			Overage (\$/1,000 gal.)		
	Current	New	Change	Current	New	Change
Sewer	17.16	17.55	0.39	4.91	5.03	0.12

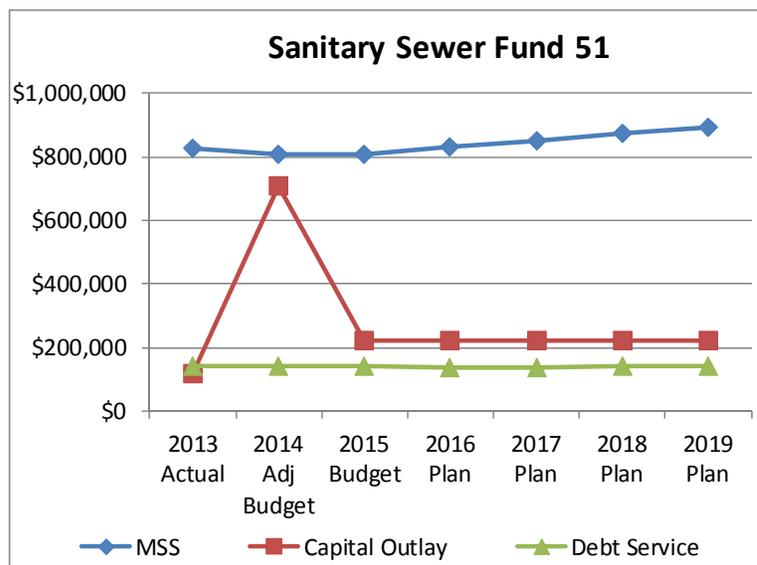
For a complete fee schedule refer to the Fee Schedule section of this document.

### **Sanitary Sewer Enterprise Fund 51: Requirements**

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Materials, Supplies, and Services	828,252	808,606	808,937	829,967	849,712	873,045	894,322
Capital Outlay	120,371	706,371	220,000	220,000	220,000	220,000	220,000
Debt Service	142,931	140,457	140,903	139,642	139,660	141,084	140,557
Contributions & Transfers		1,584	1,621	1,637	1,653	1,670	1,687
<b>Total Requirements</b>	<b>\$ 1,091,554</b>	<b>\$ 1,657,018</b>	<b>\$ 1,171,461</b>	<b>\$ 1,191,246</b>	<b>\$ 1,211,025</b>	<b>\$ 1,235,799</b>	<b>\$ 1,256,566</b>
<i>\$ change from prior period</i>	<i>\$ (396,700)</i>	<i>\$ 565,464</i>	<i>\$ (485,557)</i>	<i>\$ 19,785</i>	<i>\$ 19,779</i>	<i>\$ 24,774</i>	<i>\$ 20,767</i>
<i>% change from prior period</i>		<i>-27%</i>	<i>52%</i>	<i>-29%</i>	<i>2%</i>	<i>2%</i>	<i>2%</i>

Total requirements have also been reduced by 29 percent or \$485,594. Said reduction is attributed to capital requirements funded through STAG assistance and the state revolving loan funds. Operating requirements or MSS are projected to yield a net zero increase. One-time operating costs in 2014 were able to keep changes to the 2015 budget to a minimum.

In 2010, the City secured financing from the Utah Division of Water Quality State Revolving Loan Funds and a 55/45 match from the State and Tribal Assistance Grant (federal) for the purposes of completing sewer related projects; recently completed 4800 South and 450 West projects. These funding sources are expected to be fully spent down by December 2014.



Historically sewer operating costs

## **BUDGET SUMMARIES – SANITARY SEWER ENTERPRISE FUND**

have experienced significant increases. These increases were largely attributed to fees charged by Central Weber Sewer Improvement District (CWSID) for the operations and expansion of their sewer treatment facility. Since 2009 these increases have averaged 33 percent annually. Fiscal year 2014 is the first year since 2009 a moderate increase of 2 percent or approximately \$7,800 is projected. Fiscal year 2015 is projected to increase by up to 5 percent.

It is anticipated that future increases imposed by CWSID should not exceed 3 percent annually through 2019. While increases beyond 2019 are uncertain, it is anticipated that they could reach as high as 20-25 percent annually. These anticipated increases are being attributed to federal regulations for facility improvements at CWSID.

Operating requirements for 2015 are projected to yield an approximate net zero increase. One-time operating costs in 2014 have kept changes to the 2015 budget to a minimum.

Sewer facilities and project priorities are analyzed according to the Capital Facilities Plan. Project priorities and scope may change annually according to need and funding availability. The following major projects have been identified as high priority projects between 2014 and 2019. Acquiring adequate funding through pay-as-you-go often takes years to accumulate required amounts. Financing methods will be continually reviewed to determine the best approach to secure funding for these projects.

### **Significant Non-Recurring Capital Projects**

As part of the budget process and presentations to Council, staff has identified the following major (projects > \$200,000) capital projects as priorities for fiscal year 2015-2019:

A. **Sanitary Sewer 18 – Furnish and Install 12” PVC Sewer Pipe** - The Project scope includes the replacement of the existing 12” & 10” line with regarded 12” line. The Project location is 500 West and 4525 South to 4900 South. Total estimated project costs are \$255,000 with project funding period through 2016. Construction will begin after funding period.

### **Other Significant Project Considerations**

**Public Works Facility-** The concept of constructing a new public works facility is in the

## **BUDGET SUMMARIES – SANITARY SEWER ENTERPRISE FUND**

preliminary planning phase. Financing options/feasibility, project scope, design, cost, and location will be carefully analyzed to determine what to be in the best interest of the City. While the tentative budget and budget plan does not include fiscal considerations for this project, it is anticipated that the budget plan may change, pending the outcome of the analysis, to include this concept as part of the development phase.

<b>Capital Project Requirements</b>	<b>2013 Actual</b>	<b>2014 Budget</b>	<b>Adj Budget</b>	<b>2015 Budget</b>	<b>2016</b>	<b>Plan 2017</b>	<b>Plan 2018</b>	<b>Plan 2019</b>	<b>Plan</b>
SS5 375 W - 5000 to 4900 S	5,048								
SS7 4800 S - Wash Blvd to 500 W	2,743								
SS8 4850 - 4800 S outfall Replace 8" w	-			85,000					
SS12 5200 S, 400 W, 5300 S - 500 W	85,032	287,454							
SS17 Replace 12" line w/trenchless method			55,000	20,000					
SS18 Replace 12" w/10" w 12" 500 W & 4525 S to 4900 S				75,000	180,000				
SS20 250 E 4575 S to 4450 S	-	75,000							
SS21 Repair Line Under Railroad	-	29,000							
SS22 4750: 300 w - 350 w		70,000							
Future Capital Projects						180,000	180,000	180,000	
<b>Total Capital Projects</b>	<b>\$ 92,823</b>	<b>\$ 516,454</b>	<b>\$ 180,000</b>	<b>\$ 180,000</b>	<b>\$ 180,000</b>	<b>\$ 180,000</b>	<b>\$ 180,000</b>	<b>\$ 180,000</b>	

### **Fleet & Equipment Requirements**

Capital Equipment	3,116	99,381		20,000	20,000	20,000	20,000	20,000
Fleet replacements	24,433	90,536		20,000	20,000	20,000	20,000	20,000
<b>Total Fleet &amp; Equipment</b>	<b>\$ 27,549</b>	<b>\$ 189,917</b>		<b>\$ 40,000</b>				

### **Debt Service Requirements**

Bond Interest Series 2010A	20,910	19,557		18,203	16,817	15,085	13,134	10,907
Bond Principal Series 2010A	67,650	67,650		69,300	69,300	70,950	74,250	75,900
Bond Series 2010C Interest	21,371	19,250		18,400	17,525	16,625	15,700	14,750
Bond Series 2010C Principal	33,000	34,000		35,000	36,000	37,000	38,000	39,000
<b>Total Debt Service</b>	<b>\$ 142,931</b>	<b>\$ 140,457</b>		<b>\$ 140,903</b>	<b>\$ 139,642</b>	<b>\$ 139,660</b>	<b>\$ 141,084</b>	<b>\$ 140,557</b>

## **BUDGET SUMMARIES – STORM WATER ENTERPRISE FUND**

The Storm Water Enterprise Fund activities are managed primarily by the Public Works Department and Utility Billing Department.

As staff continues to evaluate the current and future requirements of the Storm Water utility service, the analysis continues to highlight challenges facing each of these services ability to fund future operations, growing federal and state mandates, capital projects and equipment, satisfy debt reserve levels, build/maintain reserves for unforeseen events, while keeping rates as low as possible.

It is anticipated that pay-as-you-go financing in connection with other short-term and long-term financing are necessary to fund capital projects and equipment. City staff has been diligent in seeking grant



revenue, low interest loans, and taking advantage of an optimal construction environment to assist with the cost of funding necessary capital improvements and equipment.

### **Storm Water Enterprise Fund 52: Resources**

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Charges for Services	324,645	350,000	375,000	400,000	425,000	450,000	475,000
Other Revenue	14,370	10,500	22,900	15,500	10,500	10,500	10,500
Intergovernmental	1,769	30,190	-	-	-	-	-
Contributions & Transfers	-	13,857	14,744	15,334	15,947	16,585	17,248
<b>Total Resources</b>	<b>\$ 340,785</b>	<b>\$ 404,547</b>	<b>\$ 412,644</b>	<b>\$ 430,834</b>	<b>\$ 451,447</b>	<b>\$ 477,085</b>	<b>\$ 502,748</b>
<i>\$ change from prior period</i>	<i>\$ (225,144)</i>	<i>\$ 63,762</i>	<i>\$ 8,097</i>	<i>\$ 18,190</i>	<i>\$ 20,613</i>	<i>\$ 25,638</i>	<i>\$ 25,663</i>
<i>% change from prior period</i>	<i>-40%</i>	<i>19%</i>	<i>2%</i>	<i>4%</i>	<i>5%</i>	<i>6%</i>	<i>5%</i>

Total fund resources in 2015 are expected to increase by 2 percent or \$8,097. Said decrease is primarily attributed to intergovernmental revenues. Previously, the City received federal grant funds through the State Tribal Assistance Grant (STAG) to fund the 4800 South and 450 West projects. These funds have been fully utilized in 2014 thereby reducing intergovernmental resources from \$30,190 to zero in 2015.

Fund resources are expected to increase an average of 5 percent annually through 2019. Said increase is expected to be generated from charges for services or user fees.

## BUDGET SUMMARIES – STORM WATER ENTERPRISE FUND

Storm Water services anticipate additional revenue requirements or charges for services of \$25,000 to fund additional capital requirements in 2015.

The following figure details the rate changes beginning July 1, 2014, per equivalent residential unit (ERU).

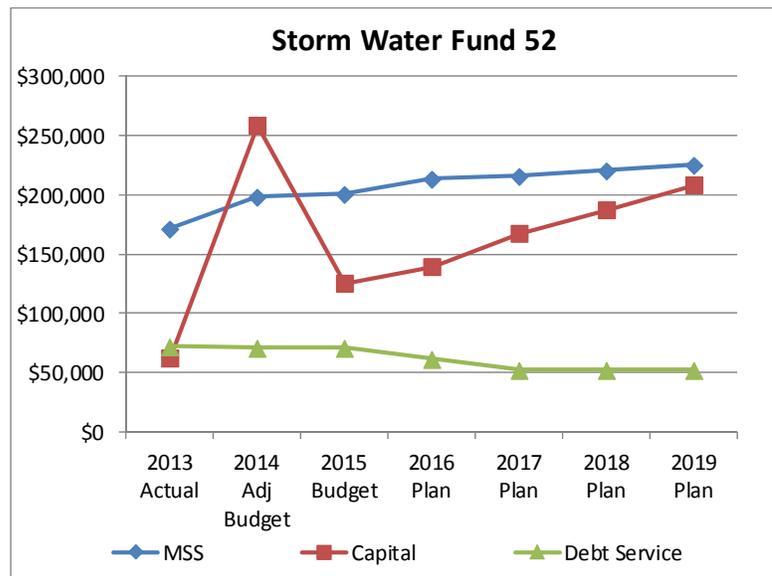
Service	Per ERU		
	Current	New	Change
Storm	6.25	6.65	0.40

For a complete fee schedule refer to the Fee Schedule section of this document.

### **Storm Water Enterprise Fund 52: Requirements**

Major Object	2013 Actual	2014 Adj Budget	2015 Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan
Materials, Supplies, and Services	172,097	198,763	200,927	214,475	216,517	220,817	225,294
Capital outlay	61,499	258,894	125,056	139,384	166,841	186,723	207,597
Debt Service	72,554	71,737	71,917	61,641	52,142	52,960	52,610
Contributions & Transfers		13,857	14,744	15,334	15,947	16,585	17,248
<b>Total Requirements</b>	<b>\$ 306,149</b>	<b>\$ 543,251</b>	<b>\$ 412,644</b>	<b>\$ 430,834</b>	<b>\$ 451,447</b>	<b>\$ 477,085</b>	<b>\$ 502,749</b>
<i>\$ change from prior period</i>	<i>\$ (267,933)</i>	<i>\$ 237,102</i>	<i>\$ (130,607)</i>	<i>\$ 18,190</i>	<i>\$ 20,614</i>	<i>\$ 25,638</i>	<i>\$ 25,664</i>
<i>% change from prior period</i>	<i>-47%</i>	<i>77%</i>	<i>-24%</i>	<i>4%</i>	<i>5%</i>	<i>6%</i>	<i>5%</i>

Total requirements have also been reduced by 24 percent or \$130,607. Said reduction is attributed to capital requirements funded through STAG assistance and the state revolving loan funds. Operating requirements or MSS are projected to yield an approximate net zero increase. One-time operating costs in 2014 were able to keep changes to the 2015 budget to a minimum.



In 2010, the City secured a 55/45 match from the State and Tribal

Assistance Grant (federal) for the purposes of completing sewer related projects. The recently completed

4800

## **BUDGET SUMMARIES – STORM WATER ENTERPRISE FUND**

South and 450 West projects were funded by these funds. These funds have been fully spent in 2014.

Storm Water facilities and project priorities are analyzed according to the Capital Facilities Plan. Project priorities and scope may change annually according to need and funding availability. The following major projects have been identified as high priority projects between 2014 and 2019. Acquiring adequate funding through pay-as-you-go often takes years to accumulate required amounts. Financing methods will be continually reviewed to determine the best approach to secure funding for these projects.

### **Significant Non-Recurring Capital Projects**

No major projects (>\$200,000) have been identified between FY 2014-2019.

### **Other Significant Project Considerations**

**Public Works Facility-** The concept of constructing a new public works facility is in the preliminary planning phase. Financing options/feasibility, project scope, design, cost, and location will be carefully analyzed to determine what to be in the best interest of the City. While the tentative budget and budget plan does not include fiscal considerations for this project, it is anticipated that the budget plan may change, pending the outcome of the analysis, to include this concept as part of the development phase.

# **BUDGET SUMMARIES – STORM WATER ENTERPRISE FUND**

<b>Capital Project Requirements</b>	<b>2013 Actual</b>	<b>2014 Adj Budget</b>	<b>2015 Budget</b>	<b>2016 Plan</b>	<b>2017 Plan</b>	<b>2018 Plan</b>	<b>2019 Plan</b>
4800 South - Wash Blvd to 500 W	1,176						
5200 S, 400 W, 5300 S - 500 W	5,632	60,925					
SD6 3500 s & 100 E (elim det basin)							
SD-16 4850 s to 300 w to 4800 s		50,000	60,000				
SD18 Relief Line Ext 300 W to 4800 S			27,656	2,344			
SD19 4300 S w/land drain				52,040	22,960		
SD20 Detention Basin Park Outlet	32,445						
SD21 Intersection drain improve. \	19,130	15,000		15,000	15,000	15,000	15,000
SD24 Pressure Wash station	-	30,000					
Future Capital Projects				50,000	108,881	151,723	172,597
<b>Total Capital Projects</b>	<b>\$ 58,383</b>	<b>\$ 155,925</b>	<b>\$ 87,656</b>	<b>\$ 119,384</b>	<b>\$ 146,841</b>	<b>\$ 166,723</b>	<b>\$ 187,597</b>
<b>Fleet &amp; Equipment</b>							
Capital Equipment	3,116	38,000	10,000	10,000	10,000	10,000	10,000
Fleet Replacements	-	64,969	27,400	10,000	10,000	10,000	10,000
<b>Total Fleet &amp; Equipmnet</b>	<b>\$ 3,116</b>	<b>\$ 102,969</b>	<b>\$ 37,400</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>
<b>Debt Service</b>							
Capital Lease Principal	16,767	17,392	18,039	9,270			
Capital Lease Interest	2,115	1,490	843	171			
Bond Interest Expense Ser2010A	12,672	11,855	11,035	10,200	9,142	7,960	6,610
Bond Principal Payment Ser2010A	41,000	41,000	42,000	42,000	43,000	45,000	46,000
<b>Total Debt Service</b>	<b>\$ 72,554</b>	<b>\$ 71,737</b>	<b>\$ 71,917</b>	<b>\$ 61,641</b>	<b>\$ 52,142</b>	<b>\$ 52,960</b>	<b>\$ 52,610</b>

# BUDGET SUMMARIES – PARKS CIP FUND

## Parks CIP Fund 53: Resources

Major Object	2012 Actual	2013 Actual	2014 Budget	Adj	2015 Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan
Contributions & Transfers	-	65,000	10,000		10,000	10,000	10,000	10,000	10,000
Intergovernmental		322,351	43,938		-	-	-	-	-
Other Revenue	1,826	7,027	5,000		5,000	5,000	5,000	5,000	5,000
<b>Total Resources</b>	<b>\$ 1,826</b>	<b>\$ 394,378</b>	<b>\$ 58,938</b>		<b>\$ 15,000</b>	<b>\$ 15,000</b>	<b>\$ 15,000</b>	<b>\$ 15,000</b>	<b>\$ 15,000</b>
<i>\$ change from prior period</i>	<i>\$ (2,780)</i>	<i>\$ 392,552</i>	<i>\$ (335,440)</i>		<i>\$ (43,938)</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
<i>% change from prior period</i>	<i>40%</i>	<i>21498%</i>	<i>-85%</i>		<i>-75%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>

## Parks CIP Fund 53: Requirements

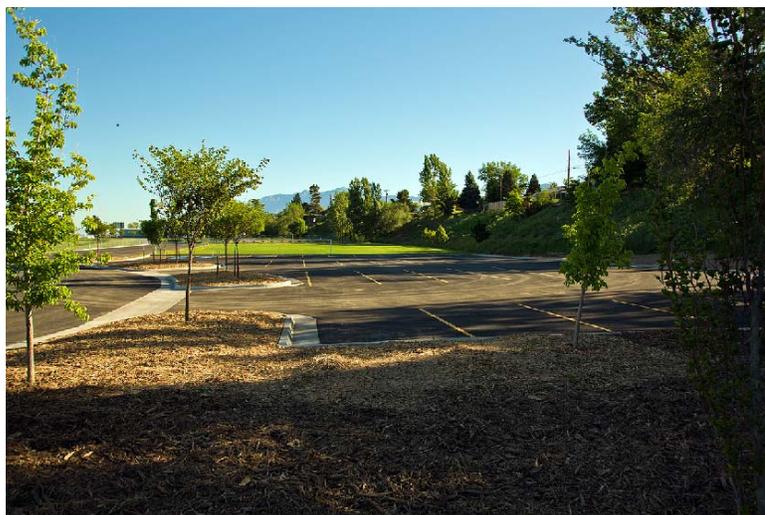
Major Object	2012 Actual	2013 Actual	2014 Budget	Adj	2015 Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan
Capital	-	357,621	91,389		5,000	5,000	5,000	5,000	5,000
<b>Total Requirements</b>	<b>\$ -</b>	<b>\$ 357,621</b>	<b>\$ 91,389</b>		<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>
<i>\$ change from prior period</i>	<i>\$ (38,947)</i>	<i>\$ 357,621</i>	<i>\$ (266,232)</i>		<i>\$ (86,389)</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
<i>% change from prior period</i>	<i>-100%</i>		<i>-74%</i>		<i>-95%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>

**Parks Capital Project Fund** accounts for city-wide park capital projects. Funding park capital projects is largely driven by grant funding. While no major park projects have been identified for grant funding in 2015-2019, the City was successful recipient of RAMP grant 2014 funding to renovate the restroom facilities at Little Rohmer Park.

RAMP is funded by a local RAMP tax for the purpose of funding projects and activities to enhance the quality of life for Weber County residents by constructing Recreation, Arts, Museums, and Park facilities.

### Significant Non-Recurring Capital Projects

No major projects (>\$200,000) have been identified between FY 2015-2019.



# **BUDGET SUMMARIES – FIRE CAPITAL PROJECTS FUND**

## **Fire CIP Fund 54: Resources**

<b>Major Object</b>	<b>2013</b>	<b>2014</b>	<b>Adj</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
	<b>Actual</b>	<b>Budget</b>		<b>Budget</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>
Other Revenue	659	10,000		10,000	10,000	10,000	10,000	10,000
<b>Total Resources</b>	<b>\$ 659</b>	<b>\$ 10,000</b>		<b>\$ 10,000</b>				
<i>\$ change from prior period</i>	<i>\$ 659</i>	<i>\$ 9,341</i>		<i>\$ -</i>				
<i>% change from prior period</i>				<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>

## **Fire CIP Fund 54: Requirements**

<b>Major Object</b>	<b>2013</b>	<b>2014</b>	<b>Adj</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
	<b>Actual</b>	<b>Budget</b>		<b>Budget</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>
Contributions & Transfers	-	10,000		10,000	10,000	10,000	10,000	10,000
<b>Total Requirements</b>	<b>\$ -</b>	<b>\$ 10,000</b>		<b>\$ 10,000</b>				
<i>\$ change from prior period</i>	<i>\$ -</i>	<i>\$ 10,000</i>		<i>\$ -</i>				
<i>% change from prior period</i>				<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>

The **Fire CIP Fund** largely accounts for the collection of impact fees. These fees are in return used for eligible impact fee related projects.



# BUDGET SUMMARIES – CAPITAL PROJECTS FUND

## Capital Projects Fund 55: Resources

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Interfund Transfers	344,178	438,132	348,626	332,176	307,900	298,919	308,753
Other Revenue	266	105,770	19,000	-	-	-	-
<b>Total Resources</b>	<b>\$ 344,444</b>	<b>\$ 543,902</b>	<b>\$ 367,626</b>	<b>\$ 332,176</b>	<b>\$ 307,900</b>	<b>\$ 298,919</b>	<b>\$ 308,753</b>
<i>\$ change from prior period</i>	<i>\$ (514,498)</i>	<i>\$ 199,458</i>	<i>\$ (176,276)</i>	<i>\$ (35,450)</i>	<i>\$ (24,276)</i>	<i>\$ (8,981)</i>	<i>\$ 9,834</i>
<i>% change from prior period</i>	<i>-60%</i>	<i>58%</i>	<i>-32%</i>	<i>-10%</i>	<i>-7%</i>	<i>-3%</i>	<i>3%</i>

## Capital Projects Fund 55: Requirements

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Capital outlay	193,896	1,049,734	307,000	288,000	288,000	288,000	288,000
Contributions & Transfers	-	-	-	-	27,430	30,155	27,164
<b>Total Requirements</b>	<b>\$ 193,896</b>	<b>\$ 1,049,734</b>	<b>\$ 307,000</b>	<b>\$ 288,000</b>	<b>\$ 315,430</b>	<b>\$ 318,155</b>	<b>\$ 315,164</b>
<i>\$ change from prior period</i>	<i>\$ (350,152)</i>	<i>\$ 855,838</i>	<i>\$ (742,734)</i>	<i>\$ (19,000)</i>	<i>\$ 27,430</i>	<i>\$ 2,725</i>	<i>\$ (2,991)</i>
<i>% change from prior period</i>	<i>-64%</i>	<i>441%</i>	<i>-71%</i>	<i>-6%</i>	<i>10%</i>	<i>1%</i>	<i>-1%</i>

The **Capital Projects Fund** accounts for governmental-type capital projects and equipment for nonutility activities. The largest capital requirements are to support the road/streets program that includes: roads maintenance, reconstruction, and fleet/equipment.

### STREETS PROGRAM

In 2006 Utah State University conducted a city wide analysis of the roadway infrastructure. As a result of that survey, it was determined that the City would need to commit an average of \$350,000 annually for street maintenance projects directly linked to restoration and service life. The City funds \$233,000 annually to be used for overall street maintenance and service life applications. Considering the increased costs related to street



maintenance and operations since 2006, one can conservatively estimate the need for road maintenance funding closer to an annual burden of \$500,000 or more.

Funding ongoing required street maintenance projects continue to be increasingly difficult and on ongoing concern. Staff will continue to seek out financing alternatives to assist in funding road projects.

# BUDGET SUMMARIES – CAPITAL PROJECTS FUND

Requirements	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
<b>Road Maintenance</b>							
RM2	124,124	444,767	233,000	233,000	233,000	233,000	233,000
<b>Total Road Seal Projects</b>	<b>124,124</b>	<b>444,767</b>	<b>233,000</b>	<b>233,000</b>	<b>233,000</b>	<b>233,000</b>	<b>233,000</b>
<b>Road Fleet &amp; Equipment</b>							
RF1	25,333	145,859	10,000	10,000	10,000	10,000	10,000
<b>Total Road Fleet &amp; Equipment</b>	<b>25,333</b>	<b>145,859</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>
<b>Road Construction</b>							
RR-2F 4800 s - Wash Blvd to 500 W	1,959	51,498					
RR9 5200 s, 400 w, & 5300 s - 500 w to	9,385	100,000					
<b>Total Road Construction Projects</b>	<b>11,345</b>	<b>151,498</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Road Projects</b>	<b>\$ 160,802</b>	<b>\$ 742,124</b>	<b>\$ 243,000</b>				
<b>Buildings</b>							
BM4	3,550	116,450	10,000	10,000	10,000	10,000	10,000
<b>Total Building Projects</b>	<b>3,550</b>	<b>116,450</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>
<b>Information Technology Upgrades</b>							
IT replacements/upgrades	5,993	33,159	10,000	10,000	10,000	10,000	10,000
<b>Total Information Technology Project:</b>	<b>5,993</b>	<b>33,159</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>
<b>Non-Streets Fleet &amp; Equipment</b>							
Fleet replacements	23,551	108,001	44,000	25,000	25,000	25,000	25,000
Equipment		50,000					
<b>Total Non-Streets Fleet</b>	<b>23,551</b>	<b>158,001</b>	<b>44,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>
<b>Total Non-Road</b>	<b>\$ 33,093</b>	<b>\$ 307,610</b>	<b>\$ 64,000</b>	<b>\$ 45,000</b>	<b>\$ 102,932</b>	<b>\$ 126,166</b>	<b>\$ 125,381</b>
<b>Total Fund Requirements</b>	<b>\$ 193,896</b>	<b>\$ 1,049,734</b>	<b>\$ 307,000</b>	<b>\$ 288,000</b>	<b>\$ 345,932</b>	<b>\$ 369,166</b>	<b>\$ 368,381</b>

# BUDGET SUMMARIES – CAPITAL FACILITIES FUND

## Capital Facilities Fund 57: Resources

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Other Revenue	-	200	100	100	-	-	-
Contributions & Transfers	-	68,028	92,104	90,885	149,342	172,851	171,958
<b>Total Resources</b>	<b>\$ -</b>	<b>\$ 68,228</b>	<b>\$ 92,204</b>	<b>\$ 90,985</b>	<b>\$ 149,342</b>	<b>\$ 172,851</b>	<b>\$ 171,958</b>
<i>\$ change from prior period</i>	<i>\$ (1,087)</i>	<i>\$ 68,228</i>	<i>\$ 23,976</i>	<i>\$ (1,219)</i>	<i>\$ 58,357</i>	<i>\$ 23,509</i>	<i>\$ (893)</i>
<i>% change from prior period</i>			<i>35%</i>	<i>-1%</i>	<i>64%</i>	<i>16%</i>	<i>-1%</i>

## Capital Facilities Fund 57: Requirements

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Materials, Supplies, and Services	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Debt Service	88,891	207,604	115,760	119,860	116,840	119,840	116,741
<b>Total Requirements</b>	<b>\$ 90,891</b>	<b>\$ 209,604</b>	<b>\$ 117,760</b>	<b>\$ 121,860</b>	<b>\$ 118,840</b>	<b>\$ 121,840</b>	<b>\$ 118,741</b>
<i>\$ change from prior period</i>	<i>\$ (26,310)</i>	<i>\$ 118,713</i>	<i>\$ (91,843)</i>	<i>\$ 4,099</i>	<i>\$ (3,020)</i>	<i>\$ 3,000</i>	<i>\$ (3,099)</i>
<i>% change from prior period</i>	<i>-22%</i>	<i>131%</i>	<i>-44%</i>	<i>3%</i>	<i>-2%</i>	<i>3%</i>	<i>-3%</i>

The **Capital Facilities Fund** currently acts as a debt service fund to repay the principal and interest on the bonds issued to construct the Civic Center in 2009.

In May 2009 the City issued \$1,700,000 in Sales and Excise Tax Revenue Bonds, Series 2009, for the construction of the Civic Center. These privately placed bonds are set to mature Jun 1, 2024.



# BUDGET SUMMARIES – GO DEBT SERVICE FUND

## GO Debt Service Fund 65: Resources

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Property Taxes	406,026	395,311	394,209	392,426	389,863	396,463	392,463
<b>Total Resources</b>	<b>\$ 406,026</b>	<b>\$ 395,311</b>	<b>\$ 394,209</b>	<b>\$ 392,426</b>	<b>\$ 389,863</b>	<b>\$ 396,463</b>	<b>392,463</b>
<i>\$ change from prior period</i>	\$ 5,617	\$ (10,715)	\$ (1,103)	\$ (1,783)	\$ (2,564)	\$ 6,600	\$ (4,000)
<i>% change from prior period</i>	1%	-3%	0%	0%	-1%	2%	-1%

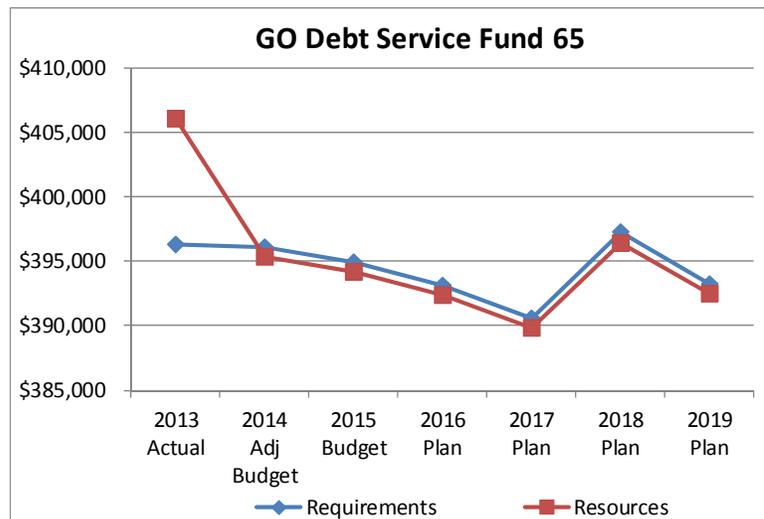
## GO Debt Service Fund 65: Requirements

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Materials, Supplies, and Service	750	750	750	750	750	750	750
Debt Service	395,541	395,311	394,209	392,426	389,863	396,463	392,463
<b>Total Requirements</b>	<b>\$ 396,291</b>	<b>\$ 396,061</b>	<b>\$ 394,959</b>	<b>\$ 393,176</b>	<b>\$ 390,613</b>	<b>\$ 397,213</b>	<b>393,213</b>
<i>\$ change from prior period</i>	\$ 618	\$ (229)	\$ (1,103)	\$ (1,783)	\$ (2,564)	\$ 6,600	\$ (4,000)
<i>% change from prior period</i>	0%	0%	0%	0%	-1%	2%	-1%

The GO Debt Service Fund currently acts as a debt service fund to repay the principal and interest on the bonds issued to construct and reconstruct roads within the City in 2000.

The City issued \$5,000,000 of General Obligation Road Bonds, Series 2000, used for the purpose of acquiring, constructing and reconstruction roads and road improvements within the City—specifically for improvements made to the Original Terrace Infrastructure (OTIS) Project area.

The bonds were subsequently refunded creating the \$3,445,000 (par amount of bonds) General Obligation Road Refunding Bonds, Series 2005. The bonds are payable from the proceeds of ad valorem taxes to be levied, without limitation as to rate or amount, on all of the taxable property in the City, fully sufficient to pay the principal and interest owing. The bonds are scheduled to mature July 1, 2020.



## **BUDGET SUMMARIES – SID DEBT SERVICE FUND**

### **SID Debt Service Fund 66: Resources**

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Property Taxes	82,843	79,386	81,354	80,135	80,660	80,935	80,956
Other Revenue	3,287	-	-	-	-	-	-
<b>Total Resources</b>	<b>\$ 86,130</b>	<b>\$ 79,386</b>	<b>\$ 81,354</b>	<b>\$ 80,135</b>	<b>\$ 80,660</b>	<b>\$ 80,935</b>	<b>\$ 80,956</b>
<i>\$ change from prior period</i>	<i>\$ 1,453</i>	<i>\$ (6,744)</i>	<i>\$ 1,968</i>	<i>\$ (1,219)</i>	<i>\$ 525</i>	<i>\$ 275</i>	<i>\$ 21</i>
<i>% change from prior period</i>	<i>2%</i>	<i>-8%</i>	<i>2%</i>	<i>-1%</i>	<i>1%</i>	<i>0%</i>	<i>0%</i>

### **SID Debt Service Fund 66: Requirements**

Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Materials, Supplies, and Services	1,632	891	1,650	1,659	1,668	1,677	1,686
Debt Service	59,865	98,057	-	-	-	-	-
Contributions & Transfers	-	58,028	82,104	80,885	81,410	81,685	81,577
<b>Total Requirements</b>	<b>\$ 61,497</b>	<b>\$ 156,976</b>	<b>\$ 83,754</b>	<b>\$ 82,544</b>	<b>\$ 83,078</b>	<b>\$ 83,362</b>	<b>\$ 83,263</b>
<i>\$ change from prior period</i>	<i>\$ (1,794)</i>	<i>\$ 95,479</i>	<i>\$ (73,222)</i>	<i>\$ (1,210)</i>	<i>\$ 534</i>	<i>\$ 284</i>	<i>\$ (99)</i>
<i>% change from prior period</i>	<i>-3%</i>	<i>155%</i>	<i>-47%</i>	<i>-1%</i>	<i>1%</i>	<i>0%</i>	<i>0%</i>

The Special Improvement District (SID) Fund currently act as a debt service fund to repay the principal and interest on the bonds issued to construct an extension of Adams Avenue in 2001.

In 1998, the City created a special service districted known as the Special Improvement District 98-1 for the purposes of constructing and paving of a street extension of Adams Avenue and related curb, gutter, and sidewalk improvements.

In 2001, the City issued \$2,360,000 of Special Assessment Bonds, Series 2001, for purpose described above. The cost and expense of the improvements are paid by special assessment levied against the property fronting or abutting upon or adjacent to the improvements or which may be affected or specially benefited by the improvements. These 20-year bonds are scheduled to mature in August 2021.

# BUDGET SUMMARIES – REDEVELOPMENT AGENCY FUND

## **Redevelopment Agency Fund 70: Resources**

Major Object	2013 Actual	2014 Adj Budget	2015 Budget	2016	Plan 2017	Plan 2018	Plan 2019	Plan 2020	Plan
Property Taxes	632,531	675,000	675,000	675,000	25,000	25,000	25,000	25,000	25,000
<b>Total Resources</b>	<b>\$ 638,123</b>	<b>\$ 675,000</b>	<b>\$ 675,000</b>	<b>\$ 675,000</b>	<b>\$ 25,000</b>				
<i>\$ change from prior period</i>	11,473	\$ 36,877	\$ -	\$ -	\$ (650,000)	\$ -	\$ -	\$ -	\$ -
<i>% change from prior period</i>	0	6%	0%	0%	-96%	0%	0%	0%	0%

## **Redevelopment Agency Fund 70: Requirements**

Major Object	2013 Actual	2014 Adj Budget	2015 Budget	2016	Plan 2017	Plan 2018	Plan 2019	Plan 2020	Plan
Personnel	15,486	15,502	15,502	14,951	14,951	14,951	14,951	14,951	7,751
Materials, Supplies, and Services	50,297	54,738	57,170	57,623	58,805	61,620	64,576	64,576	26,363
Capital outlay	40,636	1,245,602	360,580	341,109	268,387	6,000	6,000	6,000	0
Debt Service	270,175	270,175	241,748	-	-	-	-	-	-
<b>Total Requirements</b>	<b>\$ 376,594</b>	<b>\$ 1,586,017</b>	<b>\$ 675,000</b>	<b>\$ 413,683</b>	<b>\$ 342,143</b>	<b>\$ 82,571</b>	<b>\$ 85,527</b>	<b>\$ 34,114</b>	<b>\$ 34,114</b>
<i>\$ change from prior period</i>	15,054	\$ 1,209,422	\$ (911,017)	\$ (261,317)	\$ (71,541)	\$ (259,572)	\$ 2,956	\$ (51,413)	\$ (51,413)
<i>% change from prior period</i>	0	321%	-57%	-39%	-17%	-76%	4%	-60%	-60%

The Redevelopment Agency Fund accounts for the economic development and redevelopment activities within the two redevelopment designated project areas in the City, the Southeast and Central Business District. Both project areas service the City’s core commercial areas. The tax increment collected within those project areas has acted as an invaluable financing tool for the City to achieve a variety of economic development goals.

The Southeast Project Area is set to expire on December 31, 2015 or fiscal year 2016. Staff is evaluating the feasibility of renewing this project area or creating a new project area within and/or around the same project area to further promote economic development and redevelopment within the southeast area of the City. The near expiration of this tool will severely limit the City’s future ability to actively promote and incentivize economic development and redevelopment within these project areas. Recently, these funds have been used to replace the utility infrastructure on Adams Avenue and will be used to widen and resurface Adams Avenue this year.



Image above – RDA Southeast Project Area

The Central Business District is set to expire on December 31, 2019 or fiscal year 2020.

## **BUDGET SUMMARIES – REDEVELOPMENT AGENCY FUND**

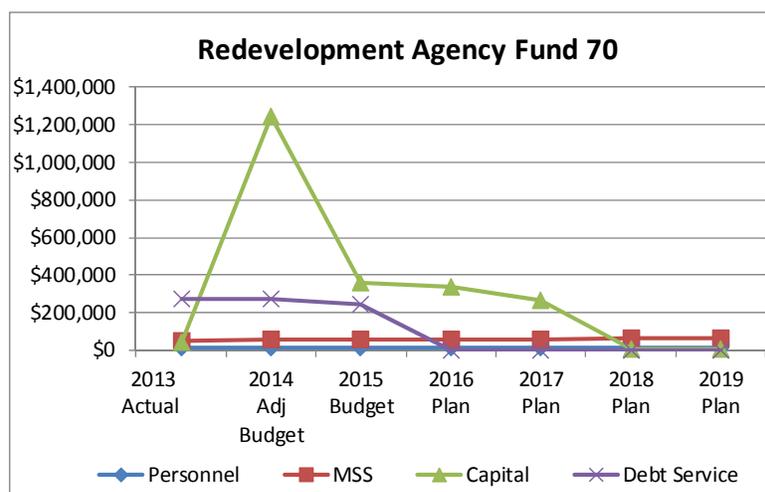
The General Fund receives approximately \$45,000 in charges for services from the redevelopment agencies to cover overhead costs to manage the redevelopment activities within those areas. Upon the expiration of the Redevelopment Agency and its project areas said charges for service will be discontinued.

Major capital projects scheduled within the redevelopment project areas include the reconstruction of Adams Avenue—a main corridor in the City and southern Weber County. The Project scope includes the reconstruction of roadway and curb and gutter improvements on Adams Avenue from the City limits to US Hwy 89. The project is eligible and scheduled to be funded as part of the Surface Transportation Program (STP) at an estimated cost of \$4,700,000.

The City's share of this project will be 6.77% of eligible participating costs or \$320,000. Additional, non-participating costs may be incurred as the City reconsiders roadway design features that may better serve and promote the area and its future development. The Project is funded in the Redevelopment Agency Fund. Construction is scheduled to begin the summer of 2014.



Image above – RDA Central Business District Project Area



# **FINANCIAL POLICIES AND OBJECTIVES**

## **FINANCIAL POLICIES AND OBJECTIVES**

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This section of the Budget outlines the City's Policies and Objectives as they relate to the municipal budget. The City of Washington Terrace recognizes its duty to its citizens and other interested parties to vigilantly account for public funds and resources. The Policies and Objectives hereinafter are set forth to establish guidelines for fiscal accountability, full disclosure, and planning. These financial management policies provide a basic framework for the overall fiscal management of the city. The policies represent a foundation to address changing circumstances and conditions and to assist in the decision making process. These policies represent guidelines for evaluating both current and future activities.

The financial policies represent long-standing principles and practices that have enabled the City to maintain financial stability. The policies are reviewed annually to represent current public policy decisions. These policies are adopted annually by the Council as part of the budget process.

### **BUDGET ORGANIZATION**

- A. Through its financial plan (Budget), the City is committed 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

## **FINANCIAL POLICIES AND OBJECTIVES**

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- B. All requests for increased funding or enhanced levels of service should be considered together during the budget process, rather than in isolation.
  
- C. The City Council will review and amend appropriations, if necessary, during the fiscal year.
  
- D. The City will use a multi-year format 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 with the focus on the budget.
  - 2. The emphasis 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 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 and create the subsequent year's budget plan.
  
- 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 work to improve their Program Service Levels and Expenditures by insuring:
  - 1. New/growth related service levels: The 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.

## **FINANCIAL POLICIES AND OBJECTIVES**

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3. Consider all requests at once: Council should consider requests for service level enhancements or increases as part of the budget process, rather than in isolation.
  4. Consider ongoing costs associated with one-time purchases/expenditures: Ongoing operating and maintenance costs should be determined and considered before capital and program decisions are made.
  5. Re-evaluate decisions: Political, economic, and legal changes necessitate reevaluation to ensure Council goals are being met. Staff and Council should use the budget process to review programs.
  6. New service implementation: Prior to implementing a new service, the City Council should consider a full assessment of resource requirements.
  7. Benchmarking and performance measurement: The City will strive to measure its output and performance.
- G. 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 *quality* and *quantity* of output as well as *quantity* of resource input.

# **FINANCIAL POLICIES AND OBJECTIVES**

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## **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.

## **USER FEE COST RECOVERY GOALS**

A. **User Fee Cost Recovery Levels.** In establishing user fees and cost recovery levels, the following factors will be considered:

1. **Community-Wide versus Special Benefit.** The level of user fee cost recovery should consider the community-wide versus special service nature of the program or activity. The use of general purpose revenues is appropriate for community-wide services, while user fees are appropriate for special benefit purposes to easily identified individuals or groups.
2. **Service Recipient versus Service Driver.** After considering community-wide versus special benefit of the service, the concept of service recipient versus service driver should also be considered. For example, it could be argued that the applicant is not the beneficiary of the City's development review efforts; the community is the primary beneficiary. However, the applicant is the driver of development review costs, and as such, cost recovery from the applicant is appropriate.
3. **Effect of Pricing on the Demand for Services.** The level of cost recovery and related pricing of services can significantly affect the demand and subsequent level of services provided. At full cost recovery, this has the specific advantage of ensuring that

## **FINANCIAL POLICIES AND OBJECTIVES**

the City is providing services for which there is genuinely a market that is not overly stimulated by artificially low prices. Conversely, high levels of cost recovery will negatively impact on the delivery of services to lower income groups. This negative feature is especially pronounced and works against public policy, if the services are specifically targeted to low income groups.

**4. Feasibility of Collection and Recovery.** Although it may be determined that a high level of cost recovery may be appropriate for specific services, it may be impractical or too costly to establish a system to identify and charge the user. Accordingly, the feasibility of assessing and collecting charges should also be considered in developing user fees, especially if significant program costs are intended to be financed from that source.

**5. Factors Favoring Low Cost Recovery Levels.** Low cost recovery levels are appropriate under the follow circumstances:

- a. There is no intended relationship between the amount paid and the benefit received. Almost all “social service” programs fall into this category as it is expected that one group will subsidize another.
- b. Collecting fees is not cost-effective or will significantly impact the efficient delivery of the service.
- c. There is no intent to limit the use of (or entitlement to) the service. Again, most "social service" programs fit into this category as well as public safety (police and fire) emergency response services. Historically, access to neighborhood and community parks would also fit into this category.
- d. The service is non-recurring, generally delivered on a "peak demand" or emergency basis, cannot reasonably be planned for on an individual basis, and is not readily available from a private sector source. Many public safety services also fall into this category.
- e. Collecting fees would discourage compliance with regulatory requirements and adherence is primarily self-identified, and as such, failure to comply would

## **FINANCIAL POLICIES AND OBJECTIVES**

not be readily detected by the City. Many small-scale licenses and permits might fall into this category.

**6. Factors Favoring High Cost Recovery Levels.** The use of service charges as a major source of funding service levels is especially appropriate under the following circumstances:

- a. The service is similar to services provided through the private sector.
- b. Other private or public sector alternatives could or do exist for the delivery of the service.
- c. For equity or demand management purposes, it is intended that there be a direct relationship between the amount paid and the level and cost of the service received.
- d. The use of the service is specifically discouraged. Police responses to disturbances or false alarms might fall into this category.
- e. The service is regulatory in nature and voluntary compliance is not expected to be the primary method of detecting failure to meet regulatory requirements. Building permit, plan checks, and subdivision review fees for large projects would fall into this category.

**7. General Concepts Regarding the Use of Service Charges.** The following general concepts will be used in developing and implementing service charges:

- a. Revenues should not exceed the reasonable cost of providing the service.
- b. Cost recovery goals should be based on the total cost of delivering the service, including direct and indirect costs-- services, equipment, supplies, departmental administration costs, and organization-wide support costs such as accounting, personnel, data processing, vehicle maintenance, and insurance.
- c. The method of assessing and collecting fees should be as simple as possible in order to reduce the administrative cost of collection.

## **FINANCIAL POLICIES AND OBJECTIVES**

- d. Rate structures should be sensitive to the "market" for similar services as well as to smaller, infrequent users of the service.
- e. A unified approach should be used in determining cost recovery levels for various programs based on the factors discussed above.

**8. Low Cost-Recovery Services.** Based on the criteria discussed above, the following types of services should have very low cost recovery goals. In selected circumstances, there may be specific activities within the broad scope of services provided that should have user charges associated with them. However, the primary source of funding for the operation as a whole should be general purpose revenues, not user fees.

- a. Delivering public safety emergency response services such as police and fire services.
- b. Maintaining and developing public facilities that are provided on a uniform, communitywide basis such as streets, parks, and general purpose buildings.
- c. Providing social service programs and economic development activities.

**9. Recreation Programs.** The following cost recovery policies apply to the City's recreation programs:

- a. Cost recovery for activities directed to adults should be relatively high.
- b. Cost recovery for activities should; cover, at a minimum, the direct program costs. In those circumstances where services are similar to those provided in the private sector, cost recovery levels should be higher. Although ability to pay may not be a concern for all youth and senior participants, these are desired program activities, and the cost of determining need may be greater than the cost of providing a uniform service fee structure to all participants. Further, there is a community-wide benefit in encouraging high-levels of participation in youth and senior recreation activities regardless of financial status.

## **FINANCIAL POLICIES AND OBJECTIVES**

c. Cost recovery goals for specific recreation activities are set as follows:

### High-Range Cost Recovery Activities (80% to 100%)

1. Classes (Adult & Youth)
2. Adult athletics (volleyball, basketball, softball, baseball)
3. Facility rentals

### Mid-Range Cost Recovery Activities (50% to 80%)

4. Special events (5k run, other City-sponsored special events)
5. Minor league baseball
6. Youth basketball

### Low-Range Cost Recovery Activities up to 50%)

7. Youth services
8. Senior services

e. Charges will be assessed for use of ball fields, special-use areas, and recreation equipment for activities not sponsored or co-sponsored by the City. Such charges will generally conform to the fee guidelines described above.

f. A vendor charge of at least 10 percent of gross income will be assessed from individuals or organizations using City facilities for money-making activities.

g. The Parks & Recreation Department will consider waiving fees only when the City Manager determines in writing that an undue hardship exists.

**10. Development Review Programs.** The following cost recovery policies apply to the development review programs:

## **FINANCIAL POLICIES AND OBJECTIVES**

- a. Services provided under this category include:
  1. Planning (planned development permits, tentative tract and parcel maps, rezoning, general plan amendments, variances, use permits).
  2. Building and safety (building permits, structural plan checks, inspections).
  3. Engineering (public improvement plan checks, inspections, subdivision requirements, encroachments).
  4. Fire plan check.
  
- b. Cost recovery for these services should generally be very high. The City's cost recovery goal shall be 100%.
  
- c. However, in charging high cost recovery levels, the City shall clearly establish and articulate standards for its performance in reviewing developer applications to ensure that there is "value for cost".

**11. Comparability With Other Communities.** In setting user fees, the City should consider fees charged by other agencies in accordance with the following criteria:

- a. Surveying the comparability of the City's fees to other communities provides useful background information in setting fees for several reasons:
  1. They reflect the "market" for these fees and can assist in assessing the reasonableness of the City's fees.
  2. If prudently analyzed, they can serve as a benchmark for how cost-effectively the City provides its services.
  
- b. However, fee surveys should never be the sole or primary criteria in setting City fees as there are many factors that affect how and why other communities have set their fees at their levels. For example:
  1. What level of cost recovery is their fee intended to achieve compared with our cost recovery objectives?

## **FINANCIAL POLICIES AND OBJECTIVES**

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2. What costs have been considered in computing the fees?
3. When was the last time that their fees were comprehensively evaluated?
4. What level of service do they provide compared with our service or performance standards?
5. Is their rate structure significantly different than ours and what is it intended to achieve?

These can be very difficult questions to address in fairly evaluating fees among different communities. As such, the comparability of our fees to other communities should be one factor among many that is considered in setting City fees.

# **FINANCIAL POLICIES AND OBJECTIVES**

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## **ENTERPRISE FUND FEES AND RATES**

A. **Fees and Rates.** The City will set fees and rates at levels which fully cover the total direct and indirect costs—including operations, capital outlay, and debt service of the following enterprise programs: water, sewer, refuse, and storm drain.

B. **Franchise and In-Lieu Fees.** The City will treat the enterprise funds in the same manner as if they were privately owned and operated. In addition to setting rates at levels necessary to fully cover the cost of providing water and sewer service, this means assessing reasonable franchise and property tax in-lieu fees. Franchise fees for water, sewer, garbage, and storm drain service are based on the state-wide standard for public utilities like electricity and gas: 3 percent of gross revenues from operations for the use of City streets.

C. **Ongoing Rate Review.** The City will review and update fees and rate structures at least annually to ensure that they remain appropriate and equitable based on factors such as the impacts of inflation, other cost increases, the adequacy of the coverage of costs, and current competitive rates.

## **FINANCIAL POLICIES AND OBJECTIVES**

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### **VENTURE**

The City Council has encouraged innovation and to realize opportunities not anticipated in the regular program budgets. The City Manager is authorized to administer the awarding of money 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. Employees may receive up to 10 percent or up to \$500 of the savings or revenue brought in from the proposal on a one-time basis.

# **FINANCIAL POLICIES AND OBJECTIVES**

## **CAPITAL FINANCING AND DEBT MANAGEMENT**

Purpose of this debt policy is to integrate the issuance of debt and other financing sources with the City's long-term planning and objectives and provide guidance on acceptable levels of indebtedness. These policies should remain flexible to permit City to take advantage of market opportunities or to respond to changing conditions without jeopardizing essential public services.

### **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, taxes, or developer agreements when benefits can be specifically attributed to users of the facility.

D. The City will weigh, on a case by case basis, several criteria in considering the use of debt financing to evaluate pay-as-you-go versus long-term financing for capital improvement funding:

### **Factors That Favor Pay-As-You-Go**

1. When current resources and fund balances are adequate and available
2. When debt levels are high/adversely affect the City's credit rating
3. When market conditions are unfavorable
4. Ongoing capital maintenance is needed

# **FINANCIAL POLICIES AND OBJECTIVES**

## **Factors That Favor Long-Term Financing**

1. When long-term revenues are adequate to support debt service costs
2. When the project will support an investment-grade credit rating
3. When market conditions are favorable
4. When a project is mandated by state or federal requirements and current available resources are insufficient
5. When the project is immediately high-priority improvement needed to address capacity
6. When the life of the project/asset is 10 years or longer
7. Spread the cost of the project/asset to those who benefit from it now and in the future
8. Acquire assets as needed rather than wait for sufficient cash has built up

## **Factors That Favor Short-Term Financing**

1. To meet interim financing needs of construction projects if the full cost of the project is not yet known.
2. Borrow short-term and refinance with long-term debt once a project is completed. Used when issue believes that market conditions favor delaying issuance of long-term bonds is more advantageous, i.e. falling long-term rates.

## **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 4 percent 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.

## **FINANCIAL POLICIES AND OBJECTIVES**

D. The City will generally conduct financing on a competitive basis. However, a negotiated sale may be used if it makes more sense.

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.

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.

# **FINANCIAL POLICIES AND OBJECTIVES**

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## **FUND BALANCE AND 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. General Fund balance retained cannot exceed 25 percent of total, estimated, ensuing year's budgeted fund revenues and may be used for the following purposes only:

- A. To provide working capital to finance expenditures from the beginning of the budget year until other revenue sources are collected;
- B. To provide resources to meet emergency expenditures in the event of fire, flood, earthquake, etc.; and
- C. To cover a pending year-end excess of expenditures over revenues from unavoidable shortfalls in revenues.

Utah Code further limits the minimum General Fund balance to be maintained at 5 percent of the total, estimated, ensuing years budgeted revenues. No appropriations may be made against the 5 percent mandated minimum.

The General Fund balance reserve is an important factor in the City's ability to respond to cash flow requirements, unforeseen and unavoidable emergencies, contingencies for unforeseen operating requirements, and revenue shortfalls. Alternative uses of excess fund balance must be carefully weighed. The City will strive to maintain a General Fund balance at the legal maximum of 25 percent. The City Council may appropriate fund balance as needed to balance the budget for the current fiscal year as in compliance with State Law. Provision will be made to transfer any remaining General Fund balance to the City's Capital Improvement Projects Fund to be designated for projects included in the City's Capital Facilities Plan.

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

## **FINANCIAL POLICIES AND OBJECTIVES**

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.

### **Capital Improvement Funds**

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 Program 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.

B. The City will establish and maintain a computer replacement program to provide for timely replacement of computer equipment. The amount added to this fund, by annual appropriation will be the amount required to maintain the fund at the approved level.

C. The City may accumulate funds, as it deems appropriate for capital and equipment replacement costs.

D. The City will, prior to making capital project appropriations, determine and consider any and all operational and maintenance costs associated with said project to determine fiscal impacts on current and future budgets.

### **Enterprise Funds**

The City will maintain a balance in the Enterprise Funds equal to at least the minimum debt reserve requirements identified in its bond obligations.

A. Working capital levels should be set to consider the minimum levels necessary to maintain the City's credit worthiness and to adequately provide and respond to the following:

1. Debt reserve requirements
2. Economic uncertainties resulting in revenue shortfalls or additional expenses

## **FINANCIAL POLICIES AND OBJECTIVES**

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3. Emergencies due to local disasters
4. Contingencies for unforeseen operating or capital requirements
5. Cash flow requirements

B. 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.

# **FINANCIAL POLICIES AND OBJECTIVES**

## **RECESSION / REVENUE SHORTFALL PLAN**

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

**Indicators.** Serve as warnings that potential budgetary impacts are increasing in probability. The City will monitor major revenue sources that include sales and franchise tax, property tax, and building permits, as well as inflation factors and national and state trends. A set of standard indicators will be developed.

**Phases.** Serve to classify and communicate the severity of the situation, as well as identify the actions to be taken at the given phase.

**Actions.** 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 that may be taken.

1. **ALERT: A reduction in total budgeted revenues of 1%.** 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.

2. **MINOR: A reduction in total budgeted revenues of 2%.** 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.

## **FINANCIAL POLICIES AND OBJECTIVES**

- 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 total budgeted revenues of 3 to 4%.** 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 operating and capital expenditures.
4. **MAJOR: A reduction in total budgeted revenues of 5% or more.** Implementation of major service cuts.
- a. Instituting a hiring freeze.
  - b. Reducing the temporary work force.
  - c. Deferring wage increases.
  - d. Further reducing operating and capital expenditures.
  - e. Preparing a strategy for reduction in force.
5. **CRISIS: Reserves must be used to cover operating expenses**
- a. Implementing reduction in force or other personnel cost-reduction strategies.
  - b. Eliminate programs/services.
  - c. Eliminate/defer 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.

# **FINANCIAL POLICIES AND OBJECTIVES**

## **CAPITAL IMPROVEMENT MANAGEMENT**

- A. The public Capital Improvement Plan (CIP) will include the following:
1. Public improvement projects that cost more than \$10,000.
  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 \$25,000.
- 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 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 or infrastructure.
- C. The Impact Fees Act requires that a city or district serving a population of 5,000 or greater have a Capital Facilities Plan prepared in coordination and compliance with its General Plan that identifies the demands that will be placed upon the existing and future facilities by new development and the means that the City will use to accommodate the additional demand. A Capital Facilities Plan, completed in compliance with Utah State legislation, has been prepared and will be adopted in conjunction with the Impact Fee Ordinance and Impact Fee Analysis.

The written impact fee analysis is required under the Impact Fees Act and must identify the impacts placed on the facilities by development activity and how these impacts are reasonably related to the new development. The written impact fee analysis must include a proportionate share analysis, as described below, and clearly detail all cost components and the methodology used to calculate each impact fee.

The Impact Fees Act requires that the written analysis include a Proportionate Share Analysis which is intended to equitably divide the capacity and costs of each facility identified in the

## **FINANCIAL POLICIES AND OBJECTIVES**

Capital Facilities Plan between future and existing users relative to the benefit each group will receive from the improvement.

The City has imposed impact fees since February 2001. The City's imposes Impact Fees for Fire, Parks and Recreation, Culinary Water, Police, Storm Drain, and Waste Water. The City's Capital Facilities Plan, Budget, and Fee Schedule are proposed to reflect the findings of the impact fee studies. During the budget 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 the statutory six year limitation and only for eligible capital facilities. In general, the fees first collected will be the first spent. During the budget review process, adjustments to impact fee related projects may need to be made.

# **FINANCIAL POLICIES AND OBJECTIVES**

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## **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 temporary 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, temporary employees, and independent private 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 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, state compensation laws and federal laws.

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 the hiring of all regular and temporary employees. The City Manager will approve the hiring of the final candidate.

## **FINANCIAL POLICIES AND OBJECTIVES**

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.
  - e. 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. Temporary employees will include all employees other than regular employees, elected officials, appointed officials and volunteers. Temporary employees will augment regular City staffing only as extra-help employees, seasonal employees, and work-study assistants. The City will encourage the use of temporary 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 have written contracts and do not receive regular City employee benefits. Contract employees will occasionally be used to staff programs with unusual operational characteristics or certification requirements, such as recreation programs. The services of contract employees will be discontinued upon completion of the assigned project, program, or activity.

H. The hiring of temporary 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:

1. Short-term, peak workload assignments to be accomplished through the use of

## **FINANCIAL POLICIES AND OBJECTIVES**

personnel contracted through an outside temporary employment agency (OEA). In this situation, it is anticipated that City staff will closely monitor the work of OEA employees 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 City 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.

J. Department Heads will be responsible to:

1. Ensure that work is not performed by an independent contractor until:
  - a. A written contract between the City and the contractor has been entered into and signed by both parties.
  - b. The City Recorder has received the contract.
  - c. The signed written contract has been co-signed by the City Manager.
  
2. Each contract with an independent contractor should contain indemnity/hold harmless clauses, which provide that:
  - a. All contracts must contain indemnity and defense provisions in which the contractor assumes all liability arising out of work performed by the contractor or their officers, employees, agents, and volunteers.
  - b. All independent contractors must provide evidence that they have acquired and maintain comprehensive general liability coverage, including liability insurance covering the contract concerned, prior to the execution of the contract.

## **FINANCIAL POLICIES AND OBJECTIVES**

c. The City and its officials, employees, agents and volunteers must be named as “additional insured” on the liability insurance policy.

3. Each contract with an independent contractor should contain provisions that ensure the contractor is carrying workers’ compensation insurance coverage. The City shall require evidence of Workers Compensation insurance (or evidence of qualified self-insurance) from all contractors.

# **FINANCIAL POLICIES AND OBJECTIVES**

## **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. It is assumed, for this policy, that all amounts to be paid for purchases for goods or services have been approved as part of the budget.

**Authority of City Manager or Designee** - The City Manager or designate shall be responsible for the following:

1. Ensure all purchases for goods or 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;
6. Make recommendations to the City Council concerning amendments to these rules.

**General Policies.** All City purchases for goods and services and contracts for goods and services shall be subject to the following:

1. No contract or purchase shall be so arranged, fragmented, or divided with the purpose or intent to circumvent these rules.
2. No purchase shall be contracted for, or made, unless sufficient funds have been budgeted in the year for which funds have been appropriated.
3. All purchases of capital assets and services in excess of \$25,000 must be awarded through a formal sealed bidding or request for proposals process, unless otherwise provided in this policy.

## **FINANCIAL POLICIES AND OBJECTIVES**

4. When it is advantageous to the City, annual contracts for services and supplies regularly purchased should be initiated.
  - a. The City Attorney prior to entering into any such contract shall review all contracts for services.
5. The following items require City Council approval unless otherwise exempted in these following rules:
  - a. All contracts (as defined) over \$25,000.
  - b. All contracts and purchases awarded through the formal bidding or request for proposal process over \$25,000.
  - c. Accumulated “change orders” which would overall increase a previously approved contract by:
    - i. The lesser of 20% or \$25,000 for contracts of \$250,000 or less;
    - ii. More than 10% for contracts over \$250,000.
  - d. Exceptions
    - i. Purchases made in accordance with the City’s Fleet Management Plan.  
Unless otherwise approved by the City Council for a designated project.
6. All purchases and contracts in excess of \$5,000 must be approved by the City Manager or designee. Amounts to be paid by the City of less than \$5,000, may be approved and authorized by the respective department heads consistent with the City procurement policies and procedures.
8. Acquisition for undertaking building improvement or public works projects shall adhere to the regulations prescribed by State law.
  - b. All uses of Class B and C Road funds shall adhere to the regulations prescribed by State law.
  - c. Contracts for grading, clearing, demolition or construction undertaken by the Community Redevelopment Agency shall adhere to the procedures prescribed by State law.

## **FINANCIAL POLICIES AND OBJECTIVES**

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9. Amounts to be paid by the City of less than \$5,000 that are budgeted, may be approved and authorized by the respective department heads. Purchases under this policy must be allocated in the specific budget.

**Exceptions-** Certain contracts for goods and services shall be exempt from bidding provisions. The City Manager or designee 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 that would have normally required their approval as soon as reasonably possible. The City Council shall ratify any emergency contract at the earliest possible time.

2. Purchases made from grant funds must comply with all provisions of the grant.

3. Purchases made through the State of Utah Division of Purchasing and General Services.

### **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.

## **FINANCIAL POLICIES AND OBJECTIVES**

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 operating budgets. Purchases of this type do not require “formal” bids. Attempt shall be made to obtain at least three written quotations on all purchases of this type.

3. **Contracts for Professional Services** are usually contracts for services performed by an independent contractor in a professional capacity that 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, technical analyst, 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 and may bid professional services as approved. Major professional service contracts (\$25,000 and over) must be approved by the City Council.

4. **Conflicts of Interest:** All contracts or transactions for goods or services, in which the contracting or transaction party is an employee or related to an employee of the City, must be competitively bid.

5. **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 City Manager shall make the determination.

## **FINANCIAL POLICIES AND OBJECTIVES**

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6. **Minor public improvements (less than the amount specified by state code.):** The department shall make an 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 City Manager may require formal bidding if it is deemed to be in the best interest of the City.

7. **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.

### **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 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 once in a newspaper of general circulation and in as many additional issues, publications, and locations 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.
- h. The City retains the right to accept/reject/modify all or a portion of all bids.

## **FINANCIAL POLICIES AND OBJECTIVES**

- i. The City will not reimburse bidders for bid related expenses.
- j. The City reserves the right to accept or reject all or a portion of any bid as the City determines to be in its best interest.

**Requirements for Bids.** All bids made to the city shall comply with the following requirements:

- a. In writing;
- b. Filed with the City Manager or designee;
- c. Opened publicly by the City Manager or designee at the time designated in the advertisement and filed for public inspection;
- d. Have the appropriate bid security attached, if required.
- e. “Sealed” bids does not preclude acceptance of electronically sealed and submitted bids or proposals in addition to bids or proposals manually sealed and submitted.

**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 responsive responsible bidder or the bid as stipulated in the published RFP.

The successful bidder shall promptly execute a formal contract and, if required, deliver a bond, cashier’s check, or certified check to the Treasurer 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. Contractors have no more than seven (7) business days to execute a formal contract with the City. Failure to execute the contract, bond, or insurance shall result in forfeit of the bid security.

**5. Rejection of Bids.** The City Manager or the City Council may reject any bid not in compliance with all prescribed requirements. The City also reserves the right to reject all or a portion of any and all bids if it is determined to be in the best interest of the City.

## **FINANCIAL POLICIES AND OBJECTIVES**

**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;
- 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 City Manager or designee.

**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. Pre-Qualification Process.** When the City determines it is in its best interest to pre-qualify bidders for a project the City shall:

- a. Identify the information required for prequalification as part of the bid

## **FINANCIAL POLICIES AND OBJECTIVES**

announcement including submission time, date, and information that must be submitted for pre-qualification.

b. Identify in the bid documents a reasonable time whereby a prospective bidder shall be informed of their pre-qualification status. The City Manager or designee shall investigate information provided by prospective bidders in a timely manner. In most cases two (2) weeks prior to bid opening.

c. Information requested from bidders shall be used to determine the qualifications and abilities of the prospective bidder. Information requested might include but not be limited to any information that may be necessary to determine the ability of a prospective bidder to complete the project. Examples of information that may be requested are demonstrated below.

- i. Demonstrated financial ability to complete contract.
- ii. Information on prior and pending litigation.
  - a. List of all lawsuits and arbitration to which the bidder has been a party in the 5 years preceding the bid opening date.
  - b. Name or Title of the litigation
  - c. Civil Number
  - d. Status and or result of the case
  - e. County in which the litigation was filed
  - f. Amount in question
- iii. Equipment and materials available to complete project.
- iv. Qualifications, work history, and references for critical personnel assigned to project.
- v. Referrals from past clients (5 years).
- vi. Work History for projects with comparable scope and financial implications.
- vii. History of change order requests from prospective bidder.

## **FINANCIAL POLICIES AND OBJECTIVES**

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- viii. Demonstrated history of successfully completing governmental projects.
  - ix. These examples are not intended to be an exhaustive list. The City reserves the right to identify any pre-qualification items that it may find useful in its bid processes.
- d. Failure to provide or producing inaccurate information may lead to the rejection of a bidder and termination of contact with associated penalties on the part of the negligent bidder. Prospective bidders have the ability to appeal their rejected pre-qualification to the Council as outlined in the appeals section of this policy.
- 9. Appeals Procedure.** Any supplier, vendor, or contractor who determines that the City, in violation of these regulations, has made a decision adversely to them, may appeal that decision to the City Council.

The complainant contractor shall promptly file a written appeal letter with the City Manager or designee, within five (5) 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 may conduct a hearing on the matter. A written decision shall be sent to the complainant at the conclusion of the hearing.

# **FINANCIAL POLICIES AND OBJECTIVES**

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## **INVESTMENTS**

1. **Mission Statement.** It is the policy of the City and its appointed Treasurer to invest public funds in a manner that ensures maximum security provides adequate liquidity to meet all operating requirements, and achieve the highest possible investment return consistent with the primary objectives of security and liquidity. The investment program shall be operated in conformance with federal, state, and other legal requirements, 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.

2. **Scope.** This investment policy applies to the investment of all funds held in City accounts for the purpose of providing City services, excluding the investment of employees' retirement funds. Employee retirement funds are held and invested by the Utah State Retirement System. This Policy applies to the City's governmental funds and proprietary funds. The City does not maintain fiduciary funds. Funds shall be invested in the State of Utah Public Treasurer's Investment Pool.

3. **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.

4. **General Objective.** The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield.

## **FINANCIAL POLICIES AND OBJECTIVES**

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**A. Safety.** Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

### 1. Credit Risk

The City will minimize credit risk or the risk of loss due to failure of the security issuer or backer, by:

- Limiting investments to the types of securities listed in Section VII of this Investment Policy
  - Pre-qualify the financial institutions. Broker/dealers, intermediaries, and advisers with which the City will do business in accordance with Section V
- Diversify the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

### 2. Interest Rate Risk

The City will minimize interest rate risk or the risk that the market value of securities in the portfolio will fall due to changes in the market interest rate, by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity
- Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with this Policy.

**B. Liquidity.** The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements, which might be reasonably anticipated. This will be accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). Alternatively, a

## **FINANCIAL POLICIES AND OBJECTIVES**

portion of the portfolio may be placed in money market mutual funds or local government investment pools with offer same-day liquidity for short-term funds.

C. **Yield.** The investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurating with the City's investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall be generally held until maturity with the following exceptions: A security with declining credit may be sold early to minimize the loss of principal.

- A security swap would improve the quality, yield, or target duration in the portfolio.
- Liquidity needs of the portfolio require that the security be sold.

### **5. Standards of Care**

#### **A. Prudence**

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviation from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

The "prudent person" standard states that, "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 as well as the probable income to be derived."

## **FINANCIAL POLICIES AND OBJECTIVES**

**B. Ethics and Conflicts of Interest.** The officers and employees involved in the investment process are expected to conduct themselves in a professional manner and within ethical guidelines as established by City and State laws and professional standards. The investment officers and employees 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. Employees and investment officials shall disclose to the City Manager any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City.

**6. Delegation of Authority.** Authority to manage the investment program is granted to the City Treasurer. 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.

**A. Investment Procedures.** The Treasurer shall establish a separate written investment procedures manual for the operation of the investment program consistent with this policy. The procedures should include reference to: safekeeping, PSA repurchase agreements, wire transfer agreements, banking service contracts, cash flow forecasting, and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the City Treasurer.

**7. Authorized Financial Broker/Dealers, Institutions, and Depositories.** Investments shall be made only with certified dealers. "Certified dealer" means 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.

## **FINANCIAL POLICIES AND OBJECTIVES**

**8. Authorized and Suitable Investments.** Authorized deposits or investments made by the City 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

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

**9. Investment Pools.** A thorough investigation of the Utah Public Treasurer's Investment Fund (PTIF) is required on a continual basis. The City 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, how it is distributed, and how gains and losses are treated.

## **FINANCIAL POLICIES AND OBJECTIVES**

- 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?

### **10. Safekeeping and Custody.**

- **Delivery vs. Payment.** All trades of marketable securities shall be conducted on a delivery versus payment basis to ensure that securities are deposited in an eligible financial institution prior to the release of funds. The bank custodian shall have custody of all securities purchased and the Treasurer shall hold all evidence of deposits and investments of public funds.
- **Safekeeping.** Securities will be held by a independent third-party custodian selected by the entity as evidenced by safekeeping receipts in the City's name.
- **Internal Controls.** The Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. Details of the internal control system shall be documented in an investment procedure manual and shall be reviewed/updated annually. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

# **FINANCIAL POLICIES AND OBJECTIVES**

The internal controls structure shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and recordkeeping
- Custodial safekeeping
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers
- Dual authorization of wire transfers
- Development of a wire transfer agreement with the lead bank and third-party custodian

## **11. Investment Parameters**

**A. Diversification.** The City will diversify its investments by:

- Limiting investments to avoid over-concentrating in securities from a specific issuer or business sector (excluding U.S. Treasury securities and authorized pools). No more than 50% of the City total investment portfolio will be invested in a single security type.
- Limiting investments in securities that have higher credit risks
- Investing in securities with varying maturities
- Continuously investing a portion of the portfolio in a readily available funds such as local government investment pools, money market funds, or overnight purchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

**B. 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 (5) years. The City's investment strategy shall be active and monitored monthly by the Treasurer and reported quarterly to the City

## **FINANCIAL POLICIES AND OBJECTIVES**

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Council. The investment strategy will satisfy the City's investment objectives.

Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding five (5) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of funds. The intent to invest in securities with longer maturities shall be disclosed to the legislative body.

**C. Competitive Bids.** The Treasurer shall obtain competitive bids from at least two brokers or financial institutions on all purchase of investment instruments purchased on the secondary market.

**12. Investment Policy Adoption:** As part of the annual budget process, the governing body shall adopt the investment policy.

# **FINANCIAL POLICIES AND OBJECTIVES**

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## **FIXED ASSET AND INVENTORY POLICY**

**Criteria for Fixed Asset Capitalization and Control.** The City will maintain fixed asset lists for financial reporting and physical control purposes. Individual fixed assets with useful lives in excess of one year and valued or costing at or above \$5,000 will be maintained on the fixed asset list for financial reporting purposes. Individual fixed assets with useful lives in excess of one year and valued or costing at below \$5,000 will be maintained on fixed asset lists for physical control purposes; however, if the individual fixed asset(s) is a critical part of the system as a whole, the asset(s) will be maintained on the fixed asset list for financial reporting purposes.

**Inventory.** Inventory consists of many items with nominal costs that are used as needed by departments. Inventory counts are not a control feature for the safeguard of the items but merely a summarization for the financial statements. Due to the relatively small amounts invested in the inventory and the modest changes in value from year-to-year, the City will eliminate reporting inventory on the financial statements but will continue to track and monitor inventory for internal purposes only.

**Criteria for Fixed Asset Depreciation.** Assets appearing on the financial reporting fixed asset list are subject to depreciation. The City employs the straight-line depreciation method on all depreciable fixed assets unless the finance department and the appropriate department head deem another depreciation method more appropriate and accurate for a particular asset. The City utilizes reasonable estimated useful lives established by the finance department and the appropriate department head with consultation from other professionals and outside publications.

# **FINANCIAL POLICIES AND OBJECTIVES**

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## **SALVAGE POLICY**

This policy establishes specific procedures and instructions for the disposition of surplus property, not to include the sale/disposal of real property. The sale of real property will strictly follow the specific procedures and instructions as governed by State law.

Personal Property of the City 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 and equipment, furniture and fixtures, tools, and electronics. This property has been purchased with public money. It is important that the funds derived from the sale be accounted for and disposed properly.

**Responsibility for Property Inventory Control.** It is the responsibilities of the Department Director to maintain an inventory of all department property. The departments shall be responsible for reporting to the Finance Department an updated inventory log of all changes of department inventory at least annually. The Finance Director will assist in the disposition of all personal property.

**Disposition of an Asset.** Department heads shall identify surplus property within the possession of their departments and report such property to the Finance Director for disposition consideration. The department head shall clearly identify age, value, comprehensive description, condition and location. For property valued at \$5,000 or greater, the Finance Director shall present to the City Council a listing of property to be declared surplus. The Finance Director shall, after approval by the City Council, provide to the City Recorder a listing of all items to be disposed of and the method of disposition. The City Recorder shall notify other City departments of the availability of such property and advertise for the sale of the property according to this policy and State law, when applicable. The City Recorder shall, after the disposal of surplus property, notify the City's insurance liability carrier to ensure that all items disposed of are removed from the City's liability coverage.

## **FINANCIAL POLICIES AND OBJECTIVES**

**Conveyance for Value.** Conveyance of property shall be based upon the highest and best economic return to the City. City-owned surplus property may be offered preferentially to units of government and non-profit. The highest and best economic return to the city shall be estimated by one or more of the following methods:

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. The Finance Manager may, however waive this requirement when the value of the property has been estimated by an alternative 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 process or public auction is deemed unlikely to produce a competitive bid.
3. Circumstances indicate that bidding or sale at public auction will not be in the best interest of the City.
4. The fair market value of the property is less than \$500.

In all cases the City retains the right to accept, reject, or modify all or a portion of all bids.

**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, 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 that made the original purchase.

## **FINANCIAL POLICIES AND OBJECTIVES**

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**Advertised Sealed Bids.** A notice of such public auction or invitation for sealed bids shall be published at least once in a newspaper of general circulation or the City newsletter and shall be posted at the public information bulletin board at City Hall. The notice shall describe the property to be sold, the terms of the sale, and the place and time of the auction or bid opening.

**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 or public sealed bids;
2. If sealed bids are required and no bids are received from general public, a re-bidding may occur with employee participation.

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

# **FINANCIAL POLICIES AND OBJECTIVES**

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## **SPECIAL EVENT SERVICES**

Current existing special events within the City are: Easter Egg Hunt and Terrace Day. For these special events and others that will be developed in the future the City may be required to provide:

- Park Services (Field maintenance, ground maintenance, trash pick-up)
- Parking Services (Parking enforcement)
- Special Events and Facilities Services

These services can be provided without incremental cost or loss of revenues. In the event special event services do have an impact on departmental budgets, the procedures for amending departmental budgets is in line with the City-Wide procedures for amending departmental budgets.

**Events Managed Under Multi-Year Contracts.** Currently, the Leisure Services Department carries one multi-year contract for special events. The contract for the fireworks display for Terrace Days is a multi-year contract. The procedure for this type of special contract is as follows: the department will request budget adjustments during the first budget process following the agreement signing. These budget adjustments will be based upon the level of services outlined in the special event contract and will remain in the budget 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 proposal.

**Special Event Funding.** Special events may be funded in the following manners: vendor fees, corporate donations, general fund transfer, and special event participant fees.

## **FINANCIAL POLICIES AND OBJECTIVES**

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**Vendor Fees.** Any vendor wishing to sell products or provide services at any special event must pay a vendor fee. Vendor fees will be set based upon type of event, number of expected vendors and any cost incurred by the City associated with hosting vendors.

**Corporate Donations.** The City Manager or designee may solicit corporate donations from businesses. Any corporate donation will directly pay for any cost incurred by the City for the special event.

**General Fund Transfer.** A general fund transfer may occur provided that during the budget process for the current fiscal year, the City Council approves such a transfer. The transfer may vary from year to year-based on Council's decisions regarding the budget.

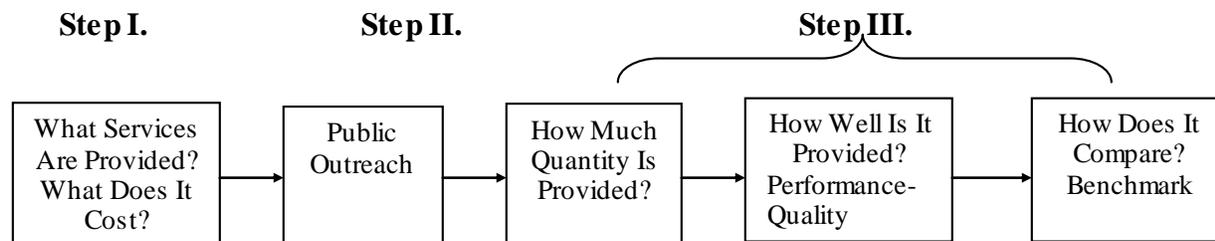
**Special Event Participant Fees.** Any special event may have programs that require a participant fee. The participant fees will directly pay for any incurred costs associated with the special event program. The fee will vary from program to program depending on total cost of the program.

# **PERFORMANCE MEASUREMENT PROGRAM**

# PERFORMANCE MEASUREMENT

## INTRODUCTION TO PERFORMANCE MEASUREMENT

The City is entering into a new phase of its development. The Citizenry and Council are asking the question of how well the City provides its services. In many cases the City can easily quantify how much of a product or service we produce. We can easily define how much it costs to provide the same service. The difficulty is determining the quality of the overall service being provided. The City is going to begin to focus on what services and programs the city provides and approximately how much each activity costs. In addition the City will begin to answer the question of how well we provide services for the community and how those services compare to other communities. The optimal way to do this is through the use of performance measurement and benchmarks.



**Figure 13. Program Analysis**

The first step in creating and implementing this type of program is to define the services that the City provides and determine the relative costs associated with producing the activity. Identifying the mission's critical services each department provides will be incorporated into the first's steps of this program. This coupled with the basic departmental costs will give an approximate cost of service that is being provided. After the basic services are identified the City will begin developing measures for the quantity and quality of the work being provided.

The third step or the Development and Implementation of Performance Measures and Benchmarks are the next step in the process. City Council has identified performance measures as a priority goal beginning FY2005. A timeline that outlines the program is incorporated later in this document.

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 will need to take several steps toward implementing a performance measurement program. The most critical element to this program is that we are not trying to measure things for the sake of measuring. We are trying to identify tools for managers and staff to be able to monitor the success of their programs. In the coming days and weeks we will identify the City's programs and the associated cost of providing programs for the community. The next step will be to identify and measure the success of the programs and services we already provide.

# **PERFORMANCE MEASUREMENT**

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Each city is unique (especially Washington Terrace) and there is no “best cookie cutter” implementation process. We are challenged with the task of customizing our use of performance measures with City’s work and political environment. The concept of performance measures is neither new nor a major shift in the philosophy that exists in the City. For years departments have identified goals and objectives. At times these have been well communicated to the Council and the public. Additionally the Council has identified goals and action items for the City. As we move forward a key element of the budget will be to focus on meeting the long-term Council goals while trying to exceed expectations with program delivery.

Simultaneously, the City will be implementing a pay for performance program. This is a new idea that will ultimately change the culture of our organization. The new program will encourage instant bonuses for great work; cost saving programs encourages efficiencies with the goal of providing a high level of customer service for the residents of the City. The use of performance measures is a 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 the City. Information has been modified from several programs to match the City’s needs and management philosophy.

## **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 page 24). A performance measure is not simply an output. For example, it is not just measuring the number of road miles the 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 page 1). The goal of performance measurement is to improve service delivery by identifying 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

# **PERFORMANCE MEASUREMENT**

instrument, rather it will help us reach the goals that we are setting through the most efficient process. The argument is constantly being made that cities are “wasteful” and “ineffective.” The use of performance measures will enable the government to respond to these assumptions with information that demonstrates (Guajardo and McDonnell page 29):

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

Internally, performance measures will be useful to managers by helping to: (Guajardo and McDonnell pages 29-30):

- 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 to achieve process benchmarks;
- 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;
- Strengthen accountability by demonstrating how well the City 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 the 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).*

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

# **PERFORMANCE MEASUREMENT**

assess the quantity of work performed; *i.e.* – *Number of nuisance citations 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 youth program (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 road miles maintained divided by the number of staff (144/12 = 12 acres/person).*

<b>Outcome Measures</b>	<b>Output Measures</b>	<b>Efficiency Measures</b>	<b>Input Measures</b>
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 ultimately have the draft performance measures you create reviewed by an external group to verify that the measures reflect an accurate picture of what we are trying to measure. In addition to the initial review the Finance Director 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:

**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?

# **PERFORMANCE MEASUREMENT**

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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 the Council or the City Manager 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. The City Manager 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 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

## **PERFORMANCE MEASUREMENT**

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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).

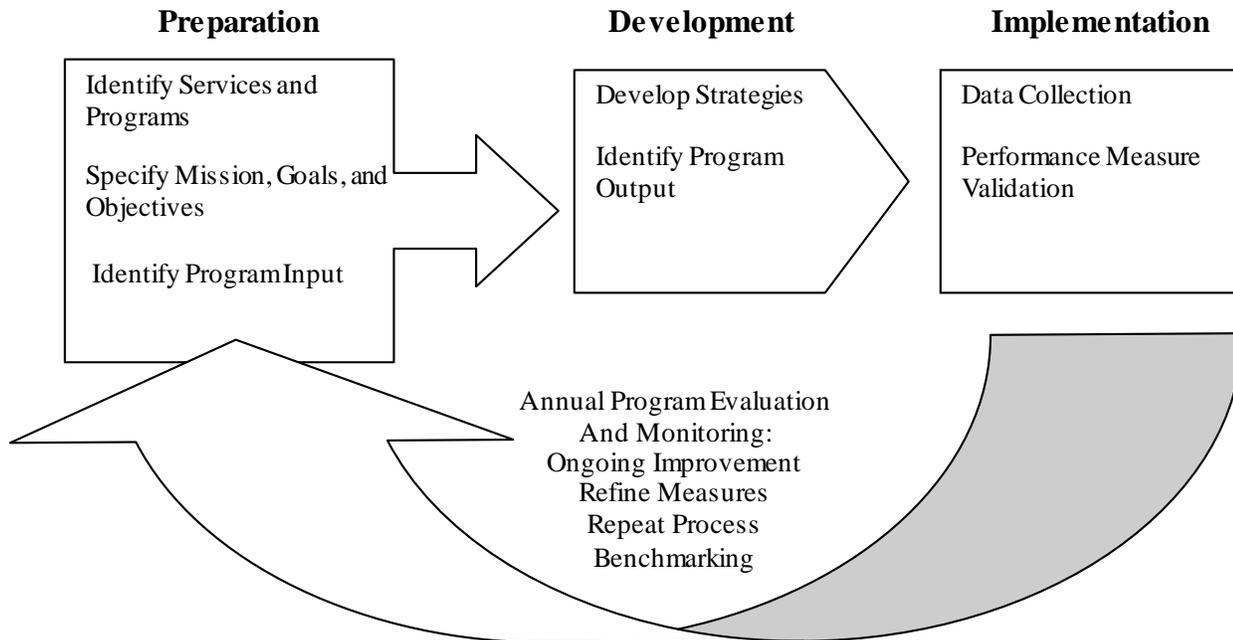
As we begin the process of developing and implementing performance measurement, the benefits of accountability, focus on results, and a better-defined relationship between resources and mission can be achieved. But it is equally important to recognize that performance measurement is only one of a number 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.

# PERFORMANCE MEASUREMENT

Figure 14. Performance Measure Process



Source: Guajardo and McDonnell (additional information from State GOPB & City of Grande Prairie, Alberta)

Washington Terrace has completed the preliminary design of our Performance Measurement process. These measures have been included as part of each departments operating budget. Each department has identified the major programs that indicate a significant portion of their departments programs. These goals and measures should tie to the Council’s overall mission and policy direction for the City. The process each department followed and will use to modify their measures is outlined below.

**1. Preparation:** The preparation for performance measures is probably the most daunting part of implementing performance measures. The first step is to identify the major programs and services your department currently provides. Departments in the next week begin to identify the major programs they operate and assign an input (dollar amount) required to provide the service. The Finance department has provided sheets to be used for your department. Please note that we are determining a percentage amount of your department’s time to each program. We will then calculate a dollar amount based on the percentage based on the FY 2004-2005 budget. After this is completed you will need to review the allocations and make any corrections you feel necessary. This could include additional service elements, altering percentages or removing service elements that are identified in the early stages of preparation.

Specifying mission, goals, and objectives has largely been completed through 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 the goal of the program yourself. The departmental programs may or may not be measurable based on your departmental needs. Please use this information as you identify your department’s

## **PERFORMANCE MEASUREMENT**

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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 programs. It is anticipated that each department 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. Table 11 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.

The following are questions you will want to ask yourself as you identify measures for your programs (Guajardo and McDonnell p31).

How can we measure if residents of Washington Terrace are satisfied with the programs and services offered?

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 results?

# PERFORMANCE MEASUREMENT

<b>Department:</b> Public Works, Leisure Services, Etc...		<b>Department:</b> Division name as listed on the Service Level Survey sheet.		
<b>Program:</b> Program Name				
<b>Program Goal:</b> 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.				
<b>Input</b>	<b>Objectives</b>	<b>Strategy</b>	<b>Desired Results</b>	<b>Performance Measures</b>
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?	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?	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).

**Table 13- Performance Measure Format**

Source: State Governor’s Office of Planning and Budget

**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 the City Manager and Finance Director will work with departments to insure that the performance measures in place are capturing the information you need to improve your programs and services.

Currently, there are opportunities for the City to participate in benchmarking programs along the Wasatch Front to collect and compare strategies from common programs. Benchmarking refers to the process of critically evaluating a program or service’s activities, functions, operations, and processes to achieve a desired level of performance (Guajardo and McDonnell p.20). Ultimately the City will begin joining these programs and begin the process of external comparison. This data will be used as an external reality check with other communities on the types and cost associated with providing services. There are inherent concerns associated with this type of

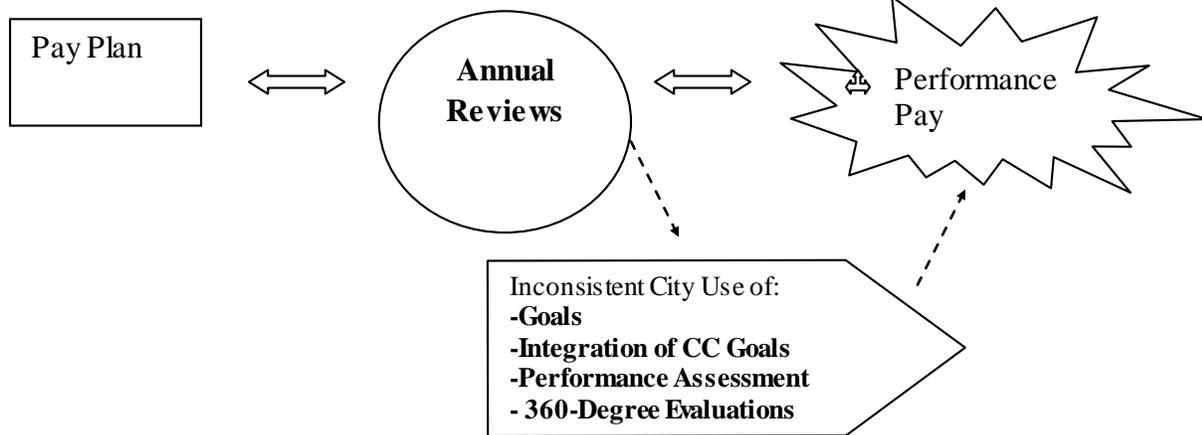
# PERFORMANCE MEASUREMENT

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 an annual review for all regular employees with intermittent interim follow up meetings. This process 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 other departments this tool is not used at all. The following diagram demonstrates the current process.

**Figure 15. 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.

# **PERFORMANCE MEASUREMENT**

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Historically Washington Terrace Municipal Policies and Procedures manual established a step and grade pay structure. The City will be shifting from a longevity based pay program to one that rewards performance and market based pay plan. This will be a shift in the status quo as we seek to modify our organizational culture.

*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.

The City is underway in developing a process whereby evaluations are completed based on goals determined by the manager and employee that tie to the overall Council defined objectives. Many 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 quarterly review can then be assessed and updated during the following 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 and skills of the individual and modify them occasionally as needed.

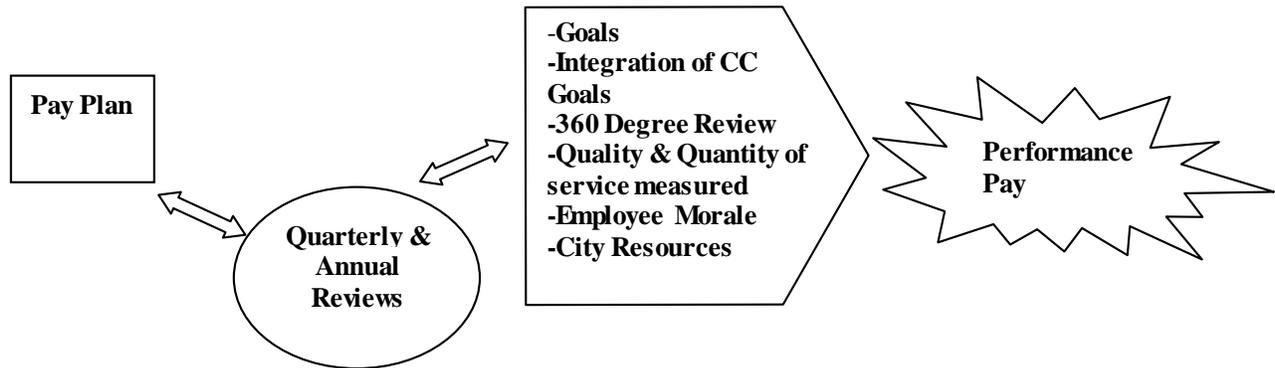
The use of performance measures is the current direction for budgeting resources. As part of the performance measurement program managers and supervisors will begin linking performance measures and goals in their employee’s next review. As these measures and goals are developed they should be included in the employee review as applicable. Managers must 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 ways 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.

# PERFORMANCE MEASUREMENT

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Figure 16. Future Performance Reviews



## Personnel Review Criterion

At present the City is developing a standardized criteria defined to assess performance. At a minimum the City will design uniform criteria and guidelines that will be incorporated into each performance review. Each regular employees review will 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. 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 and other standards of performance evaluation. Although this is not an exhaustive list of possibilities,

## **PERFORMANCE MEASUREMENT**

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all items have merit that should be reviewed as part of a Compensation Philosophy and Review Committee. This will allow for a more formal process to be developed using standard criteria. If in the future there are 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 the City has begun moving in the last year. Some of the driving factors are Council, the community, and other new management. 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. The City is at a point where we provide a number of services and programs; yet we lack any sort of consistent performance indicator to verify the success of the program. We have started the process through many things we currently do 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. 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 has committed 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 the 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 Washington Terrace (Utah State Governor's Office of Planning and Budget).

# **PERFORMANCE MEASUREMENT**

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## **End Notes:**

City of Grande Prairie Alberta Canada.

[http://www.city.grande-prairie.ab.ca/perform.htm#Other\\_Sources](http://www.city.grande-prairie.ab.ca/perform.htm#Other_Sources)

Guajardo, Saloman A. and Rosemary McDonnell. An Elected Officials Guide to Performance Measurement. Government Finance Officers Association, 2000

Procurement Executives' Association. Guide to a Balanced Scorecard Performance Management Methodology. <http://oamweb.osec.doc.gov/bsc/guide.htm>

Utah State Governor's Office of Planning and Budget. Performance Measures in the Public Sector. <http://www.governor.state.ut.us/planning/PerformanceMeasures/perform.htm>

## **Additional References:**

Tigue, Patricia and Dennis Strachota. The Use of Performance Measures in City and County Budgets. Government Finance Officers Association, 1994

Bland, Robert L. and Iren S. Rubin. Budgeting: A Guide for Local Governments. p.126-140.

International City/County Management Association, 1997

Aronson, J. Richard (editor). Management Policies in Local Government Finance. Fourth Edition. pp. 153, 163, 164-67. International City/County Management Association, 1996

Comparative Performance Measurement FY1998 Data Report, International City/County Management Association, 1999

# **SUPPLEMENTAL**

# **Capital Project Program**

## Capital Requirements Summary

Fund	Capital #	Project Name	Total Capital Cost	3 Year Prior Actual	Annual Budget Requirements					
					2014 Adj Budget	2015 Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan
70		Adams Avenue Road & Utility Reconstruction	897,075	67,075	730,000	100,000	-	-	-	-
70		Redevelopment and Renewal Projects	1,397,678		515,602	260,580	341,109	268,387	6,000	6,000
REDEVELOPMENT FUND SUB-TOTAL			\$ 2,294,753	\$ 67,075	\$ 1,245,602	\$ 360,580	\$ 341,109	\$ 268,387	\$ 6,000	\$ 6,000
55	RM	City-wide road maintenance	1,889,766	279,999	444,767	233,000	233,000	233,000	233,000	233,000
55	RR-2F	4800 South road reconstruction	500,000	448,502	51,498					
55	RR9	450 West road reconstruction	109,511	9,511	100,000					
55	RF	Road capital fleet & equipment		70,380	145,859	10,000	10,000	10,000	10,000	10,000
55	BM	Buildings capital O&M	442,128	192,519	149,609	20,000	20,000	20,000	20,000	20,000
55	NRF	Nonroad capital fleet & equipment	371,291	69,290	158,001	44,000	25,000	25,000	25,000	25,000
CAPITAL PROJECTS FUND SUB-TOTAL			\$ 3,312,696	\$ 1,070,201	\$ 1,049,734	\$ 307,000	\$ 288,000	\$ 288,000	\$ 288,000	\$ 288,000
53	PK16	Little Rohmer Park restroom renovation	71,650		71,650					
53	PK11	Civic Center Park improvements	26,393	11,654	14,739					
53	PK	Other park projects	30,000		5,000	5,000	5,000	5,000	5,000	5,000
PARKS FUND SUB-TOTAL			\$ 128,043	\$ 11,654	\$ 91,389	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
52	RR9	450 West line replacement	66,557	5,632	60,925					
52	SD16	Storm drain relief line	110,000	-	50,000	60,000				
52	SD18	Storm drain relief line extension	30,000		-	27,656	2,344			
52	SD19	4300 South new drain installation	75,000		-	-	52,040	22,960	-	-
52	SD21	Intersection drainage improvements	152,152	77,152	15,000	-	15,000	15,000	15,000	15,000
52	SD24	Pressure wash station	30,000		30,000					
52	SD	Future capital projects	483,201		-	-	50,000	108,881	151,723	172,597
52	SD	Capital fleet & equipment	228,516	8,147	102,969	37,400	20,000	20,000	20,000	20,000
STORM WATER FUND SUB-TOTAL			\$ 1,175,426	\$ 90,931	\$ 258,894	\$ 125,056	\$ 139,384	\$ 166,841	\$ 186,723	\$ 207,597
51	SS8	4850 South replace existing 8" w/10" line	85,000			85,000				
51	SS12	450 West replace existing 8" w/10" line	375,001	87,547	287,454					
51	SS17	4525 South and 500 West replace existing 12" line	75,000		55,000	20,000				
51	SS18	4525 South and 500 West replace existing 12" & 10" line w/12" line	255,000			75,000	180,000			
51	SS20	4575 South and 250 East line	75,000		75,000					
51	SS21	Repair line under railroad	29,000		29,000					
51	SS22	4750 South and 300 West line	70,000		70,000					
51	SS	Future capital projects	540,000		-	-	180,000	180,000	180,000	180,000
51	SS	Capital fleet & equipment	524,747	134,830	189,917	40,000	40,000	40,000	40,000	40,000
SANITARY SEWER FUND SUB-TOTAL			\$ 2,028,748	\$ 222,377	\$ 706,371	\$ 220,000	\$ 220,000	\$ 220,000	\$ 220,000	\$ 220,000
50	CW6	Rehabilitate storage tank #1	18,000		18,000					
50	CW8,45,19,20	Tank #3 improvements	398,698	163,652	235,046					
50	CW12	5050 South and 400 West construct 8" main for looping	29,973		29,973					
50	CW28	450 West replace existing 6" w/8" line	393,022	59,431	333,591					
50	CW17	5050 South and 300 East construct 8" main for looping	25,000		-	25,000				
50	CW37	Zone B looping	170,000		170,000					
50	CW46	5050 South 150 West line replacement	100,000		24,180	75,820				
50	CW47	5150 South 150 East line replacement	100,000		90,000	10,000				
50	CW48	Meter & auto valve valut at tank	200,000		200,000					
50	CW49	Line extension Ridgeline Dr. and 5350 South	25,000		25,000					
50	CW51	Southpointe Dr. business water laterals	35,000			35,000				
50	CW	Future capital projects	1,876,272		-	248,870	405,453	407,860	405,345	408,744
50	CW	Capital fleet & equipment	904,500	77,092	418,908	88,500	80,000	80,000	80,000	80,000
CULINARY WATER FUND SUB-TOTAL			\$ 4,275,465	\$ 300,175	\$ 1,544,698	\$ 483,190	\$ 485,453	\$ 487,860	\$ 485,345	\$ 488,744
FUNDS TOTAL			\$ 13,215,130	\$ 1,762,412	\$ 4,896,688	\$ 1,500,826	\$ 1,478,946	\$ 1,436,088	\$ 1,191,063	\$ 1,215,341

# **CAPITAL PROJECTS PROGRAM**

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## **INTRODUCTION**

### **BACKGROUND**

This section of the budget is intended to provide for an overview of the City's capital projects program identifying critical elements of prioritization, funding, cost estimates, and project classifications. For project details refer to the City's capital facility plans.

Each year the City completes an update of the Capital Facility Plans providing a comprehensive assessment of the existing facilities and a plan enacted to renovate, repair, and replace existing deficiencies throughout the City. All projects were to be completed within a 20 year period. The areas of classification assessed in this update are as follows (note that the abbreviation used to denote the project classification is included in parentheses):

- Road Seal Projects (RS)
- Buildings & Miscellaneous Projects (BM)
- Park Projects (PK)
- Road Reconstruction Projects (RR)
- Sanitary Sewer Projects (SS)
- City Fleet/Equipment Replacement (RF)
- Culinary Water Projects (CW)
- Road Overlay Projects (RO)
- Storm Water Projects (SD)

To address budgeting issues more effectively, this plan incorporates a project completion schedule indicated by fiscal year (beginning each July 1) in attempt to classify the budgeting source for each project has also been made.

# **CAPITAL PROJECTS PROGRAM**

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## **PROJECT FUNDING**

### **CALCULATION PROCESS**

In order to adequately account for the funding of all projects, estimates of each project have been completed. Most project estimates include a 30 percent Contingency and Engineering estimate to account for uncertainties at this level of project planning. All project estimates are calculated using current construction pricing. Project cost adjustments may be made to account for inflation as revisions to the Capital Facilities Plan in the future.

Upon completion of the individual project cost estimates, a summary of the projects is generated. This summary is used to rank each of the projects based the following considerations:

- Health & Safety
- State & Federal Mandates
- Community Priority
- Time Sensitivity

A committee comprising members of the Engineering Team and City Staff was established to rank each project based on the above considerations.

After compiling the ranking results, a yearly budget guideline is established based on the total cost for all projects. Projects were then assigned to fiscal years from 2009 to 2009 based on their priority level.

### **FUNDING ALLOCATION**

At the completion of the project scheduling process, each project is assessed and funding options for each project are ascribed, The resources used to fund each project fall under the following funds/categories:

- Class B & C Road Funds
- Grants
- Culinary Water Enterprise Fund
- Sanitary Sewer Enterprise Fund
- General Fund
- Impact Fees
- Storm Water Enterprise Fund
- Debt Issuance

# **CAPITAL PROJECTS PROGRAM**

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## **OVERVIEW OF COST ESTIMATE SUMMARIES**

Upgrade of existing infrastructure identifies costs that the City will need to pay completely without the aid of impact fees. The “Developer Base Cost” identifies costs that will be paid by those who develop currently undeveloped land. “Improvements for New Development” itemize costs that the City will pay to enhance new developed infrastructure. For example, a developer is required to cover the cost of a new 8” water line in his/her subdivision. If the City has planned for a 10” water main through his subdivision, it will cover all costs over and above of the 8” water line the developer would have installed.

The costs identified in the plans as “Improvements for New Development” can be completely paid for by Impact Fees.

All funding calculations are based on the summations of the “Upgrade to Existing Infrastructure” and the “Improvements for New Development’.

## **ROAD SEALS & FLEET REPLACEMENT**

### **BACKGROUND - ROAD SEALS**

It has been proven that conscientious road seal application can greatly enhance the life of a given pavement. Road seals include various slurry seals, rock chip seals, crack seals, and other forms of road protection.

In an effort to create a street maintenance plan to extend the pavement life of roads in Washington Terrace, a road seal plan has been implemented in conjunction with this update. Various areas in the City will be sealed over a six-year period. At the end of the period, all roads in the City will have received a road seal.

The six-year road seal cycles have been included in the planning of projects to be constructed in the future.

# **CAPITAL PROJECTS PROGRAM**

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## **ROAD SEAL APPLICATION SCHEDULE**

Capital projects planned for completion over the next 18 years are assigned to a fiscal year. The fiscal year begins on July 1<sup>st</sup> of the preceding year. The scheduled road seals should occur in July or August or when otherwise determined to be in the best interest of the City.

## **ROAD SEAL OPTIONS**

Many road seals are available. These options all have different advantages and disadvantages. The pricing for road seal projects planned for Washington Terrace is based on a Type-III Slurry Seal. A road seal schedule is proposed in this plan. The type of seal (slurry, chip seal, etc.) to apply will be left to future city staff and public works individuals to decide.

## **FLEET REPLACEMENT**

Fleet replacement will be addressed part of the budget process and according to the guidelines established in the City's Fleet Management Plan.

## **BUILDINGS & MISCELLANEOUS**

### **OVERVIEW**

The classification of "Buildings & Miscellaneous" is new in this capital facilities plan. The projects under this category deal renovation and construction of city-owned and managed buildings, as well as miscellaneous budgetary items.

It should be noted that the miscellaneous projects to occur (including computer and telephone systems and updates to this plan) are to be funded on an annual basis.

# **CAPITAL PROJECTS PROGRAM**

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## **CULINARY WATER**

### **OVERVIEW**

Culinary water is the life-blood of any community. Culinary water is obtained from wells or springs, treated, stored in reservoirs or pumped into water pipe networks, and delivered to the community through pressurized pipelines. The water infrastructure in Washington Terrace includes both aged pipes as well as new pipes recently installed. Many of the older infrastructure is in disrepair and in need of replacement. Projects included in this report aim to correct existing deficiencies as well as plan for future water needs.

Culinary Water projects generate a large portion of the capital facilities projects in this plan. There are a total of 36 water projects identified in this summary. Many of these projects include upgrades to the existing system. These upgrades include connecting pipes that are close in proximity to improve water flow throughout the system, the replacement of existing transite pipe (mandated by the State of Utah), replacement of MLMC (mortar lined mortar coated) pipe, the replacement of old, leaky pipes, improvements and maintenance of water sources (wells), improvements to existing water storage facilities, and construction of new water facilities.

## **PARKS**

### **OVERVIEW**

City parks and open spaces provide a location for recreation, city functions, and other outdoor activities. Washington Terrace has several parks and improvements to these parks as well as new parks are included as part of this report,

This summary incorporates and modifies projects listed in the Washington Terrace Parks & Open Space Master plan completed in 2002. It is doubtful that with the current city budget all projects listed in the original Parks & Open Space Master Plan will be able to be funded in this 18 year period. For this reason, Park Project #s 16-22 include modifications as well as additional projects that can be used as a more financially feasible alternative to the Original Plan.

# **CAPITAL PROJECTS PROGRAM**

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The general improvements planned for parks include improvement of restroom facilities, recreational facilities, roads, sewer systems, additional park facilities, and new park construction.

## **ROADS**

### **STREET MAINTENANCE - OVERVIEW**

Street Maintenance is a program in which streets are maintained to provide the highest level of service possible in the areas of both capacity and quality of the roadway surface. There are many procedures and available to achieve good roadway life and service. Washington Terrace has chosen a plan of road seals, overlays and road reconstructions to attain this goal. As mentioned, Washington Terrace has implemented a road seal schedule. This road seal schedule will help to prolong the pavement life of roads in Washington Terrace. Due to the condition of many existing roads in Washington Terrace combined with budget limitations, it is not possible for the City to implement a complete Street Maintenance program (including scheduled overlays, chip seals, and slurry seals) at this time. However, in an effort to provide the best roads possible under the current budget and road conditions, additional road overlay projects and road reconstruction projects are scheduled for construction as included in this summary.

### **ROAD OVERLAYS**

In addition to a road seal schedule, there exist some isolated sections of road that are in need of overlays at this time. These overlays consist of wedge milling a 6' wide path around the road perimeter to adequate clearance for the new asphalt adjacent to the existing curb lip. After this milling process is completed a geotextile fabric is applied to the road surface for road stability. The new road surface (a 1 %" asphalt overlay) is then applied.

Road overlays are recommended in areas of the city where the existing curb and gutter are in satisfactory condition, there are not numerous deficiencies with under-road utilities, and the existing asphalt surface is in very poor condition.

# **CAPITAL PROJECTS PROGRAM**

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## **ROAD RECONSTRUCTION**

There are several roads in Washington Terrace where there are not only poor road surface conditions, but poor curb and gutter, sidewalk, and more than one under-road utility with needed replacement. In these areas, a road reconstruction project is planned.

Road reconstruction involves the removal of the existing road surface, base course, and curb and gutter and sidewalk. After this process is complete, any under-road utilities that need to be replaced are constructed. New curb and gutter and sidewalk are then constructed followed by construction of a new road surface including sub-grade preparation, new base course, and 3” of asphalt.

In this summary, road reconstruction project estimates include only the removal and replacement of curb and gutter, sidewalk, and roadway (with the exception of Project RR-1). Any utility replacement projects under these roads are given their own project numbers, Note that many of the utility project in this summary with a RR-” designation. This indicates that the utility project will be completed in conjunction with that particular road reconstruction project.

Utility replacement performed as a part of road reconstruction provides an economic advantage. No road cuts and patching are required for the utility construction. Both time and money are saved. Note that no cost for asphalt cut and replacement are included in utility projects to be completed with road reconstructions.

## **STORM DRAIN**

### **OVERVIEW**

Storm drainage is required in developed areas to alleviate flooding and erosional damage caused by storm water. Storm drainage systems are key to providing an satisfactory environment for businesses and residences.

Storm drain projects account for a large portion of the capital facilities projects. There are a total of 17 storm drain projects listed in the report. Five of these seventeen projects have been completed.

## **CAPITAL PROJECTS PROGRAM**

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Both projects to manage storm water for existing development as well as future development are included in this summary. Currently, Weber County has agreed to fund 25% of all storm drain projects listed with the County. Most of the projects included in this plan are listed with the County. However, there has been no accounting in the proposed budgeting for storm drain projects to account for this.

General storm drain improvement projects include new detention basins, piping, and reconstruction of existing deficient facilities.

### **SANITARY SEWER**

#### **OVERVIEW**

Sanitary sewer is a means of taking wastewater from homes and businesses to a location where it can be treated and released safely back into the environment. The wastewater flows in Washington Terrace are delivered through sewer main lines to locations where the flows are received, treated, and released by the Central Weber Sewer District.

There are a total of 14 sanitary sewer projects included in this report. These projects address existing system deficiencies and projects that will be part of new development. Many of the projects involve increasing existing sewer line sizes from 8" to 10" to pass more wastewater flow in areas where the lines have become inadequate.

# Fee Schedule

**FEE SCHEDULE**

**Administration**

	FY 2013	FY 2014	FY 2015
Candidate Filing Fee	25.00	25.00	25.00
City Zoning Maps			
11"x17"	1.00	1.00	1.00
17"x24"	4.00	4.00	4.00
Copies/reproduction	0.50	0.50	0.50
Credit Card/EFT Convenience Fee (1)	1.90/trans (2)	1.90/trans (2)	1.90/trans (2)
Return Check	27.00	27.00	27.00
GRAMA Records Request	\$0.50/page	\$0.50/page	\$0.50/page
Payroll deductions (non-city sponsored)	\$5 /deduction/	\$5 /deduction/	\$5 /deduction/
Newsletter Advertisements			
3"x5" Business Card Size	60.00	60.00	60.00
1/3rd page	80.00	80.00	80.00
Insert	100.00	100.00	100.00

- (1) Effective FY 2012, Credit card convenience fee for in-house transactions over \$300 is 3%  
 (2) Credit Card/EFT Convenience Fee changed from \$2.50/trans to \$1.90/trans effective May 1, 2012

**Animal Control**

Reclaim/Transport			
after hours impound	75.00	75.00	75.00
transportation	50.00	50.00	50.00
temp holding kennel	23.00	23.00	23.00
trapped animal transport	20.00	20.00	20.00
Trap Rental			
per week	15.00	15.00	15.00
Licensing			
altered	10.00	10.00	10.00
unaltered	25.00	25.00	25.00
senior citizen (over 65)			
altered	5.00	5.00	5.00
unaltered	10.00	10.00	10.00
duplicate tag	5.00	5.00	5.00
late fee	20.00	20.00	20.00
Microchipping	15.00	15.00	15.00

**Building Permits & Planning Fees**

Building Permits			
See the building permit fee schedule in the current building code			
65% Plan review fee on commercial permits			
25% Plan review fee on single/multiple family permits			
Plannings Fees (3)			
planning commission review	250.00	250.00	250.00
conditional use permit	100.00	100.00	100.00
subdivision & engineer review	60.00/lot	60.00/lot	60.00/lot
zoning amendment or rezone request	250.00	250.00	250.00
apartment complex	60.00/unit	60.00/unit	60.00/unit
commercial engineering review	500.00	500.00	500.00
subdivision off-site improvmt inspection	Actual cost	Actual cost	Actual cost
board of adjustments request	250.00	250.00	250.00
excavation permit (bond or deposit*)	47.47	47.47	47.47
annexation fee	1,000.00	1,000.00	1,000.00

- (3) Plus additional review costs in excess of minimum

## FEE SCHEDULE

### Impact Fees

	FY 2013	FY 2014	FY 2015
Culinary Water Facilities (Per ERU)	1,618.00	1,618.00	1,618.00
Sanitary Sewer Facilities (Per ERU)	533.00	533.00	533.00
Storm Drain Facilities (Per ERU)	536.00	536.00	536.00
Park Facilities (Per ERU)	1,826.00	1,826.00	1,826.00
Public Safety Facilities - Police (Per ERU)	26.00	26.00	26.00
Public Safety Facilities- Fire (Per ERU)	47.00	47.00	47.00
Water Meter (4)			
3/4"	275.00	275.00	275.00
1"	300.00	300.00	300.00
1.5"	450.00	450.00	450.00
2"	600.00	600.00	600.00
3"	1,900.00	1,900.00	1,900.00
6"	4,300.00	4,300.00	4,300.00

(4) Water meter fees reflect estimated cost, actual cost will be charged.

### Facility Rentals

Rohmer Park Pavilion (per time frame)	50.00	50.00	50.00
deposit	50.00	50.00	50.00
Recreational Fun Pack (RFP)	10.00	10.00	10.00
deposit (refundable)	25.00	25.00	25.00
Civic-Senior Center (5)			
first hour	45.00	45.00	45.00
each subsequent hour	45.00	45.00	45.00
kitchen	50.00	50.00	50.00
non-resident Fee	250.00	250.00	250.00
cleaning deposit (refundable)	250.00	250.00	250.00
Field Use			
per hour	2.00	2.00	2.00
contract agreement	100.00	100.00	100.00
deposit (refundable)	250.00	250.00	250.00

Facility rentals are free Tuesday & Thursdays 4-8 pm. All other reservation times are subject to the above fee schedule.

### Recreation (6)

Youth Soccer	35.00	35.00	35.00
T-Ball	35.00	35.00	35.00
Coach Pitch	35.00	35.00	35.00
Baseball	45.00	45.00	45.00
Softball	45.00	45.00	45.00
Football Camp	40.00	40.00	40.00
Tackle Football	100.00	100.00	100.00
Youth Basketball	35.00	35.00	35.00
Boys Basketball	45.00	45.00	45.00
Girls Basketball	45.00	45.00	45.00

(6) Estimated fees. May be subject to change, as necessary, during fiscal year.

## **FEE SCHEDULE**

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<b>Business Licenses</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
Professional/Business Services			
Basic	100.00	100.00	100.00
Disproportionate	4.00	4.00	4.00
General Services			
Basic	100.00	100.00	100.00
Disproportionate	64.00	64.00	64.00
Contracted Services			
Basic	100.00	100.00	100.00
Disproportionate	40.00	40.00	40.00
Personal Services			
Basic	100.00	100.00	100.00
Disproportionate	4.00	4.00	4.00
Entertainment			
Basic	100.00	100.00	100.00
Disproportionate	201.00	201.00	201.00
Automotive			
Basic	100.00	100.00	100.00
Disproportionate	74.00	74.00	74.00
Sales			
Basic	100.00	100.00	100.00
Disproportionate	8.00	8.00	8.00
Convenience Stores			
Basic	100.00	100.00	100.00
Disproportionate	1,113.00	1,113.00	1,113.00
Family Services			
Basic	175.00	175.00	175.00
Disproportionate	32.00	32.00	32.00
Storage			
Basic	100.00	100.00	100.00
Disproportionate	64.00	64.00	64.00
Group Homes			
Basic	100.00	100.00	100.00
Disproportionate	275.00	275.00	275.00
Nursing Home / room			
Basic	175.00	175.00	175.00
Disproportionate	118.00	118.00	118.00
Hospital / room			
Basic	175.00	175.00	175.00
Disproportionate	11.00	11.00	11.00
Apartment / unit			
Basic	100.00	100.00	100.00
Disproportionate	111.00	111.00	111.00

# FEE SCHEDULE

<b>Utility Services</b>			
(billed monthly)	FY 2013	FY 2014	FY 2015
Set-up Fee (Non-refundable)	40.00	40.00	40.00
Shut Off Deposit	100.00	100.00	100.00
Late Fee	10.00	10.00	10.00
Water Turn-On Fee	30.00	30.00	30.00
Weekend turn-on fee	60.00	60.00	60.00
Utility Billing History Report	3.00	3.00	3.00
Data Log Reproduction	5.00	5.00	5.00
Water Meter Re-read	na	na	na
Meter Accuracy Test	na	na	na
Meter Check Fee	25.00	25.00	25.00
<b>Meter rental deposit (7)</b>			<b>955.00</b>
Meter Tampering Fee (8)			
Storm Drain (per ERU)	5.75	6.25	6.65
Temporary Disconnect	30.00	30.00	30.00
<b>(7) Fire hydrant meter rentals will be charged at a 1 1/2" commercial water rate. Charges will begin, unprorated, the month the meter is issued through the month the meter is returned.</b>			
<b>Overage rates will apply if actual usage exceeds the cumulative monthly base gallons.</b>			
<b>(8) Refer to the Washington Terrace Municipal Code 13.08.090, "Meter Tampering Prohibited"</b>			
<b>Residential Water</b>			
Single-Family (\$/gallons)	17.24/4,000	17.65/4,000	17.80 / 4,000
Single-Family gallons over (\$/gallons)	4.46/1,000	5.05/1,000	5.10 / 1,000
Duplex (\$/gallons)	34.48/8,000	35.28/8,000	35.60 / 8,000
Duplex gallons over (\$/gallons)	4.46/1,000	5.05/1,000	5.10 / 1,000
Tri-Plex (\$/gallons)	51.72/12,000	52.92/12,000	53.40 / 12,000
Tri-Plex gallons over (\$/gallons)	4.46/1,000	5.05/1,000	5.10 / 1,000
<b>Residential Sewer</b>			
Single-Family (\$/gallons)	15.72/4,000	17.16/4,000	17.56 / 4,000
Single-Family gallons over (\$/gallons)	4.75/1,000	4.91/1,000	5.03 / 1,000
Duplex (\$/gallons)	31.44/8,000	34.32/8,000	35.10 / 8,000
Duplex gallons over (\$/gallons)	4.75/1,000	4.91/1,000	5.03 / 1,000
Triplex (\$/gallons)	47.16/12,000	51.48/12,000	52.65 / 12,000
Triplex gallons over (\$/gallons)	4.75/1,000	4.91/1,000	5.03 / 1,000
<b>Refuse</b>			
Refuse First & Recycle Can	14.35	13.00	13.00
Refuse Second Can	14.35	13.00	13.00
Green Waste Can	discontinued	discontinued	discontinued
Second Recycle Can	2.50	2.50	2.50
<b>Commercial Water</b>			
3/4" meter (\$/gallons)	19.28/4,000	19.75/4,000	20.00 / 4,000
3/4" meter gallons over (\$/gallons)	5.19/1,000	5.66/1,000	5.71 / 1,000
1" meter (\$/gallons)	36.15/7,500	37.05/7,500	37.50 / 7,500
1" meter gallons over (\$/gallons)	5.19/1,000	5.66/1,000	5.71 / 1,000
1 1/2" meter (\$/gallons)	72.30/15,000	74.10/15,000	75.00 / 15,000
1 1/2" meter gallons over (\$/gallons)	5.19/1,000	5.66/1,000	5.71 / 1,000
2" meter (\$/gallons)	108.45/22,500	111.15/22,500	112.50 / 22,500
2" meter gallons over (\$/gallons)	5.19/1,000	5.66/1,000	5.71 / 1,000
2 1/2" meter (\$/gallons)	144.60/30,000	na	na
2 1/2" meter gallons over (\$/gallons)	5.19/1,000	5.66/1,000	5.71 / 1,000
3" meter (\$/gallons)	180.75/37,500	185.25/37,500	187.50 / 37,500
3" meter gallons over (\$/gallons)	5.19/1,000	5.66/1,000	5.71 / 1,000
4" meter (\$/gallons)	361.50/75,000	370.45/75,000	375.00 / 75,000
4" meter gallons over (\$/gallons)	5.19/1,000	5.66/1,000	5.71 / 1,000
6" meter (\$/gallons)	3,280 / 1,000,000	/1,000,000	3,500 / 1,000,000
6" meter gallons over (\$/gallons)	3.53/1,000	3.96/1,000	4.01 / 1,000
<b>Commercial Sewer</b>			
3/4" meter (\$/gallons)	18.08/4,000	19.25/4,000	19.67 / 4,000
3/4" meter gallons over (\$/gallons)	5.47/1,000	5.50/1,000	5.63 / 1,000
1" meter (\$/gallons)	33.90/7,500	36.05/7,500	37.50 / 7,500
1" meter gallons over (\$/gallons)	5.47/1,000	5.50/1,000	5.63 / 1,000
1 1/2" meter (\$/gallons)	67.80/15,000	72.10/15,000	73.75 / 15,000
1 1/2" meter gallons over (\$/gallons)	5.47/1,000	5.50/1,000	5.63 / 1,000
2" meter (\$/gallons)	101.70/22,500	108.15/22,500	110.63 / 22,500
2" meter gallons over (\$/gallons)	5.47/1,000	5.50/1,000	5.63 / 1,000
3" meter (\$/gallons)	169.50/37,500	180.20/37,500	184.38 / 37,500
3" meter gallons over (\$/gallons)	5.47/1,000	5.50/1,000	5.63 / 1,000
4" meter (\$/gallons)	339.00/75,000	360.35/75,000	368.76 / 75,000
4" meter gallons over (\$/gallons)	5.47/1,000	5.50/1,000	5.63 / 1,000
6" meter (\$/gallons)	3,080 / 1,000,000	/1,000,000	41.76 / 1,000,000
6" meter gallons over (\$/gallons)	3.72/1,000	3.85/1,000	3.94 / 1,000

# **Resolution Adopting Budget**

**City of Washington Terrace**  
County of Weber, State of Utah

**RESOLUTION NO. 14-08**

**RESOLUTION AMENDING THE FISCAL YEAR 2014 BUDGET;  
ADOPTING THE FINAL 2015 BUDGET; ADOPTING THE RATE AND FEE  
SCHEDULE AND POLICY GUIDELINES AS PRESENTED IN THE TENTATIVE  
BUDGET; AND SETTING THE CERTIFIED TAX RATE AT THE COUNTY  
AUDITOR'S CERTIFIED TAX RATE**

WHEREAS, Utah State Law requires that on or before the first regularly scheduled meeting of the governing body in the last May a tentative budget for the ensuing year shall be presented to the governing body and prior to June 22 of each year the Council shall by resolution adopt a budget and certified tax rate for the ensuing year; and

WHEREAS, the City Manager and Finance Director on the 6<sup>th</sup> day of May 2014, presented to the governing body with an amended budget for fiscal year 2014, a tentative budget for fiscal year 2015, and a budget plan for fiscal years 2016-2019; and

WHEREAS, the governing body has reviewed the amended budget for fiscal year 2014, the tentative budget for fiscal year 2015, and a budget plan for fiscal years 2016-2019 and the contents contained therein; and

WHEREAS, the governing body, during their regularly scheduled meetings, held a public hearing on Tuesday, May 20<sup>th</sup>, 2014, at City Hall to receive public input regarding the budget and its contents prior to its final adoption on June 3, 2014.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Washington Terrace, County of Weber, State of Utah that the budget is adopted as follows:

**SECTION 1. AMEND THE FISCAL YEAR 2014 BUDGET**

The amended budget as outlined, presented and attached is hereby adopted as the final amended budget for fiscal year 2014.

**SECTION 2. ADOPT THE FISCAL YEAR 2015 BUDGET AND FEE SCHEDULE**

The fiscal year 2015 budget as presented and attached hereto is hereby adopted as the final acting budget. The proposed rate and fee schedule is adopted as presented effective July 1, 2014.

**SECTION 3. ADOPT THE COUNTY AUDITOR'S CERTIFIED PROPERTY TAX RATE**

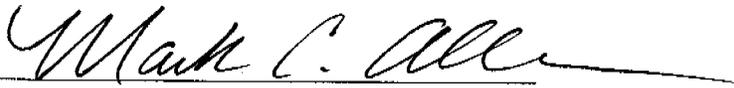
The City's *general purpose* Certified Property Tax Rate shall be set at the Auditor's Certified Tax Rate of 0.00490 and Certified Rate Revenue of \$ 472,191. The *interest and sinking fund/bond* Certified Property Tax Rate shall be set at the Auditor's Certified Tax Rate of 0.00111 and Certified Rate Revenue of \$394,209 required

to satisfy the General Obligation Bond (voter approved in 2000) annual debt service requirements.

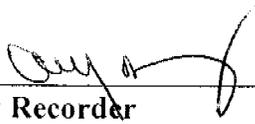
**EFFECTIVE DATE.** This Resolution shall take effect July 1, 2014, for the adopted budget ending June 30, 2015, and immediately for the amended budget ending June 30, 2014.

**PASSED AND ADOPTED** this 3 day of June 2014.

**CITY OF WASHINGTON TERRACE**

  
\_\_\_\_\_  
Mayor Mark C. Allen

**Attest:**

  
\_\_\_\_\_  
City Recorder

**Roll Call Vote:**

Council Member Brown Ag  
Council Member Jensen Ag  
Council Member Johnston Ag  
Council Member Monsen Ag  
Council Member Shupe Ag

**City of Washington Terrace**  
County of Weber, State of Utah

**RESOLUTION NO. 14-09**

**A RESOLUTION FOR THE  
WASHINGTON TERRACE COMMUNITY DEVELOPMENT AND  
RENEWAL AGENCY AMENDING THE FISCAL YEAR 2014 BUDGET, ADOPTING  
THE FISCAL YEAR 2015 BUDGET, AND THE  
FISCAL YEAR 2016-2019 BUDGET PLAN**

**WHEREAS**, Utah State Law requires that on or before the first regularly scheduled meeting of the governing body in the last May a tentative budget for the ensuing year shall be presented to the governing body and prior to June 22 of each year the Council shall by resolution adopt a budget for the ensuring year; and

**WHEREAS**, the City Manager and Finance Director on the 6<sup>th</sup> day of May 2014, presented to the board an amended budget for fiscal year 2014, a tentative budget for fiscal year 2015, and a budget plan for fiscal years 2016 - 2019; and

**WHEREAS**, the governing body has reviewed and considered the amended budget for fiscal year 2014, tentative budget for fiscal year 2015, and budget plan for fiscal years 2016-2019 during a series of public meetings; and

**WHEREAS**, the governing body, during their regularly scheduled meetings, held public hearings on Tuesday, May 20, 2014, at City Hall to receive public comment on amending the fiscal year 2014 budget, the tentative fiscal year 2015 budget, and the 2016 - 2019 budget plan prior to its final adoption on June 3, 2014.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of the Washington Terrace Redevelopment Agency, County of Weber, State of Utah that the fiscal year 2015 budget be adopted as presented and attached.

**EFFECTIVE DATE.** This Resolution shall take effect July 1, 2014, for the fiscal year ending June 30, 2015 and immediate for amending the fiscal year 2014 budget.

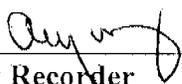
**PASSED AND ADOPTED** this 3 day of June 2014.

**WASHINGTON TERRACE REDEVELOPMENT AGENCY**



Chair Mark C. Allen

Attest:

  
\_\_\_\_\_  
City Recorder

Roll Call Vote

Board Member Brown Ag

Board Member Jensen Ag

Board Member Johnston Ag

Board Member Monsen Ag

Board Member Shupe Ag

# Glossary

## **GLOSSARY**

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### **A**

ACRE-FT: Acre Feet

AGENCIES: Federal agency securities and/or Government-sponsored enterprises.

ASKED: The price at which securities are offered.

### **B**

BALANCED BUDGET: beginning fund balance (revenues on hand at the beginning of year) and revenues received during year are equal to the expenditures for the year and the ending fund balance (or the revenues on hand at the end of year).

BANKERS' ACCEPTANCE (BA): A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments; *or* a predetermined group of cities identified by the Council as a group whereby each pay for performance personnel position may be compared to for salary market analysis

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

BROKER: A broker brings buyers and sellers together for a commission.

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

## **GLOSSARY**

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### **C**

**CAPITAL EXPENDITURES (REQUIREMENTS):** include purchases of land, improvements to land, buildings, building improvements, vehicles, machinery and equipment, infrastructure and all other tangible assets used in operations that have a initial useful life that extends beyond a single reporting period and have a historical cost of \$5,000 and greater.

**CAPITAL IMPROVEMENT PROJECTS (CIP):** Construction or improvements to capital facilities within the City.

**CERTIFICATE OF DEPOSIT (CD):** A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

**CHARGES FOR SERVICES:** User charges for services provided by the City to those specifically benefiting from those services.

**CITY:** Washington Terrace City and all other reporting entities controlled by or dependent upon the City's governing body, the City Council.

**COLLATERAL:** Securities, evidence of deposit, or other property that a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**CONTINGENCY:** amount held in reserve each year for unforeseen circumstances.

**CONTRACT:** An agreement for the continuous delivery of goods and/or services over a period of time greater than fifteen (15) days.

**COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR):** The official annual report for the City. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

## **GLOSSARY**

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**COUPON:** (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

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

**C.Y. - Cubic Yard**

### **D**

**DEALER:** A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

**DEBENTURE:** A bond secured only by the general credit of the issuer.

**DELIVERY VERSUS PAYMENT:** There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

**DERIVATIVES:** (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

**D.I.P. - Ductile Iron Pipe**

**DISCOUNT:** The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

## **GLOSSARY**

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**DISCOUNT SECURITIES:** Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g. U.S. Treasury Bills.

**DIVERSIFICATION:** Dividing investment funds among a variety of securities offering independent returns.

### **E**

EA. - Each

**EFFECTIVENESS:** The extent to which actual performance compares with targeted performance.

**EFFICIENCY:** The number of inputs used to produce a given output.

### **F**

**FEDERAL CREDIT AGENCIES:** Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small-business firms, students, farmers, farm cooperatives, and exporters.

**FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC):** A federal agency that insures bank deposits, currently up to \$100,000 per deposit.

**FEDERAL FUNDS RATE:** The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

**FEDERAL HOME LOAN BANKS (FHLB):** Government sponsored wholesale banks (currently 12 regional banks) that lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

## **GLOSSARY**

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**FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA):** FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

**FEDERAL OPEN MARKET COMMITTEE (FOMC):** Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

**FEDERAL RESERVE SYSTEM:** The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

**FISCAL YEAR:** A 12 month budget period for spending beginning on July 1<sup>st</sup> and ending on June 30<sup>th</sup>

**FIXED ASSET:** Fixed assets are tangible property having a significant value and acquired for use over a long period of time. They are not intentionally acquired for resale, nor are they readily convertible into cash.

**FTE:** Full time equivalent

**FULL TIME EQUIVALANT:** Employee status based on a 40 hour work week 52 weeks of

## **GLOSSARY**

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the year for a total of 2,080 hours per year.

**FUND BALANCE:** The difference between assets and liabilities.

**FY:** Fiscal Year

### **G**

**GOALS:** broad, general, and timeless

**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae):** Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA, or FmHA mortgages. The term “pass-through” is often used to describe Ginnie Maes.

### **L**

**LIQUIDITY:** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

**LOCAL GOVERNMENT INVESTMENT POOL (LGIP):** The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

**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.

**L.S-** Lump Sum

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### **M**

**MANAGER:** City Manager or designee.

**MARKET VALUE:** The price at which a security is trading and could presumably be purchased or sold.

**MASTER REPURCHASE AGREEMENT:** A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

**MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.

**MCML - Mortar Lined Mortar Coated Pipe**

**MONEY MARKET:** The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

**MULTI-YEAR BUDGET:** a document that anticipates revenues and expenditures for two or more consecutive budgetary years.

### **O**

**OBJECTIVES:** specific, measurable, achievable, realistic, and time bound

**OFFER:** The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

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**OPEN MARKET OPERATIONS:** Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

### **P**

**PORTFOLIO:** Collection of securities held by an investor.

**PRIMARY DEALER:** A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

**PRUDENT PERSON RULE:** An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

**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).

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**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. (Note: Entities are encouraged to include a glossary as part of the investment policy. All words of a technical nature should be included. Following is an example of common treasury terminology.)

PVC – PoIy (vinyl chloride) Pipe

### **Q**

**QUALIFIED PUBLIC DEPOSITORIES:** A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

**QUALITY:** The condition of being of such and as distinguished from others

**QUALITATIVE:** Relating to or based on the quality or character of something, often as opposed to its size or quantity.

**QUANTITATIVE:** The describing or measuring of quantity

### **R**

**RATE OF RETURN:** The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

R.C.P. - Reinforced Concrete Pipe

RDA: Redevelopment Agency

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**REDEVELOPMENT AGENCY:** a separate body created under the law that is a political subdivision of the state that undertakes or promotes redevelopment, economic development, or education housing development, or any combination and whose development activities are under a specific project area.

**REPURCHASE AGREEMENT (RP OR REPO):** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security “buyer” in effect lends the “seller” money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money that is, increasing bank reserves.

**REVENUE:** Funds that a government receives as income. These receipts may include tax payments, interest earnings, service charges, grants, and intergovernmental payments. The term designates an increase to a fund’s assets which does not increase liabilities.

**RETURN ON INVESTMENT (ROI):** Used to evaluate the efficiency of an investment or compare the efficiency of a number of different investments. To calculate ROI, the benefit (return) of investment is divided by the cost of the investment; the result is expressed as a percentage or ratio. Formula:  $ROI = (\text{Gain from Investment} - \text{Cost of Investment}) / \text{Cost of Investment}$ .

### **S**

**SAFEKEEPING:** A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank’s vaults for protection.

**SECONDARY MARKET:** A market made for the purchase and sale of outstanding issues following the initial distribution.

**SECURITIES & EXCHANGE COMMISSION:** Agency created by Congress to protect investors in securities transactions by administering securities legislation.

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SEC RULE 15C3-1: See Uniform Net Capital Rule.

**SPECIAL IMPROVEMENT DISTRICT (SID):** A district created for the sole purpose of making improvements and levying a special tax against the properties located within the district to pay all or a portion of the costs of making improvements in the district.

**STRUCTURED NOTES:** Notes issued by Government Sponsored Enterprises (FHLB, FNMA, SLMA, etc.) and Corporations that have imbedded options (e.g., call features, step-up coupons, floating rate coupons, and derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

S.Y. - Square Yard

### **T**

**TREASURY BILLS:** A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

**TREASURY BONDS:** Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

**TREASURY NOTES:** Medium-term coupon bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

**TRUTH-IN-TAXATION:** State Statute that requires a taxing entity to go through a series of steps and public hearings to properly notify the tax payers of a proposed tax rate increase.

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### **U**

**UNIFORM NET CAPITAL RULE:** Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

### **W**

**WORKING CAPITAL:** Current assets less current liabilities reported in enterprise funds. The measure of working capital indicates the relatively liquid portion of total enterprise fund capital, which constitutes a margin or buffer for meeting obligations.

### **Y**

**YIELD:** The rate of annual income return on an investment, expressed as a percentage.

(a) **INCOME YIELD** is obtained by dividing the current dollar income by the current market price for the security.

(b) **NET YIELD** or **YIELD TO MATURITY:** The current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.