



CITY OF SARATOGA SPRINGS, UTAH

2015-2020
BUDGET





EXECUTIVE SUMMARY

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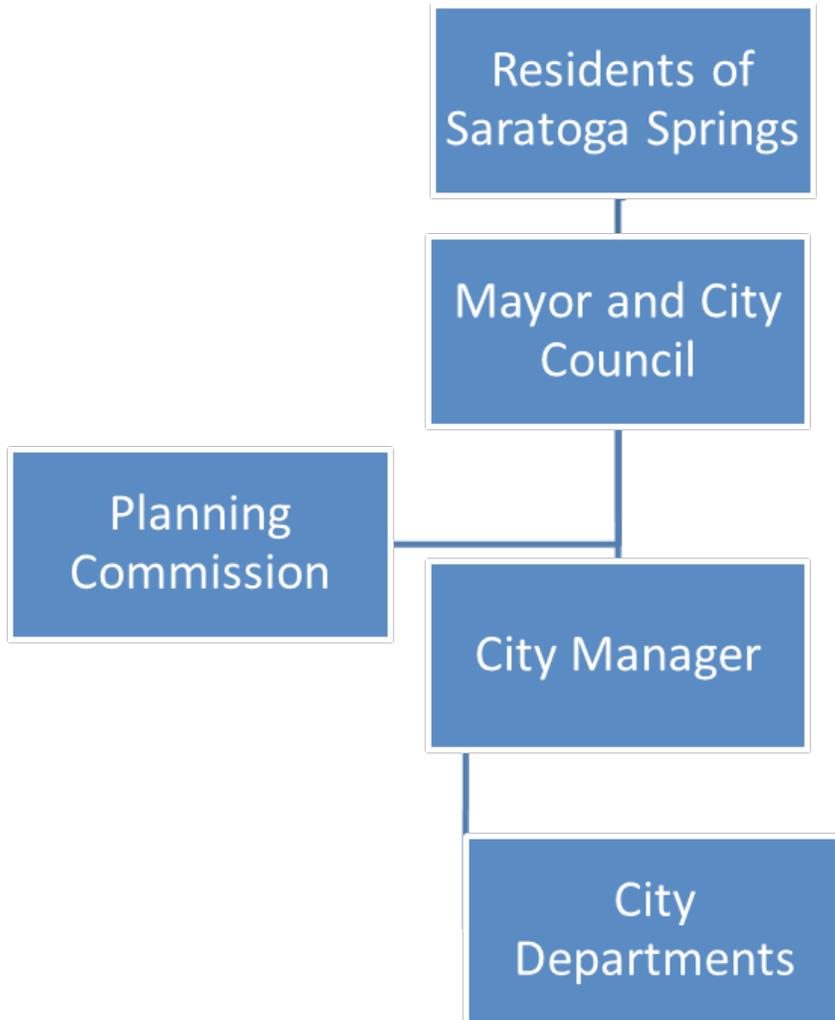
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City of Saratoga Springs, Utah

Organizational Chart



Mayor and City Council Activities

- Legislative Body
- Budgetary Authorization
- Policy Formulation
- Mission Formulation
- Appeals
- Oversee Administration
- Strategic Goals
- Represent City
- Represent Constituency



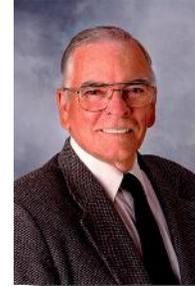
CITY OF SARATOGA SPRINGS
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MAYOR AND CITY COUNCIL AS OF JULY 1, 2014



Mayor Jim Miller

Email: jmiller@saratogaspringscity.com
Term: 01/2014 - 01/2018



Council Member Bud Poduska

Email: bpoduska@saratogaspringscity.com
Term: 01/2012 - 01/2016



Council Member Michael McOmber

Email: mmcomber@saratogaspringscity.com
Term: 01/2014 - 01/2018



Council Member Rebecca Call

Email: rcall@saratogaspringscity.com
Term: 01/2012 - 01/2016



Council Member Shellie Baertsch

Email: sbaertsch@saratogaspringscity.com
Term: 01/2012 - 01/2016



Council Member Stephen Willden

Email: swillden@saratogaspringscity.com
Term: 01/2014 - 01/2018



City Manager Introduction:

The City of Saratoga Springs FY 2015 adjusted budget and the FY 2016 budget reflect a local economy. The national economy and housing market trends continue to improve placing Saratoga Springs as one of the fastest growing cities in the state with a positive economic forecast for the foreseeable future (Source: Davidson, Lee. "Utah Tops Nation for Huddling into Cities." The Salt Lake Tribune. The Salt Lake Tribune, 04 Mar. 2015. Web. 24 Mar. 2015.).

With these national economic conditions in mind, the pertinent question is: How has the City of Saratoga Springs reacted to these dynamic market changes and how will we continue to respond to current and future demands?

The City has over the past few years seen the pressure of the growing housing market as a key leading indicator for service delivery demands in the community. Since the 2010 Census the City has seen significant population growth. As is indicated in the following table:

Building Permits Issued ⁱ		
July - June	FY 2010	340
July - June	FY 2011	374
July - June	FY 2012	474
July - June	FY 2013	547
July - June	FY 2014	458
July - June	FY 2015	550
Total Housing Permits		2,743
4.13 persons per household		11,329
*Est 3 - 4 Month Home Construction		

Estimated Population		
April 1, 2012	2012	21,137
July 1, 2014	2014	23,219
July 1, 2015	2015 Projected	25,523
Estimated Population Increase since April 1, 2010.		7,721
Percent Growth 2010 - 2015		43.4%

This high growth rate is one of the driving factors that have led to the recommendations that are presented in this budget to the Mayor and City Council.

The City continues to see rapid expansion in the housing market in addition to the explosive population growth derived from the number of building permits issued the City currently is working with over 8,000 new lots at some point in the application process. It is anticipated that the continuing creation of more building lots within the City will continue to facilitate the growth demands in the City leading to more and additional service delivery demands in the future.



Given recent market trends, the budget that is presented in this document assumes a higher rate of growth projected for the next fiscal year. As a result of this growth, the City will likely begin to see revenues increasing through FY 2016 and beyond. Where these revenue growth projections are made, the City has assumed levels that are consistent with observable current trends and actual revenues. Using the available financial and economic data for the city, I can report that Saratoga Springs is in good financial shape. As always the City is closely monitoring the economic conditions to insure that future growth is directly tied to ongoing revenues and sustainable economic vitality.

Saratoga Springs finished Fiscal Year 2014 and began FY 2015 with the General Fund Reserves near the maximum allowed level of 25 percent. The actual balance after all accruals were made as of June 30, 2014 was 20.3 percent or \$2,068,425 in the General Fund Balance. The maximum balance allowed under state law is 25 percent and in the June 2014 adopted budget the City transferred funds from the General Fund to the City's future capital fund \$2,100,000 consistent with state law for funding future capital projects. This accomplishment has been made possible by taking a conservative fiscal approach, focusing on sustainable economic growth and ensuring that one-time revenues are not used for ongoing expenses. While long-term forecasts may change over time, this budget attempts to present an attainable operational plan through FY 2020. We have implemented a five-year fiscal operating each year since 2011 and a capital plan each year since 2012. This long range perspective projects future funding and expenditure growth based on current trends and operational expenses. By anticipating these long-term operational and capital needs, I am confident that the City of Saratoga Springs can weather economic volatility and plan for future success.

In connection with this long-term plan, the City has begun a series of updates to its Capital Facilities Plans and the preparation of a 20-year comprehensive capital plan and impact fee studies. In conjunction with this capital and infrastructure planning, the City has undertaken a substantial policy review and recodification of the City Codes. These efforts will continue to position Saratoga Springs to take advantage of the recovery and positive growth in development markets.

With that said, if the national economy experiences a relapse similar to that of 2007 – 2008, this same conservative fiscal approach will allow our community to weather the storm, as it has in the past. Regardless of national economic trends, past experience has demonstrated that the City of Saratoga Springs can continue to offer high quality services which can be delivered to our customers in a cost-effective, timely manner. Despite external economic pressures, staff remains committed to high levels of customer service. In every economic environment, City staff has diligently looked for ways to operate efficiently. City staff has done and will continue to carry out Council's goals while operating within identified resources.

In preparing this budget, City staff used as a base the FY 2015 Adopted Budget approved by Council in June of 2014. Any one-time authorizations were removed from this base budget and additional changes were highlighted for the City Council's review. Proposed changes to these approved budget levels were based on direction from City Council and in consultation with department managers, City staff, and the Capital Improvement Project prioritization recommended to the City Council. Due to fiscal constraints, the recommended budget items may meet the criteria for approval or recommendation to the City Council but are not being recommended by the City Manager because of a lack of ongoing funding through the City's operating accounts.

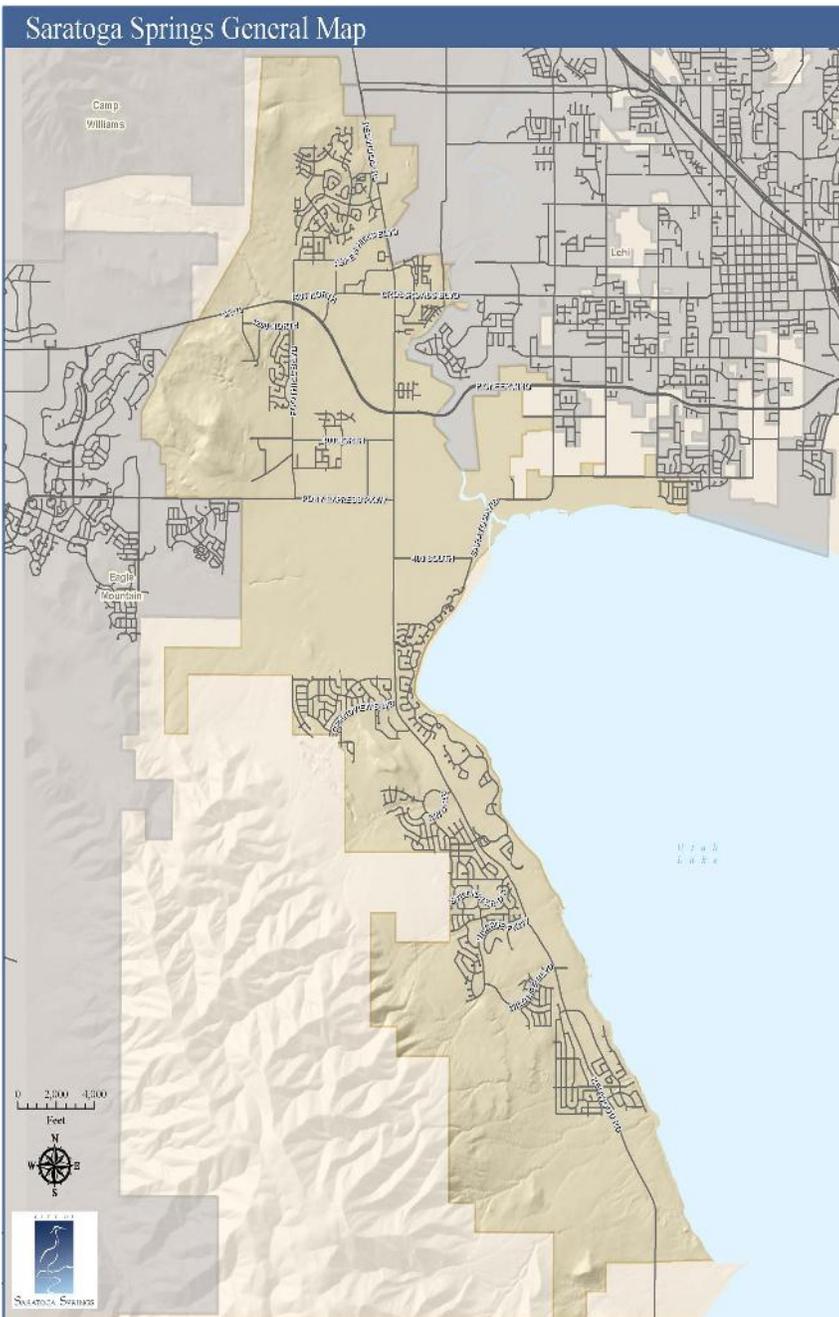
The proposed budget presented herein has been compiled with goals and objectives outlined by City Council. Moreover, pursuant to §10-6-109, Utah Code Annotated, the FY 2015 Adjusted budget, FY



2016 and FY 2017 – 2020 budgets have been prepared for the City of Saratoga Springs using budgetary practices and techniques recommended by the Governmental Accounting Standards Board (GASB) and the Governmental Finance Officers Association (GFOA). As required by State law, the proposed budget is balanced and represents a fiscally conservative approach to meet the demands imposed by the national, state and local economy.

In light of the aforementioned, I present the City Manager Amended FY 2015 and Recommended Budget for FY2016 and the FY 2017 – 2020 draft plan to the City Council, residents of Saratoga Springs, and other interested stakeholders for review.

Sincerely,
Mark J. Christensen
City Manager
City of Saratoga Springs



The City of Saratoga Springs is an exciting, developing community located on the northwest shores of Utah Lake in the center of Utah's Wasatch Front Metropolitan Area. The City, incorporated in December of 1997, boasts a high quality of life that includes beautiful lakeshore living, a quiet and rural atmosphere, great air quality, superb views and an excellent central location midway between the Provo/Orem and Salt Lake City metro areas. There is excellent access to I-15, via Pioneer Crossing, for both north and south travel, and access to the Bangerter Highway via Redwood Road for quick travel to Salt Lake International Airport (30-40 minutes by car) or other critical locations north of the City. Provo/Orem are located approximately 20-25 minutes by car via I-15.

The City's population of approximately 25,523 residents is a suburban population that works along the Wasatch Front but desires a quiet suburban area in which to live. The City is among the top ten highest growth cities in Utah, and as a region the northern Utah County area has also experienced rapid development and growth in recent years. The physical infrastructure to continue rapid residential growth is in place and regular planning ensures that transportation expansions map to population growth rates. The estimated combined population of these

cities is 104,320 residents, mostly located west of the I-15 corridor.

Land development in the City has taken the form of large "master planned" communities with progressive land-use and zoning practices which have resulted in quality and diverse housing styles.

Saratoga Springs is only partially developed and it is expected that the build-out population of the City will be over 120,000 residents. Only 25 % of the land area within the City has been developed or is planned to be developed. There are still several large parcels that remain as well as numerous smaller tracts that will one day be developed. In its General Land Use Plan, the City has sites planned for low, medium and high density residential, neighborhood and regional parks, schools, commercial and office uses and large research and development properties.

The City provides many public services including: water, sewer, police, garbage, and fire and emergency



medical response. There is a fully functioning administrative office with staff providing city management, building permitting and inspections, engineering, development services, public works, utility billing, and records management. In addition to administrative functions the City has a growing recreation program that provides year round recreational programs and clinics. 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 Saratoga Springs Special Improvement District is chartered under Utah law as separate legal governmental entity. This document includes reports of these entities since the Mayor and City Council are the appointed board members for these agencies.

The City operates under a six member council with the Mayor as a non-voting member of the legislative body. The Council has by ordinance established a city-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 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 seven members of the Planning Commission with the advice and consent of the City Council. The Planning Commission is an appointed position for 4 year staggered terms. The Commission's primary responsibilities are to review and provide a recommendation on new development plans in accordance with the direction established by Council, zoning changes, and the general plan.

Mark J. Christensen – City Manager
Chelese Rawlings – Finance Manager
Owen M. Jackson – Public Relations and Economic Development Manager
Daniel Widenhouse - Management Analyst

Please visit the City online at www.saratogaspringscity.com



OVERVIEW

The purpose of this document is to present a budget that serves the functions of a:

Policy Document – Clearly describing the City’s short-term and long-term financial goals and objectives.

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

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

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 it. This will enable the Mayor and City Council to provide policy direction during the budget process by addressing the following:

1. An overview of goals and outcomes of the Budget Summary
2. A summary of the City’s financial position
3. An outline of the overall budget process & changes to the budget format
4. Provide a Budget Summary for Fiscal Year 2015 adjusted budget, 2016 budget, and 2017 - 2020 financial plan
5. Capital project prioritization and CIP funding issues
6. An overview of the City Manager’s Recommended Budget
7. The status of various City projects
8. Highlights of future issues
9. Citywide budget policy changes

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

CITY MISSION STATEMENT

The City of Saratoga Springs promotes and serves the community’s general well being, health, and safety by preserving our natural beauty and enhancing the quality of life through long-term planning, providing a quality community experience, and sound fiscal responsibility.

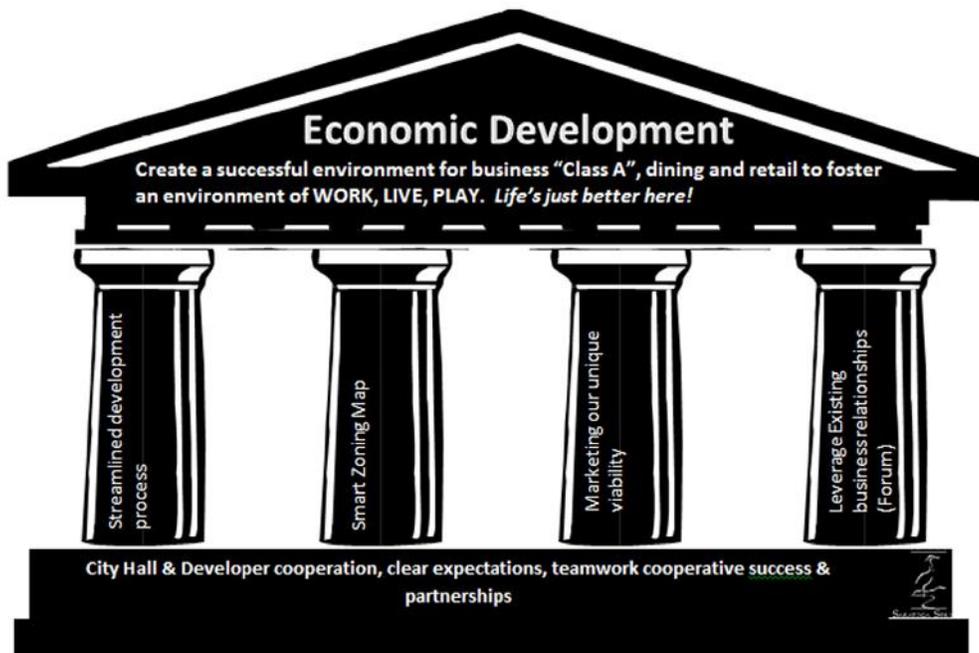
Life’s just better here!



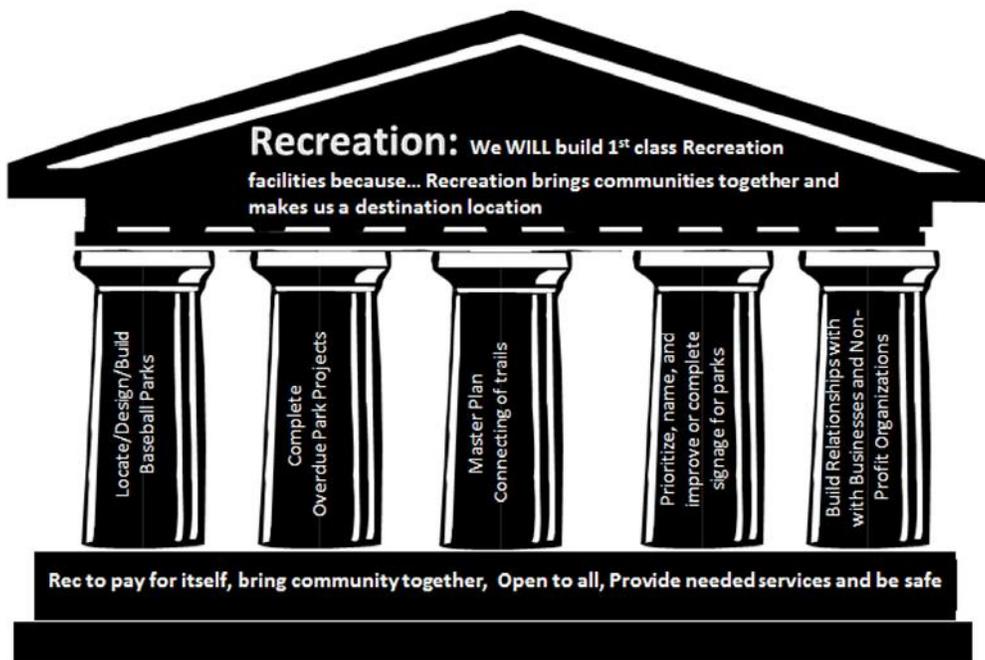
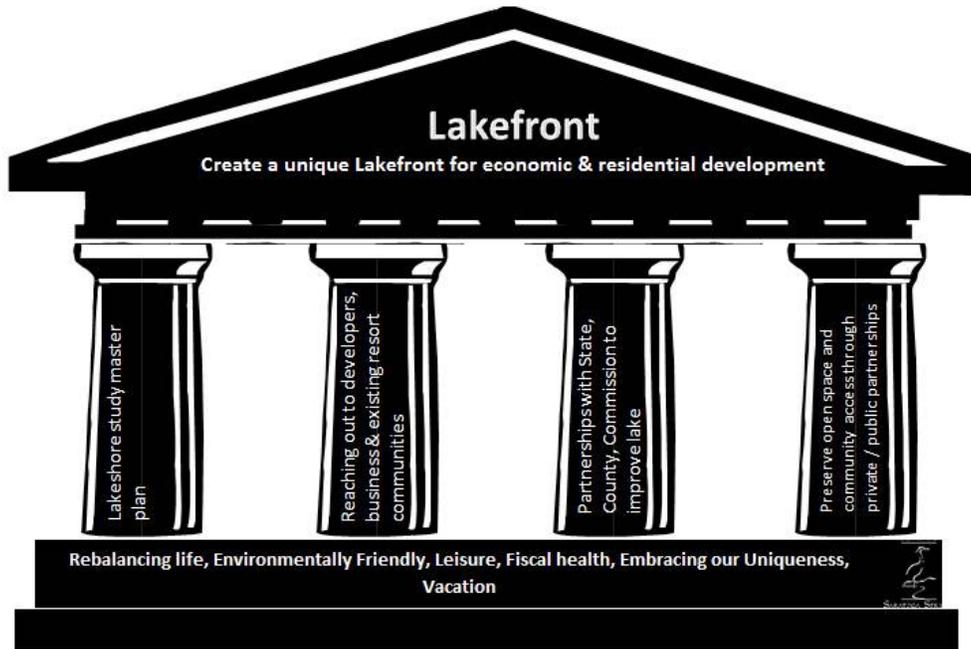
CITY COUNCIL GOALS AND PRIORITIES

MAYOR AND COUNCIL GOALS

In January of each year, the Mayor and City Council meet to discuss their vision for the community and to establish short and long term goals for the community. City staffs then take these goals and the direction provided by the City Council to establish operational priorities for the organization. The operational priorities of the Mayor and City Council are then implemented through the formal adoption of the budget. The goals and objectives identified below by the Mayor and Council are established as the community priorities for FY 2015 – 2016 and beyond. The strategies or specific procedures to achieve the goals can be found in Operating and Capital Budgets incorporated in this budget.









BUDGET PROCESS

The budget process is a way to link Council's goals 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 Council's goals and objectives. The budget provides the staff and other resources necessary to accomplish goals and programs established by the City Council as well as a plan that establishes performance expectations for each department.

The budget process is an essential element of financial planning, management, control, and evaluation for the City. Additionally, the budget process offers a series of public hearings for consumers of



governmental services to give input on city sponsored programs and levels of services.

According to state statute, the budget officer (City Manager) shall prepare and file a proposed budget with the City Council by the first scheduled Council meeting in May. 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. This year there is no property tax increased proposed as part of the City Managers recommended budget.

The City begins the budget process in December with the City Council identifying goals and objectives for the next year. Each department director is responsible for preparing budget requests for each program, under the assumption that basic services will be maintained at current levels and adequately funded. Council objectives are addressed either in the current level budget or as additional options for enhanced, increased, or decreased service levels proposed by the departments. 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 second City Council meeting in March 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. Expenditures may not exceed appropriations at the department level. The City Council may amend the budget by motion during the fiscal year; however, increases in overall fund budgets (governmental funds) require a public hearing. However, enterprise fund budgets may be increased by the City Council without a public hearing.

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, where possible, be part of the comprehensive process.

Departments are given specific instructions during the budget process that all budget requests must meet certain criteria prior to being considered by the City Council. Generally, the criteria is as follows: (1) budget requests are directly tied to the established Council goals, (2) the department can demonstrate through quantifiable means that there is an outstanding need, or (3) the request is offset by a new revenue source, or (4) the request is directly tied to an expense reduction in the department’s existing operating budget. Consideration must be given that new requests might require a budget reduction in future budget cycles to offset the request. This stringent process assists the City in acting fiscally responsible and clearly communicates expectations for budget requests. In addition to the above-mentioned criteria, all requests should meet at least one of the following criteria:

1. Requests should be offset with equal or greater reductions within a department’s budget.
2. New personnel requests must be discussed with the City Manager prior to submitting the request.



3. Requests 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 offsetting existing funds other than personnel are discouraged and will be subjected to a heightened review.
4. Request demonstrates an exceptional need that could not have been anticipated during the budget process.
5. Request is specific for a Council program or goal.
6. Request generates new revenues.
7. Request fulfills federal, state, or local mandates.

BUDGET CALENDAR

Preparation of Tentative Budget

December

- Budget Calendar and instructions presented to departments. Department mid-year performance measures due. Pay plan benchmarking updated.

January

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

February – March

- Compilation of Tentative Budget

April

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

Council Presentation and Public Hearings

April-May

- The Council holds public hearings 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

May-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

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

Budget Amendments: The GFOA recommends frequent budget amendments within the current budget year in order to maintain fiscal responsibility and adaptability.

Budget Format: This is the fourth year the City has completed and published a formal multi-year budget document with this format and scope. In FY 2012, the City introduced a five-year financial plan. The City's budget process is different in many ways when compared to the past. Some of the most notable changes in the budget process include moving from an annual budget to a multi-year budgeting process, the incorporation of a long term Capital Plan and the implementation of performance measures. In FY 2012 staff worked with the Council to develop a multi-year pay-for-performance compensation philosophy. A multi-year budget encourages a forward thinking approach to programs and services offered by offering a comprehensive financial outlook.

A multi-year budget is a process in which the City anticipates revenues and expenditures for two or more budgetary years. Each budget year beyond the required appropriations period is referred to as a multi-year financial plan which does not act as a formal spending document but rather serves as a plan that can be amended freely with legislative approval. The financial plan only becomes a formal spending document with approval by the legislative body, at which time the plan becomes a budget.

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

- Improved financial management
- Improved long-term planning
- Ability to evaluate program and service delivery

A primary change internal to the organization is that departments have been instructed to anticipate budgetary needs for a 72-month period (the remaining months of Fiscal Year 2015 and Fiscal Years 2016 - 2020). While going from a one-year budget to a five-year budget is relatively new, the concept has been favorably accepted throughout our organization. The process requires an even greater deal of planning and preparation for upcoming years from each of the departments.

The first year of a five-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 the operational needs are meeting the long-term organization's direction. Each year the City will incorporate the current adjusted budget and a modified five-year plan.

The City Council approved a budget for the upcoming fiscal year and a fiscal plan for the next four years. The Budget Document is a tool to be used by management and staff to implement the direction established by council to carry out the needs and direction of the community. The document is divided into five major areas: (1) Executive Summary, (2) Operating Budgets, (3) Summaries, (4) Policies and Objectives, and (5) Performance Measurement Program.



- A. The Executive Summary highlights: the City's goals, objectives, and budget processes; economic and demographic facts and projections; significant budget issues for fiscal year 2015; and revenue and expense trends.
- B. The Operating Budget reports how the City's fiscal resources are used to deliver services. Included with the operational budgets are the department's performance measures.
- C. The Budget Summaries focus on government-wide revenues, expenditure summaries and individual fund summaries.
- D. The Policies and Objectives section establishes guidelines for achieving fiscal accountability and management, full disclosure and acts as a planning tool to assist in the decision making process.
- E. The Performance Measurement Program is included in this document and outlines the program developed for the City and highlights its creation, philosophy and implementation.

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 2015-2016 budget, City Council is legally appropriating funds and authorizing expenditures in accordance with policies outlined in this document and in accordance with State law.

BUDGET AWARDS PROGRAM

It is the intent of the City Manager to formally present this budget document to The Government Finance Officers Association of the United States and Canada (GFOA) for the Distinguished Budget Presentation. To receive this award, the City must publish the document that meets program criteria as a policy document, operations guide, financial plan, and communication device. The award is significant because it demonstrates adherence to budget policies and positive planning efforts. The award is an external measure of the proactive budgeting practices the City is employing and is valid for a period of one year. We believe this budget conforms to GFOA requirements and we will submit the budget when we apply for this prestigious award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Saratoga Springs
Utah**

For the Fiscal Year Beginning

July 1, 2014

Executive Director



FISCAL FIRST AID

The Government Finance Officers Association (GFOA) in 2010 released fiscal first aid techniques that 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 City of Saratoga Springs is not currently in financial distress. Consequently, the city has no need to implement these practices in the current financial and economic climate.

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 the 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 public support through local taxes

Treatments Not Advised - are ones that can cause long term negative effects.

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.

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.



Fiscal First Aid Techniques 2016			
Action	Primary Treatments	Action	
	Revenue		Recognize opportunities within crisis
	Audit revenue sources	X	Manage perceptions
	Improve billing and collections	X	Be willing to spend money to save money
X	Explore fees for services	X	Network with peer agencies and individuals
X	Propose taxes with a strong nexus		Human Resources and Benefits
X	Conduct a tax lien sale	X	Evaluate overtime use
		X	Address health care costs & workers; compensation claims patterns
	Capital and Debt		Re-examine labor structures
X	Start comprehensive capital project planning	X	Assess organization structure
X	Restructure Debt	X	Integrate human resources and financial systems
		X	Investigate risk management
	Management Practices		
X	Make managers manage		Financial Planning and Analysis
X	Enhance purchasing practices		Evaluate financial condition & get benchmark data
	Pursue inter-organizational cooperation	X	Inventory programs and ascertain their costs
X	Revisit control system		Audit certain recurring expenditures
X	Centralize financial management and human resources activities		Divest of loss-generating enterprises
	Develop cash flow reporting	X	Seek state, federal, and/or regional assistance
X	Establish a culture of frugality		Identify sources of liquidity
Treatments to Use with Caution			
	Revenue		Human Resources and Benefits
	Sell assets		Offer early retirement program
	Obtain better returns on idle cash	X	Increase part-time labor
		X	Institute hiring/wage freezes
		X	Reduce hours worked and pay
	Capital and Debt		Financial Planning and Analysis
X	Use short-term debt to pay for vehicles		Revisit interfund transfer policies
X	Defer and/or cancel capital projects	X	Use Fund Balance to Soften the Landing
	Use debt to fund pay-go capital projects		Management Practices
		X	Close facilities (or reduce hours of operation)
			Outsource
Treatments to Use with Extreme Caution			
	Revenue		Human Resources and Benefits
X	Levy a broad tax increase		Make across-the-board wage cuts
	Create special taxing districts		Defer compensation
	Capital and Debt		Management Practices
			Make across-the-board budget cuts
Treatments Not Advised			
	Revenue		Human Resources and Benefits
			Underfund accrued liabilities like pensions
	Capital and Debt		Management Practices
	Shift operational costs into capital budgets		Use accounting manipulations

Table 2 – Fiscal First Aid Techniques, comparing City practices to techniques



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.

History of Property Statutory Assessment					
	Year	Statutory Assessment Level (% of Market Value)	Real Property Intangible Exemption (Apply to Locally Assessed Only)	Primary Residential Exemption	Total Taxable Value as a Percentage of Market Value
Primary Residential	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%
Other Locally Assessed Real Property	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%
Personal Property	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%
Centrally Assessed Property	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 3 - State of Utah property tax statutory assessment from 1961 to present.

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.

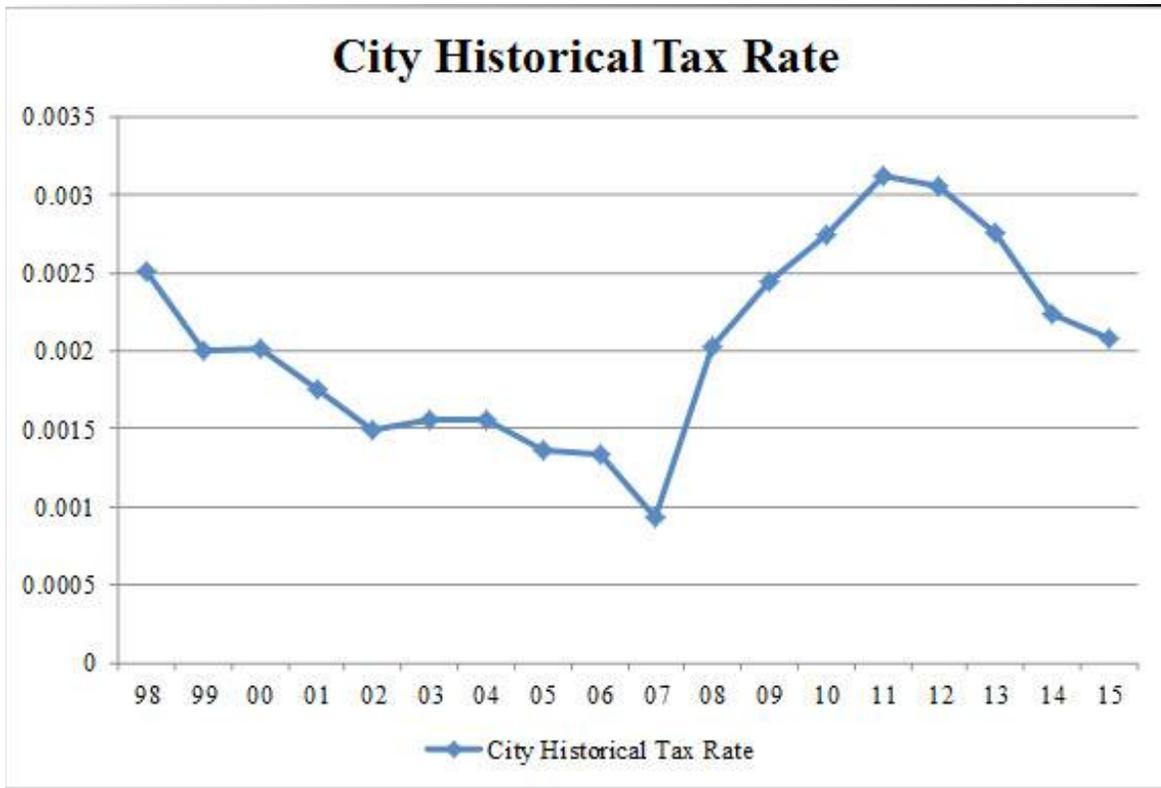


Figure 1 – illustrates the City Historical tax rate since 1998 (Calendar Year)

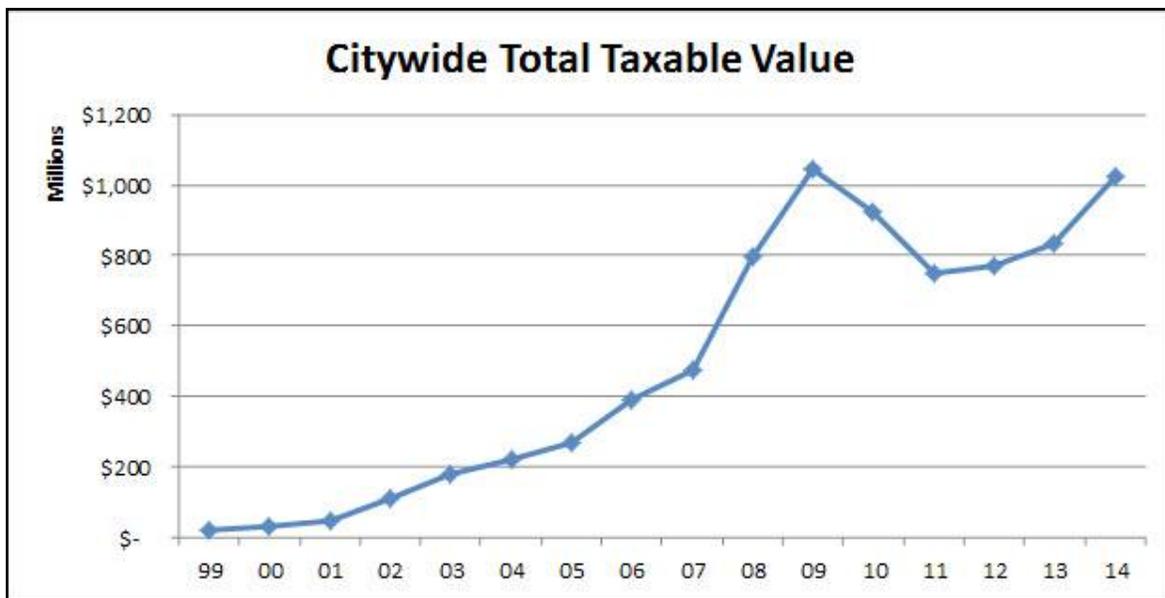


Figure 2 – illustrates the Citywide Property Value percent change for prior year since 1998 (Calendar Year)

Property Tax Levies and Collections: Utah County levies, collects, and distributes property taxes for the City of Saratoga Springs 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.

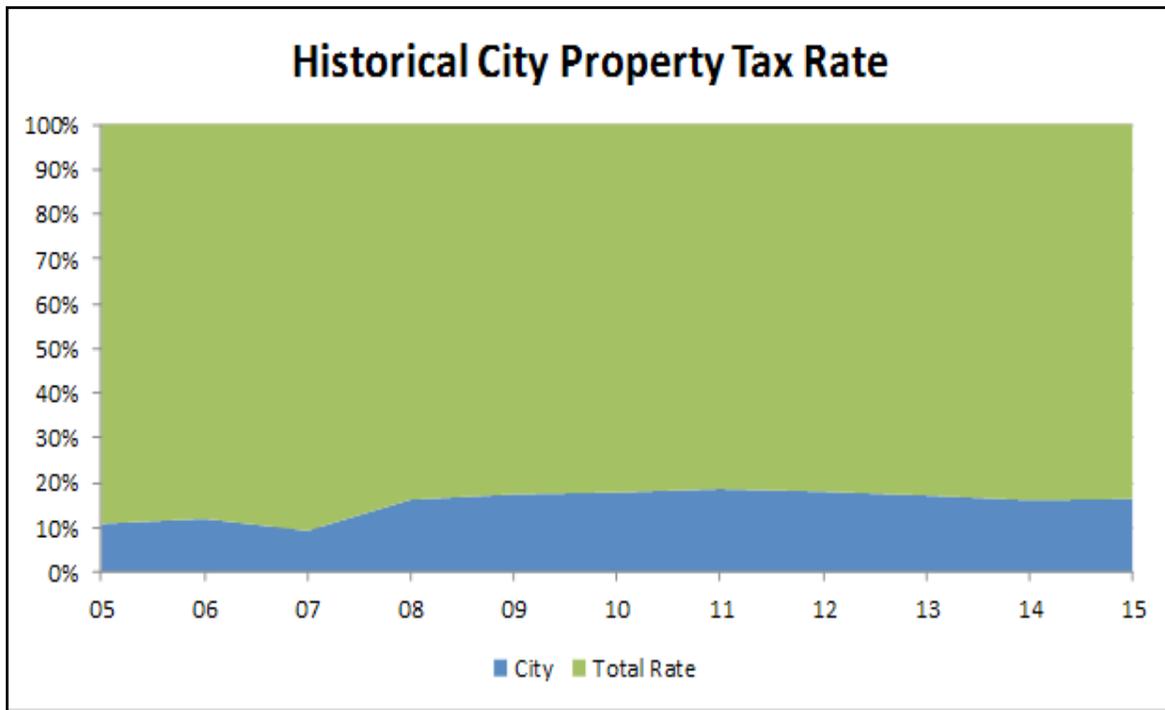


Figure 3 – illustrates each taxing entities share of the total levy for property taxes in 2013.

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 are subject to a penalty of 2 % of the amount of such taxes due or a \$10 minimum penalty, this penalty is assessed by Utah County. The delinquent taxes and penalties are charged interest at the federal discount rate plus 6 % from the first day of January until paid. 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.

Historical City Property Tax Rate	Year										
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
City General Purpose	0.001358	0.001331	0.000933	0.002019	0.002436	0.002744	0.00312	0.003054	0.002761	0.002233	0.002083
City (GO Bond Debt)	0	0	0	0	0	0	0	0	0	1	2
Total City Levy	0.001358	0.001331	0.000933	0.002019	0.002436	0.002744	0.00312	0.003054	0.002761	0.002233	0.002083
Other Taxing Entities	0.009873	0.008502	0.008239	0.008448	0.009144	0.009935	0.010590	0.010900	0.010607	0.009447	0.008594
Total Tax Rate for City	0.011231	0.009833	0.009172	0.010467	0.011580	0.012679	0.013710	0.013954	0.013368	0.011680	0.010677
City rate as a % of Total	12%	14%	10%	19%	21%	22%	23%	22%	21%	19%	20%

Table 4 – represents the City’s and other taxing entities’ historical tax rates since 2005.



As depicted in Table 4, the City's tax levy rate decreased from 0.001358 in 2005 to 0.000933 in 2007. In 2008 the City's tax rate increased to 0.002019 as a result of declining assessed values Citywide. In 2013, the City's tax levy rate has decreased from the year before due to rising assessed values in the City.

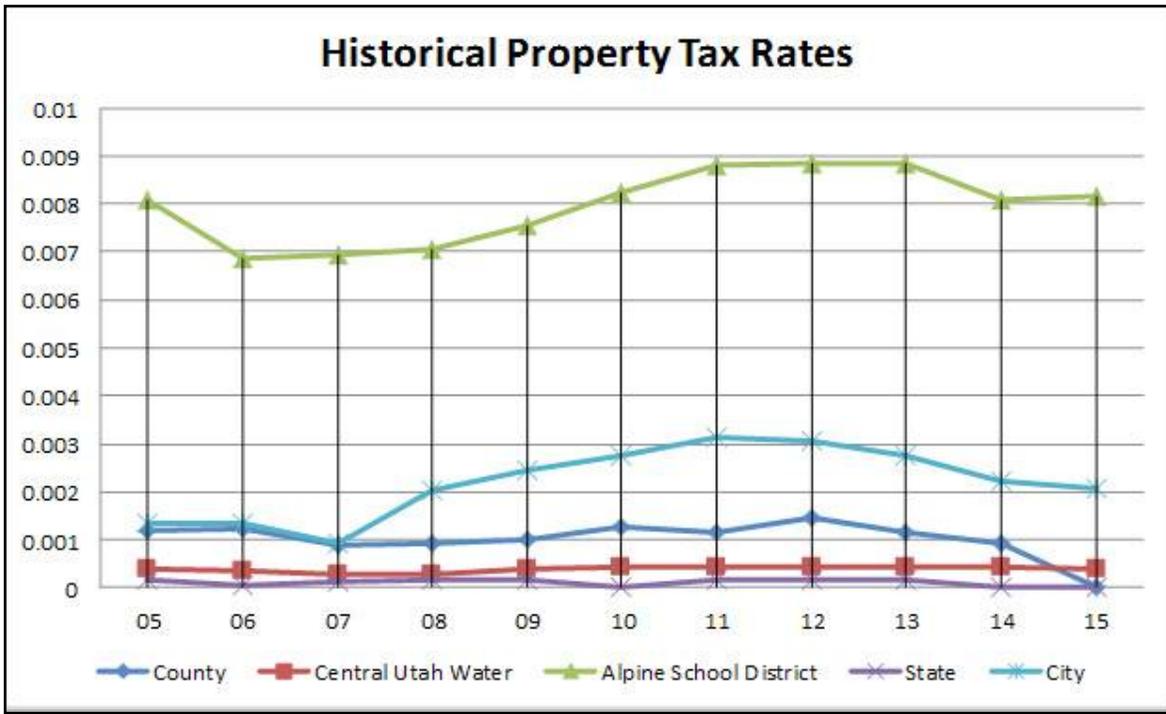


Figure 4 – illustrates each taxing entities tax rate for Saratoga Springs since 2005.

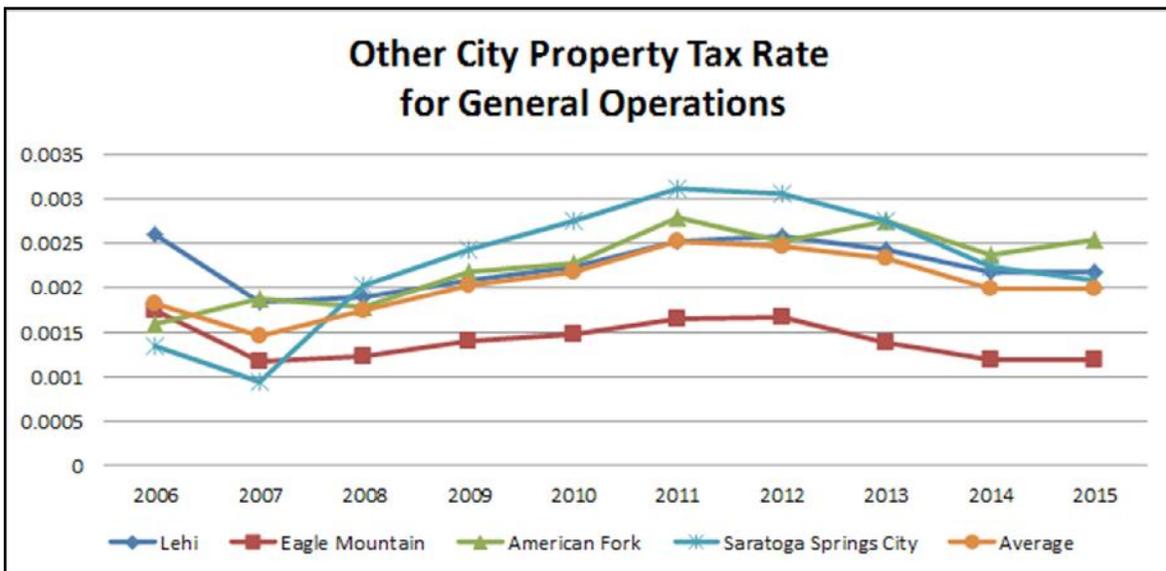


Figure 5 – Illustrates each operating property tax rate compared to Saratoga Springs since 2006.



City of Saratoga Springs Top 10 Taxpayers, **2014			
Taxpayer	Rank	* Taxable Valuation	% of Total Value
Pacificorp	1	\$7,299,996	0.88%
Questar Gas	2	\$7,150,992	0.86%
Stations West	3	\$5,801,400	0.70%
Saratoga Self Storage LLC	4	\$3,661,000	0.44%
Towne Storage	5	\$3,351,400	0.40%
Cougars Rock investments	6	\$3,057,000	0.37%
Cardinal Land Holdings IV LLC	7	\$2,522,500	0.30%
Aldara Apartment Associates LLC	8	\$2,423,300	0.29%
S3 Properties	9	\$2,171,000	0.26%
SCP Fox Hollow LLC	10	\$2,070,700	0.25%

Principle Taxpayer Totals	\$39,509,288
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Total Property Valuation	\$831,929,894
Top 10 as a % of Total	5%

*Includes Real, Personal, and Centrally Assessed

**Calendar Year

Table 5 (above) represents the City's largest property tax payers. (Utah County 2010 Taxable Values)

As shown in Table 5, the City's top ten taxpayers are relatively stable and diverse with the principal tax payers representing only 6 percent of the taxable property value.

**DEMOGRAPHIC INFORMATION**

The City has experienced high population growth since the 2010 Census. The City's population has grown from 17,781 in 2010 to 25,523 in 2015. Saratoga Springs grew by approximately 43.4 percent during this five-year time span.

Census 2010 Demographic Profile Highlights

	2010	2013	Over 18 Years ago
Total population	17,781	22,749	9,434
RACE			
One race	17,288	NA	9,303
White	16,501	NA	8,828
Black or African American	94	NA	38
American Indian and Alaska Native	50	NA	32
Asian	163	NA	117
Native Hawaiian and Other Pacific	140	NA	70
Some Other Race	340	NA	218
Two or More Races	493	NA	131
HISPANIC OR LATINO AND RACE			
Hispanic or Latino (of any race)	1,026	NA	541
Not Hispanic or Latino	16,755	NA	8,893
One race	16,370	NA	8,796
White	15,902	NA	8,526
Black or African American	89	NA	35
American Indian and Alaska Native	43	NA	26
Asian	163	NA	117
Native Hawaiian and Other Pacific	140	NA	70
Islander			
Some Other Race	33	NA	22
Two or More Races	385	NA	97
HOUSING UNITS			
Total housing units	4,685	NA	
OCCUPANCY STATUS			
Occupied housing units	4,387	NA	
Vacant housing units	298	NA	

Table 6 – Saratoga Springs Demographic Information from 2010 Census and 2013 Projections



FISCAL YEAR 2014 BUDGET ISSUES

This section of the Budget outlines the basic premises associated with the budget and its major programs. It is an introduction to the basic assumptions underlying the tentative budget.

Service Level Changes

As the City's revenues see modest growth, the City has been careful about increasing service levels without a sustainable revenue stream. For this reason, most service levels have increased slightly in this fiscal year. Some service level changes of note include:

- In-house Professional Staff. In the FY 2016 budget year funding was recommended for an Asset/Management Analyst, seasonal parks workers, and a new Bluffdale police officer. It is believed that for the cost the City will receive greater service due to having these positions in house.

Enterprise Utility Funds

As staff continues to evaluate the current and future status of the water, sewer, street light, garbage, and storm drain enterprise funds, the analysis continues to highlight concerns regarding the funds' ability to fund future operations, capital projects, equipment, and build 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 sources may be necessary to fund necessary capital improvements and equipment replacement. City staff has been diligent in seeking grant revenue to assist with cost of funding necessary capital improvements and equipment replacement. The City in 2016 will be including a full cost allocation strategy for the enterprise funds that will detail administrative costs not currently being charged to these funds.

See Capital Projects Summary and Fee Schedule located in the Supplemental section for details on capital projects anticipated in the next five years and the proposed user fee schedule.

In 2014 the City implemented a Fleet Management Plan developed to provide guidance in operating, maintaining, evaluating, financing, and replacement of City fleet. The budget plan anticipates that capital acquisitions for fleet and equipment replacement will be necessary.

Governmental Funds

Budgetary revenue projections have been difficult as economic assumptions, since FY 2012, have included a recessed economy and housing market, rising unemployment, low investment earnings, and low taxable sales. Budgetary assumptions moving forward anticipate conservative economic growth and taxable sales, stabilizing housing markets and unemployment, and low investment earnings. Stronger growth patterns are expected to continue going forward.

This year's budget process required staff to highly scrutinize their operating and capital budgets requests while trying to maintain the same high level of service for our customers.

Personnel costs, city-wide, rose slightly. The City's health insurance renewal came back with less than a 1% increase. The City conducted a salary analysis comparing employees' salaries against their counterparts in the group of benchmark cities. During their retreat in January 2014, the City Council set a goal to pay employees at the 65th percentile over the next two years. In addition, the Council set aside 2% of salaries to be used for performance based incentives.

**Levels of Service**

It is the desire of the City to provide a high level of public services that require maintaining sufficient staff, quality equipment and advanced technology, and professional facilities, at the lowest cost to our customers. The 2016 budget provides for maintaining existing services and programs levels that are outlined in the operating budgets. The services and programs offered provide for focusing on the goals and objectives established by the Mayor and Council.

City Financial Summary

In November of 2014 the City issued a Water Revenue and refunding bond in the amount of \$9,995,000. This bond has refunded the Water Bond series 2005, 2006, 2009, in addition of bond revenue that is currently being used for much needed water system improvements. The City was able to receive a true interest cost (TIC) rate of 2.00 percent for this issuance in part because of the excellent bond rating the City received.

Changes in Fund Balance

Fund balances in the General Fund are expected to increase and remain at the 25 percent state limit. Capital and Enterprise funds rise and fall on an annual basis based on the size, scope, and timing of capital projects.

Ending Fund Balance Available for Appropriation									
	FY2015	FY2014	FY2013	FY2012	FY2011	FY2010	FY2009	FY2008	FY2007
General (10)	2,557,671	2,068,425	2,818,941	3,097,452	2,525,779	2,008,420	905,031	242,907	931,273
Street Lighting (22)	8,465	40,488	217,714	248,903	248,903	128,706	76,617	36,792	30,620
SSD Street Lighting (23)	(10,038)	5,879	65,266	56,822	56,822	35,220	24,167	21,349	17,952
Zone 2 SID (24)	410,004	65,141	4,183,268	3,848,755	2,630,676	2,845,822	(521,443)	(131,433)	(6,526)
Storm Drain Capital (31)	1,235,161	1,224,940	1,215,961	967,267	967,267	619,573	398,368	971,425	889,252
Paris Capital (32)	2,197,030	2,197,030	1,882,322	1,263,584	1,263,584	3,001,914	3,741,074	3,908,130	2,440,896
Roads Capital (33)	4,547,000	4,750,570	4,874,572	4,412,250	4,412,250	2,237,814	4,102,054	4,758,489	3,608,414
Public Safety (34)	1,053,853	1,053,853	778,565	389,873	389,873	(270,898)	1,093,882	901,752	545,362
General Capital Proj (35)	1,297,610	1,297,610	3,410,667	2,612,056	2,612,056	285,823	-	-	913,646
Water (51)	2,044,167	1,965,854	631,206	(245,689)	(245,689)	385,474	961,234	667,984	(133,982)
Sewer (52)	1,945,885	2,620,909	2,501,588	2,136,793	2,136,793	1,049,999	387,356	78,231	82,639
Wastewater Capital (53)	183,093	183,093	804,595	742,709	742,709	330,994	167,781	330,681	207,641
Storm Drain (54)	451,407	451,407	264,181	123,700	123,700	(2,651)	-	-	-
Garbage (55)	349,200	227,270	342,634	266,932	256,431	100,071	70,019	27,142	21,129
Water Capital Proj (56)	1,572,743	1,366,616	896,557	1,775,939	908,853	1,049,249	1,178,697	1,447,678	2,205,898
Secondary Capital Proj (57)	908,125	298,700	(5,862)	222,501	222,501	97,834	1,329,878	1,152,059	2,113,549
Ending Fund Balance	20,751,376	19,817,783	24,882,175	21,919,848	19,252,510	13,903,364	13,914,715	14,413,186	13,867,763
This includes Cash, Current Liabilities, and Current Receivables									

Table 7 – Ending Fund Balance for Appropriation



Changes in Fund Balance Greater than 10 percent

Twelve of the cities funds had an ending fund balance that changed by more than 10 percent. The following is an explanation for these changes.

General Fund (Fund 10) The fund's balance increased by greater than 10 percent due to an net increase of revenues over expenditures.

Street Lighting (Fund 22) The fund's balance decreased by greater than 10% due to fund balance used to fund capital projects.

Street Lighting (Fund 23) The fund's balance decreased by more than 10% due to fund balance being used to fund capital projects.

Zone 2 SID (Fund 24) This fund's balance decreased by greater than 10 percent due to paying down the debt.

Parks Capital Projects (Fund 32) This fund's balance increased by greater than 10 percent due to increased revenues coupled with minimal expenditures from the fund.

Roads Capital (Fund 33) This fund's balance decreased by greater than 10% due to fund balance used to fund capital projects.

Public Safety Capital Projects (Fund 34) This fund's balance increased by greater than 10 percent due to incoming revenues exceeding expenditures.

General Capital Projects (Fund 35) This fund's balance increased by greater than 10% due to fund balance used to fund capital projects.

Water Operations (Fund 51) This fund's balance decreased by greater than 10 percent due to a loan payoff.

	Beginning Fund Balance Available for Appropriation							
	FY2015	FY2014	FY2013	FY2012	FY2011	FY2010	FY2009	FY2008
General (10)	2,558,704	2,558,704	3,097,452	2,525,779	2,008,420	905,031	242,907	931,273
Street Lighting (22)	40,488	217,714	248,903	248,903	128,706	76,617	36,792	30,620
SSD Street Lighting (23)	5,879	65,266	56,822	56,822	35,220	24,167	21,349	17,952
Zone 2 SID (24)	410,004	410,004	3,848,755	2,630,676	2,845,822	(521,443)	(131,433)	(6,526)
Storm Drain Capital (31)	1,235,161	1,235,161	967,267	967,267	619,575	398,368	971,425	889,252
Parks Capital (32)	2,197,030	1,882,323	1,263,584	1,263,584	3,001,914	3,741,074	3,908,130	2,440,896
Roads Capital (33)	4,547,000	4,547,000	4,412,250	4,412,250	2,237,814	4,102,054	4,758,489	3,608,414
Public Safety (34)	1,053,853	778,565	389,873	389,873	(270,898)	1,093,882	901,752	545,362
General Capital Proj (35)	1,297,610	1,813,446	2,612,056	2,612,056	285,823	-	-	913,646
Water (51)	1,965,854	631,206	(245,689)	(245,689)	385,474	961,234	667,984	(133,982)
Sewer (52)	2,620,909	2,501,588	2,136,793	2,136,793	1,049,999	387,356	78,231	82,639
Wastewater Capital (53)	183,093	804,595	742,709	742,709	330,994	167,781	330,681	207,641
Storm Drain (54)	451,407	264,181	123,700	123,700	(2,651)	-	-	-
Garbage (55)	227,270	342,634	266,932	256,431	100,071	70,019	27,142	21,129
Water Capital Proj (56)	1,366,616	896,557	1,775,939	908,853	1,049,246	1,178,697	1,447,678	2,205,898
Secondary Capital Proj (57)	298,700	(5,862)	222,501	222,501	97,834	1,329,878	1,152,059	2,113,549
Beginning Fund Balance	20,459,575	18,943,082	21,919,848	19,252,510	13,903,364	13,914,715	14,413,186	13,867,763

This includes Cash, Current Liabilities, and Current Receivables

Sewer Capital (Fund 52) This fund's balance decreased by greater than 10 percent due to the spending down of balance for budgeted projects.

Garbage Utility (Fund 55) This fund's balance increased by more than 10 percent due to increased revenues.

Table 8 – indicates the Starting Fund Balances for the various City Funds.

Water Impact (Fund 56 and 57) This fund's balance increased by more than 10 percent due to increased revenues coupled with less expenditures.



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.

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 that can be determined and "available" means collective within the current period or soon enough thereafter to be used to pay current liabilities. 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 in the City's enterprise funds.

- Water, Sewer, Garbage, and Storm Drain Enterprise Funds account for the operation of the City's utilities, including the accumulation of monies for the repayment of water utility debt service.

Debt Service Fund: Accounts for the payment of the City's 2011 Sales Tax Revenue Bond.

Tax Increment Fund: Accounts for operations and improvements within the TIF and the accumulation of money for the future repayment Tax Increment Financing Bonds. The principal source of revenue is property tax increment from properties located within the area and although the City does not currently have any TIF's or EDA's these may be utilized in the future for economic development within the City.

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 performed capital facilities and impact fee analyses since 2012.

Functional Units by Fund Type		
<u>General Fund</u>	<u>Enterprise Funds</u>	<u>Special Improvement</u>
General Government	Water	Street Lighting
Public Safety	Sewer	
Highways & Public Improvements	Storm Drain	
Parks & Recreation	Garbage	
Economic Development		
Library		

Table 9 – Functional Units by Fund Type

FISCAL YEAR 2015 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 estimating 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

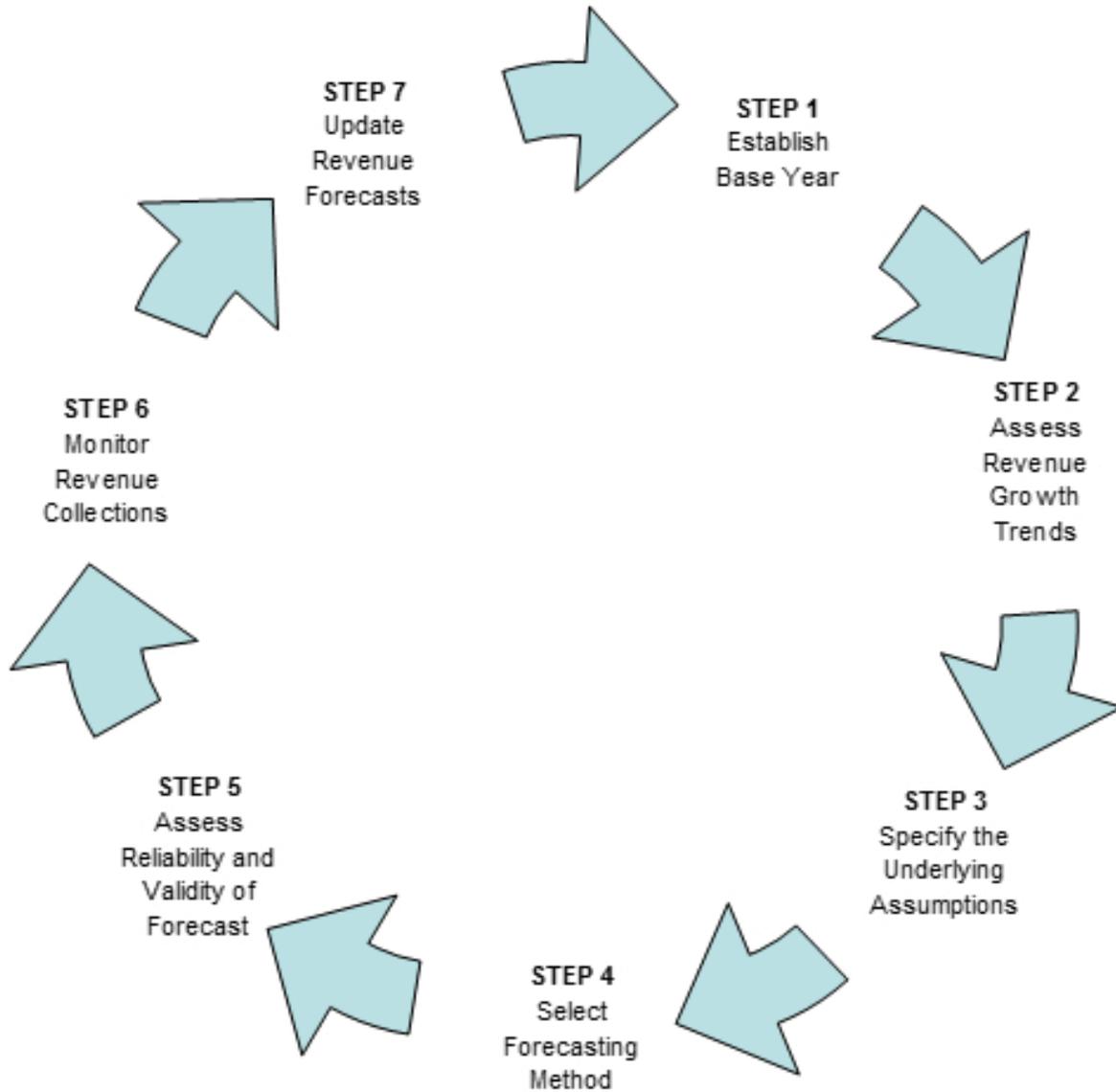
Forecasting Methodology - The City uses qualitative and quantitative approaches to forecasting revenues that include, but are not limited to:

- Trend Analysis
- Economic Reviews and Publications
- Departmental Surveys
- National, State, and Local Policy Changes
- Comparing Revenue Collections against Projections
- Consensus, Expert, and Judgmental Forecasting

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



Figure 8 - Revenue Forecasting Process



Government-Wide: Revenues by Fund								
Fund	2014 Actual	2015 Budget	Adj	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
10 General Fund	11,682,808	12,176,649		13,070,261	13,160,639	13,422,698	13,715,979	14,021,512
22, 23 Street Lighting Funds	175,301	218,073		192,483	191,975	191,975	191,975	191,975
31 Storm Drain Capital Projects Fund	178,125	255,000		255,000	255,000	255,000	255,000	255,000
32 Parks Capital Projects Fund	731,711	450,000		550,000	577,500	606,375	636,694	668,528
33 Roads Capital Projects Fund	921,103	500,000		800,000	808,000	816,080	824,241	832,483
34 Public Safety Capital Projects Fund	280,551	300,000		300,000	303,000	306,030	309,090	312,181
35 Capital Projects Fund	4,696,641	4,649,434		1,697,046	1,447,046	1,447,046	1,447,046	1,447,046
40 Debt Service Fund	291,800	292,450		293,300	293,500	293,510	291,750	291,500
51 Water Utility Fund	3,222,306	3,340,500		3,440,500	3,541,310	3,645,096	3,751,947	3,861,953
52 Sewer Utility Fund	2,300,286	2,186,500		2,336,500	2,383,230	2,430,895	2,479,512	2,529,103
53 Wastewater Impact Fee Fund	433,429	365,000		3,300,000	303,000	13,306,030	309,090	312,181
54 Storm Drain Utility Fund	408,863	400,000		400,000	404,000	408,040	412,120	416,242
55 Garbage Utility Fund	896,600	851,785		880,000	888,800	897,688	906,665	915,732
56 Culinary Water Impact Fee Fund	951,656	2,700,000		750,000	751,500	753,015	754,545	756,091
57 Secondary Water Impact Fee Fund	722,991	2,200,000		4,200,000	200,000	200,000	200,000	200,000
Total Revenues by Fund	\$ 27,894,172	\$ 30,885,391		\$ 32,465,090	\$ 25,508,500	\$ 38,979,477	\$ 26,485,655	\$ 27,011,526

Table 10 Government-Wide Revenues by Fund



Government-Wide: Requirements by Major Object							
Major Object	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	6,503,743	8,959,122	9,536,553	9,568,770	9,569,309	9,569,892	9,570,521
% Change from Prior Year	35%	38%	6%	0%	0%	0%	0%
Materials, Supplies, and Services	10,332,256	16,174,899	13,320,820	14,501,027	16,146,668	15,446,360	16,922,299
% Change from Prior Year	91%	57%	-18%	9%	11%	-4%	10%
Debt Service	659,781	596,025	474,044	472,244	472,294	470,494	470,244
% Change from Prior Year	88%	-10%	-20%	0%	0%	0%	0%
Capital	5,081,424	22,159,323	13,043,981	4,774,181	17,816,498	4,861,115	10,087,393
% Change from Prior Year	-44%	336%	-41%	-63%	273%	-73%	108%
Transfers	1,694,516	209,513	412,860	412,994	413,087	413,141	413,211
% Change from Prior Year	1378%	-88%	97%	0%	0%	0%	0%
Ending Balance	11,994,590	13,201,922	13,492,260	13,415,638	13,677,698	13,970,979	14,768,712
% Change from Prior Year	44%	10%	2%	-1%	2%	2%	6%
Total	\$ 36,266,310	\$ 61,300,803	\$ 50,280,517	\$ 43,144,853	\$ 58,095,555	\$ 44,731,981	\$ 52,232,380
% Change from Previous Year	29%	69%	-18%	-14%	35%	-23%	17%

Table 11 Government-Wide Revenues by Major Object

Charges for Services, which are fees charged to users for goods or services, are expected to have an increase in FY 2016. Between 2017 and 2020 charges for services are expected to increase at an average annual rate of 3% as the city expects some increase in construction, recreation programming fees, and ambulance fees. Charges for services represent 26.8% of revenues for 2016.

Property Tax Revenues in 2016 are estimated at \$2,297,558 or 24.0% of City's general fund revenue. This estimate has increased in comparison to the property tax collected in 2015. While new properties may have been developed, the State of Utah has changed the formula for the property tax calculations to more accurately account for delinquent property tax payments. This change in calculation will lower the City's collections. Property tax revenue pays for general governmental programs.

Government-Wide: Revenues by Major Object as a Percentage							
Major Object	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Tax Revenue	24%	24%	19%	26%	18%	31%	27%
Licenses and Permits	2%	2%	2%	2%	2%	3%	2%
Intergovernmental Revenue	3%	3%	2%	3%	2%	3%	3%
Charges for Services	31%	33%	27%	35%	23%	39%	34%
Other Revenue	25%	25%	36%	18%	45%	8%	18%
Contributions and Transfers	14%	13%	13%	15%	10%	17%	16%
Total	100%	100%	100%	100%	100%	100%	100%

Table 12 Government-Wide Revenues by Major Object as a Percentage of Total Revenues

Sales, Franchise, and Energy Tax receipts are estimated to reach \$3,789,800 or 35.0 % of general fund revenue in 2016, up about 1.2% from the 2015 adjusted budget. Sales Tax receipts of \$2,400,000, Franchise Tax receipts of \$239,800, and Energy Tax receipts of \$750,000 are deposited into the General Fund to help pay for general government operations. Table 13 represents the Sales and Use Tax rates for the City in the Utah County locality as of January 1, 2013. The combined sales and use tax rates includes: state, local option, mass transit, mass transit fixed guideway, county airport, highway, public transit, and county option 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.



Current Sales Tax Rates	
Tax	Rate
State Sales & Use Tax	4.70%
Local Sales & Use Tax	1.00%
Mass Transit Tax	0.25%
Mass Transit Fixed Guideway	0.30%
County Airport, Highway, Public Transit	0.25%
County Option Sales Tax	0.25%
Total Sales Tax	6.75%

Table 13 Sales Tax Rates for the City effective January 1, 2009

The tax on food and ingredients is 3% statewide. This includes the state rate of 1.75%, local option rate of 1%, and county option rate of 0.25%. In general, for each dollar collected from the sales and use tax, 50% 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% 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% of the Local Sales and Use Tax.

Sales tax rates remained unchanged at 6.00% from January 1, 2000, through April 1, 2007, when the rate increased to 6.25% when the city opted to participate in with UTA and implement the Mass Transit Tax. Various other state tax rate changes were introduced in subsequent years. Sales tax rates for the City have remained constant since April 2009.

Historical Sales Tax Rates		
Effective	Rate (%)	% Change from Prior Period
January 1, 2000	6.00	-
April 1, 2007	6.25	4.17%
January 1, 2008	6.20	-0.80%
January 1, 2009	6.50	4.84%
April 1, 2009	6.75	3.85%

Table 14 Historical Sales Tax Rates for the City since January 1, 2000

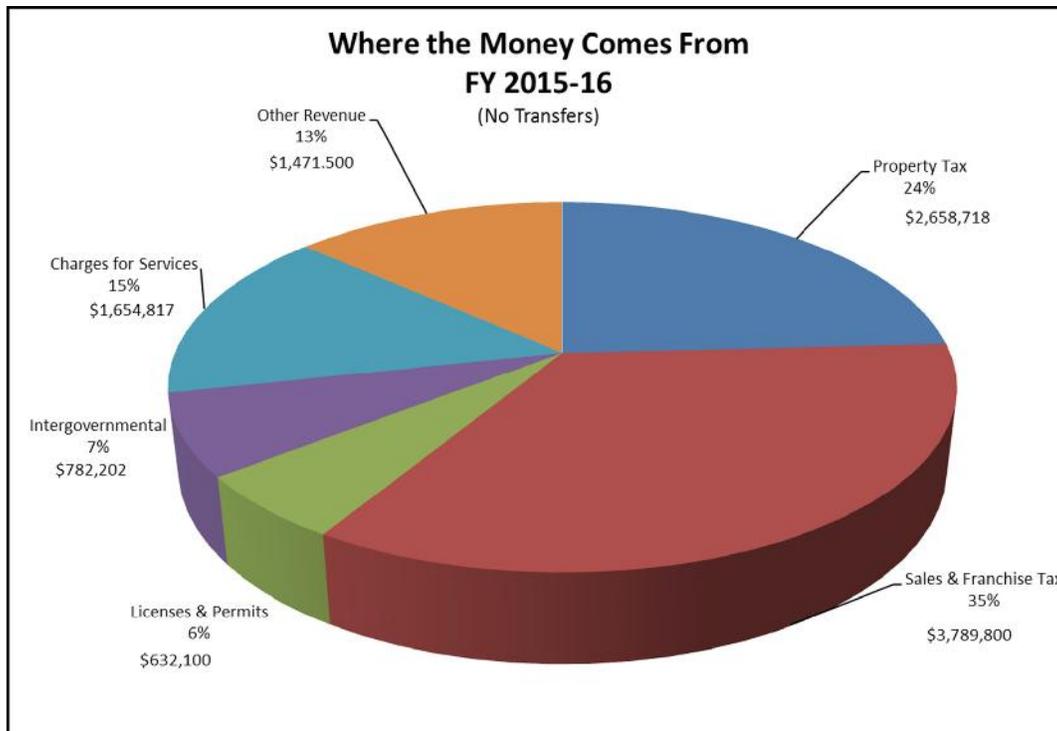


Figure 10 “Where the Money Comes From FY2016” identifies the major resources for the General Fund excluding fund balance and interfund transfers.

Intergovernmental Revenue receipts are estimated to reach \$782,202 or 7.0% of the City’s general fund revenue in 2016. Intergovernmental Revenue includes \$551,250 of Class ‘C’ Road Funds which are disbursed by the State as a means of providing assistance to municipalities for the improvement of roads and streets. The State legislature assigns a formula appropriating Class ‘C’ monies as follows: 50% based on population and 50% based on weighted road miles. Since 2009, the City has reported 81.43 miles of eligible paved road. Class ‘C’ road monies are collected in the General Fund and are restricted for road related improvements and maintenance. Intergovernmental revenue also includes \$200,000 of grant revenue. The majority of grant revenue is from a Staffing for Adequate Fire and Emergency Response (SAFER) grant that provides federal money for the hiring of full-time firefighters.

Licenses and Permits receipts are estimated to reach \$632,100 or 6.0% of the City’s general fund revenue in 2016. Licenses and Permits are collected in accordance with the City’s fee schedule established by the local legislative body. Licenses and Permits include building permits, business licenses, and liquor licenses.

Other Revenue receipts are estimated to reach \$1,471,500 or 13.0% of the City’s projected general fund revenues for FY 2016. Other revenue includes, but is not limited to, interest earned, late fees and penalties, law enforcement fines and citations, the Police contract with Bluffdale City, and other miscellaneous receipts.



FISCAL YEAR 2016 MAJOR REQUIREMENTS SUMMARY

Departments are given specific instructions during the budget process that all budget requests must meet certain criteria prior to being considered by the City Council. Generally, the criteria is as follows:

1. Budget requests must be directly tied to the established Council goals
2. The department can demonstrate through quantifiable means that there is an outstanding need
3. The request is offset by a new revenue source
4. The request is directly tied to an expense reduction in the department's existing operating budget.

Government-Wide: Requirements by Fund							
Fund	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
10 General Fund	11,120,424	12,176,649	13,070,261	13,160,699	13,422,698	13,715,979	14,021,512
22, 23 Street Lighting Funds	109,513	287,111	201,975	191,975	191,975	191,975	191,975
31 Storm Drain Impact Capital Projects Fund	14,118	1,025,278	422,000	-	-	-	-
32 Parks Impact Capital Projects Fund	1,888,690	2,408,532	-	-	-	-	-
33 Roads Impact Capital Projects Fund	46,208	5,445,312	75,000	145,000	-	-	-
34 Public Safety Capital Projects Fund	5,313	824,737	-	-	-	-	5,000,000
35 Capital Projects Fund	2,418,870	5,489,655	1,697,046	1,447,046	1,447,046	1,447,046	1,447,046
40 Debt Service Fund	291,000	292,450	293,300	293,500	293,550	291,750	291,500
51 Water Utility Fund	1,911,106	5,906,065	3,716,408	3,579,908	3,645,096	3,751,947	3,861,953
52 Sewer Utility Fund	1,552,601	2,707,127	2,446,339	2,403,899	3,696,568	2,408,839	2,408,839
53 Wastewater Impact Fee Fund	276,860	1,215,329	3,144,782	-	13,069,485	-	-
54 Storm Drain Utility Fund	688,358	695,554	574,064	869,441	673,138	564,441	1,311,641
55 Garbage Utility Fund	756,772	851,785	880,001	888,800	897,688	906,665	915,731
56 Culinary Water Impact Fee Fund	138,008	2,964,557	1,086,635	880,655	879,937	879,954	879,955
57 Secondary Water Impact Fee Fund	216,575	2,437,594	4415,000	200,000	200,000	200,000	200,000
Total Revenues by Fund	\$ 21,434,412	\$ 44,662,722	\$ 32,022,811	\$ 24,060,783	\$ 38,417,181	\$ 24,353,596	\$ 30,525,152

Table 16 Government-Wide Requirements by Fund

Government-Wide: Requirements by Major Object							
Major Object	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	6,508,743	8,959,122	9,563,301	9,595,518	9,596,057	9,596,640	9,597,269
% Change from Prior Year	35%	38%	7%	0%	0%	0%	0%
Materials, Supplies, and Services	10,332,256	16,174,899	13,267,324	14,447,531	16,093,172	15,392,864	16,868,803
% Change from Prior Year	91%	57%	-18%	9%	11%	-4%	10%
Debt Service	659,781	596,025	1,166,469	1,166,169	1,162,569	1,161,969	1,162,719
% Change from Prior Year	88%	-10%	96%	0%	0%	0%	0%
Capital	5,081,424	22,159,323	13,043,981	4,774,181	17,816,498	4,861,115	10,087,393
% Change from Prior Year	-44%	336%	-41%	-63%	273%	-73%	108%
Transfers	1,694,516	209,513	412,860	412,994	413,087	413,141	413,211
% Change from Prior Year	1378%	-88%	97%	0%	0%	0%	0%
Ending Balance	11,994,590	13,201,922	13,492,259	13,415,637	13,677,698	13,970,978	14,768,712
% Change from Prior Year	44%	10%	2%	-1%	2%	2%	6%
Total	\$ 36,266,310	\$ 61,300,803	\$ 50,946,194	\$ 43,812,030	\$ 58,759,082	\$ 45,396,708	\$ 52,898,106
% Change from Previous Year	29%	69%	-17%	-14%	34%	-23%	17%

Table 17 Government-Wide Requirements by Major Object

Government-Wide: Requirements by Major Object as a Percentage							
Major Object	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	18%	15%	19%	22%	16%	21%	18%
Materials, Supplies, and Services	28%	26%	26%	33%	27%	34%	32%
Debt Service	2%	1%	2%	3%	2%	3%	2%
Capital	14%	36%	26%	11%	30%	11%	19%
Transfers	5%	0%	1%	1%	1%	1%	1%
Ending Balance	33%	22%	26%	31%	23%	31%	28%
Total	100%	100%	100%	100%	100%	100%	100%

Table 18 Government-Wide Requirements by Major Objects as a Percentage of Total

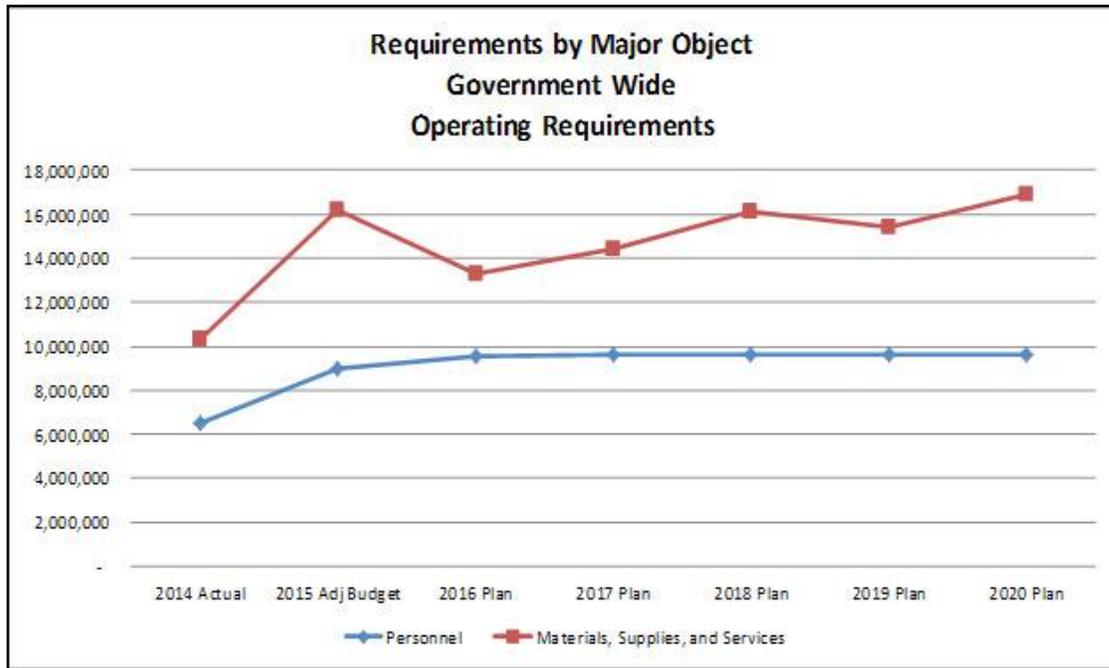


Figure 11 Government-Wide Operating Requirements by Major Object

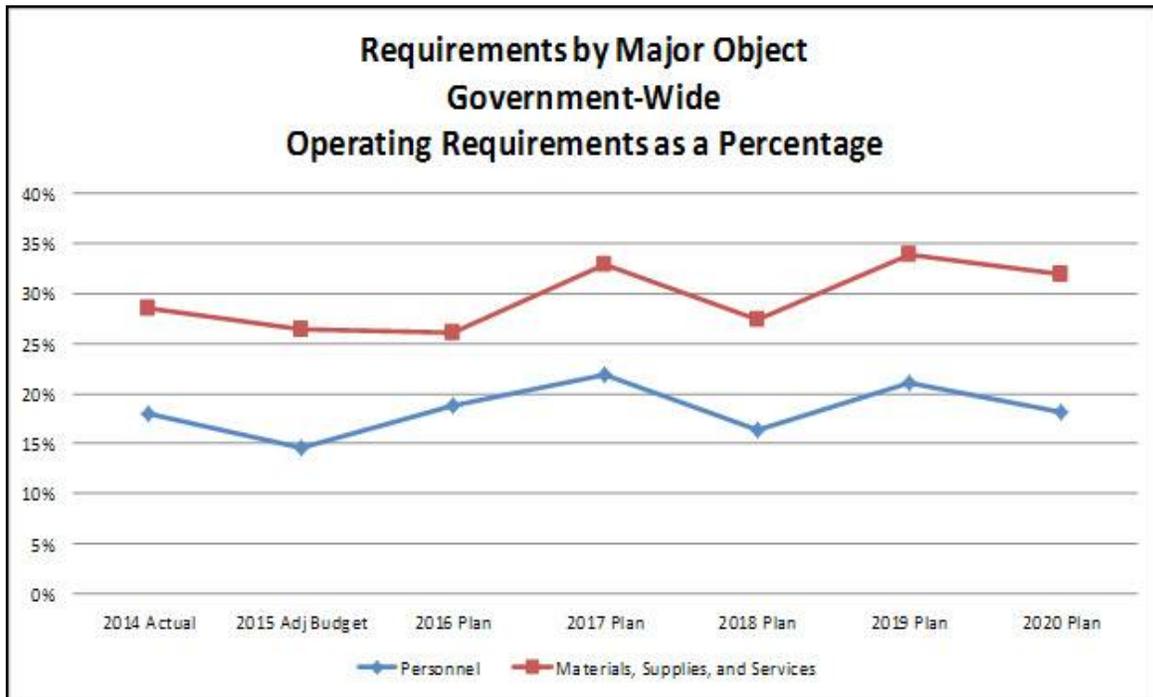


Figure 12 represents Personnel and Materials, Services, and Supplies as a percentage of Operating requirements for all funds combined.

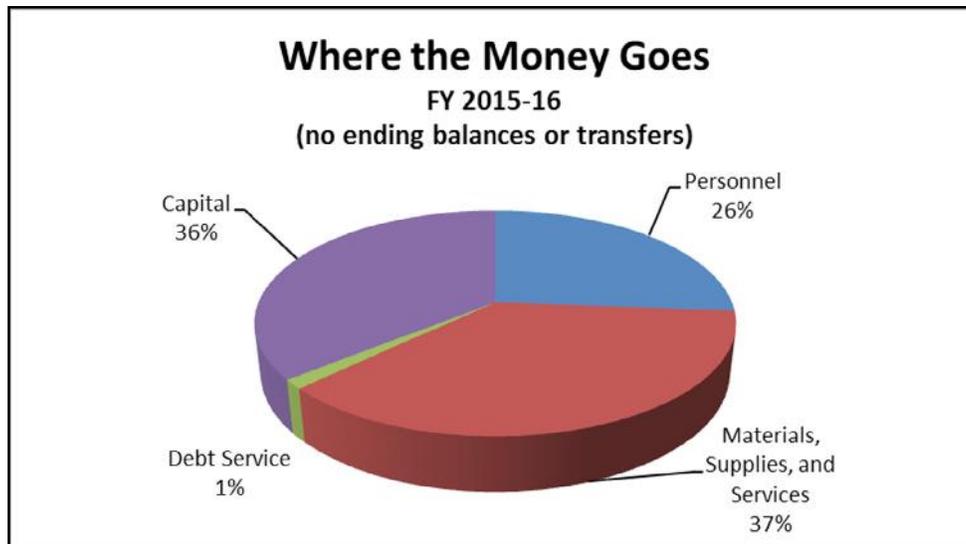


Figure 13 “Where The Money Goes FY 2016,” represents the four major city-wide requirements.

PERSONNEL

Recruiting and retaining high quality employees is a primary goal of Human Resources as the City progresses and fills vacancies. There continues to be an increasingly competitive market for municipal employees. Unemployment rates in Utah have decreased from 7.5 % (July 2010) to 3.5% (June 2015). Utah is still below the national average of 5.3 % (June 2015).

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. As part of the adopted budget, a 2% pay for performance program was approved as part of the FY 2012 budget and has been approved in each budget since this time.

Compensation: During the 2014 fiscal year the city performed a compensation plan analysis. This pay plan is spread over a two-year period. Establishing a compensation plan that will attract and retain high quality employees while maintaining a fiscally responsible budget 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) cost of living, and (5) available City resources.

The compensation plan benchmarked the City’s salaries against other cities included in the Wasatch Compensation Group. These cities were chosen as benchmarks based upon the following factors: proximity to Saratoga Springs, high growth cities, and similar populations. The City Council set a goal since FY 2012, and has reaffirmed this as part of a two-year pay plan. This pay plan sets a goal for employees to be paid at the 65th percentile of their benchmarked position based upon performance.

Benefits: The City provides a comprehensive and competitive benefits package which includes: health, dental, life, and disability insurance, pension, 401k, 457, Roth IRA, and Traditional IRA savings plans, and a variety of leave benefits including personal time off (PTO) and short-term medical leave.

Health, Dental, Vision, and Life Insurance: The City implements a cost sharing strategy with employees for health and dental premiums. Employees are responsible to pay for 10% of health and dental insurance premiums. The city has contracted with First West Benefits to broker the City’s insurance policies. Health insurance is provided by PEHP. Dental insurance is provided by EMI. Vision insurance is provided by Eye Med and is fully funded through employee payroll deductions. Life insurance is provided by CIGNA. Long



Term Disability insurance is also provided by CIGNA.

PEHP offers three different plans for employees to choose from. One plan is a traditional health insurance plan. It has a \$500 deductible for single and \$1,000 for family and pays for 80% of the costs after the deductible is met. The second plan is a high deductible plan accompanied by a health savings account (HSA). The HSA has a deductible of \$1,300 for single coverage and \$2,600 for double and family coverage. The third option is a higher deductible HSA. The deductible is \$2,000 for single coverage and \$4,000 for family coverage. The premiums are lower for the high deductible plans. The City contributes the savings into the employees' HSA. The three plans are cost neutral for the City.

The City received a renewal with less than a 1% increase for health insurance when compared to last year.

Plan	Single	Double	Family	Total
Traditional	5%	7%	49%	62%
High Deductible/Health Savings	4%	4%	19%	27%
Opted Out	0%	0%	0%	11%

Table 19 Breakdown of City Employee Health Plan Participation.

As a way to save on unnecessary insurance costs, if an employee has comparable health insurance benefits through a spouse, they may opt out of health insurance coverage from the City. When an employee opts out of health insurance the City contributes \$250 per month into a 401(k) retirement account on their behalf. The contribution is significantly lower than the cost of health insurance.

Retirement: The City offers pension retirement benefits through Utah Retirement Systems (URS). Three retirement programs are offered including the Public Employees' Noncontributory Plan, Public Safety Retirement Plan (sworn police personnel), and the Firefighter Retirement Plan. Employer paid retirement contributions are governed by Utah State law and are subject to change annually. Current rates can be found in the table below.

Senate Bills 43 and 63 relating to retirement benefits were passed in the 2010 Legislative Session. Senate Bill 43 amends provisions related to a retiree who returns to work for a participating employer and restrictions on the maximum retirement allowance certain employees can accrue. Senate Bill 63 modifies

Plan	Rate (%)
Public Employees Noncontributory	18.47
Public Safety	32.20
Firefighters	23.30

Table 20 City Retirement Contribution Rates.

the retirement benefits for new public employees and new public safety and firefighters employees. This bill created a tier system in which those that were employed after July 1, 2011 by a qualified employer would have a different structure of benefits as defined as Tier II. Those who worked for a qualified employer at all before July 1, 2011 would be defined as Tier I.

Market Pay Analysis

Beginning in fiscal year 2012 and every other 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 salary, wage, and benefit packages compare with other benchmark communities. A predetermined group of cities has been identified by the City Council as a "benchmark" group whereby each position is compared for market analysis to ensure that the City's compensation packages are comparable to that of other local communities. The City Manager will evaluate the compensation and benefits data with other benchmark communities and determine if any position changes or adjustments are necessary for the recommended pay plan for the next two years.

The personnel variance analysis chart shows that the total personnel cost growth rate has fluctuated greatly in the last five years. The largest variance occurred in 2008 when the Police Department was created and in 2009 when the City first experienced the economic slowdown and reduced its staffing levels in affected departments. 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). Salaries and wages are estimated to increase between 2016 and 2020 at an average rate of 2% annually. Benefits between 2016 and 2020 have been estimated to increase at an average rate of 4% annually.

Between 2014 and 2016, the number of FTE's is projected to increase 12.7%.

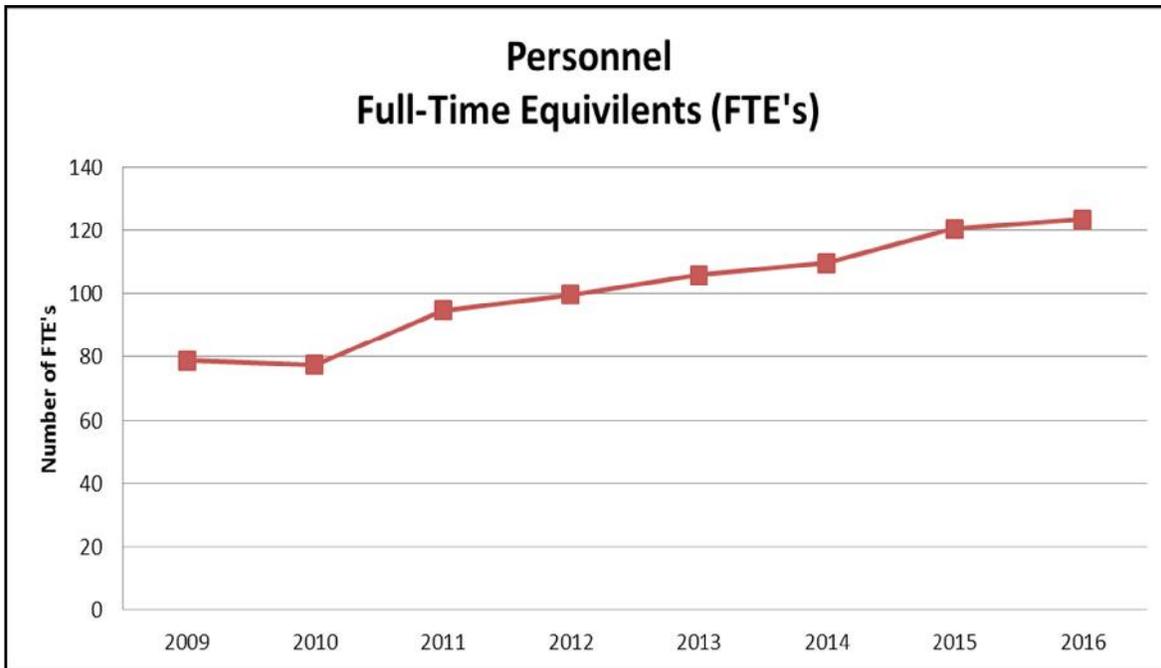


Figure 14 Personnel - Change in Full-Time Equivalents

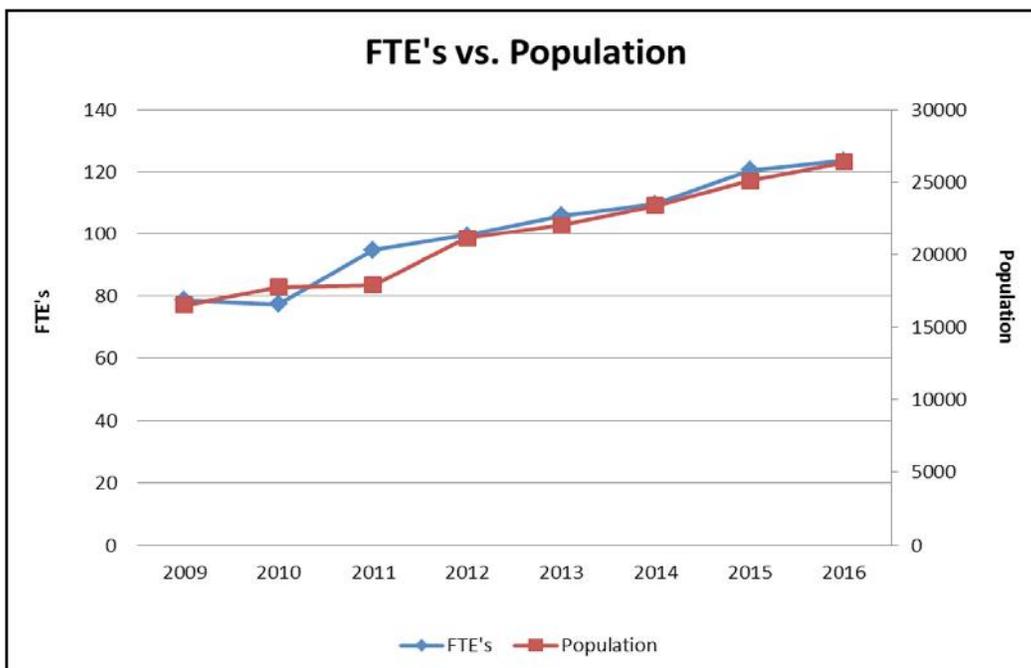


Figure 15 compares the number of employees to population.

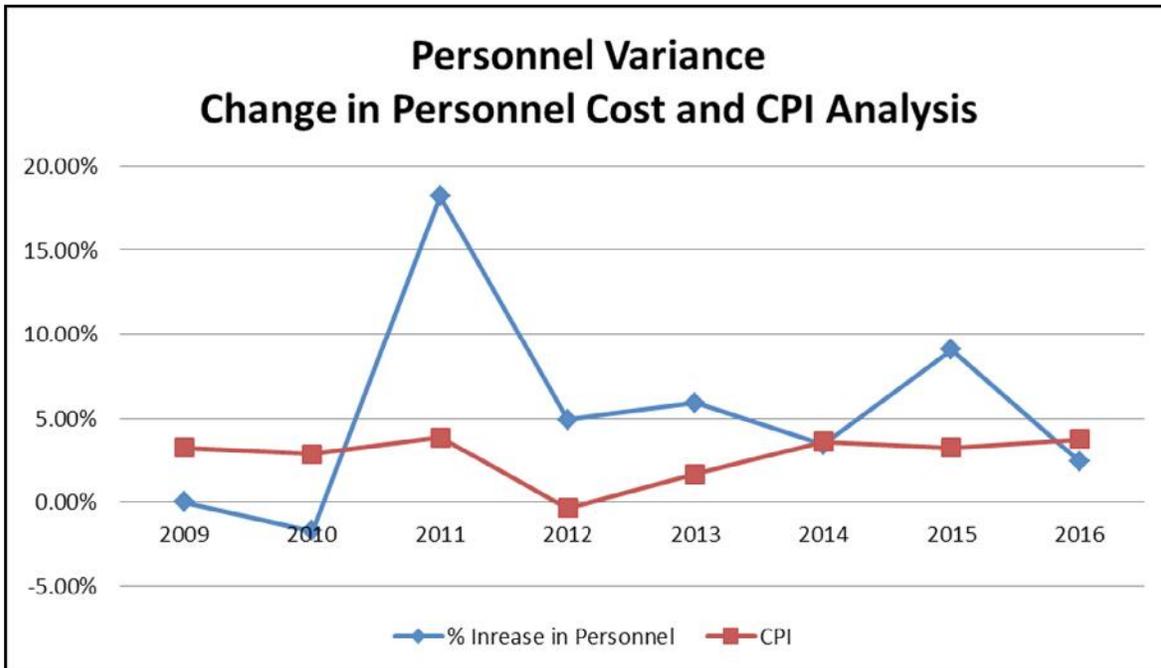


Figure 16 (compares Changes in Personnel Costs to the Change in the Consumer Price Index relative to growth patterns between 2008 and 2015).

Figure 16 indicates that historical average personnel growth rates are higher than the CPI in all years except 2009. This type of growth relative to the CPI is not inconsistent given that the City has been the fastest growing city in Utah over the past decade. The City has experienced rapid growth in population. This increase in population drives the increased need for services and the associated personnel costs.

Department	2009	2010	2011	2012	2013	2014	2015	2016
Administration	7.5	8	7.5	8	8.5	9.75	11.75	12.75
Recreation Services	0.5	0.66	0.66	2.05	2.8	2.8	3	3
Building	5	4	4	4	4.5	5	6	6
Planning	3	2	2.5	2.5	2.5	3.5	3.5	3.5
Public Works	17.5	18	21	22	25.5	26.5	33.75	34.75
Engineering	5.5	3.5	6.5	6.5	6.5	6.5	4	4
Fire	14	13	16	16	16	16	17.5	17.5
Police	23.3	25.8	33.05	34.05	34.05	34.05	35.5	36.5
Court	2	2	3	3	3	3	3	3
Attorney	0.5	0.5	0.5	1.5	2.5	2.5	2.5	2.5
Total	78.8	77.46	94.71	99.6	105.85	109.6	120.5	123.5
Population	16,516	17,781	17,904	21,137	22,022	23,399	25,100	26,355

Table 21 Full-Time Equivalents by Function

The staffing strategies presented in the Introduction and Policies and Objectives sections of this document describe how alternatives to additional staffing requests are explored and approved before new positions are recommended.

CAPITAL AND DEBT SERVICE REQUIREMENTS

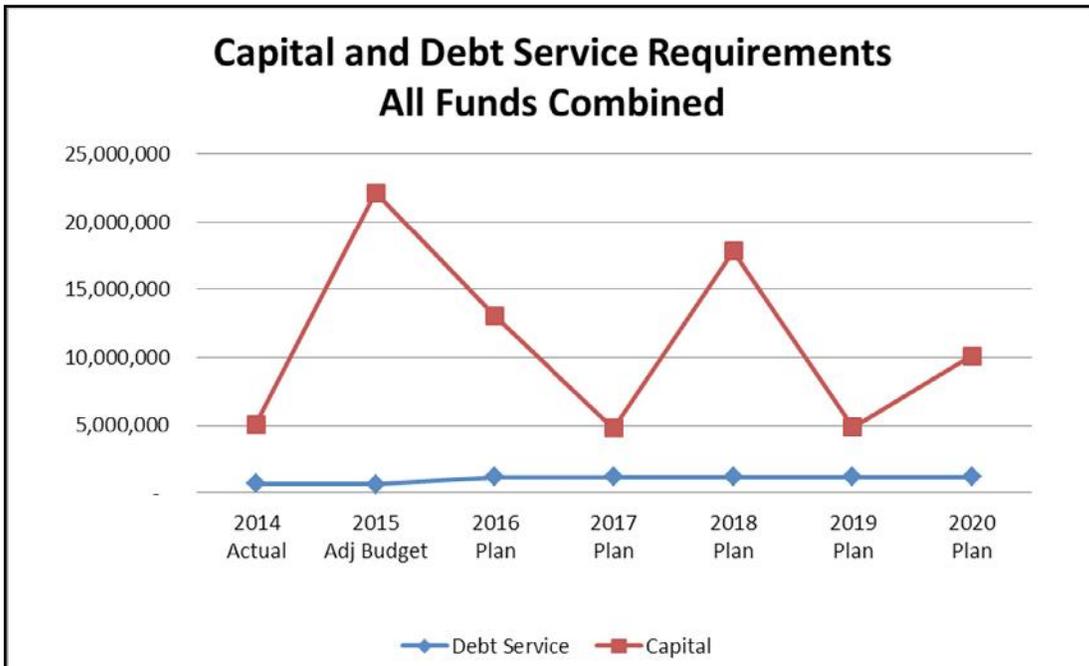


Figure 17 represents capital and debt service requirements for all funds combined for fiscal years 2014 actual, 2015 adjusted budget, 2016 - 2020 budget plan.

Capital requirements are proposed to decrease from \$22,159,323 in 2015 to \$13,043,981 in 2016, a decrease of 41.1 %. Many of the budgeted amounts from FY 2015 will roll over into FY2016 for projects that were budgeted and incomplete and/or not started as of the end of FY2015. The City is consistently revising its master plans, capital facilities plans, and impact fee studies. For this reason, capital improvements are only partially budgeted beyond the 2015 year. As soon as the updated capital facilities plans are approved they will be included in the budget document.

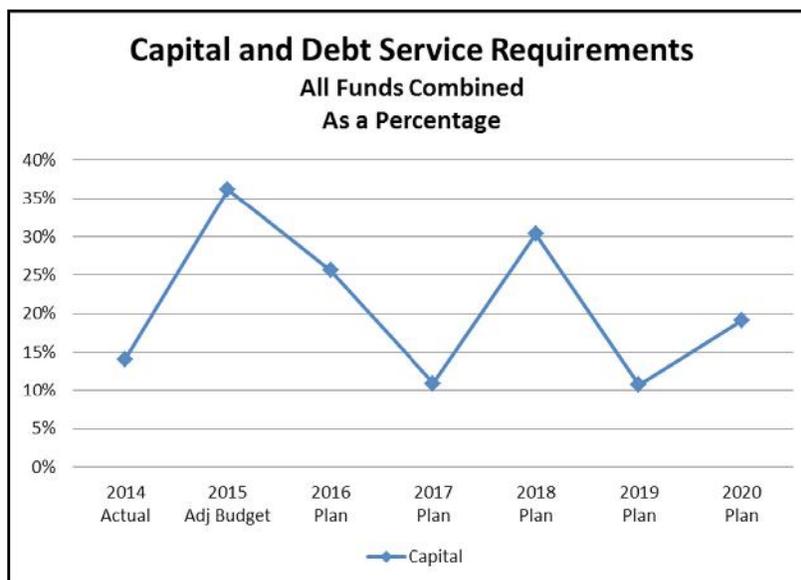


Figure 18 Capital and Debt Service Requirements for All Funds as a percentage of Total Requirements

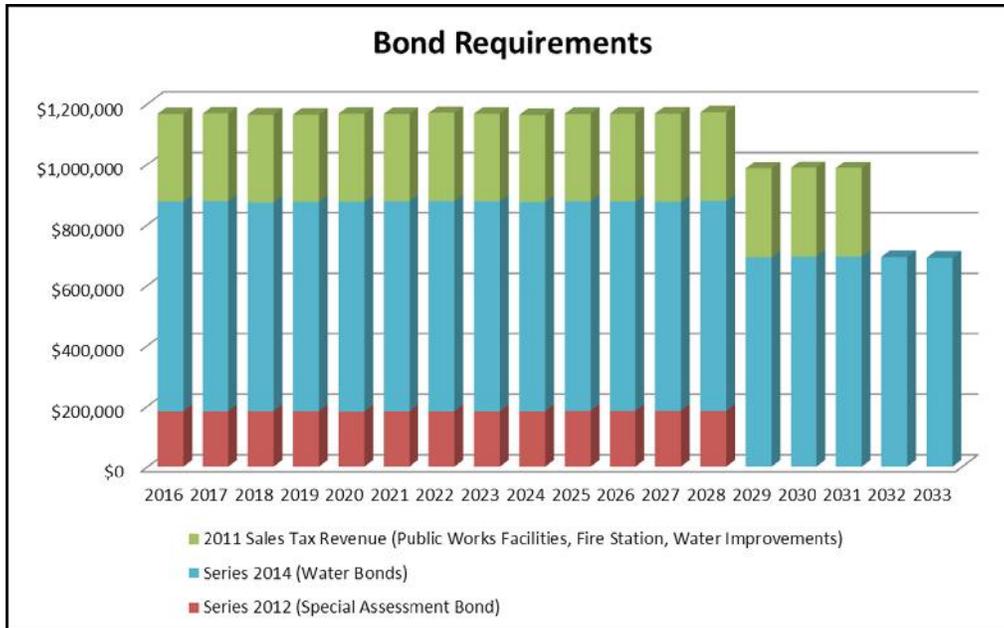


Figure 19 - represents total annual bond requirements from FYs 2011 - 2031

The City was established in 1997 with no water infrastructure. Construction of water improvements has been and will continue to be a major requirement and impediment to growth.

The share of capital as a percentage of total requirements tends to fluctuate as funding availability drives Capital requirements. The City’s Capital Facilities Plan will address capital needs in the following areas: Road maintenance and replacement; fleet replacement; building maintenance and replacement; park improvements; culinary water; sanitary sewer and storm drainage infrastructure. The Plan further anticipates potential funding sources to include: Class ‘C’ road funds, enterprise funds, impact fees, grants, and general fund contributions. Debt Service requirements continue to follow relative amortization schedules. Water debt issuances are anticipated for the beginning of FY 2014, FY 2016 and FY 2018.

Debt Service requirements continue to follow their relative amortization schedules. The newest issuance occurred in November 2014. The City competitively placed Series 2014 Water Bonds Bonds for \$10 million to finance the purchase and construction of water system improvements.

Table 22 below reflects total outstanding debt and debt due within one year for all funds. For detailed information regarding debt components, refer to the Debt Service section of the Operating Budgets.

Total Outstanding Debt and Debt Due Within One Year							
	Rate (%)	Amount of Original Issue (Bonds Only)	Balance 30-Jun-14	Additions	Retirements	Balance 30-Jun-15	Due Within One Year
Governmental activities:							
2011 Sales Tax Revenue Bond	3.000 to 4.125	4,000,000	3,565,000		155,000	3,410,000	160,000
Obligations Under Capital Leases			494,740	-	164,205	330,535	70,795
Total Governmental Activity Debt		4,000,000	4,059,740	-	319,205	3,740,535	230,795
Business-type activities:							
2012 Special Assesment Bond	0.750 to 4.450	3,114,374	2,110,000	-	121,000	1,989,000	122,000
2014 Water Bonds	2.000 to 3.500	9,995,000	-	9,995,000		9,995,000	420,000
Culinary Water System Settlement			13,334,960	-	600,000	12,734,960	950,000
Total Business-Type Activity Debt		13,109,374	15,444,960	9,995,000	721,000	24,718,960	1,492,000

Table 22 Total Outstanding Debt and Debt Due Within One Year



On May 5, 2011, the City of Saratoga Springs received its first bond rating. The City received an AA rating and a stable outlook from Standard and Poor's ratings agency. This rating is higher than expected based upon the population of the City. An AA rating from Standard and Poor's indicates that the City has a "very strong capacity to meet its financial commitments." Standard and Poor's identified several factors that lead to this high rating including:

- Positive population trends, which will likely lead to continued revenue growth;
- Very strong income levels and access to employment opportunities throughout the broad Salt Lake metro area economy;
- Very strong coverage (5.5 times coverage);
- The City's median household effective buying income in 2010 was very strong at 136 % of the national level.

The stable outlook reflects Standard and Poor's expectation of continued very strong debt service coverage. By receiving the AA rating it is estimated that the City saved 0.10 % to 0.15 %, which equates to \$50,000 over the life of the bonds compared with an "AA-" rating.

The State of Utah limits a city's direct GO debt to 4% of assessed valuation. In 2011, the City of Saratoga Springs had an assessed value of \$847,066,261, with no general obligation debt. The limit for the City was \$33,882,650. For more information on the City's debt management policies, see the Policies and Objectives section of this budget document.

Interfund Transfer: The general fund appropriated a transfer of \$78,027 to the debt service fund to cover the portion of the 2011 Sales Tax Revenue Bond relating to the City Hall refinance.

Summary of Capital Issues: The following is a summary of the major capital projects included in this year's budget process. The following capital projects will effect operations to the degree that operations will need to be increased to maintain these projects. As previously mentioned, the City is currently completing a revision to its capital facilities plan. This document will prioritize the project for the next five years.

Significant Non-Recurring Capital Projects

As part of the budget process and presentations to Council, staff has identified the following

Major (projects > \$100,000) capital projects as priorities for fiscal year 2016:

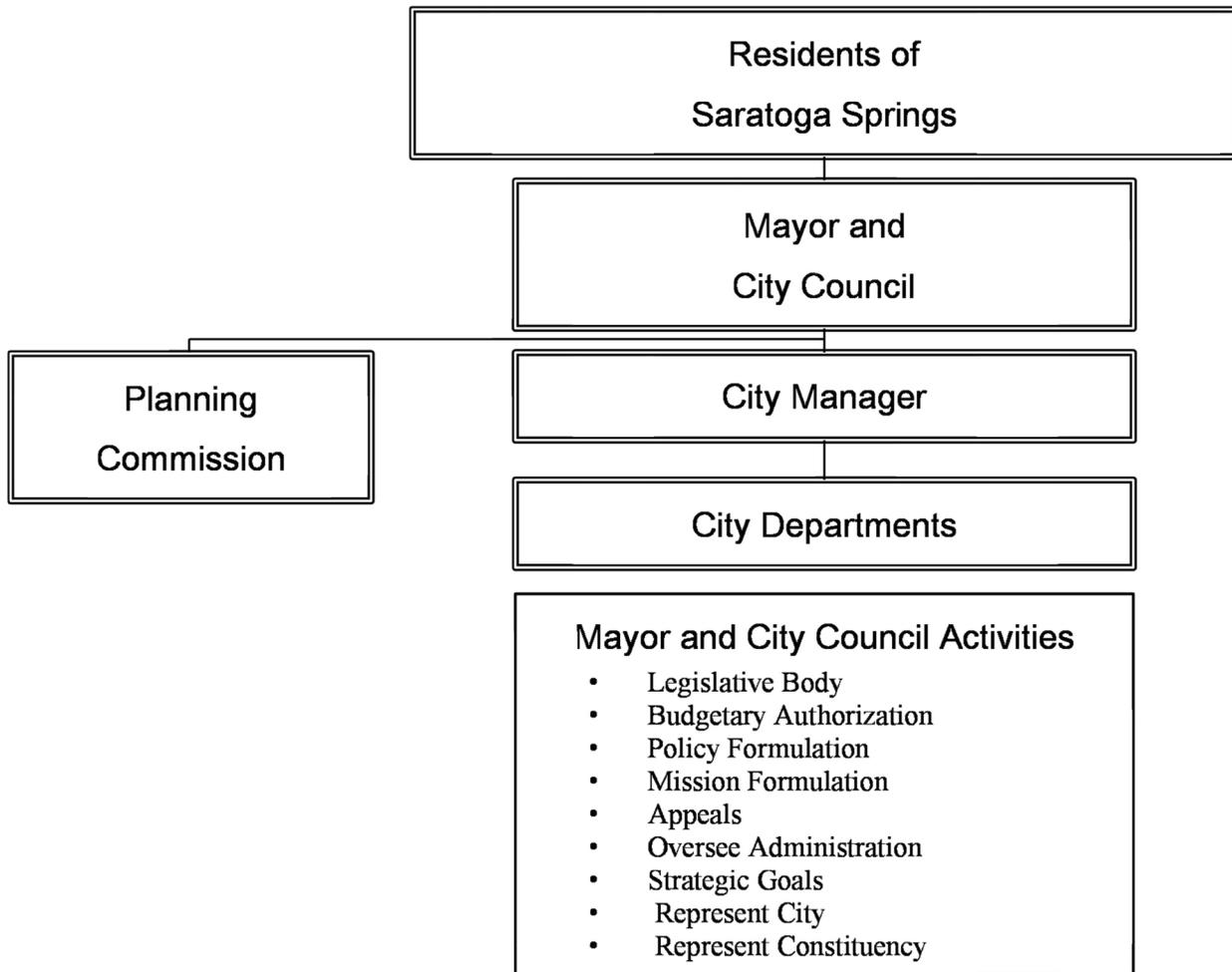
1. **Market Street (\$2,496,000).**
2. **Riverside Drive (\$4,432,000).**
3. **Public Safety Building Land Acquisition and Construction (\$800,000).**
4. **Regal Park (\$608,000).**
5. **Shay Park (\$750,000).**
6. **Culinary Waterline 18" in Redwood Road (\$700,000)**
7. **South Secondary Well (\$1,949,000).**



OPERATING BUDGETS



City of Saratoga Springs Organizational Chart



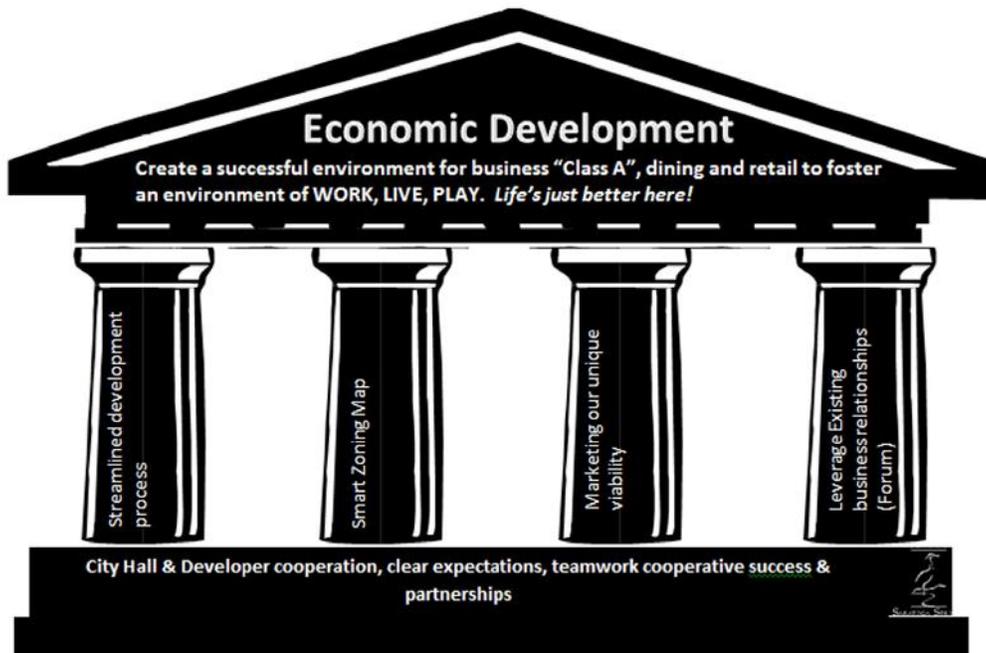
City Of Saratoga Springs Mission Statement

The City of Saratoga Springs promotes and serves the community's general well being, health, and safety by preserving our natural beauty and enhancing the quality of life through long-term planning, providing a quality community experience, and sound fiscal responsibility.

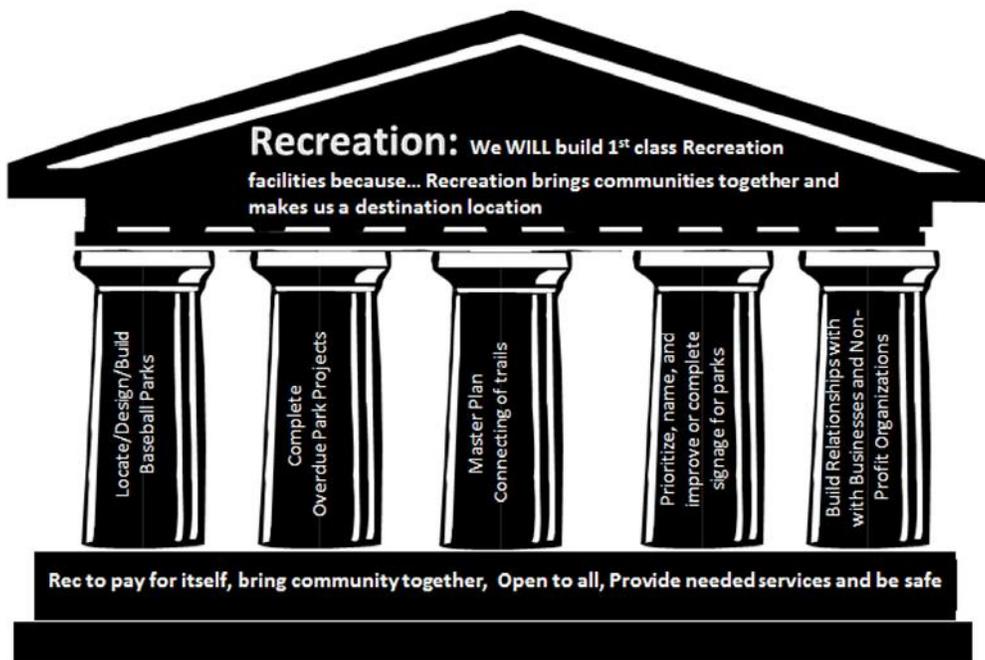
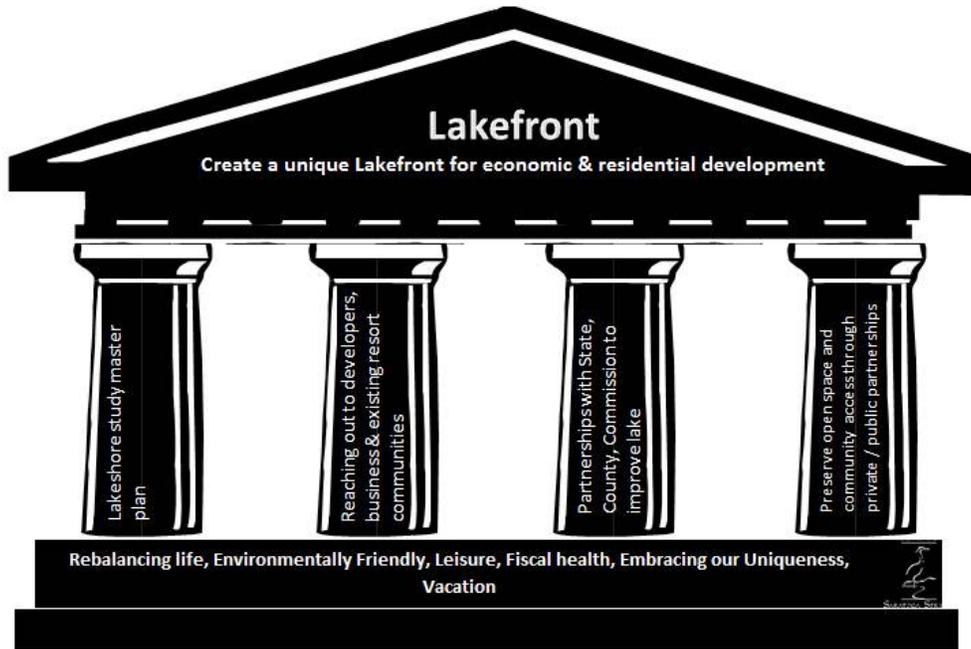
Life's just better here!



CITY COUNCIL SHORT TERM GOALS AND PRIORITIES









General Fund 10: Mayor and City Council								
Requirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	58,193	62,029	71,587	75,086	75,086	75,086	75,086	75,086
Materials, Supplies, & Services	45,337	39,915	44,185	44,185	44,185	44,185	44,185	44,185
Total Requirement	103,529	101,944	115,772	119,271	119,271	119,271	119,271	119,271
% Change from Prior Period	60%	-2%	14%	3%	0%	0%	0%	0%

Table 23 (above) represents the Mayor and City Council’s fiscal year 2014 actual expenditures, 2015 final budget, 2016 approved budget, and 2017 through 2020 budget plan.

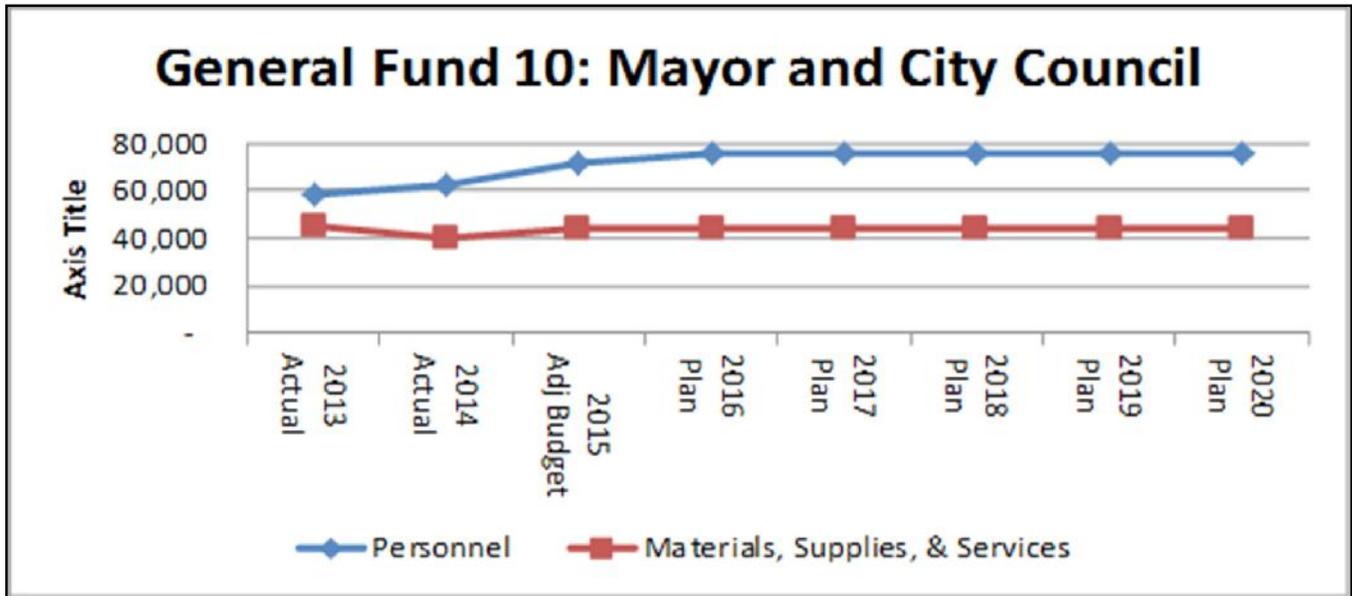


Figure 20 (above) represents Personnel and Materials, Services, and Supplies (MSS) between 2013 and 2020.

Personnel requirements are expected to stay approximately the same between 2016 and 2020.

Materials, Supplies, and Services are expected to remain relatively constant between 2016 and 2020. A flat increase is anticipated for Materials, Supplies, and Services between 2016 and 2020. This is mainly due to increases in association and membership dues.

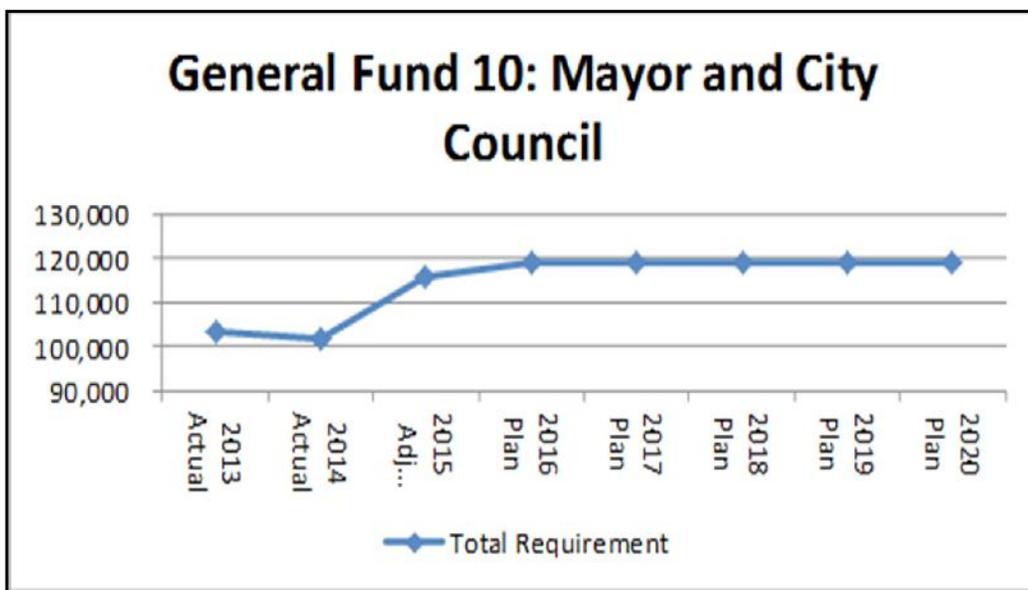
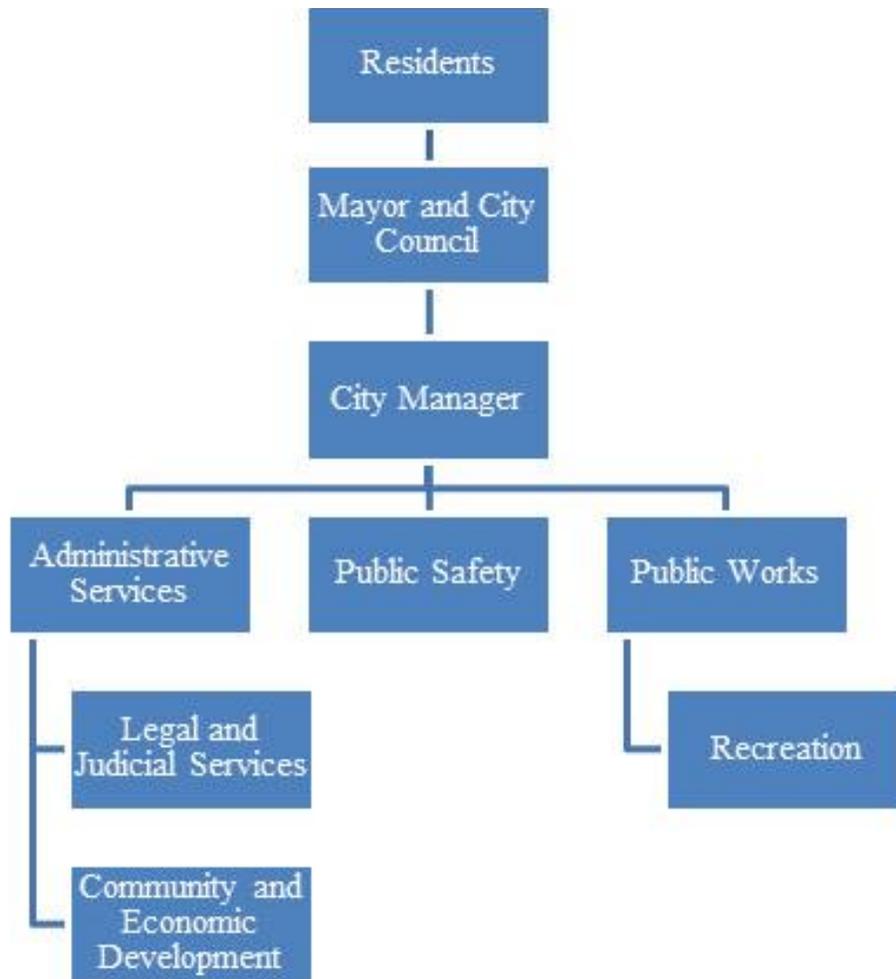


Figure 21 (above) represents total Mayor & City Council requirements between 2013 – 2020.



Mission

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

Vision

The vision of the City Manager is to ensure 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 to ensure 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.

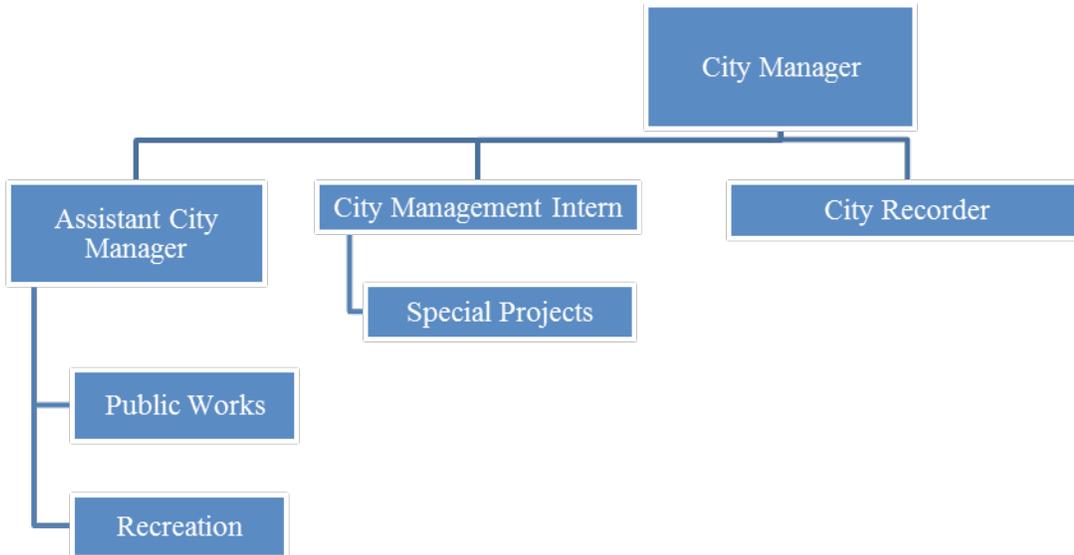
The major objective for the City Manager is to facilitate the Mayor and City Council in achieving its objectives. While this concept is often implied, the City Manager will be involved in all the goals and action items identified by the Mayor and City Council.



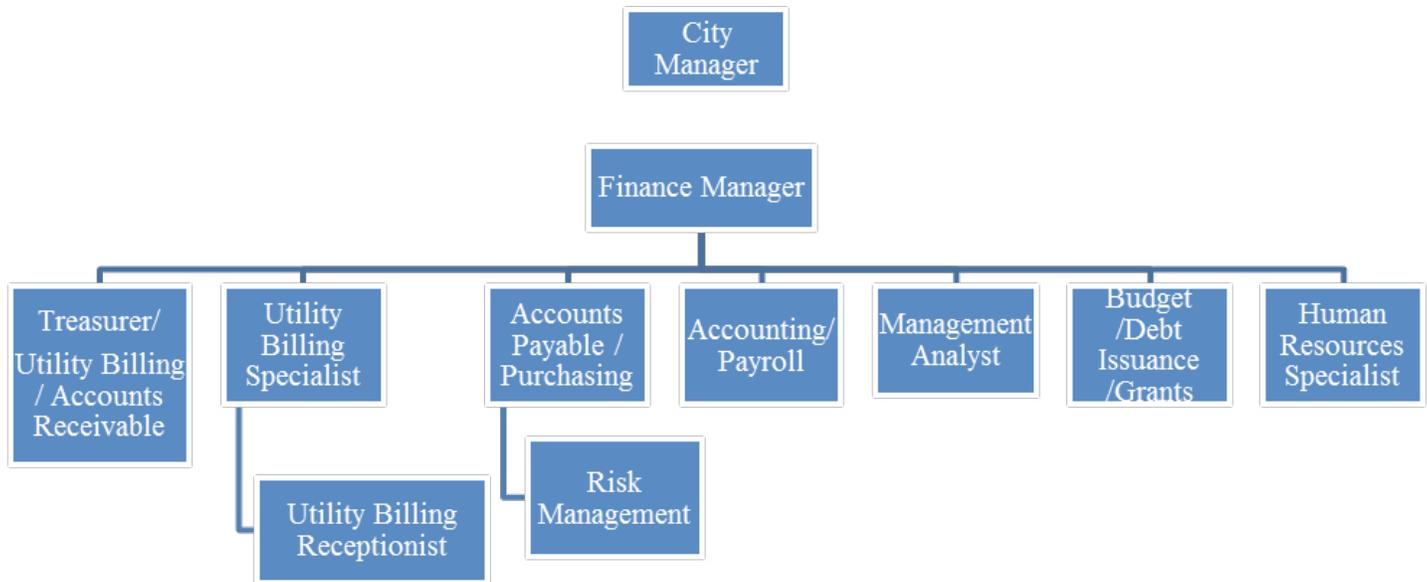
2015 Highlights
<ul style="list-style-type: none"> -Strategic planning -Accomplished and work towards city council retreat goals -Increased involvement with development issues and practices, including plan review -Working with several legal issues -Involved in the sports complex purchase negotiations -Involved in prison relocation discussions -Undertaking fiscal planning and economic development studies -Trained employees city-wide

Performance Measure	Target FY 2015	Actual FY 2015
% of Council accomplished and progressed	95	100
% of FT staff attending individual training	100	89
% of FT staff receive opportunity for quarterly in-house training	100	100
% of staff and boards receive sexual harassment training within last 2 years	100	100
Number of hours of continuing education per year for City Manager	40	40

Table 25 Fiscal Year 2015 Performance Measures



The administrative services department comprises administration, finance, and human resources budgets. While the functions operate independently they are connected through a common operating budget. The City Recorder has a separate operating budget but is supervised by the City Manager. The City Treasurer also has a separate operating budget along with Utility Billing.



Administrative Services

General Fund 10: Administrative Department								
Requirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	425,283	507,268	509,677	584,588	584,588	584,588	584,588	584,588
Materials, Supplies, & Services	51,808	50,533	50,811	51,711	52,611	53,511	54,411	55,311
Capital	-	-	-	-	-	-	-	-
Total Requirement	477,091	557,802	560,488	636,299	637,199	638,099	638,999	639,899
% Change from Prior Period	108%	17%	0%	14%	0%	0%	0%	0%

Table 26 (above) represents the Administration Department’s actual expenditures for 2014, adjusted budget for 2015, tentative budget for 2016, and budget plan for 2017 - 2020.

Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA). Personnel costs are expected to increase in fiscal year 2016 due to an addition of 1.0 FTE for a Records and Asset Manager/Manager Analyst . Included with this budget option was the net effect of relinquishing intern funds to partially fund the position.

Positions funded in the administration department include the City Manager, Finance Manager, Accounts Payable Clerk, and HR Specialist, Payroll Clerk (part-time). Proposed for FY 2016 is a Records and Asset Manager/Manager Analyst. Full-time equivalents are expected to increase to 5.75.

Materials, Supplies, and Services (MSS) are expected to increase slightly in 2015. This is due to a slight increase in incremental auditing costs associated with the audit agreement.

Performance Measures	Target 2015	Actual 2015
# of months month end reports completed by 15th	12	12
Audit completed by October 15th	Yes	Yes
# of months that financial reports presented to council by 10th of month	12	12
Earn GFOA Distinguished Budget Award	Yes	Yes
Earn GFOA Excellence in Financial Reporting Award	Yes	Yes

Table 27 - Administration Performance Measures



2015 Highlights

- Hired a full-time Human Resource Specialist. The Human Resource Specialist was able to implement electronic pay vouchers for all city employees.
- Cityworks Asset Management System and workflow organizer has been implemented in every department in the city.
- CitySourced, the citizen engagement app, was launched and has had great success connecting the citizens to the city employees and alerting the city to potential problems in the area.
- The accounting software, Caselle, was upgraded from Clarity to Connect.

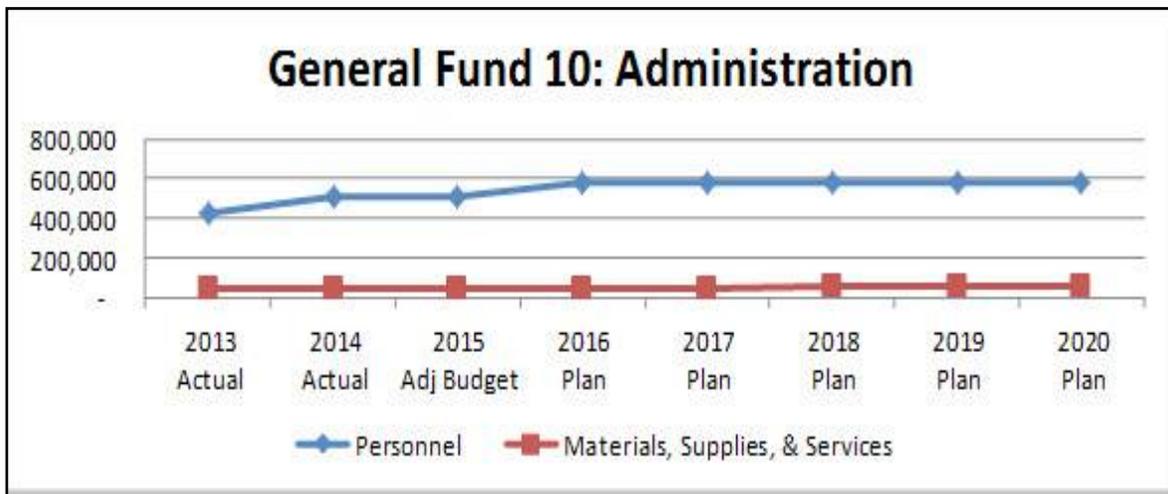


Figure 22 (above) represents Material, Services, and Supplies and Personnel major requirements between 2013 and 2020.

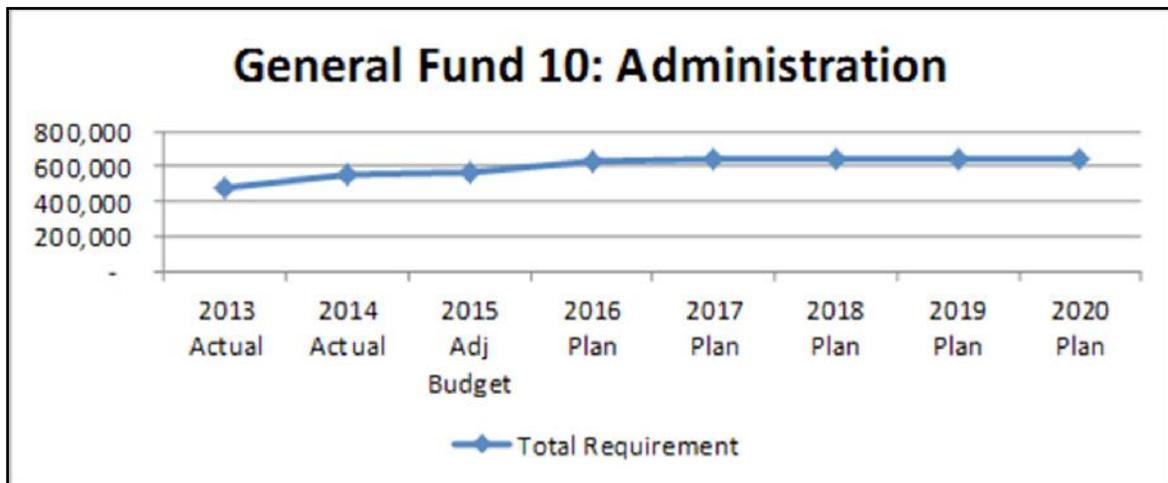


Figure 23 (above) represents total Administration requirements for 2013 – 2020.



General Fund 10: Recorder Department								
Re quirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	75,938	84,468	112,936	129,410	129,410	129,410	129,410	129,410
Materials, Supplies, & Services	12,534	9,701	11,275	11,275	11,275	11,275	11,275	11,275
Total Requirement	88,472	94,169	124,211	140,685	140,685	140,685	140,685	140,685
% Change from Prior Period	10%	6%	32%	13%	0%	0%	0%	0%

Table 28 (above) represents City Recorder’s actual expenditures for 2014, adjusted budget for 2015, tentative budget for 2016, and budget plan for 2017 - 2020.

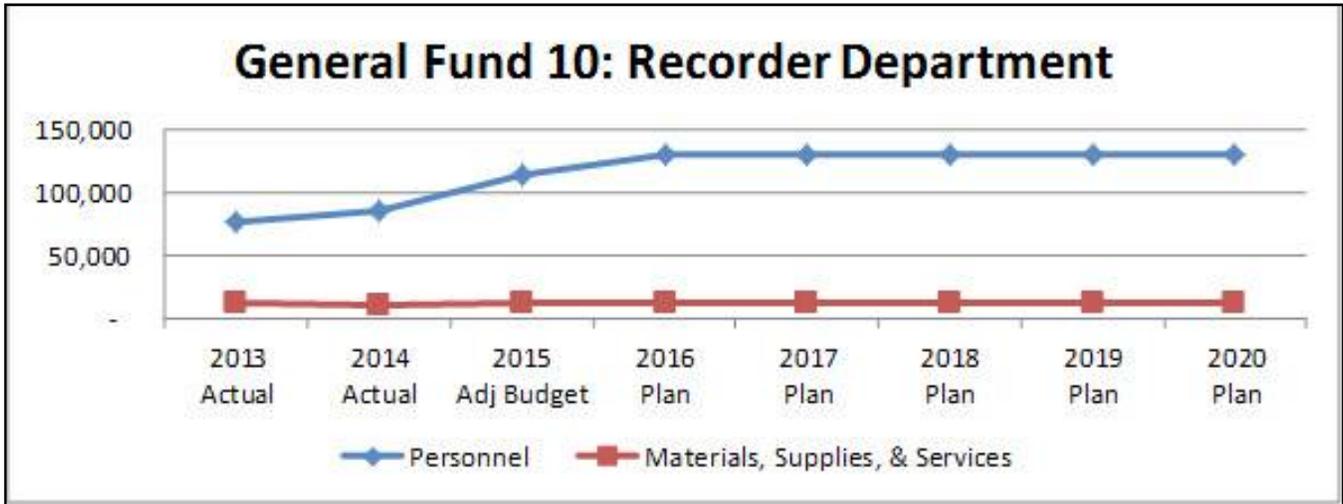


Figure 24 (above) represents Personnel and Material, Services, and Supplies major requirements between 2013- 2020.

Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA). Personnel requirements are anticipated to stay the same. An adjustment was made in FY 2014 to bring on a part-time recorder for the last few months of the fiscal year and into future years.

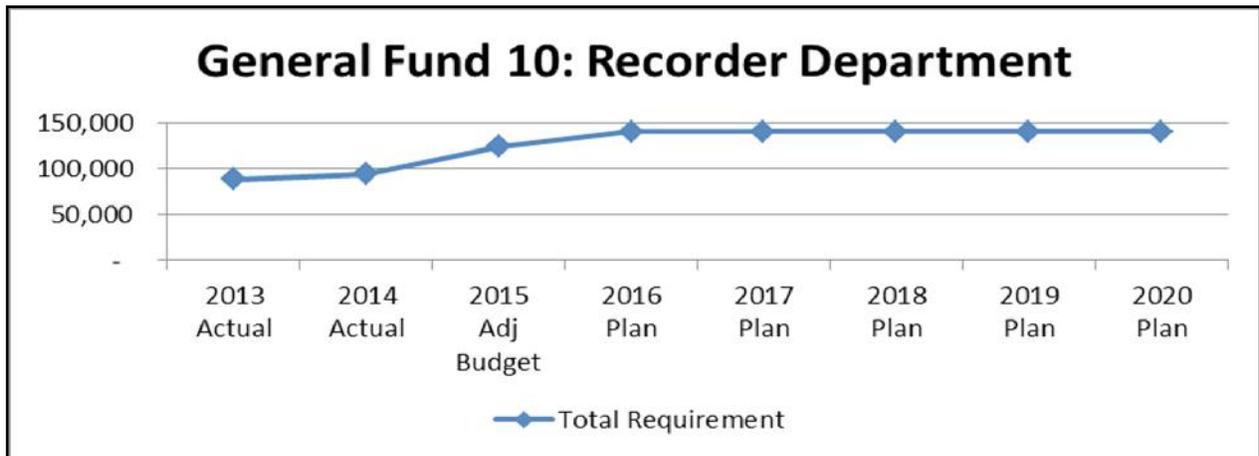


Figure 25 (above) represents total City Recorder requirements for 2013 – 2020.

Materials, Supplies and Services (MSS) are expected to stay the same in FY 2016.



2015 Highlights

Implemented new business license software (Cityworks)
Development files have been scanned into Laserfiche for retention purposes.

Performance Measure	Target 2015	Actual 2015
Council agendas are posted 5 days prior to meeting	100%	100%
% of times council minutes are ready for approval by next regular meeting	100%	100%

Table 29 City Recorder Performance Measures



GENERAL GOVERNMENT: TREASURER/UTILITY BILLING

General Fund 10: Utility Billing Department								
Requirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	36,697	37,500	100,142	101,849	101,849	101,849	101,849	101,849
Materials, Supplies, & Services	37,781	33,670	41,581	41,581	41,581	41,581	41,581	41,581
Total Requirement	74,478	71,170	141,723	143,430	143,430	143,430	143,430	143,430
% Change from Prior Period		-4%	99%	1%	0%	0%	0%	0%

General Fund 10: Treasurer Department								
Requirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	69,990	70,521	80,010	84,702	84,702	84,702	84,702	84,702
Materials, Supplies, & Services	56,145	66,891	68,173	71,302	74,584	78,025	81,634	85,419
Total Requirement	126,135	137,412	148,183	156,005	159,286	162,728	166,337	170,121
% Change from Prior Period	413%	9%	8%	5%	2%	2%	2%	2%

Table 30 (above) represents the City Treasurer and Utility Billing’s actual expenditures for 2014, adjusted budget for 2015, tentative budget for 2016, and budget plan for 2017 – 2020.

Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA). During fiscal year 2012, the utility billing department was created to capture costs previously being split to multiple enterprise funds. The general fund is reimbursed for these costs through an administrative charge. The Treasurer’s department also began to capture the full personnel costs of the City Treasurer in 2012. Personnel requirements are anticipated to stay at 2.75(1 FTE Treasurer, 1.75 FTE Utility Billing).

Materials, Supplies and Services (MSS) are expected to increase by 4-5 % in 2016 due to increasing costs in treasurer for admin bank charges. MSS paid for out of these funds include: supplies needed for utility billing (billing & mailing supplies and the meter reading software maintenance contract), education/training expense for the City Treasurer, and citywide bank charges. Most of these expenses will be reimbursed through an administrative charge to the enterprise funds.

2015 Highlights

Moved from Caselle Clarity software to Caselle Connect

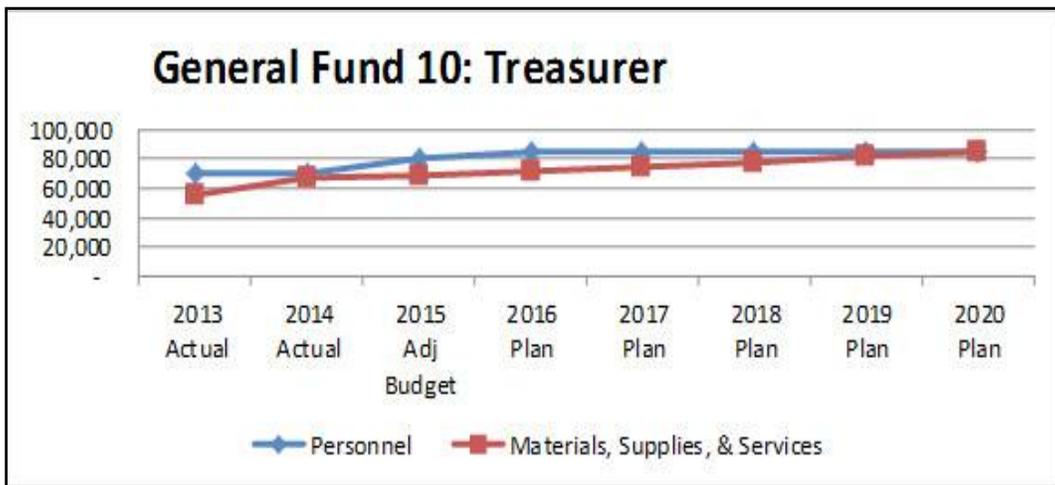
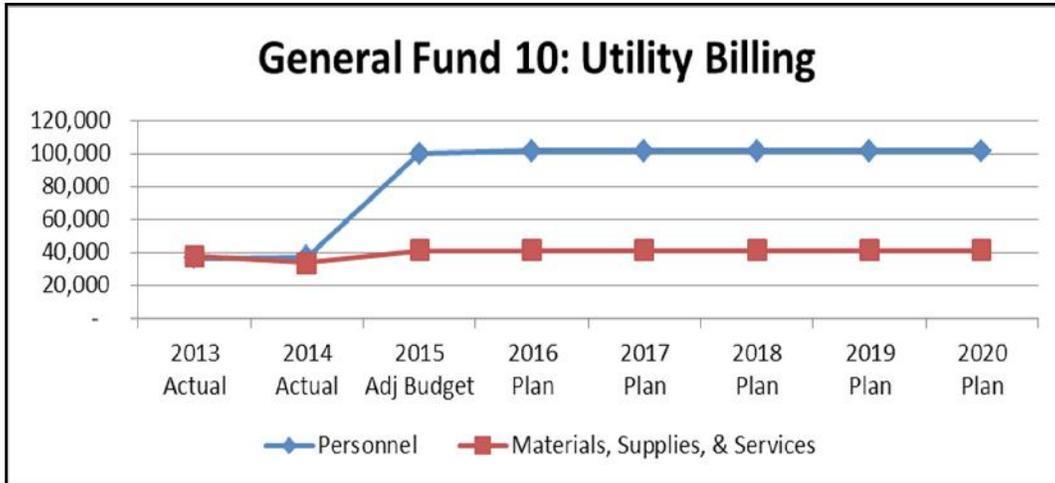


Figure 26 (above) represents the City Treasurer and Utility Billing's Personnel and Material, Services, and Supplies major requirements between 2013 and 2020.

Performance Measure	Target 2015	Actual 2015
% of billing concerns resolved within 24 hours	90	90
% of internet payments	70	65
% of customers shut off for non-payment	<1	1.5

Table 31 (above) represents the Utility Billing Department's performance measures.

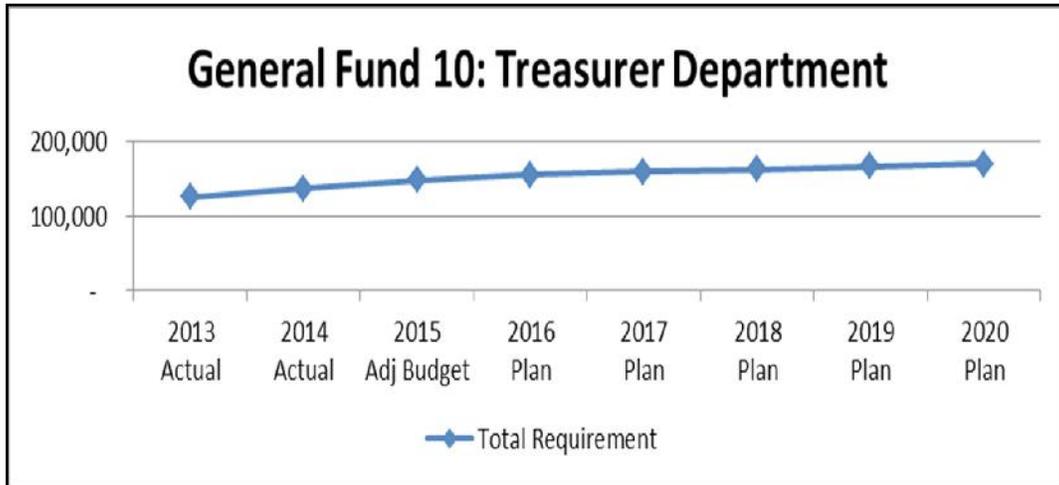
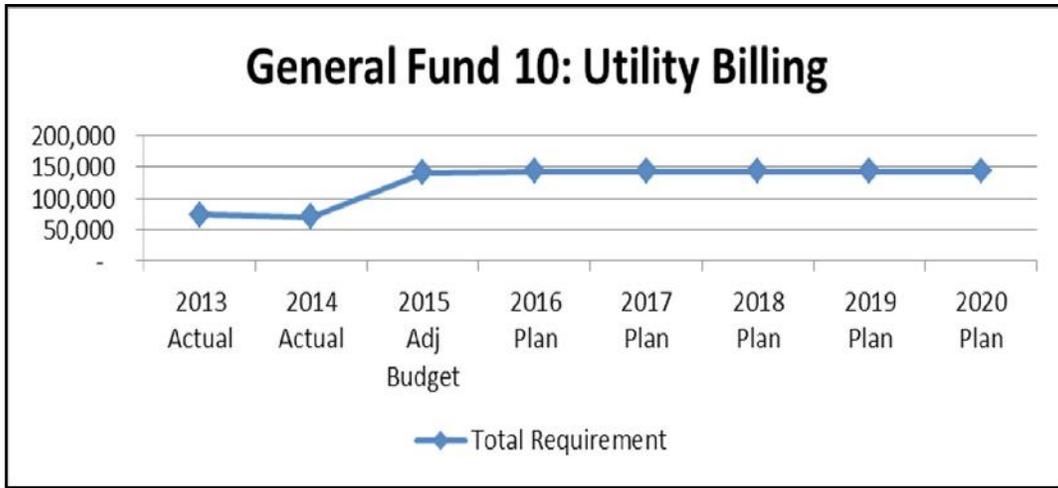
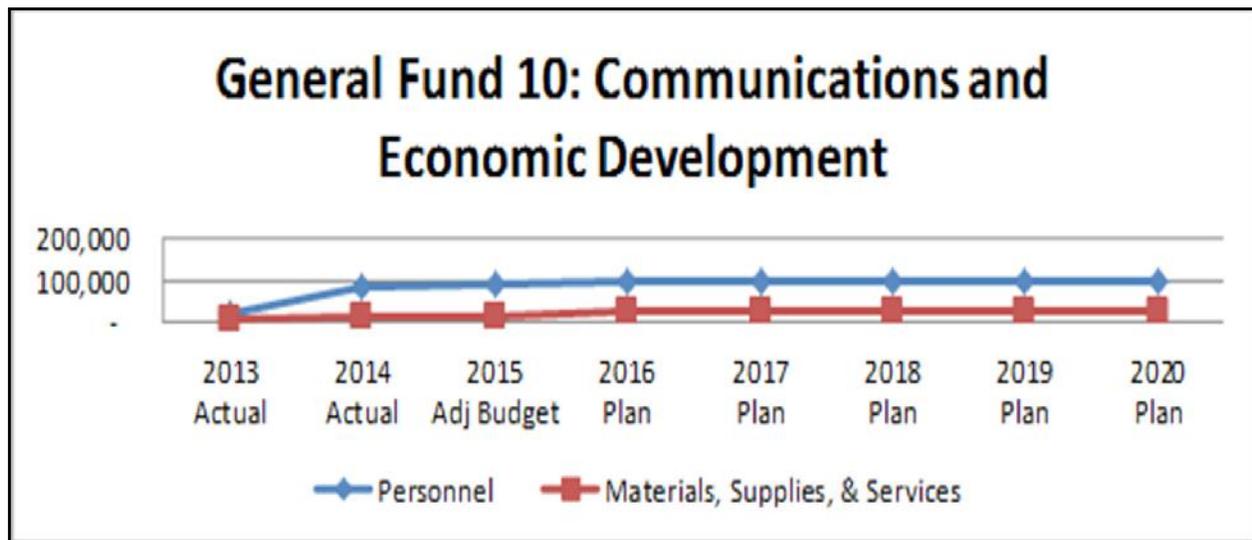


Figure 27 (above) represents total Treasurer and Utility Billing requirements for 2013-2020.



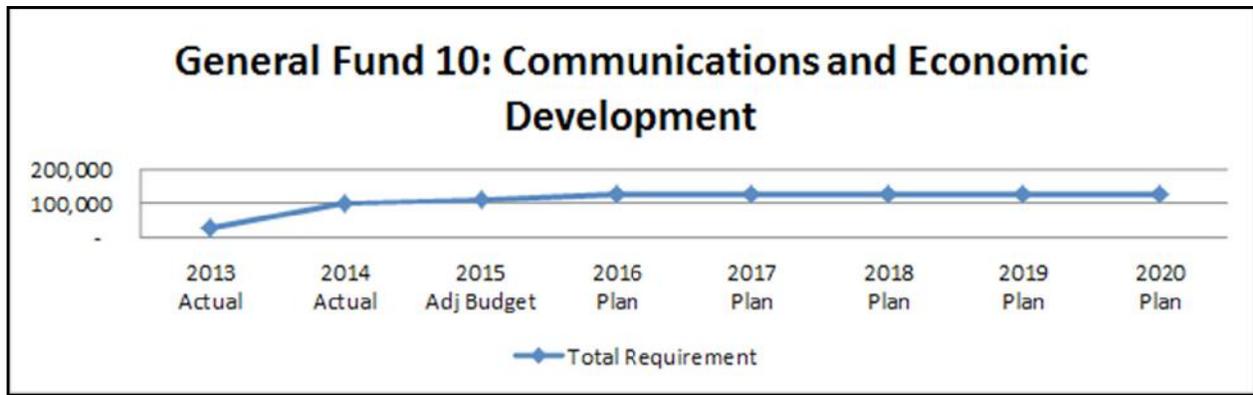
General Fund 10: Communications and Economic Development								
Requirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	21,792	84,511	92,510	99,604	99,604	99,604	99,604	99,604
Materials, Supplies, & Services	9,324	17,000	17,000	23,900	23,900	23,900	23,900	23,900
Total Requirement	31,116	101,511	109,510	123,504	123,504	123,504	123,504	123,504
% Change from Prior Period	0%	226%	8%	13%	0%	0%	0%	0%

Table 32 (above) represents the Communications and Economic Development actual expenditures for 2014, adjusted budget for 2015, tentative budget for 2016, and budget plan for 2017 – 2020.



Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA). This department was created in FY 2013. It includes 1 FTE, the Public Information Manager. In FY 2015 the economic development budget was moved into this department.

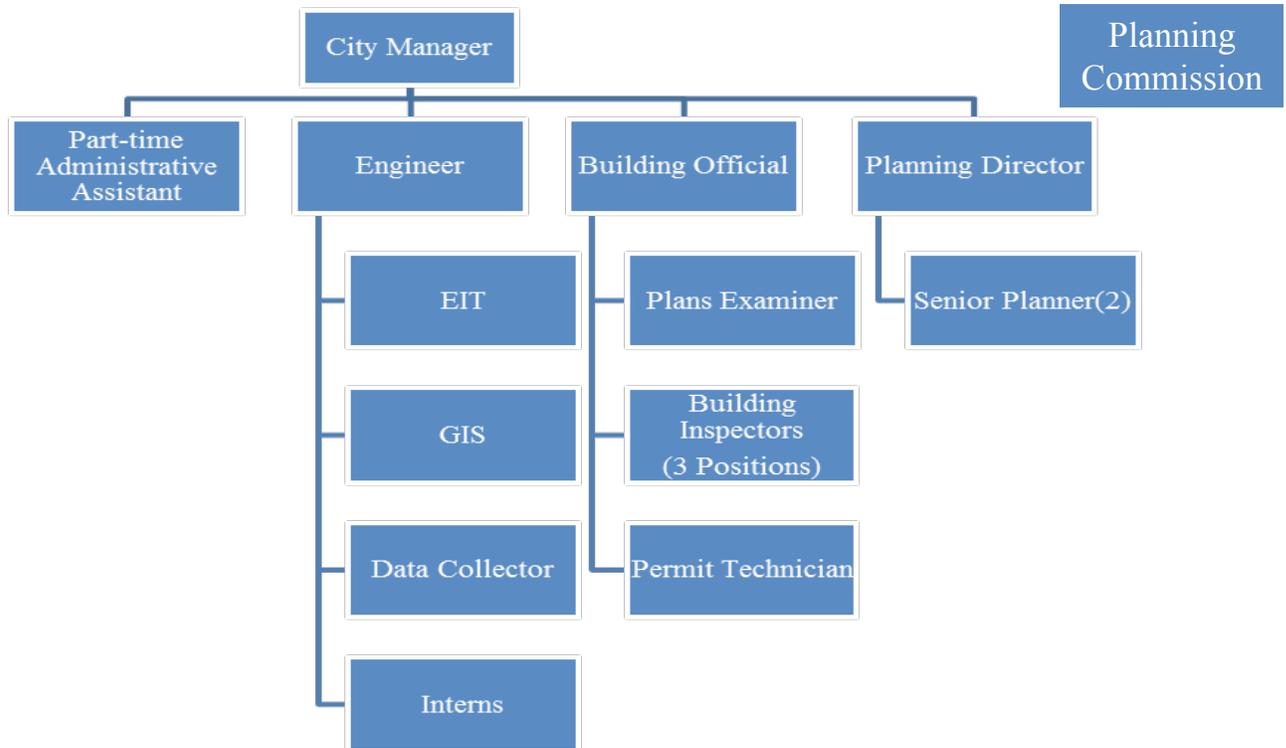
Materials, Supplies and Services (MSS) are expected to increase for memberships from FY 2016-2020.



2015 Highlights

- Implemented direct email lists for residents to receive emails about City events, news, emergencies, etc.
- Worked with consultant and members of the Strategic Planning Advisory Committee to develop a citizen survey and produce a community-driven strategic plan.
- Worked to hold a developer and business focus group on how the City can improve its development process and meet the needs of local businesses.
- Achieved over a 95 percent publish rate for press releases sent to media outlets.
- Established procedures to coordinate public information requests and media requests between city staff and public safety.
- Implemented and promoted the City’s mobile app to provide for service requests.
- Saratoga Springs was featured in the October 2014 issue of Business in Focus.
- Worked with Lehi Area Chamber of Commerce to increase the number of businesses benefitting from chamber membership.
- Continue the annual City update with the Saratoga Springs Business Alliance and facilitate discussion of issues affecting businesses in the City.
- Continue to work with the Lehi Area Chamber of Commerce, EDCUtah and the Saratoga Springs Business Alliance to promote Saratoga Springs as a business friendly community and to recruit new retail and commercial uses to Saratoga Springs.

Performance Measure	Target 2015	Actuals FY 2015
Update City’s social media platforms 4-5 times per week	90%	90%
Add/remove new or outdated website information within 24 hours	90%	80%
Respond to development requests/questions within 24 hours	90%	90%
Respond to citizen requests/questions within 24 hours	95%	90%
Respond to media requests/questions within 24 hours	100%	100%
Post events to City’s event calendar within 24 hours	95%	85%



Mission

We are committed to providing excellent service as a professional Planning, Building, and Capital Facilities department to establish, implement, identify and develop plans and provide Inspections and capital facilities for maintaining the Quality of Life, Health and Safety for the citizens of The City of Saratoga Springs.

Department Overview

The Planning, Building, and Capital Facilities Department oversees the completion of buildings and construction projects being constructed in the City and ensure compliance with applicable zoning and building. Coordinate with the Planning Commission on zoning and planning issues.



PUBLIC SAFETY: BUILDING DEPARTMENT

General Fund 10: Building Department								
Requirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	323,876	383,784	448,786	520,149	520,149	520,149	520,149	520,149
Materials, Supplies, & Services	37,209	26,156	76,820	51,820	51,820	51,820	51,820	51,820
Total Requirement	361,085	409,941	525,606	571,969	571,969	571,969	571,969	571,969
% Change from Prior Period	18%	14%	28%	9%	0%	0%	0%	0%

Table 33 (above) represents the Building Department’s actual expenditures for 2014, 2015 adjusted budget, 2016 tentative budget, and budget plan for 2017– 2020.

Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA, training). Depending on future residential and commercial building within the City, it may be necessary to add additional staff to keep up with demand. For FY 2016 it is anticipated that an additional building inspector will be added to staff, this is reflected in the tentative budget.

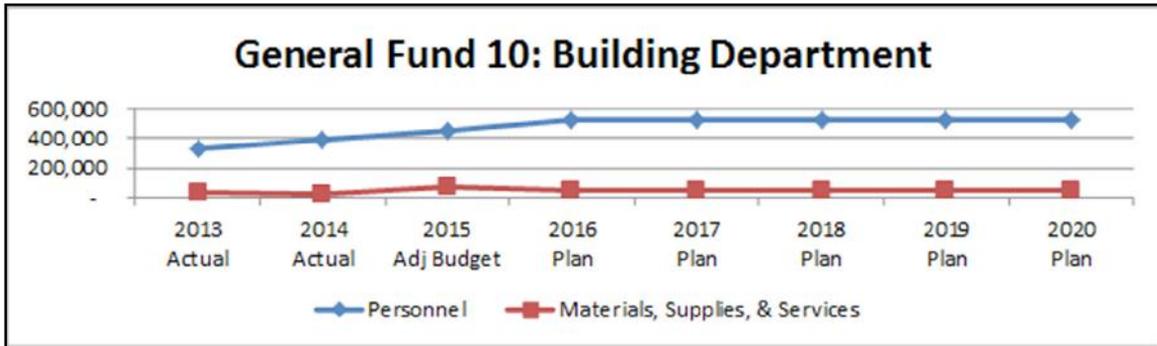


Figure 28 (above) represents Personnel, and Materials, Supplies, and Services (MSS) major requirements for fiscal years 2013 -2020.

Materials, Supplies, and Services requirements will decrease more than 34% in 2016, for the FY2015 purchase of a new vehicle.

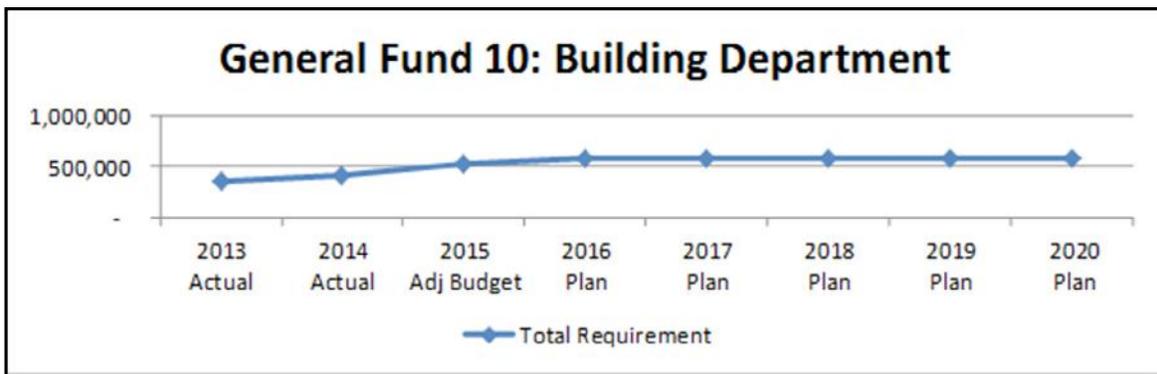


Figure 29 (above) represents total departmental requirements for fiscal years 2013 – 2020.

Building Department FY 2015 Highlights	
<ul style="list-style-type: none"> - Implemented a new permitting software (Cityworks). - Hired a new building inspector due to increased number of building permits and inspections - Issued the highest number of building permits (550) for the past three fiscal years. 	

Building Department Performance Measures	Actual 2015
Average turnaround time for plan reviews	2.28 days
Percent of inspections performed next day if called in before 5 p.m.	100%

Table 33 (above) represents the Building Department’s performance measures



FY 2015 Highlights

- Brought public hearing noticing in-house to improve transparency through increased efficiency and accuracy.
- Processed a round of Code cleanups and updates each quarter to close gaps in the Code and begin streamlining the approval process.
- Processed General Plan amendments to support the goal of a vibrant lake shore.
- Reformatted the Development Review Committee (DRC) process to improve communication with developers.
- Facilitated the annexation of the Springs into the City.
- Created a new section of Code to adopt Dark Sky standards for the City.
- Facilitated the preservation of a portion of the Mountain View Corridor through the northern end of the City.

General Fund 10: Planning and Zoning Department

Requirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	203,031	281,218	335,392	345,829	345,829	345,829	345,829	345,829
Materials, Supplies, & Services	15,116	20,135	9,635	9,635	9,635	9,635	9,635	9,635
Total Requirement	218,147	301,354	345,027	355,464	355,464	355,464	355,464	355,464
% Change from Prior Period	11%	38%	14%	3%	0%	0%	0%	0%

Table 35 (above) represents the Planning and Zoning Department’s actual expenditures for 2014, 2015 adjusted budget, 2016 tentative budget, and budget plan for 2017– 2020.

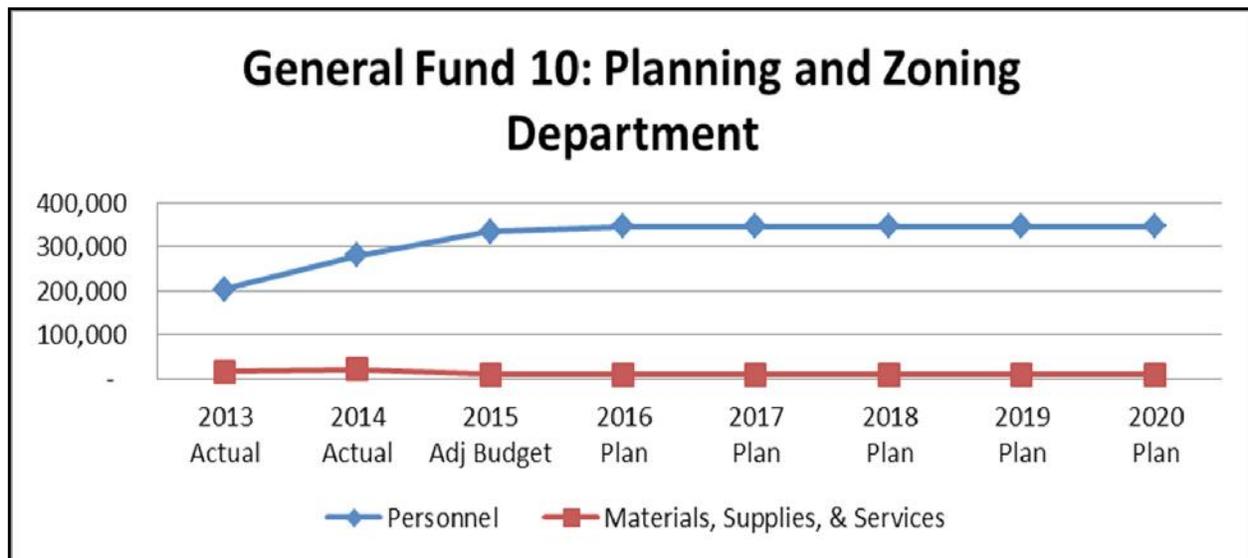


Figure 30(above) represents Personnel, and Materials, Supplies, and Services (MSS) major requirements for fiscal years 2013 -2020.

Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA, training). In addition the costs of the planning commission is now included in personnel rather than included in materials, supplies and services.

Materials, Supplies and Services requirements are expected to decrease at approximately 52.1% in FY 2016. This is mainly due to moving the planning commission stipend to the personnel line items to be compliant with the IRS.

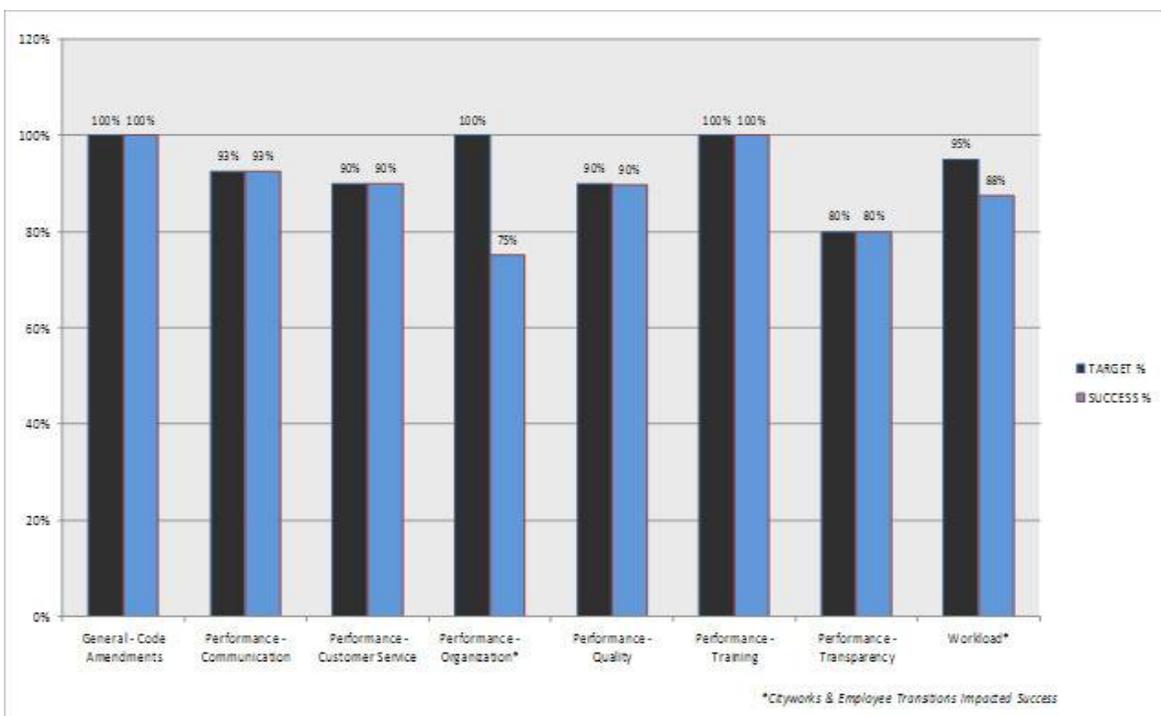
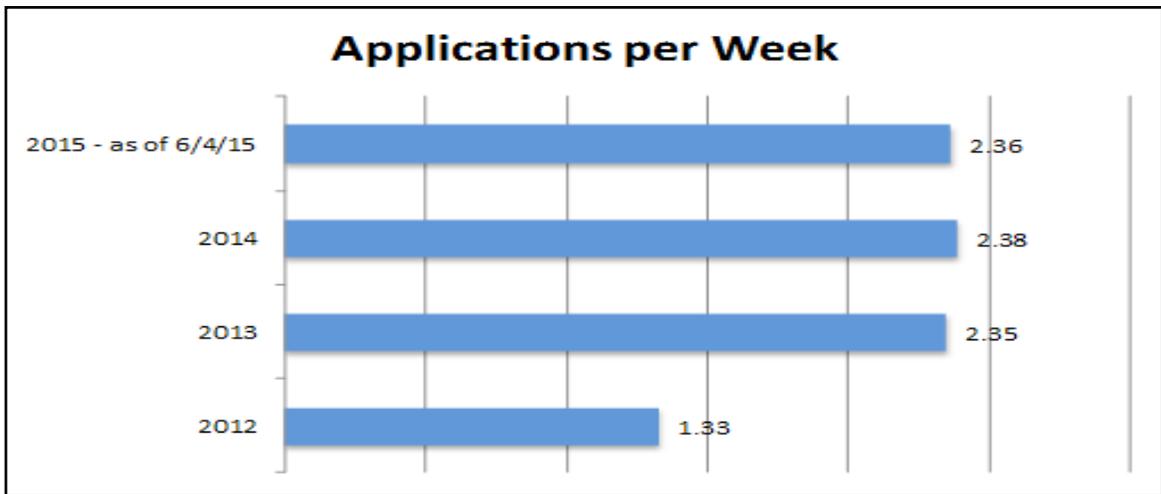


Table 36 - Planning Performance Measures

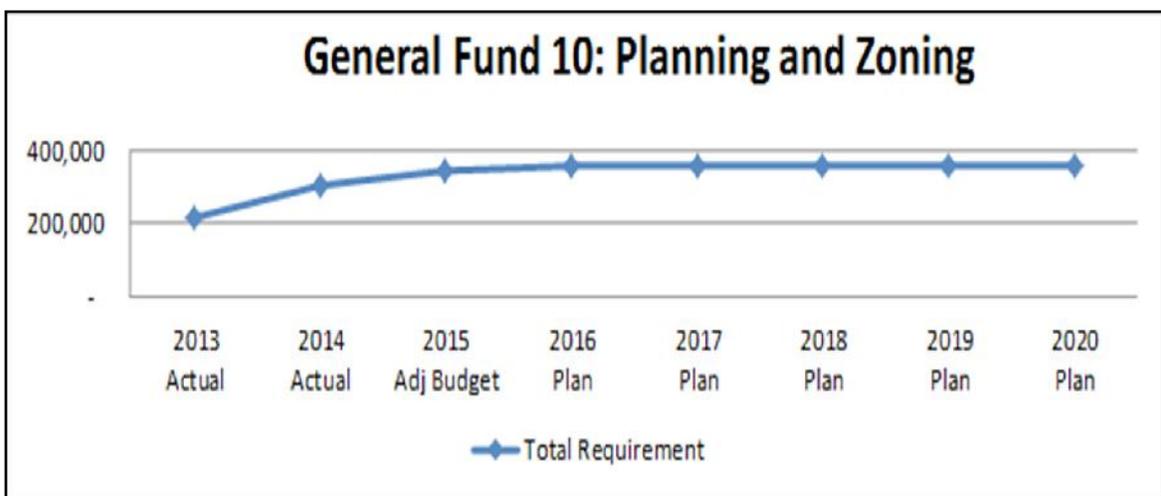


Figure 31 represents total departmental requirements for fiscal years 2013 – 2020.

Engineering Highlights FY 2014-2015

During the past year (July 2014 – July 2015) the Engineering Department has worked to support the City’s continued growth through the completion of critical Capital Projects, ongoing master planning of infrastructure and continuing to pursue various funding sources for long term infrastructure needs.

This was the fifth year that the City completed a system wide pavement preservation program as outlined by its Transportation Asset Management program (TAMS) as provided by the Utah LTAP Center. A new TAMS report was generated this year for the City and provided positive feedback on the success of the City’s pavement preservation program with approximately 95% of the City’s roads receiving an excellent smoothness and drainage rating, and average Remaining Service Life (RSL) of 14.2 years and 65.5% of the road receiving an overall classification of very good or excellent.

Several Capital Facility projects were completed this year in accordance with the City’s Capital Facility and Impact Fee Facility Plans. One of the most important was the installation of City wide secondary water meters and the adoption of a metered water rate for the City’s pressurized irrigation system. This is a critical component in the City’s goal to reduce secondary water use by at least 25%, a goal that was adopted as part of the City’s 2015 Water Conservation Plan

The City was able to secure funding through the Transportation Improvement Program (TIP) which is administered by the Mountainland Association of Governments (MAG). Two projects were approved for funding in the 2017-2018 FY; A trail along Redwood Road from 400 south to Pioneer Crossing and the Widening of Crossroads Boulevard/Lehi Main Street from Commerce Drive (east) to 2300 West. The Road widening project includes more than \$13 Million dollars in County funds with no required match on behalf of the City, the single largest project ever approved for TIP funding through MAG.

This year we worked to push the GIS web-based maps out to more people, which included adding more layers and improving the print tools. ESRI Collector in conjunction with ArcGIS Online has also been implemented using local data services, meaning map layers live locally and are not being uploaded to the cloud. Collector is a mobile app (android and IOS) that allows field personnel to collect and edit GIS data in the field from their phones. Another focus was to automate routine processes, improving time efficiency and/or to allow the processes to be executed more frequently.

The GIS database for City utilities is persistently escalating and increasing in detail. GPS data from the field has been continually collected and entered into the GIS. Additional GPS equipment has been added to our inventory and is being used to aid in the collection of utility data.

General Fund 10: Engineering Department								
Requirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	524,986	588,298	336,632	361,646	361,646	361,646	361,646	361,646
Materials, Supplies, & Services	76,996	303,334	80,382	57,150	57,150	57,150	57,150	57,150
Capital	-	-	-	-	-	-	-	-
Total Requirement	601,981	691,632	417,064	418,796	418,796	418,796	418,796	418,796
% Change from Prior Period	107%	15%	-40%	0%	0%	0%	0%	0%

Table 37 (above) represents the Capital Facilities & Engineering Department’s actual expenditures for 2014, 2015 adjusted budget, 2016 tentative budget, and budget plan for 2017– 2020.

Figure 32 (below) represents Personnel, and Materials, Supplies, and Services (MSS) major requirements for fiscal years 2013 -2019.

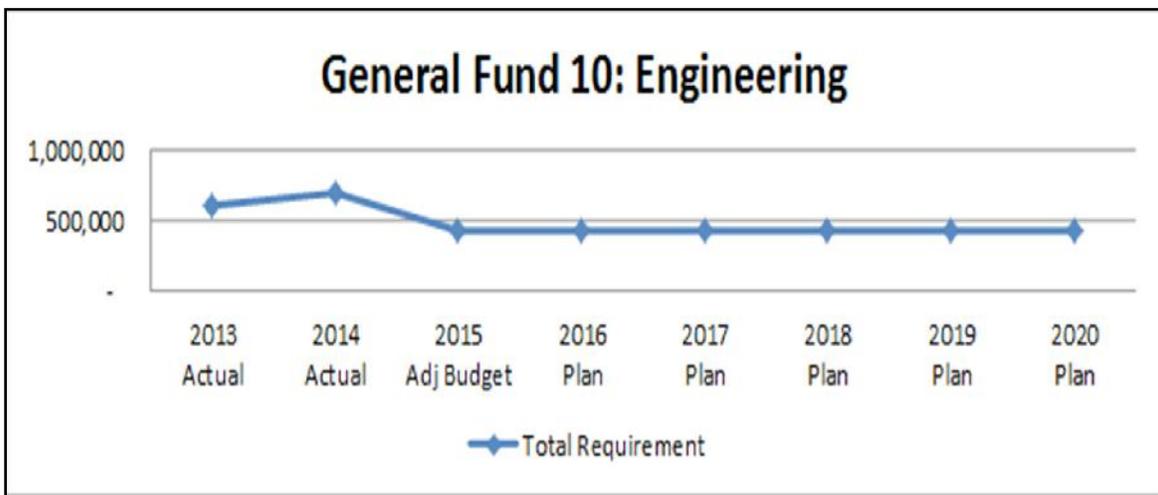
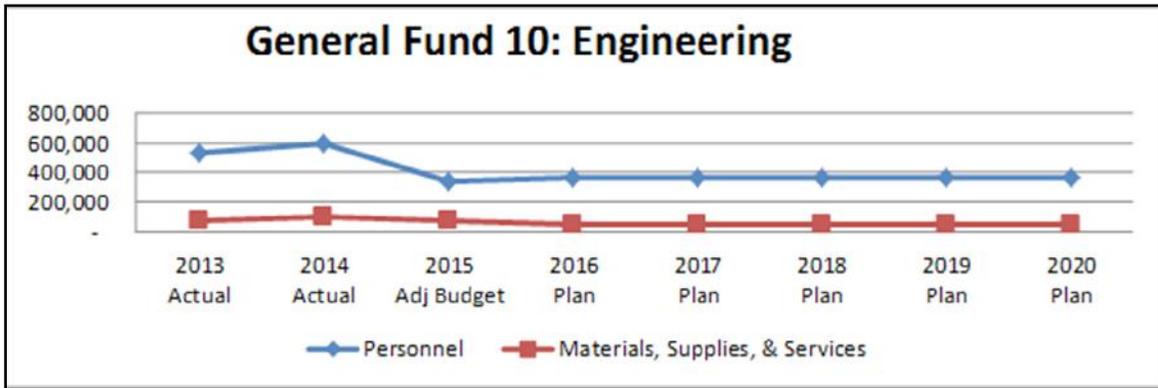


Figure 33 (above) represents total departmental requirements for fiscal years 2013– 2019.

Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA, training). Personnel costs are expected to increase slightly for the above explanation. This department has 4.0 FTE’s budgeted.

Materials, Supplies and Services requirements are expected to remain stable 2016 through 2019.



General Fund 10: Non-Departmental and Transfers								
Requirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	149,050	338	-	-	-	-	-	-
Materials, Supplies, & Services	292,173	326,685	506,033	513,333	508,333	508,333	508,333	508,333
Interfund Transfers	2,811,343	2,309,512	208,480	464,805	1,066,193	1,309,390	1,606,566	1,895,839
Total Requirement	3,252,566	2,636,536	714,515	978,141	1,574,530	1,817,728	2,114,905	2,404,179
% Change from Prior Period		-19%	-73%	37%	61%	15%	16%	14%

Table 38 (above) represents Non-Departmental’s actual expenditures for 2014, 2015 adjusted budget, 2016 tentative budget, and budget plan for 2017 - 2020.

Materials, Services and Supplies requirements are expected to grow 1.6 % in 2016. MSS are expected to stay approximately the same between 2016 through 2020. This increase is mainly due to the software maintenance costs associated with Cityworks and increases in insurance costs.

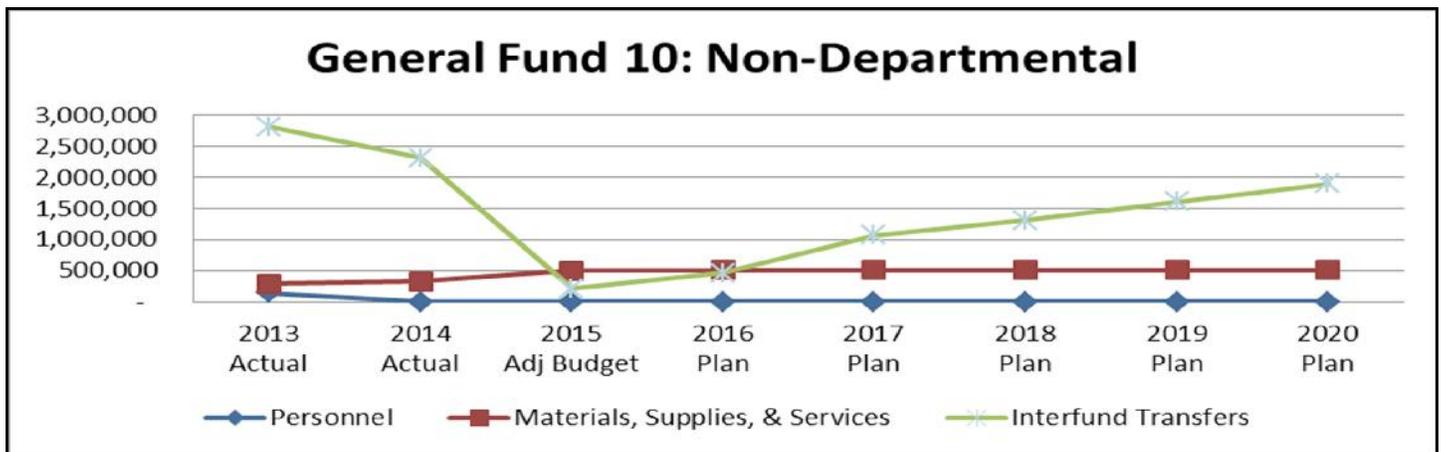


Figure 34 (above) represents Materials, Supplies, and Services (MSS), and Personnel costs for fiscal years 2013 – 2020.

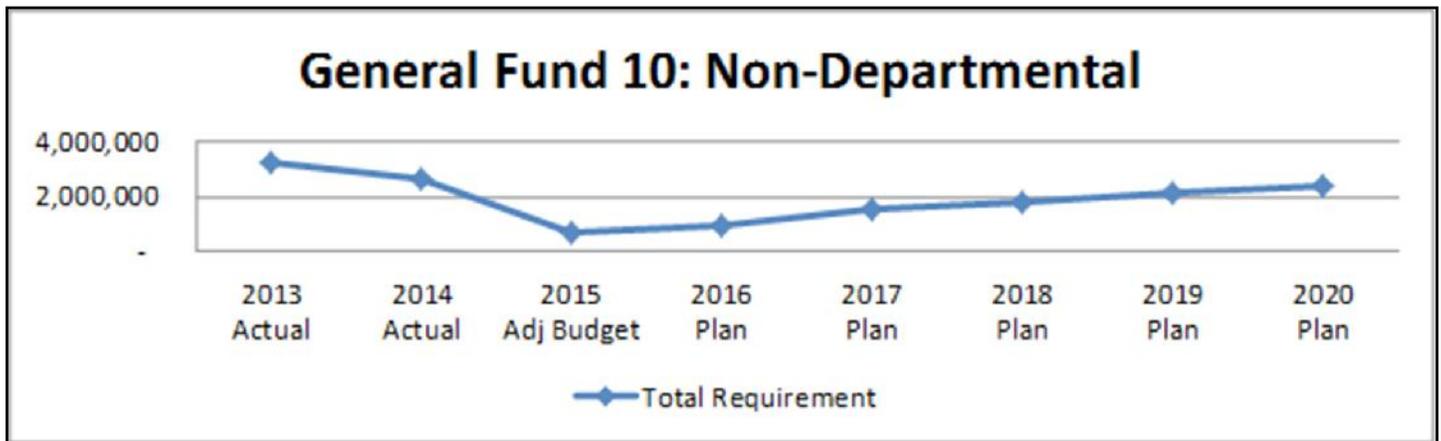


Figure 35 (above) represents total non-departmental requirements for fiscal years 2013 – 2020.



General Fund 10: Buildings and Grounds								
Requirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Materials, Supplies, & Services	143,240	182,311	186,516	437,328	188,164	189,025	189,911	190,825
% Change from Prior Period	-37%	27%	2%	134%	-57%	0%	0%	0%

Table 39 (above) represents the Buildings and Grounds Department’s actual expenditures for 2014, adjusted budget for 2015, tentative budget for 2016, and budget plan for 2017 – 2020.

In 2016 MSS is expected to increase 139.9 %. This is due to the FY2016 dispatch building agreement for \$250,000. This will be a one time expenditure.

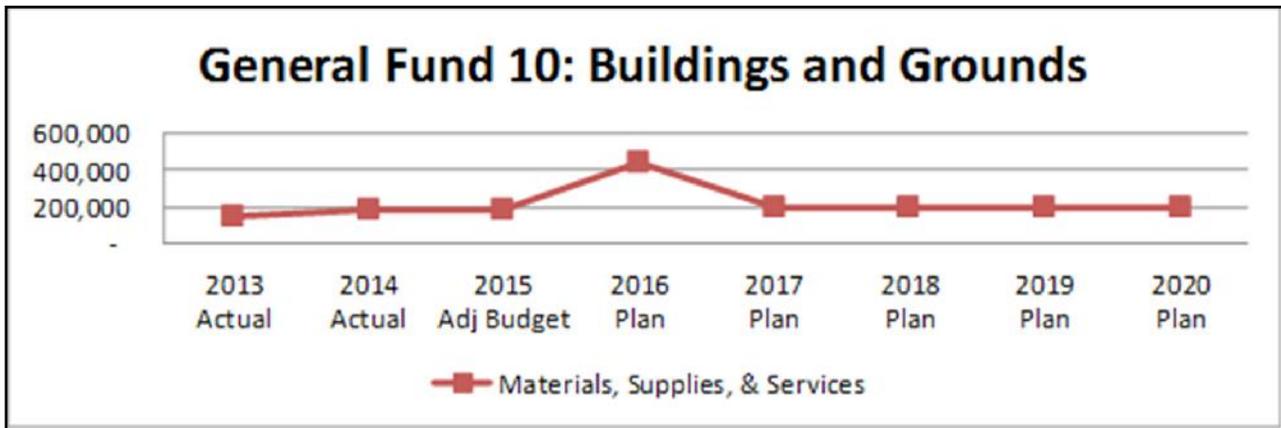
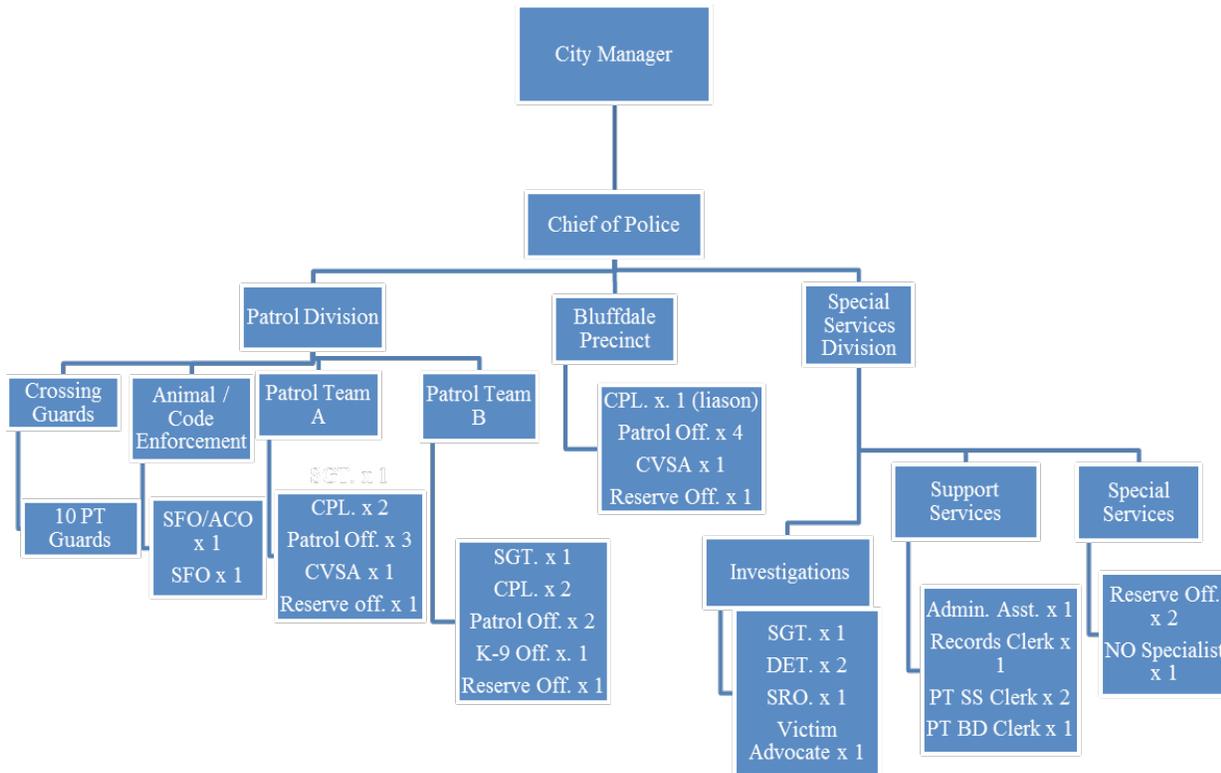


Figure 36 (above) represents Materials, Supplies, and Services (MSS) requirements for fiscal years 2013 – 2020.



Introduction

The Saratoga Springs Police Department currently employs twenty-seven sworn police officers, two full time animal control/code enforcement officers, eight paid part time reserve police officers, one full time administrative assistant, one full time and four part time records clerks, a part time victim advocate, two part time Neighborhood Outreach coordinators, and 14 school crossing guards. The department provides law enforcement services to the cities of Saratoga Springs and Bluffdale, and animal control and code enforcement services to Saratoga Springs.

Mission

The Saratoga Springs Police Department provides law enforcement services for the cities of Saratoga Springs and Bluffdale in order to protect life and property, support the highest level of public safety, and to help maintain the quality of life.

Fiscal Year 2014-15 Accomplishments and Highlights

1. The police department uses state of the art investigative equipment such as the Cellebrite Smart Phone Data Analysis System, surveillance camera systems, interview recording equipment, and a computerized Total Traffic Station system. The department implemented a new Violence Against Women initiative and is participating on a Violence Against Women Task Force. The department added one half time investigator. About 90% of cases were cleared or closed within six months of receipt in the Investigations Unit. The Victim Services Coordinator exceeded all expectations as set forth in the State of Utah grant that supports victim services. A detective was assigned as a Liaison to the Utah State Information Analysis Center.
2. The police department conducted patrol operations 7 days a week, 24 hours per day in both cities, Response to Priority One calls was just under 9 minutes, which is two minutes above the target response time. The total number of incidents handled was 7,800, which represents a 10% increase over the previous year. Officer generated incidents handled was 2,493, which represents a 25% increase over the previous year. Vacation checks as requested by citizens were completed at 100%.



School crossing guard services at the city’s elementary schools was provided.

3. The hands-on focused training program was continued and included use of force training, specialized firearms training and imaginative skill oriented training. This included the use of the new state of the art firearms simulation system at the UPD Range as well as active shooter scenarios at various schools and at Camp Williams. Emergency Vehicle Operations training was completed during the year. Every member of the department completed a special two day Arbinger training event on CORE leadership methods. Police department officers each averaged over 144 hours of training.
4. The department’s tactical team equipment and training continued to improve, with specialized training conducted in several schools and at other venues in both cities as well as at Camp Williams. The team also conducted training on several occasions with the Unified Police Department SWAT Team.
5. The department provided specialized law enforcement capabilities such as commercial truck inspections/enforcement, a police service dog, bicycle patrol, police motorcycle, and special weapons and tactics team.
6. Every officer was issued a body camera. Dash mounted camera systems within patrol cars were increased and enhanced. Camera systems inside the police facility were upgraded. Every officer now carries the new style rescue tourniquet, first aide kit, rescue rope and personal flotation device. Additional lock out kits were obtained that will enhance the department’s ability to assist citizens.
7. A law enforcement curriculum was taught to high school students at Westlake High School where the department provides a full time School Resource Officer. Additionally, a school program entitled Drug Awareness and Resistance Education (DARE) was taught within the Saratoga Springs and Bluffdale elementary schools to approximately 1000 students (860 within Saratoga Springs and 140 within Bluffdale).
8. The department conducted a citizens academy with the largest class size in department history. The VIPS volunteers provided 1448 hours of volunteer service to the department. The Explorer Scout Post provided over 100 hours of volunteer service time. The Post also conducted over 50 hours of training.
9. The department conducted a special event in support of the National Night Out Against Crime, with hundreds of citizens visiting the displays and speaking with officers.
10. The department’s Neighborhood Outreach program conducted 85 meetings and/or training events in support of neighborhood watch and other police safety programs.
11. The department supported numerous community oriented events including Iron Will and Camp Williams, Polar Plunge and Torch Run events in support of Special Olympics, Saratoga Springs “Splash” town days, Bluffdale Town Days and Rodeo.
12. The department conducted professionally managed, competitive and fair recruitment and promotional processes.

Police Department Performance Measures	Target 2015	Actual 2015
Response time for priority 1 calls	<7 min	8:02
Clear all assigned cases within 6 months	100%	90%
Teach DARE classes to elementary school students	600 students	860 students
VIPS Volunteer Hours	1200	1448.5
# of hours of training per officer per year	80	144
Supervision 24/7 and min 2 officers at all times	100%	100%

Table 42 – Police Performance Measures

General Fund 10: Police Department - Saratoga Springs								
Requirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	1,991,144	2,033,806	2,431,644	2,440,940	2,441,440	2,441,980	2,442,562	2,443,192
Materials, Supplies, & Services	482,733	507,783	399,413	402,413	399,413	402,413	402,413	402,413
Capital	17,971	12,736	-	-	-	-	-	-
Total Requirement	2,491,848	2,554,325	2,831,057	2,843,353	2,840,853	2,844,393	2,844,975	2,845,605
% Change from Prior Period	12%	3%	11%	0%	0%	0%	0%	0%

Table 40 (above) represents the police department’s (Saratoga Springs portion) actual expenditures for 2014 and 2015, approved budget for 2016, and the budget plan for 2017 – 2020.

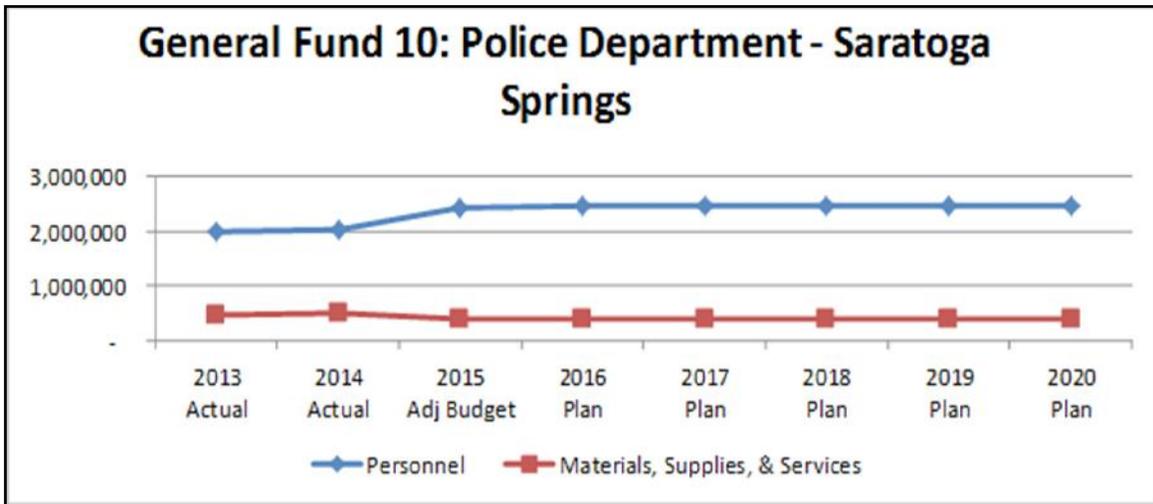


Figure 37 (above) represents Personnel, Materials, Services, and Supplies (MSS), and Capital expenses between 2013 and 2019.

Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA, training).

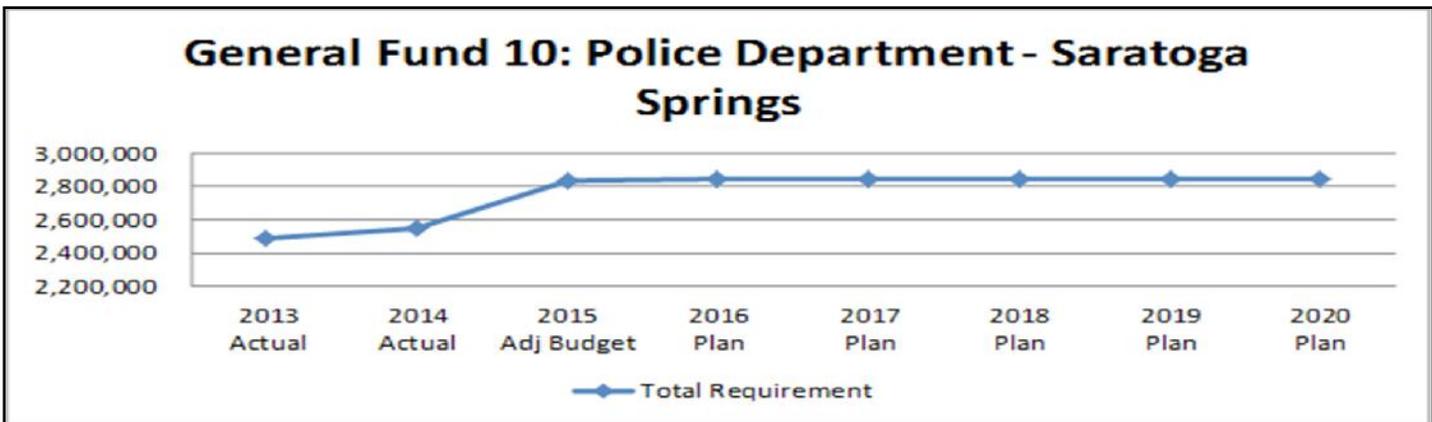


Figure 38 (above) represents total departmental requirements from fiscal years 2013-2019.

Materials, Supplies and Services are expected to increase slightly in FY2016. This is mainly due to court/standby costs.



General Fund 10: Police Department - Bluffdale								
Requirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	564,408	576,345	614,552	732,112	732,112	732,112	732,112	732,112
Materials, Supplies, & Services	135,267	129,065	174,125	174,125	174,125	174,125	174,125	174,125
Capital	1,455	-	-	-	-	-	-	-
Total Requirement	701,130	705,410	788,677	906,237	906,237	906,237	906,237	906,237
% Change from Prior Period	385%	1%	12%	15%	0%	0%	0%	0%

Table 41 (above) represents the police department's (Bluffdale portion) actual expenditures for 2014, approved budget for 2015, tentative budget for 2016, and budget plan for 2017 – 2020.

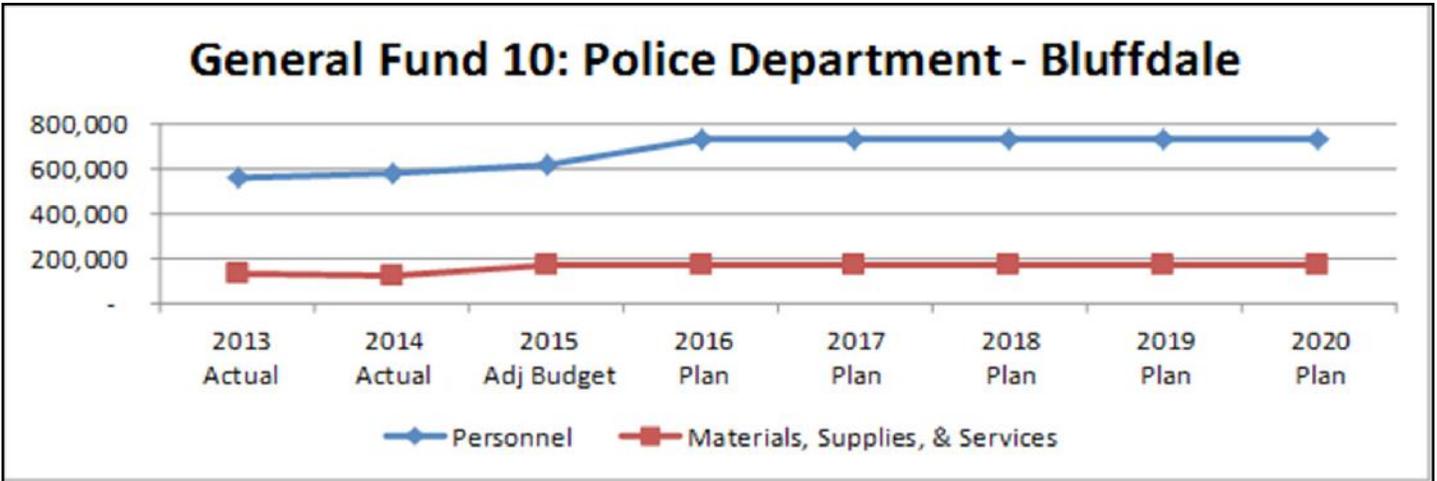


Figure 39 (above) represents Personnel, Materials, Services, and Supplies (MSS), and Capital expenses between 2013 and 2020.

Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA, training). Also, budget request for an additional officer and to upgrade a corporal to a sergeant in FY2016 and increase of 1.0 FTE and is included in the Bluffdale contract.

Materials, Supplies and Services has no change between FY 2015 and FY 2020.

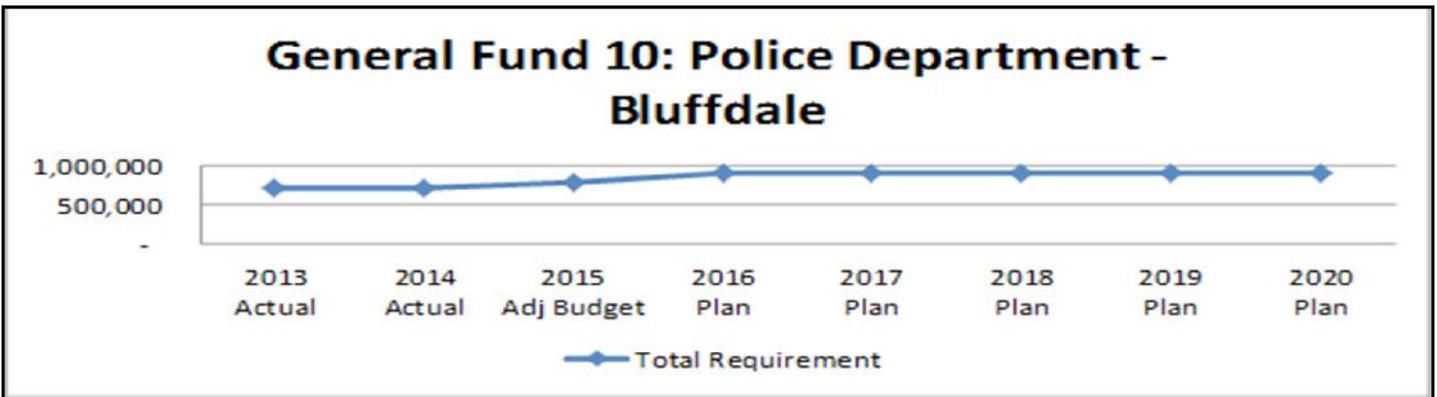
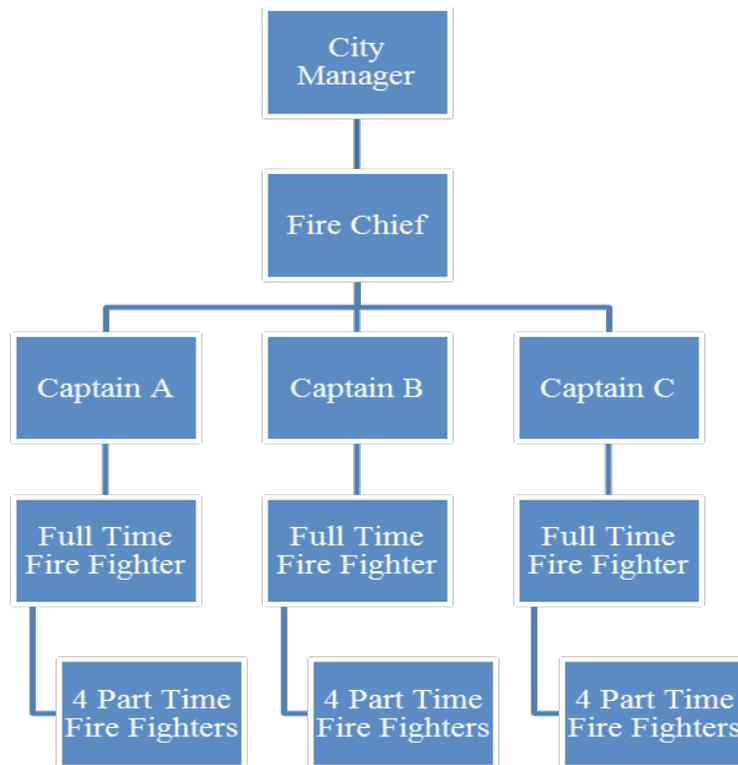


Figure 40 (above) represents total Police Department (Bluffdale) departmental requirements.



Mission

The mission of the Saratoga Springs Fire Department is to provide a wide range of services to the community designed to protect and preserve life, property, and the environment, through planning, prevention, education and response. We are committed to excellence in the delivery of these services:

“Proudly We Serve.”

Department Overview

The Saratoga Springs Fire provides paramedic and fire protection/prevention services. Fire services include fire protection, fire suppression, training, inspections, code enforcement, and HAZMAT. Saratoga Springs Fire & Rescue is now the highest trained and qualified agency in the state with respect to the duties we are faced with; particularly Water and Ice Rescue. Additionally, the City is covered by a series of Mutual Aid Agreements with the County and other neighboring 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 7 Full-time including the Fire Chief, and 48 Part-time Firefighter/ Paramedics and AEMT’s. Five Firefighter/Paramedics and AMET’s are on duty 24/7. The Firefighter/ Paramedics and AMET’s are trained to a minimum of AEMT (Advanced Emergency Medical Technician) and firefighter II levels of certification.

Fiscal Year 2014-15 Accomplishments and Highlights

This is now the third year of our implementing the physical fitness standards. We are not only having better fit for duty personnel, but the overall times continue to decrease in the time it takes to complete the testing process. This is a great indicator of overall fitness programs and cultural buy-in to the process and requirement as well. Our average time when we began was 8:45; it is now down to 7:48 of an overall allotted 10:20 to complete the process.



All of our personnel are now nationally certified and qualified in both Water & Ice Rescue. They are also all Red Card certified and re-certified in the NWCG Red Card process.

Our Type III Engine last year spent a month in Washington State fighting fires there. We billed and received over \$134K. Our expense side of that was approximately \$97K. Our Engine is at this very time assigned to Northern California and has already been “name requested” by the National Wildland Coordinating Group (NWCG) to return as soon as they are available from California to Washington State. It is predicted that this specialized unit will be out until September, 2015.

We trained and certified over 1100 Westlake High School students in the “Heart Saver CPR” program. We additionally have exposed over 1200 people in our community and surrounding area in the AHA Hands Only CPR. (Our annual goal is 3000)

- 355 Man hours in conducting and maintaining our safety program in the elementary schools. We served breakfast to winning students from each school and their families.
- 124 man hours in teaching Boy Scouts First Aid and Emergency Management.
- We now have over 60 members of our CERT team and actively training and recruiting more.
- Began our Fire Wise Community education program and contacted over 300 homes and the residents in them regarding and educating them on the program.
- All hydrants flowed and noted for repairs.
- Business inspections were completed; we now want to take it to the next step of “pre-planning” all of our business. We implemented a new more streamlined process for our conducting business inspections with both City Works and Business licensing.
- Our calls for service is on pace for increasing 15% annually with every increase of approximately 2000 people. (When I was appointed in September of 2011, we were around 19,500 and our annual calls for service were 747 calls. Currently at about 25,500 and we are now approaching 1000 emergent calls for service in our community and the surrounding area. Our neighbor’s growth is having an impact on our levels of service as well.

Our Records Management System (RMS) is now fully operational and allowing us to create our own time stamps and pull an incredible amount of accurate data sets to pull reports from. This has been a 3 year fight and we have overcome!

General Fund 10: Fire Department								
Requirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	1,018,466	1,051,815	1,242,759	1,250,104	1,250,104	1,250,104	1,250,104	1,250,104
Materials, Supplies, & Services	377,194	453,651	372,098	299,248	299,248	299,248	299,248	299,248
Total Requirement	1,395,660	1,505,466	1,614,857	1,549,352	1,549,352	1,549,352	1,549,352	1,549,352
% Change from Prior Period	#DIV/0!	8%	7%	-4%	0%	0%	0%	0%

Table 44 (above) represents the Fire Department’s actual expenditures for 2014, 2015 adjusted budget, 2016 tentative budget, and 2017– 2020 budget plan.



Fire Department Performance Measures	Target 2015	Actual 2015
% of required annual business inspections completed	80	86
% of annual performance evaluations completed	90	100
% of emergency calls for EMS responded to under 7:40	90	New Measure
% of emergency fire calls responded to under 8:30	90	New Measure
% of requisite training being maintained and conducted	90	100
% of vehicles maintained and inspected daily	100	96

Table 45 (above) represents the Fire Department’s performance measures.

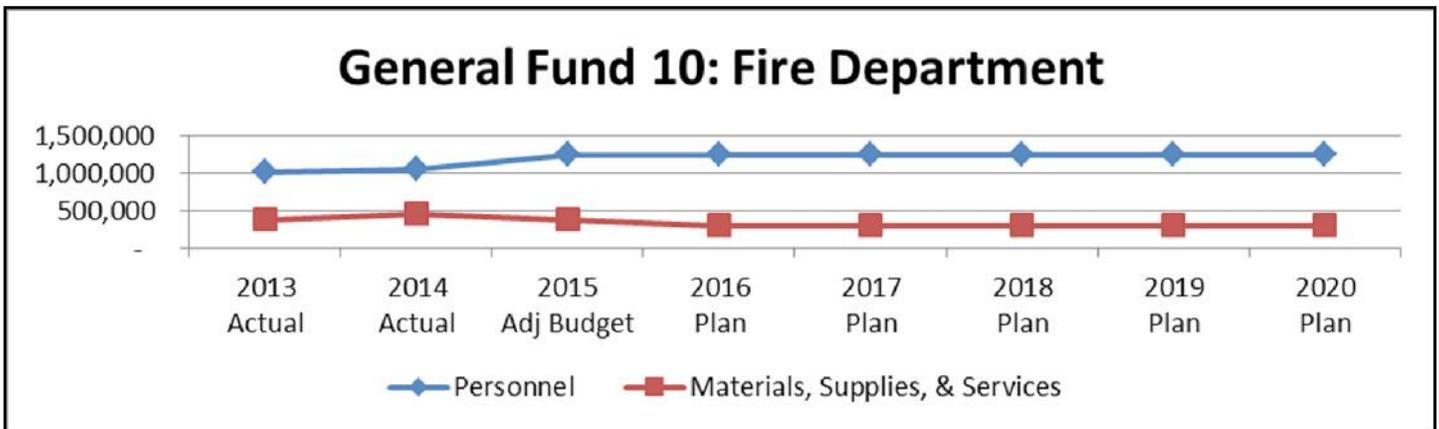


Figure 41 (above) represents Personnel, Materials, Supplies, and Services, and Capital Outlay major requirements from fiscal years 2013 - 2020.

Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA, training).

Materials, Supplies and Services (MSS) shows constant from fiscal years 2016 to 2020.

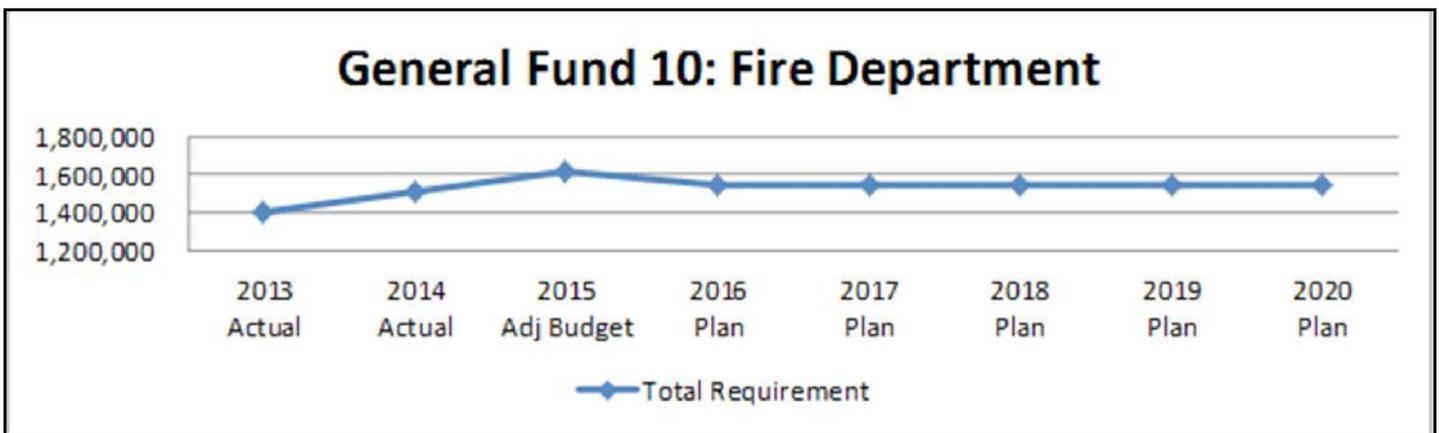


Figure 42 (above) represents total departmental requirements.



Mission

Consistent with the Utah Courts, the mission of the Saratoga Springs 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 Saratoga Springs, in a professional manner through effective punishment and wise admonition.
- Every individual has worth and the right to be treated with dignity.

The Justice Court, a Class III Court, has jurisdiction over class B and C misdemeanors, local ordinance violations and infractions committed within their territorial jurisdictions.

General Fund 10: Library Services								
Requirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	17,714	93,091	123,354	146,504	146,504	146,504	146,504	146,504
Materials, Supplies, & Services	44,912	40,285	51,150	41,510	37,630	37,750	37,877	37,908
Capital	-	2,648	9,801	-	-	-	-	-
Total Requirement	62,626	136,024	184,305	188,014	184,134	184,254	184,381	184,412
% Change from Prior Period	100%	117%	35%	2%	-2%	0%	0%	0%

Table 46 (above) represents the Court’s actual expenditures for 2014, 2015 adjusted budget, 2016 tentative budget, and 2017 – 2020 budget plan.

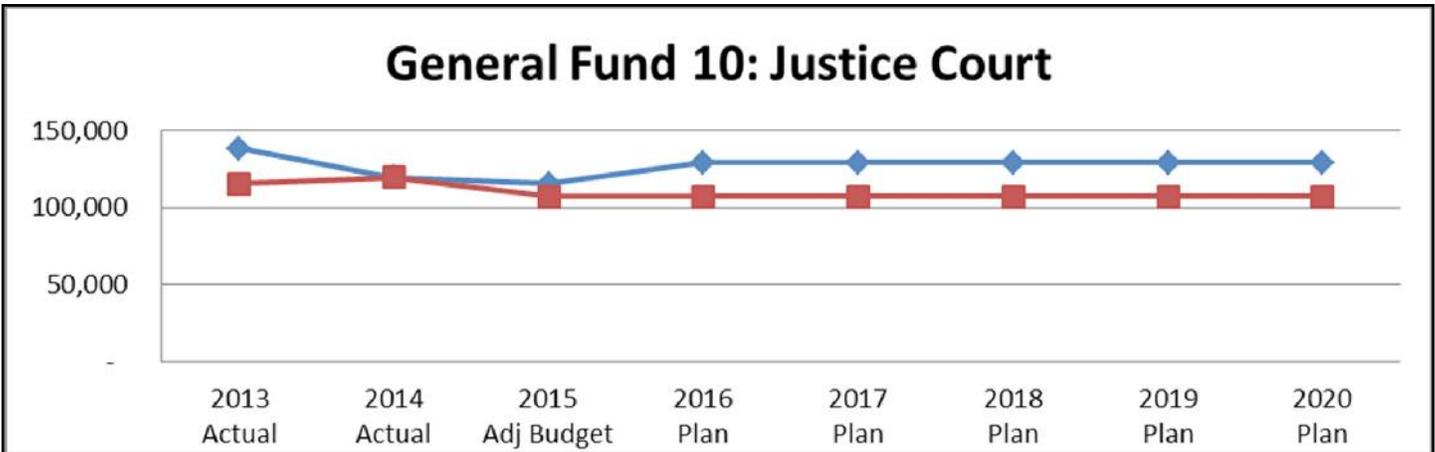


Figure 43 (above) represents Personnel, Materials, Services, and Supplies (MSS) major requirements from fiscal years 2013 – 2019.

Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA, training).

Positions funded in the Justice Court Department include the Judge and court clerk positions (1 full-time, 2 part-time). Full-time equivalents are expected to remain the same at 3.

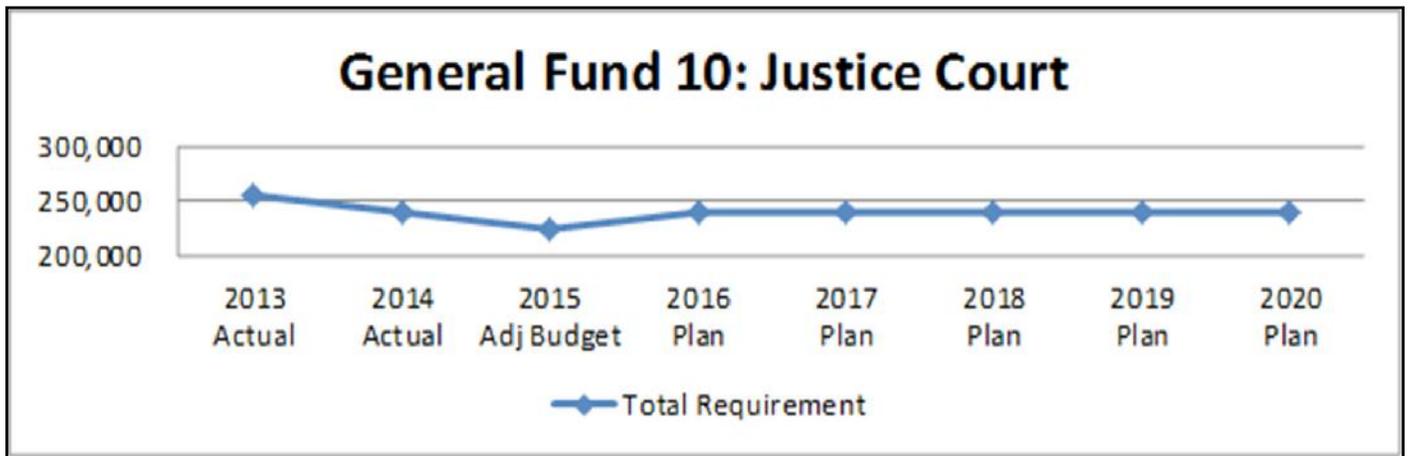
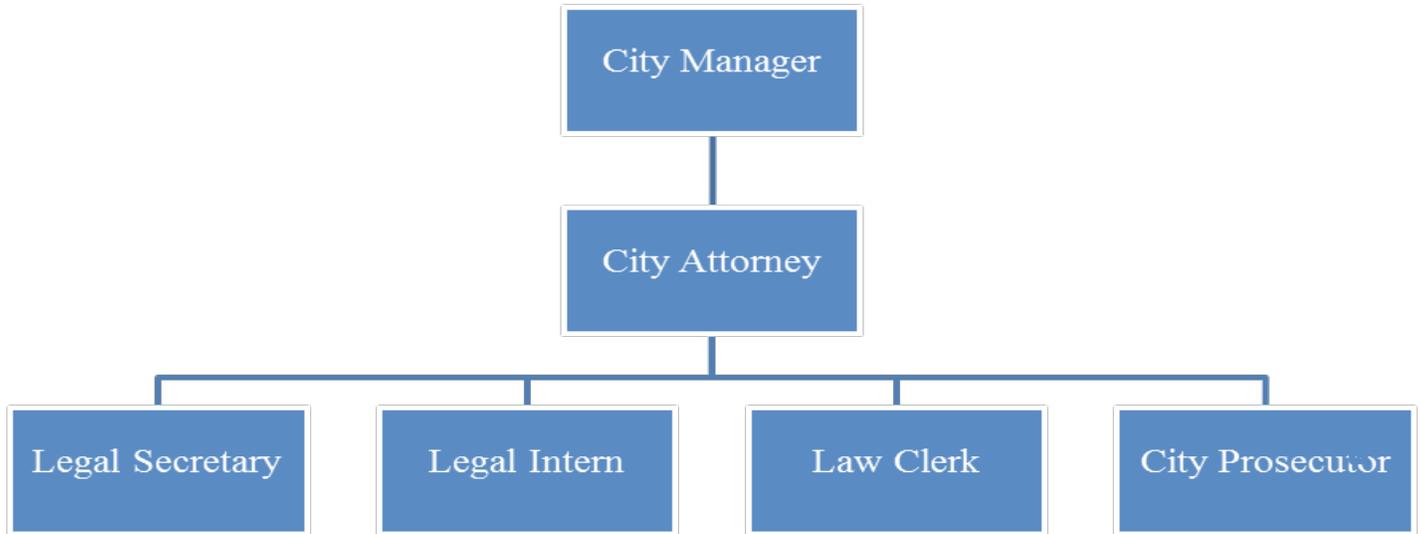


Figure 44 (above) represents total departmental requirements from fiscal years 2013 – 2020.

Materials, Supplies and Services are expected to stay constant from 2016-2020.

Justice Court Performance Measure	Target 2015	Actual 2015
# of weeks bail notices mailed out	52	49
# of months delinquent notices mailed within month	12	12
# of months warrants on citations issued	12	12
% of time bench warrants on criminal FTA issued within one week of court date	100%	100%
Submit case summary report to State by 10th each month	12	12
# of complete annual warrant audit	1	1

Table 47 (above) represents the Municipal Court Department’s performance measures.



FY 2015 Highlights
<ul style="list-style-type: none"> • Finished the Benches Plat 8 park litigation and received a very favorable result for this City, which will enable many of the original park improvements to be built. • Performed Administrative Code Enforcement (“ACE”) training for all City departments. • Assisted in establishing workflow process for ACE in City Works. • Trained new ACE coordinator in her new job and responsibilities. • Performed bi-annual training with Police Department. • Attended mandatory classes for defendants to enable our office to understand the anti-recidivism methods being used in these classes and to better understand what we are recommending to the judge. • Reduced screening turnaround to less than 72 hours. • Established excellent working relationships with new Victim Coordinator. Collaborated with established North County Domestic Violence Task Force Meeting • Established Legal Secretary Procedure Manual to enable cross-training in our department.

2015-16 Goals
<ul style="list-style-type: none"> • Continue Code Amendments; specifically, revise Title 19 to meet Utah land use law requirements. • Create a Plea-in-Abeyance form for defendants to be used in court. • Have at least 4 ACE sessions; ensure forms are appropriate and make necessary changes. • Revise Legal Secretary Procedure Manual as necessary. • Complete research assignments within 2-4 business days; communicate with City employees, department heads, City Manager, and Council members so that expectations are met.

Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA, training). Positions funded in the attorney department include the City Attorney, part-time legal assistant, a part-time Prosecutor, and a part-time Clerk. Full-time equivalents are expected to remain steady at 2.5.

General Fund 10: Attorney								
Requirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	165,260	208,758	223,030	237,824	237,824	237,824	237,824	237,824
Materials, Supplies, & Services	31,143	46,136	45,455	45,455	45,455	45,455	45,455	45,455
Total Requirement	196,403	254,894	268,485	283,279	283,279	283,279	283,279	283,279
% Change from Prior Period	36%	30%	5%	6%	0%	0%	0%	0%

Table 48 (above) represents the Attorney Department’s actual expenditures for 2014, 2015 adjusted budget, tentative 2016 budget, and 2017-2020 budget plan.

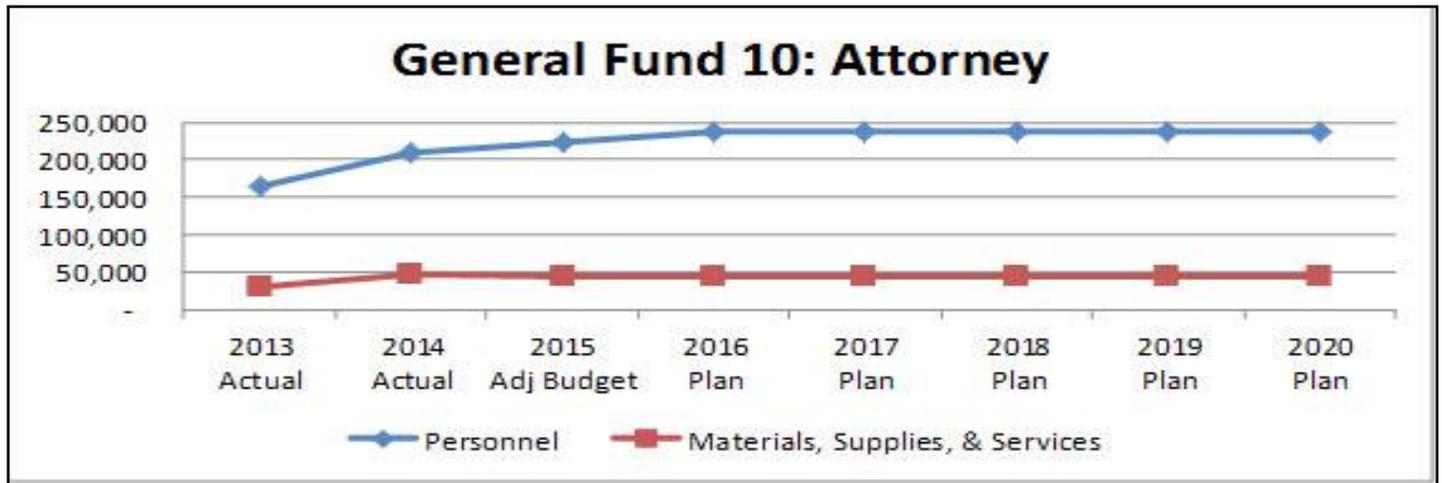


Figure 45 (above) represents Personnel, Materials, Services, and Supplies (MSS) major requirements from fiscal years 2013 – 2019.

Materials, Supplies and Services are expected to remain fairly stable from 2016-2020.

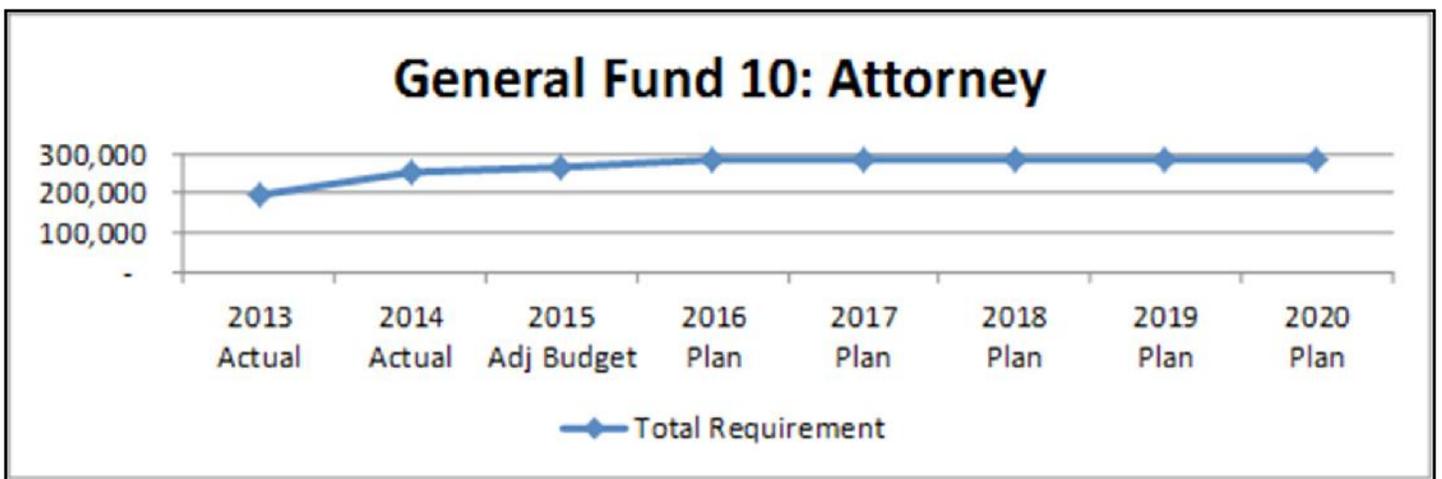


Figure 46 (above) represents total departmental requirements from fiscal years 2013– 2020.

Performance Measure	Target 2014	FY 2014 Actuals
% of phone calls returned within 1 business day	100	100



Mission

To provide the citizens of the City of Saratoga Springs 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 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.
- Promote community pride and relations through special events and programs.

Department Overview

The Leisure Services Department develops and organizes the recreation, leisure and community programs.

Recreation

General Fund 10: Recreation								
Requirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	81,064	89,332	104,191	110,785	110,785	110,785	110,785	110,785
Materials, Supplies, & Services	68,992	90,193	75,111	75,111	75,111	75,111	75,111	75,111
Total Requirement	150,056	179,525	179,302	185,896	185,896	185,896	185,896	185,896
% Change from Prior Period	38%	16%	0%	4%	0%	0%	0%	0%

Table 49 (above) represents Recreation actual expenditures for 2014, adjusted budget for 2015, 2016 tentative budget, and budget plan for 2017 – 2020.

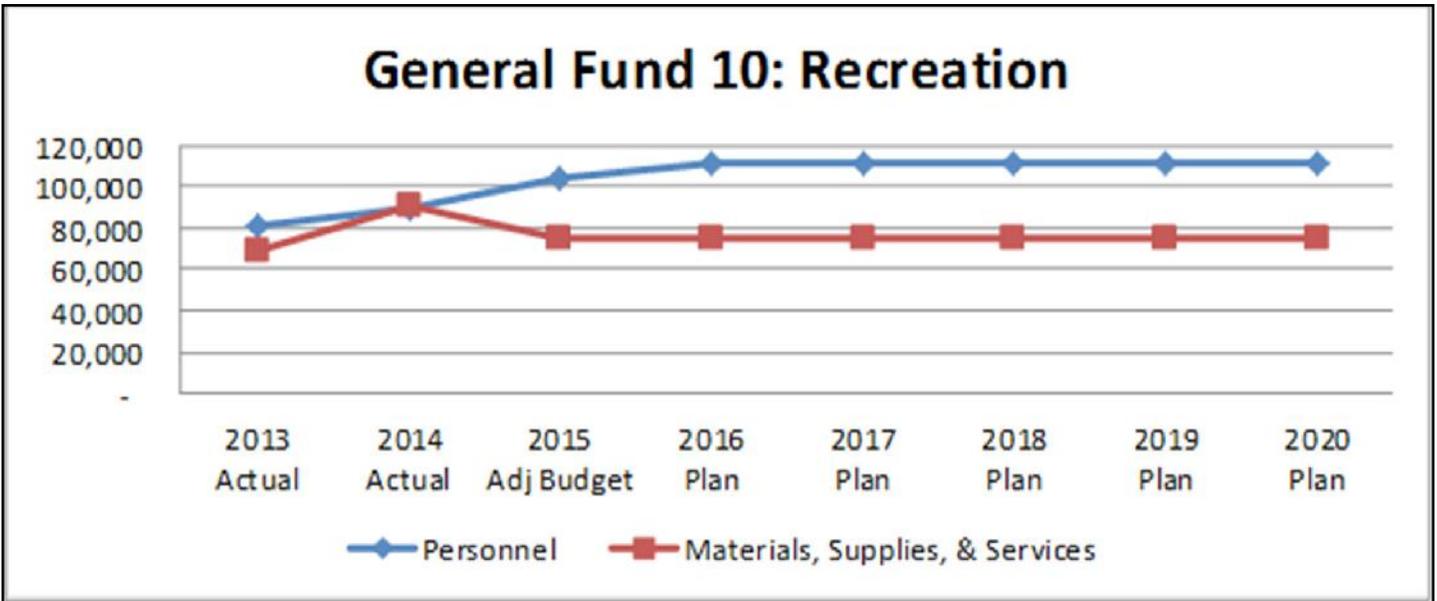


Figure 47 (above) represents Personnel and Materials, Services, and Supplies (MSS) major requirements.

Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA). Positions funded in the Recreation include the Recreation Coordinator, recreation referees. In FY 2015 the department was separated from Civic Events and Communities that Care.

Materials, Supplies and Services are expected to remain fairly stable from 2016-2020.

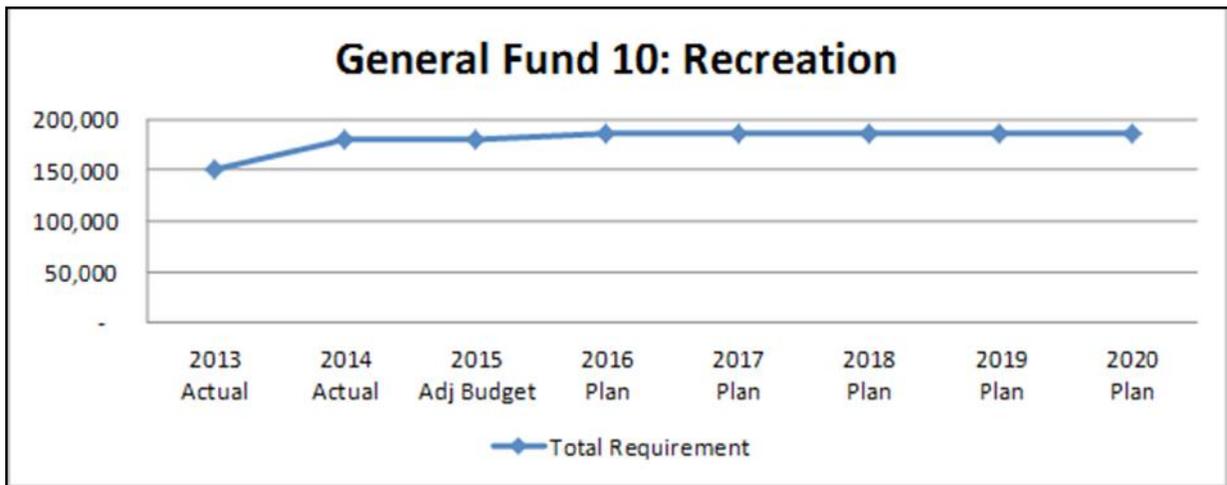
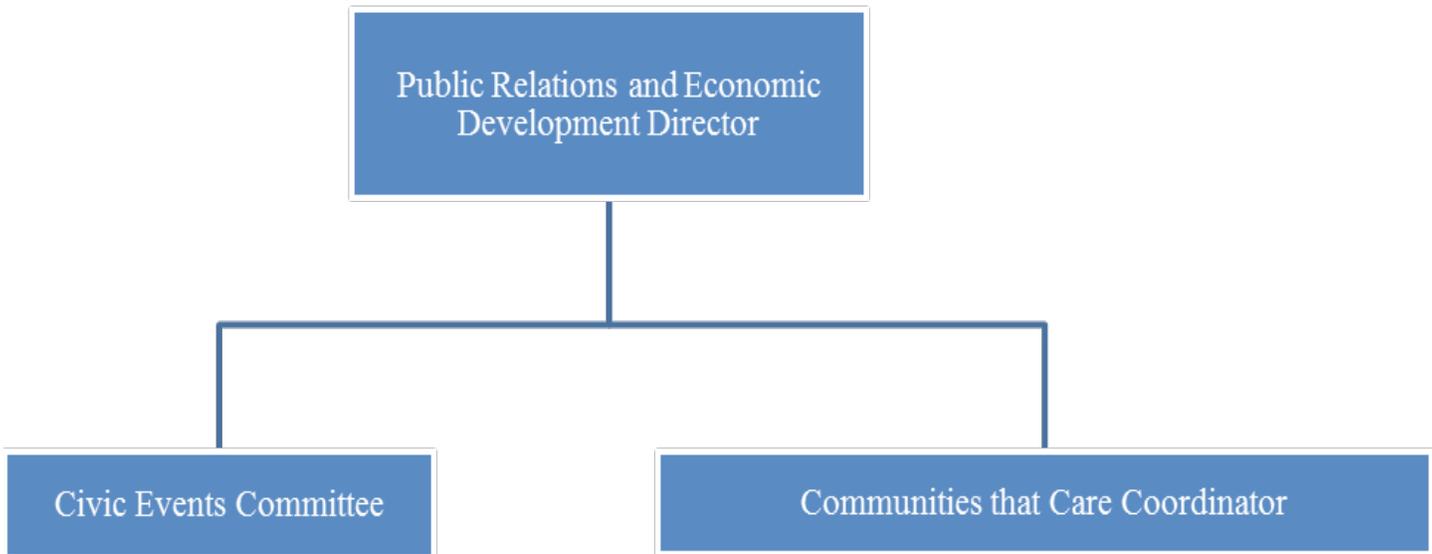


Figure 48 (above) represents total departmental requirements.

Performance Measure	FY 2015
# of months articles or announcements are in newsletter	8
# of new programs/activities	0
% increase in recreation participation	1.89

Table 50 (above) represents the Leisure Services performance measures for fiscal year 2015.



General Fund 10: Civic Events, and Communities That Care								
Requirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	-	-	43,705	45,568	45,568	45,568	45,568	45,568
Materials, Supplies, & Services	-	53,442	75,360	54,500	54,500	54,500	54,500	54,500
Total Requirement	-	53,442	119,065	100,068	100,068	100,068	100,068	100,068
% Change from Prior Period	=DIV.0!	0%	100%	-19%	0%	0%	0%	0%

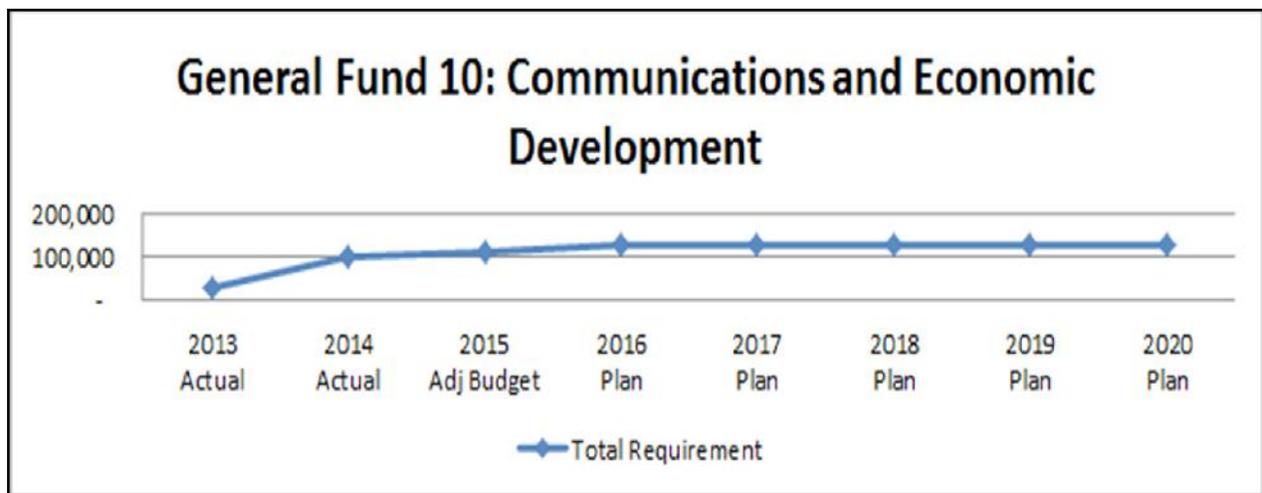
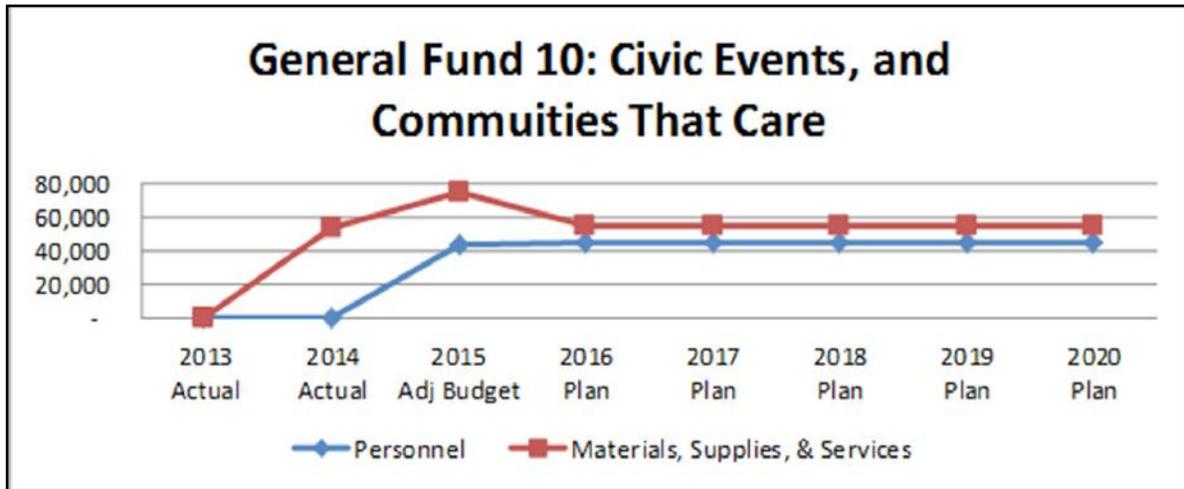
Personnel in FY 2015 the department was separated from Recreation and included the Civic Event coordinator and Communities that Care Coordinator. The staffing levels will remain the same from 2016-2020.

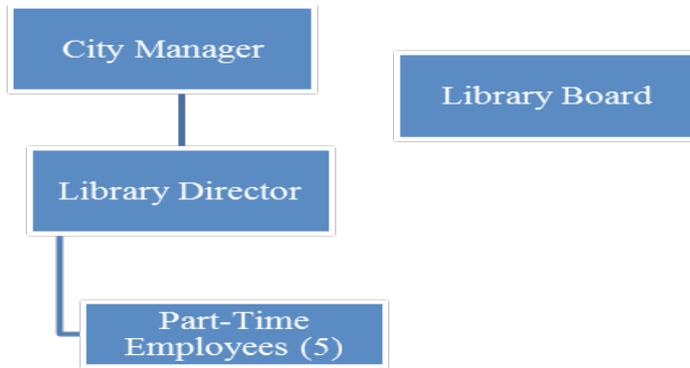
Materials, Supplies, and Services will decrease in FY2016 due to the grant from Utah County in FY2015 in Communities that Care for Guiding Good Choices.

FY 2015 Highlights
<ul style="list-style-type: none"> - Combined the Winter Festival with the Police Department’s annual Polar Plunge - Added more activities to Splash including: <ul style="list-style-type: none"> o On Saturday Civic Events staff and volunteers provided free midway games. The Seven Peaks carnival had midway games for a small fee on Friday and Saturday o Implemented the first-ever carnival for Splash by hiring the Seven Peaks Carnival o Provided a Patriotic program on the Neptune Stage on Saturday of Splash. Awarded the car show awards on the stage on Saturday and had 2 stunt shows over at the basketball courts. Also the Friday night concert was provided by Party Crashers followed by fireworks. The level of attendance significantly increased from previous years. - Provided a more comprehensive marketing and advertising effort for Splash to increase the number of people who attended or participated in a Splash event. - Continued the Saratoga Springs Youth Council with more meaningful meetings this year, and more lasting involvement from the youth throughout the year.



FY 2015 Performance Measures	Target 2015	Actual 2015
Work with the library to provide 3 educational programs to the community such as parenting classes, and relationship classes.	3	4
The Arts Council will have 2 visual arts performances.	2	3
Respond to resident phone calls/ emails within 24 hours.	90%	85%
Post on the Civic Events Facebook page 2-3 times a week.	90%	90%





The Saratoga Springs Library provides vital services to the citizens of the community. In addition to providing materials for check out, we also provide literacy center services, computers for public use and a Wi-Fi connection. Our open hours are Monday-Thursday from 10:00 AM to 7:00 PM and Saturday from 10:00 AM-3:00 PM

FY 2015 Library Highlights
<p>Last year we received certification from the Utah State Library. We've used that certification to do the following:</p> <ol style="list-style-type: none"> 1. We are now partial membership of the North Utah County Library Cooperative. Full membership requires a collection of 2.5 items for each resident living in Saratoga Springs. Partial membership will allow our card holders to purchase non-resident cards at member libraries for half of their non-resident fee. 2. We received a \$10,000.00 Federal Library and Services Technology Act (LSTA) grant. 3. We received \$5,825.00 in Community Library Enhancement Funds (CLEF) from the Utah State Library (USL). 4. We received \$3,000.00 in Target Corporate Grants. 5. We received \$500.00 in grant funding from the Utah State Library for the Día de los Niños Mini Grant. <p>The library is evaluating its programming and events for each year to better meet community needs. In the spring of 2015, we partnered with the USU Extension to offer gardening classes.</p> <p>The library is now operating the Literacy Center for 5 sessions a year, with each session running for six weeks.</p>

General Fund 10: Library Services								
Requirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	17,714	93,091	123,354	146,504	146,504	146,504	146,504	146,504
Materials, Supplies, & Services	44,912	40,285	51,150	41,510	37,630	37,750	37,877	37,908
Capital	-	2,648	9,801	-	-	-	-	-
Total Requirement	62,626	136,024	184,305	188,014	184,134	184,254	184,381	184,412
% Change from Prior Period	100%	117%	35%	2%	-2%	0%	0%	0%

Table 51 (above) represents Library Services adjusted budget for 2015, 2016 tentative budget, and budget plan for 2017 – 2020.

Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA). Personnel includes a full-time librarian, and part-time librarians for total FTE's of 3.0.

Performance Measures	FY 2015
Number of hours open to the public	41 hours per week
Average circulation per month	10,547
New patrons	1,200
Total patrons	6,055
Average use of computers per month	280
Items in collection	31,964
Special program attendance	10,300
Total visits	70,000

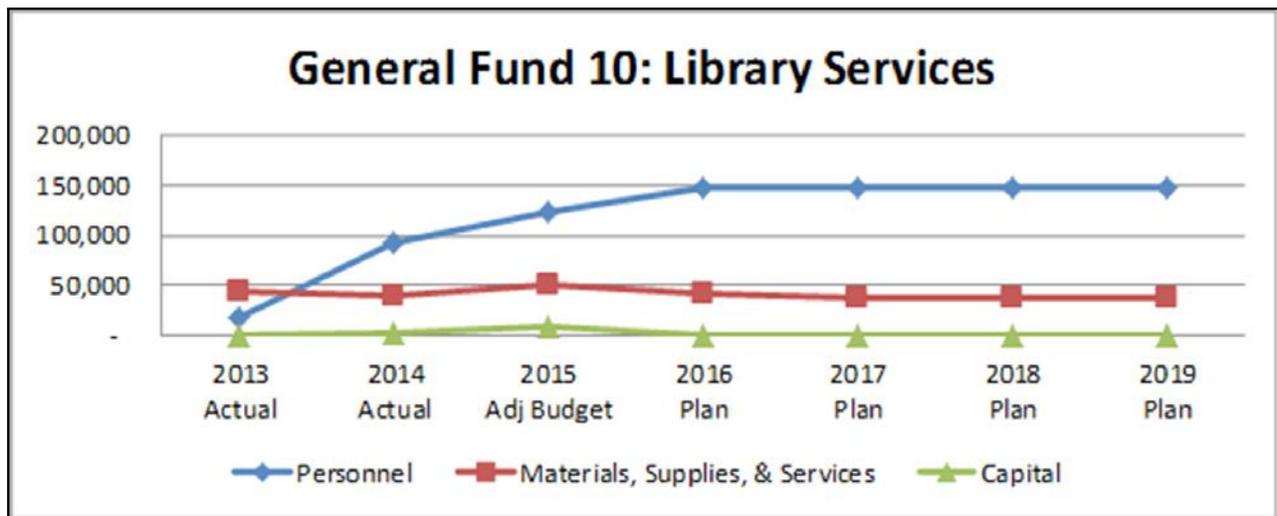


Figure 49 (above) represents Personnel, Materials, Services, and Supplies (MSS) and Capital major requirements.

Materials, Supplies, and Services requirements are expected to decrease beginning in fiscal year 2016 due to the grants for software costs.

Capital requirements are expected to continue to roll forward with the unused amounts.

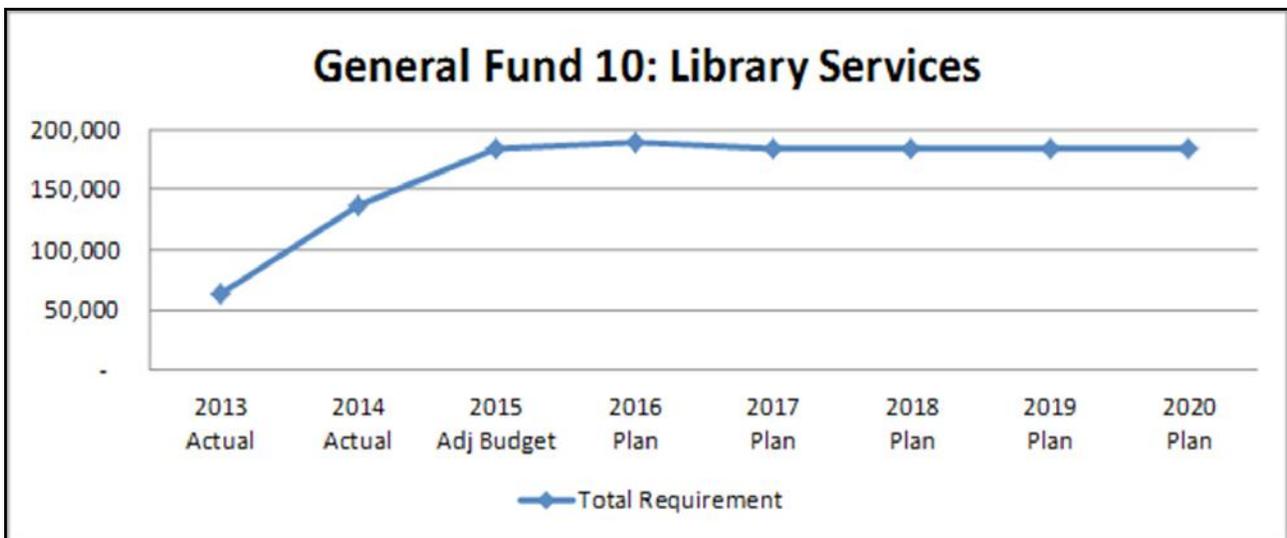
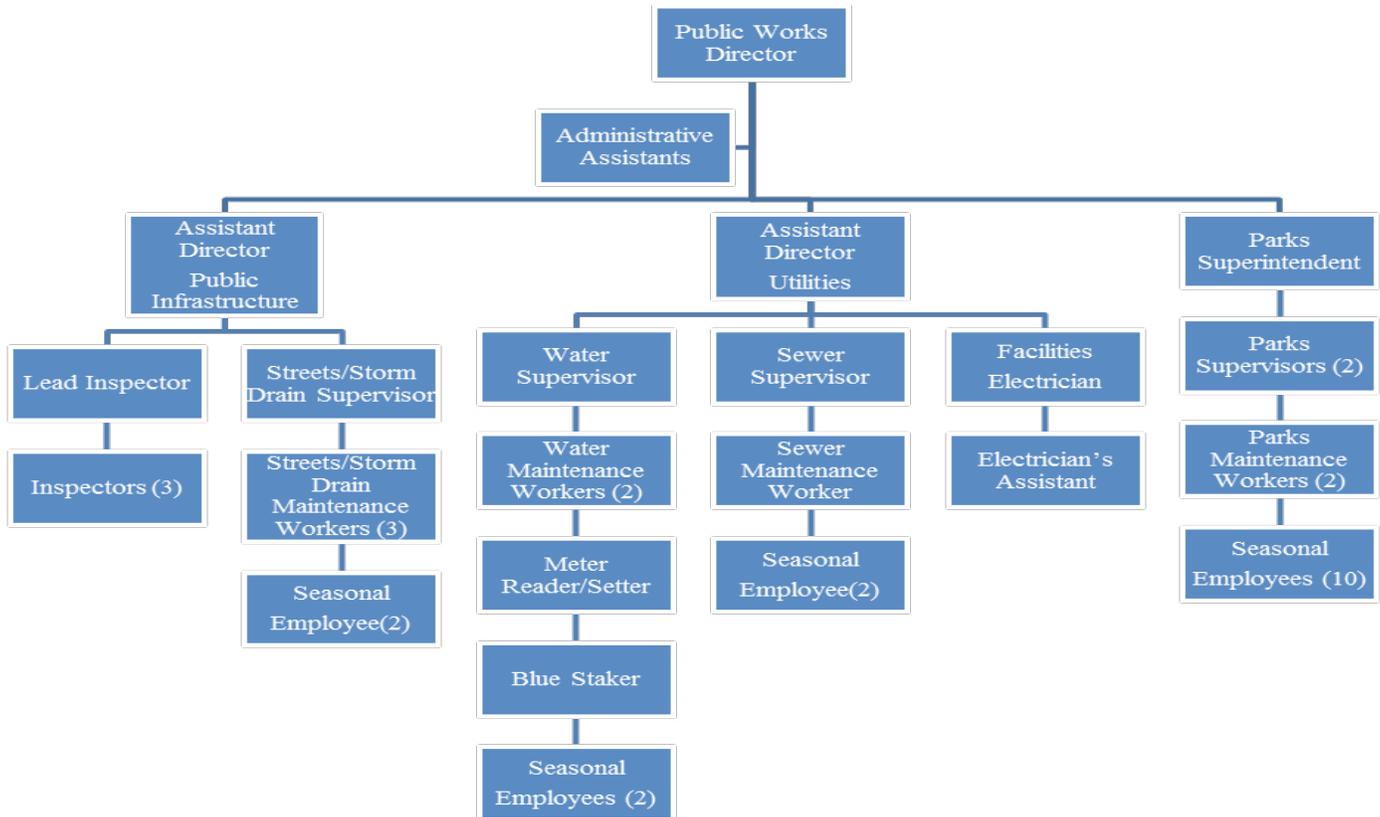


Figure 50 (above) represents total department requirements.



Mission

To provide the citizens of Saratoga Springs with the best possible service in regards to water, sewer, storm drain, streets, and parks. 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.

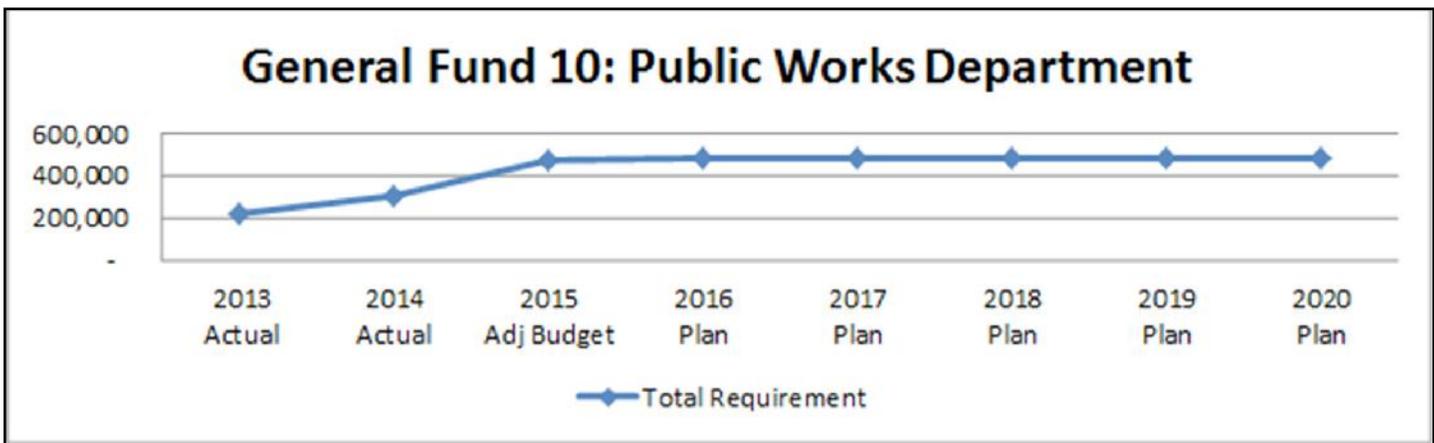
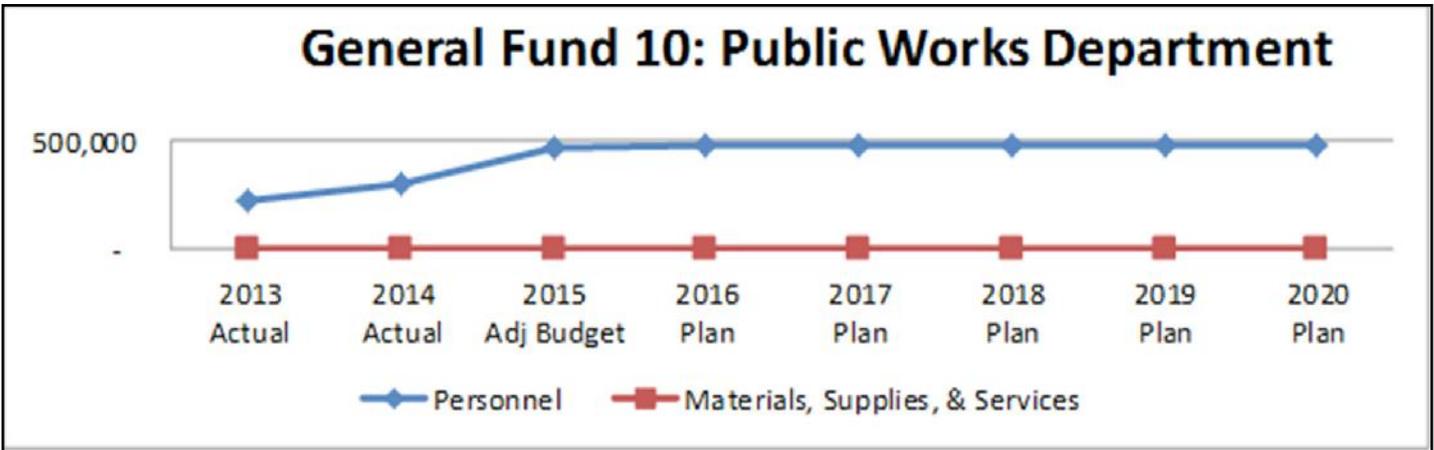
Services and Program Overview

The Saratoga Springs Public Works Department is responsible for the maintenance and compliance of the culinary water, sanitary sewer, storm drain, parks, and road systems.

General Fund 10: Public Works Department								
Requirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	219,564	297,414	461,925	469,038	469,038	469,038	469,038	469,038
Materials, Supplies, & Services	-	-	6,000	6,000	6,000	6,000	6,000	6,000
Total Requirement	219,564	297,414	467,925	475,038	475,038	475,038	475,038	475,038
% Change from Prior Period		100%	57%	2%	0%	0%	0%	0%

Table 52 (above) represents the Public Works Department's actual expenditures for 2013, 2014, 2015 adjusted budget, and budget plan for 2016 – 2020.

Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA). Also, with the city reorganization, the assistant city manager was added to this budget for FY 2015.



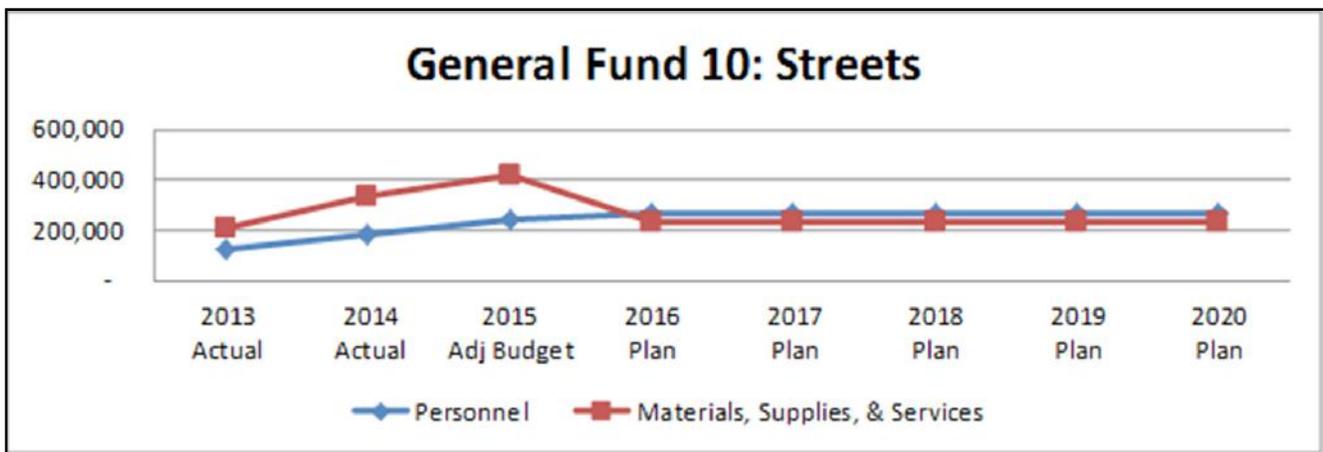
FY 2015 Highlights

- Secondary Water Meter Project.
- Added gas chlorination to culinary wells 2 and 3.
- Sewer department installed new VFD panels,
- Completed new expansions and new pump drives on lift stations 4 and 5.
- Installed a new road and added a bioxide treatment at lift station 7.
- Installed new ultra sonic level sensors at lift stations 3, 4, 5 and 6.
- Installed 14 new arterial lights on Redwood road and Crossroads Blvd.
- Participated in Arbor Day
- Fence repair at Loch Lomond
- Irrigation start-ups in two weeks
- Refurbish caged trailer
- Acquired maintenance responsibilities for Inlet Park. Installed new signage, irrigation controller, locks and made irrigation repairs.
- Backflow assemblies tested and repaired at 10 parks.
- Constructed a maintenance shed at the marina
- Parks staff received additional certifications and licenses, notably two certified arborists and a certified backflow assembly tester.

Public Works Department Performance Measures	Target FY 2015	Actual FY 2015
# of calls for service		626
Maintain water system certification from DDW	100	100
% of fire hydrants operational	100	98
# of water line breaks	0	5
# of sewer backups	0	5
% of known potholes repaired within 2 weeks	80	80
% of park equipment safe and operational	90	80
% of park maintenance equipment operational	85	80

Table 53 Fiscal year 2015 Public Works performance measures

General Fund 10: Streets Department								
Requirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	126,594	180,743	241,282	269,781	269,781	269,781	269,781	269,781
Materials, Supples, & Services	212,513	333,842	418,633	231,322	231,322	231,322	231,322	231,322
Total Requirement	339,106	514,585	659,915	501,103	501,103	501,103	501,103	501,103
% Change from Prior Period	45%	52%	28%	-24%	0%	0%	0%	0%

Table 52 (above) represents the Streets Department's actual expenditures for 2013, 2014, 2015 adjusted budget, and budget plan for 2016 – 2020.

Figure 51 (above) represents Personnel and Materials, Supplies, and Services, (MSS) major requirements for fiscal year 2013 - 2020.

Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA, training).

Materials, Supplies, and Services are expected to decrease in 2016 due to one-time equipment purchases in FY2015.

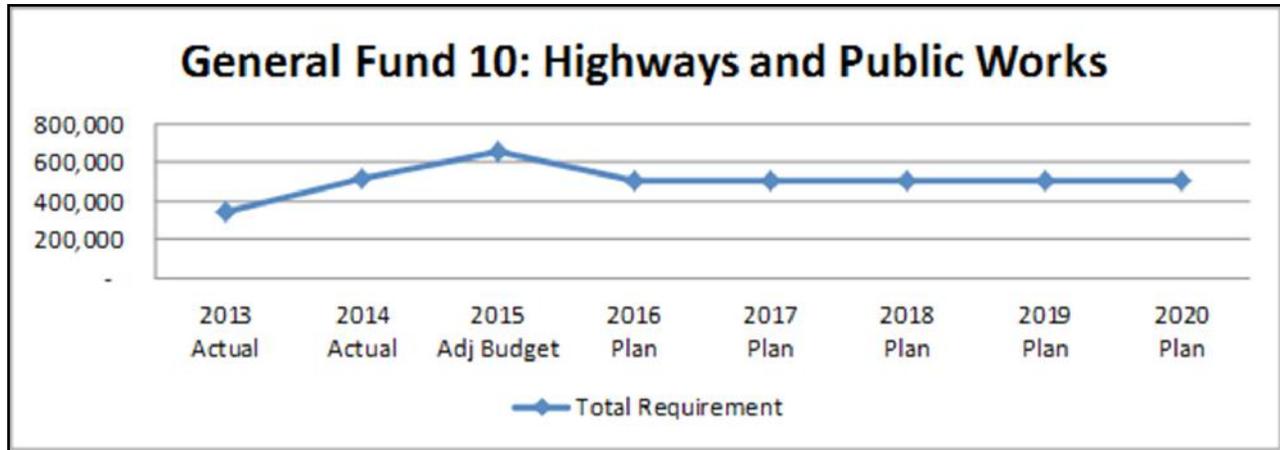
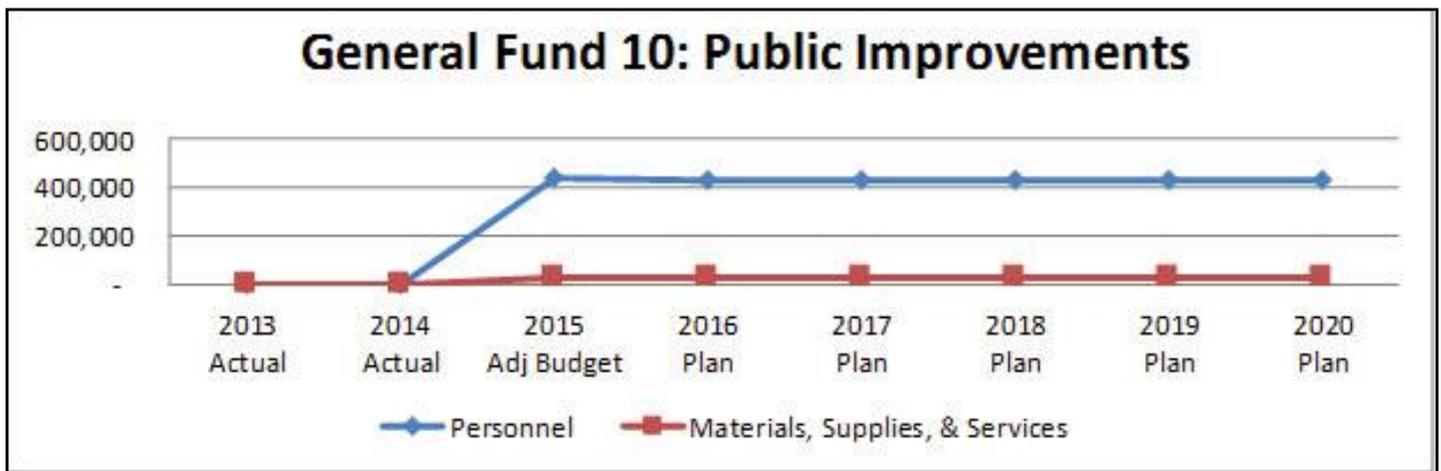


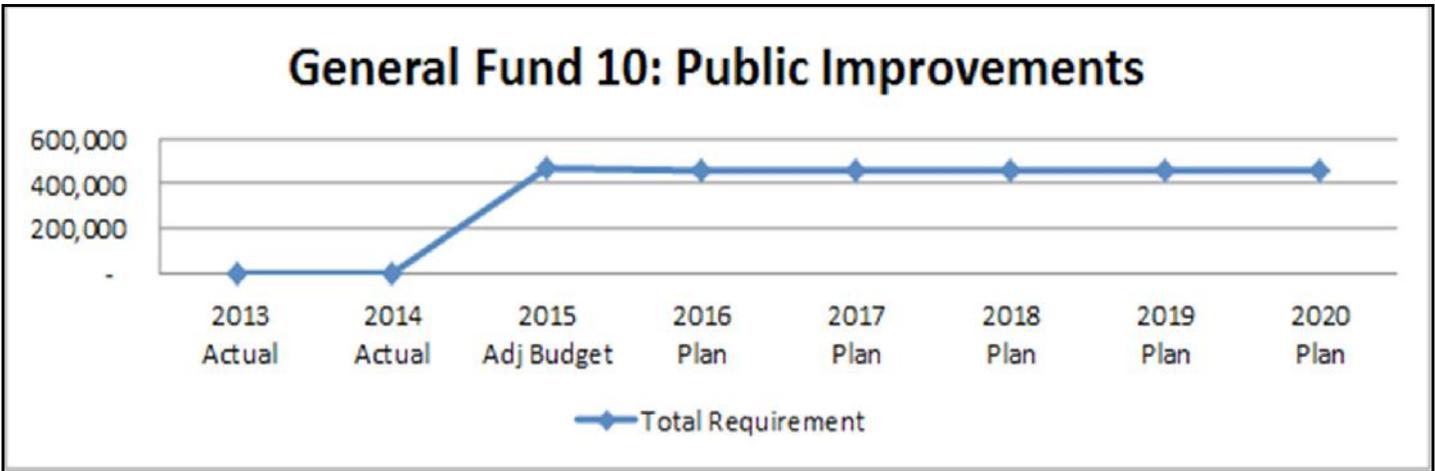
Figure 52 (above) represents total departmental requirements for fiscal years 2013 - 2019.

General Fund 10: Public Improvements								
Requirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	-	-	437,047	432,937	432,937	432,937	432,937	432,937
Materials, Supplies, & Services	-	-	25,324	25,324	25,324	25,324	25,324	25,324
Total Requirement	-	-	462,371	458,261	458,261	458,261	458,261	458,261
% Change from Prior Period				-1%	0%	0%	0%	0%

Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA, training). The creation of this department in FY2015 separates 3.5 FTE's from the Engineering Department, plus the request for 2 additional FTE inspectors for upcoming projects. The Total FTE's for the Public Improvement Department is 5.5.



Materials, Supplies, and Services requirements are expected to remain stable 2016 through 2020.



Requirements by Major Object	2013 Actual	2014 Actual	2015 Adj Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Personnel	301,543	343,508	540,339	628,134	669,475	669,475	669,475	669,475
Materials, Supplies, & Services	185,820	235,039	339,329	332,099	281,631	281,631	281,631	281,631
Capital	-	-	-	-	-	-	-	-
Total Requirement	487,362	578,547	879,668	960,193	951,106	951,106	951,106	951,106
% Change from Prior Period		56%	19%	52%	9%	-1%	0%	0%

Table 54 (above) represents the Parks and Open Space’s actual expenditures for 2014, adjusted budget for 2015, 2016 tentative budget, and budget plan for 2017 – 2020.

Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA, training). With the addition of 1.0 FTE as part-time seasonal staff starting in FY 2016.

Materials, Supplies and Services are expected to increase in 2015. This is mainly due increased acreage that is being maintained by the City.

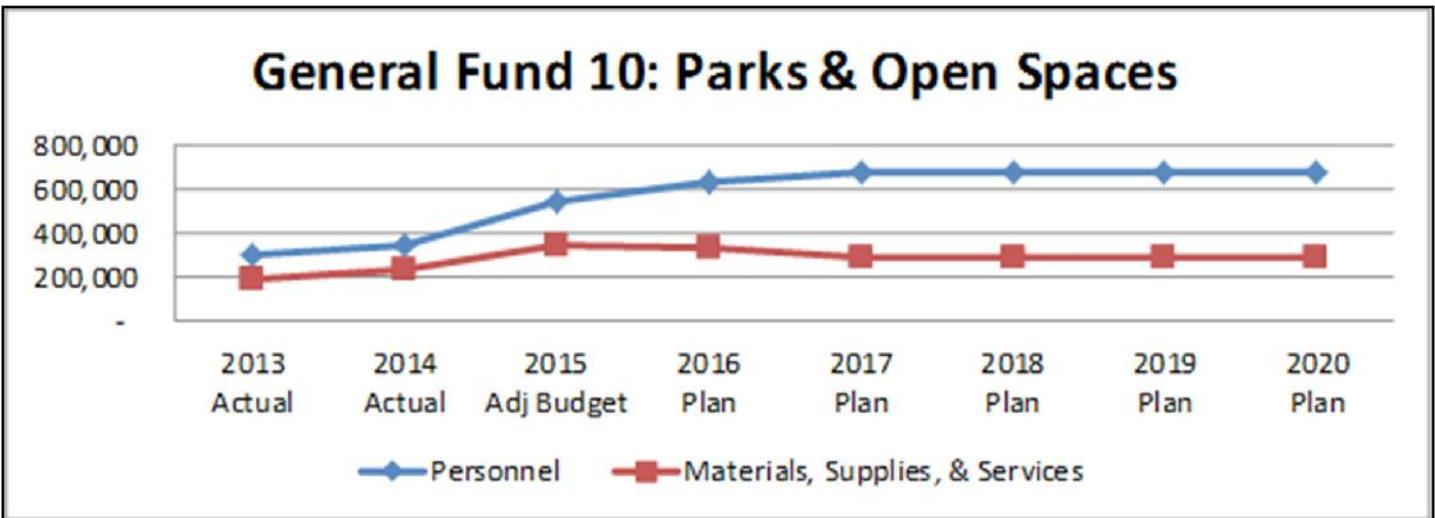


Figure 53 (above) represents Personnel, Materials, Supplies, and Services, (MSS), and Capital major requirements for fiscal year 2013 - 2020.

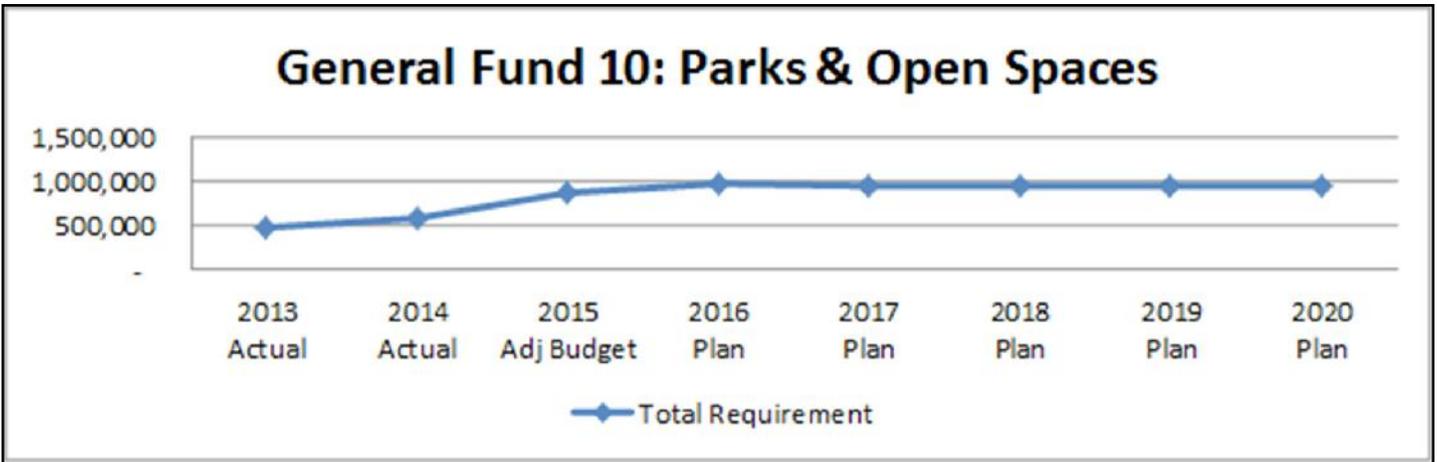


Figure 54 (above) represents total departmental requirements for fiscal years 2013 - 2020.



BUDGET SUMMARIES



General Fund 10: Resources & Requirements							
Resources	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Tax	6,320,532	5,960,150	6,448,518	6,695,420	6,953,298	7,222,656	7,504,019
Licenses & Permits	582,224	582,100	632,100	632,724	633,360	634,010	634,672
Intergovernmental	683,702	807,884	782,202	711,202	691,702	691,702	691,702
Charges for Services	1,504,061	1,528,778	1,654,817	1,532,928	1,534,619	1,536,327	1,538,053
Other Revenue	1,283,631	1,329,693	1,471,500	1,486,430	1,486,763	1,487,100	1,487,440
Contributions and Transfers	1,308,658	1,968,044	2,081,124	2,101,935	2,122,955	2,144,184	2,165,626
Fund Operating Revenues	11,682,808	12,176,649	13,070,261	13,160,639	13,422,698	13,715,979	14,021,512
% Change From Prior Period	3%	4%	7%	1%	2%	2%	2%
Requirements							
Legislative	103,529	115,772	119,271	119,271	119,271	119,271	119,271
Administrative	477,091	560,488	636,299	637,199	638,099	638,999	639,899
Utility Billing	74,478	141,723	143,430	143,430	143,430	143,430	143,430
Treasurer	126,135	148,183	156,005	159,286	162,728	166,337	170,121
Recorder	88,687	124,211	150,285	140,685	150,685	140,685	150,685
Attorney	196,403	268,485	283,279	283,279	283,279	283,279	283,279
Justice Court	253,990	222,946	238,518	238,518	238,518	238,518	238,518
Non-Departmental	441,223	506,033	513,333	508,333	508,333	508,333	508,333
General Gov't Buildings & Grounds	143,240	186,516	437,328	188,164	189,025	189,911	190,825
Planning and Zoning	218,147	345,027	355,464	355,464	355,464	355,464	355,464
Communications & Economic Development	31,116	109,510	128,504	128,504	128,504	128,504	128,504
Police	3,193,194	3,625,047	3,768,840	3,766,340	3,769,879	3,770,462	3,771,092
Fire	1,392,437	1,719,007	1,623,852	1,601,352	1,601,352	1,601,352	1,601,352
Building	361,085	525,606	571,969	571,969	571,969	571,969	571,969
Highways	339,106	659,915	701,903	501,103	501,103	501,103	501,103
Engineering	601,981	417,064	418,796	418,796	418,796	418,796	418,796
Public Improvements	-	462,371	458,261	458,261	458,261	458,261	458,261
Public Works	219,564	467,925	475,038	475,038	475,038	475,038	475,038
Parks & Open Space	487,362	879,668	960,193	951,106	951,106	951,106	951,106
Recreation	150,056	179,302	185,896	185,896	185,896	185,896	185,896
Economic Development	31,116	109,510	128,504	128,504	128,504	128,504	128,504
Library Services	62,626	184,305	188,014	184,134	184,254	184,381	184,412
Miscellaneous Expenses	-	-	-	-	-	-	-
Total Fund Operating Requirements	8,992,567	11,958,614	12,642,980	12,144,630	12,163,492	12,159,597	12,175,857
Transfers and Other Uses	2,309,512	208,480	464,805	1,066,193	1,309,390	1,606,566	1,895,839
Total Fund Requirements	11,302,079	12,167,094	13,107,785	13,210,823	13,472,882	13,766,163	14,071,696
% Change From Prior Period	6%	8%	8%	1%	2%	2%	2%

Table 55 – General Fund Resources and Requirements

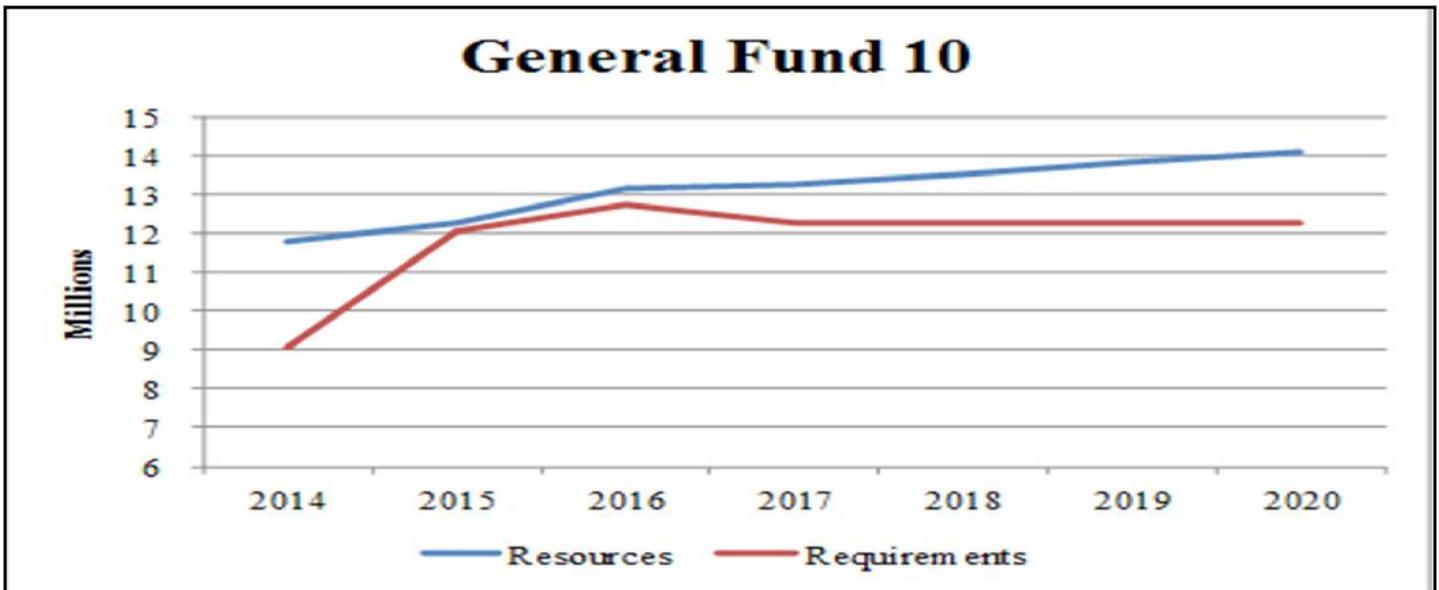


Figure 55 – General Fund Resources and Requirements by Year



Street Lighting SID Funds 22 and 23: Resources							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Charges for Services	173,925	157,500	157,500	157,500	157,500	157,500	157,500
Other Revenue	1,376	129,611	44,475	34,475	34,475	34,475	34,475
Fund Operating Revenues	175,301	287,111	201,975	191,975	191,975	191,975	191,975
% Change From Prior Period	7%	64%	-30%	-5%	0%	0%	0%

Street Lighting SID Funds 22 and 23: Requirements							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Personnel	-	-	-	-	-	-	-
Materials, Supplies, and Services	101,997	242,901	159,401	149,401	149,401	149,401	149,401
Administrative Charge	28,467	44,210	42,574	42,574	42,574	42,574	42,574
Total Fund Requirements	130,464	287,111	201,975	191,975	191,975	191,975	191,975
% Change From Prior Period	5%	120%	-30%	-5%	0%	0%	0%

Table 56 – Street Lighting Resources and Requirements

The Street Lighting activities are managed by the Public Works and Utility Billing departments. While no new major initiatives are currently being planned, maintaining existing streetlight infrastructure is the main focus.

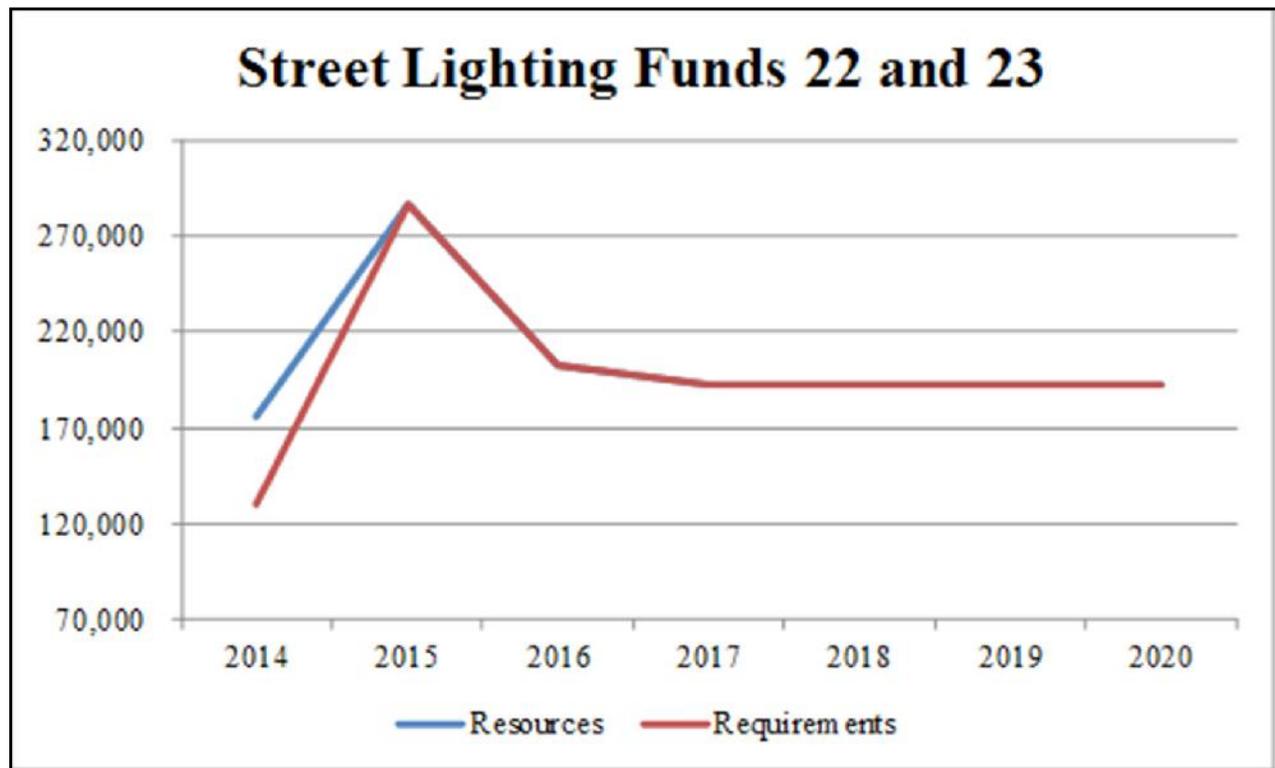


Figure 56 – Street Lighting Resources and Requirements by Year

Parks Capital Projects Fund 32: Resources							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Impact Fees	722,155	450,000	550,000	577,500	606,375	636,694	668,528
Intergovernmental	-	-	-	-	-	-	-
Interest Revenue	9,556	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-
Total Resources	731,711	450,000	550,000	577,500	606,375	636,694	668,528
% Change From Prior Period	-9%	-39%	22%	5%	5%	5%	5%

Parks Capital Projects Fund 32: Requirements							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Capital Outlay	417,004	2,403,532	-	-	-	-	-
% Change From Prior Period	123%	476%	-100%	0%	0%	0%	0%

Table 57 – Parks Capital Projects Resources and Requirements

The Parks Capital Projects Fund activities are managed primarily by the Public Improvements and Engineering department.

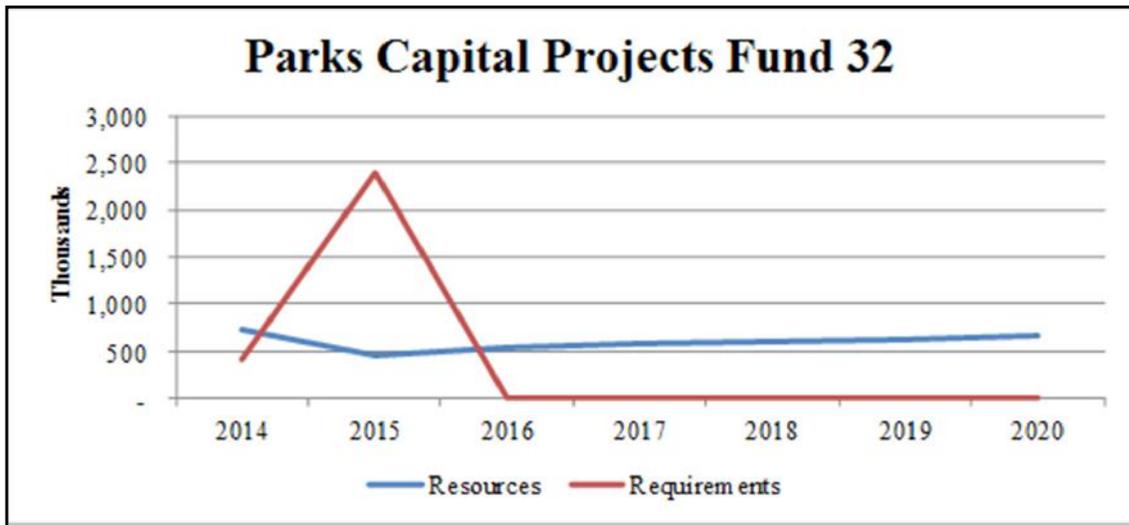


Figure 57 – Parks Capital Projects Resources and Requirements by Year

Roads Capital Projects Fund 33: Resources							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Impact Fees	897,827	500,000	800,000	808,000	816,080	824,241	832,483
Intergovernmental	-	-	-	-	-	-	-
Other Financing Sources	-	-	-	-	-	-	-
Interest Revenue	23,276	-	-	-	-	-	-
Total Resources	921,103	500,000	800,000	808,000	816,080	824,241	832,483
% Change From Prior Period	-15%	-46%	60%	1%	1%	1%	1%

Roads Capital Projects Fund 33: Requirements							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Capital Outlay	717,533	5,445,312	75,000	145,000	-	-	-
% Change From Prior Period	15%	659%	-99%	93%	-100%	0%	0%

Table 58 – Roads Capital Projects Resources and Requirements

The Roads Capital Projects Fund activities are managed primarily by the Public Improvements and Engineering department.

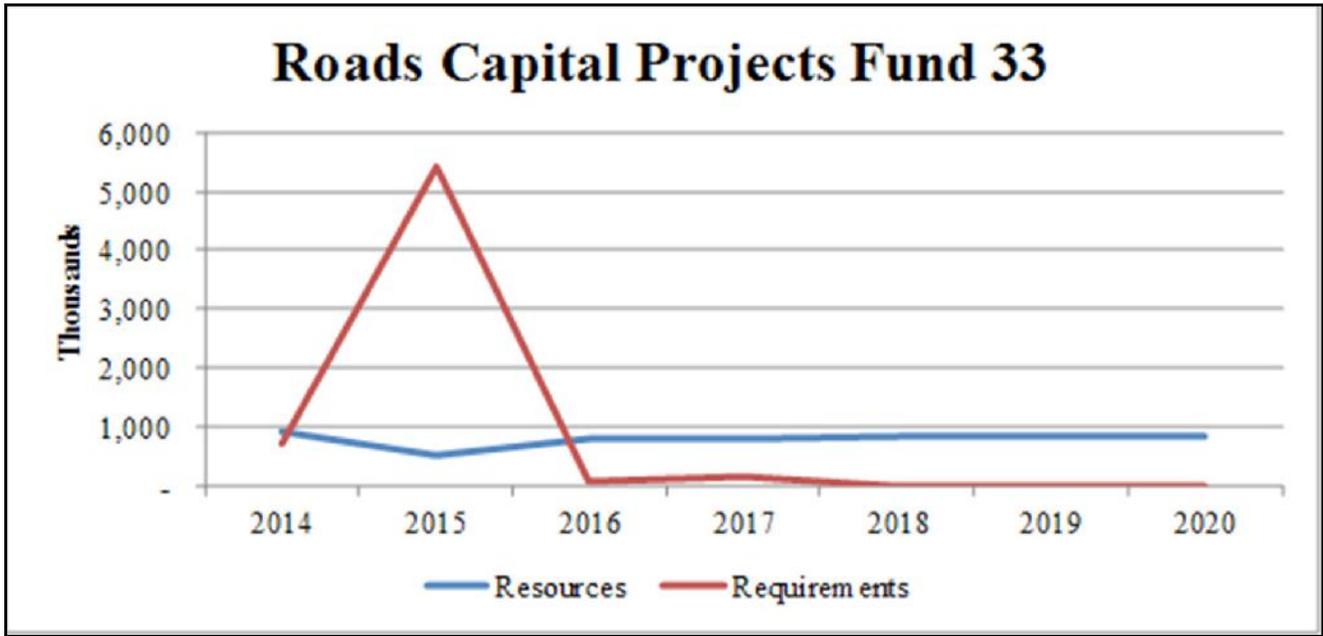


Figure 58 – Roads Capital Projects Resources and Requirements by Year

Public Safety Capital Projects Fund 34: Resources							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Impact Fees	276,250	300,000	300,000	303,000	306,030	309,090	312,181
Interest Revenue	4,301	-	-	-	-	-	-
Total Resources	280,551	300,000	300,000	303,000	306,030	309,090	312,181
% Change From Prior Period	-29%	7%	0%	1%	1%	1%	1%

Public Safety Capital Projects Fund 34: Requirements							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Capital Outlay	5,263	824,737	-	-	-	-	5,000,000
% Change From Prior Period	-27%	15570%	-100%	0%	0%	0%	0%

Table 59 – Public Safety Capital Projects Fund Resources and Requirements

The Public Safety Capital Projects fund activities are primarily managed by the Public Improvements and Engineering department.

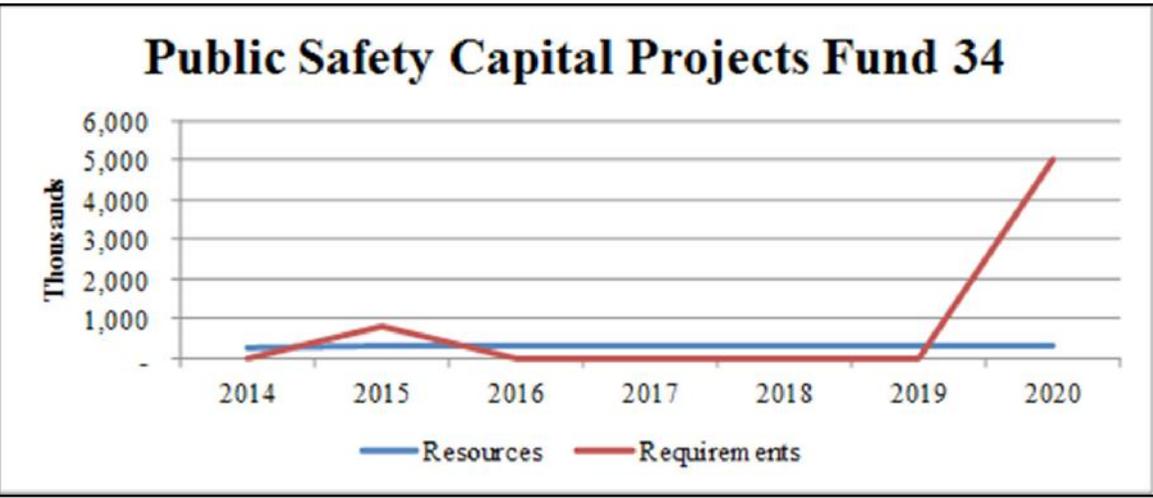


Figure 59 – Roads Capital Projects Resources and Requirements by Year

Capital Projects (General) Fund 35: Resources							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Transfers In	2,100,000	1,474,434	1,372,046	1,372,046	1,372,046	1,372,046	1,372,046
Other Revenue	483,690	840,221	-	-	-	-	-
Total Resources	2,583,690	2,314,655	1,372,046	1,372,046	1,372,046	1,372,046	1,372,046
% Change From Prior Period	8%	-10%	-41%	0%	0%	0%	0%

Capital Projects (General) Fund 35: Requirements							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Capital Outlay	4,168,107	4,760,239	1,222,271	1,209,071	1,209,071	1,209,071	1,209,071
% Change From Prior Period	140%	14%	-74%	-1%	0%	0%	0%

Table 60 – General Capital Projects Fund Resources and Requirements

The General Capital Projects Fund activities are primarily managed by the Public Improvements and Engineering department.

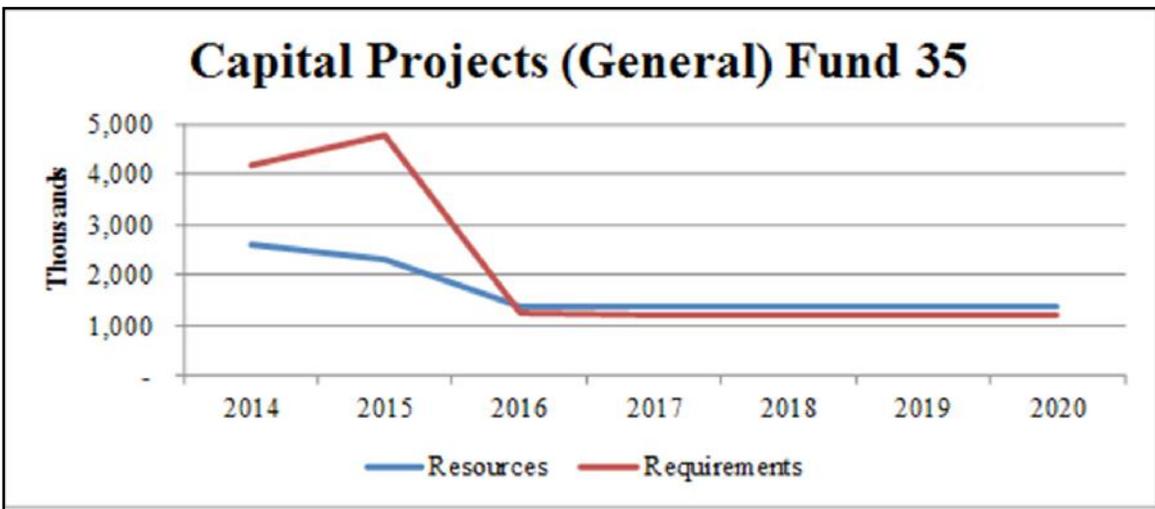


Figure 60 – General Capital Projects Fund Resources and Requirements by Year



Debt Service Fund 40: Resources							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Transfers In	291,800	292,450	293,300	293,500	293,510	291,750	291,500
% Change From Prior Period	32%	0%	0%	0%	0%	-1%	0%

Debt Service Fund 40: Requirements							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Debt Service	289,832	289,950	290,800	291,000	291,050	289,250	289,000
Materials, Supplies, and Service	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Total Requirements	292,332	292,450	293,300	293,500	293,550	291,750	291,500
% Change From Prior Period	0%	0%	0%	0%	0%	-1%	0%

Table 61 – Debt Service Fund Resources and Requirements

The Debt Service Fund activities are primarily managed by the Administrative Services department. This fund was created in fiscal year 2012 to account for debt service payments on the 2011 Sales Tax Revenue Bond. Resources and requirements are expected to remain steady through fiscal year 2020.

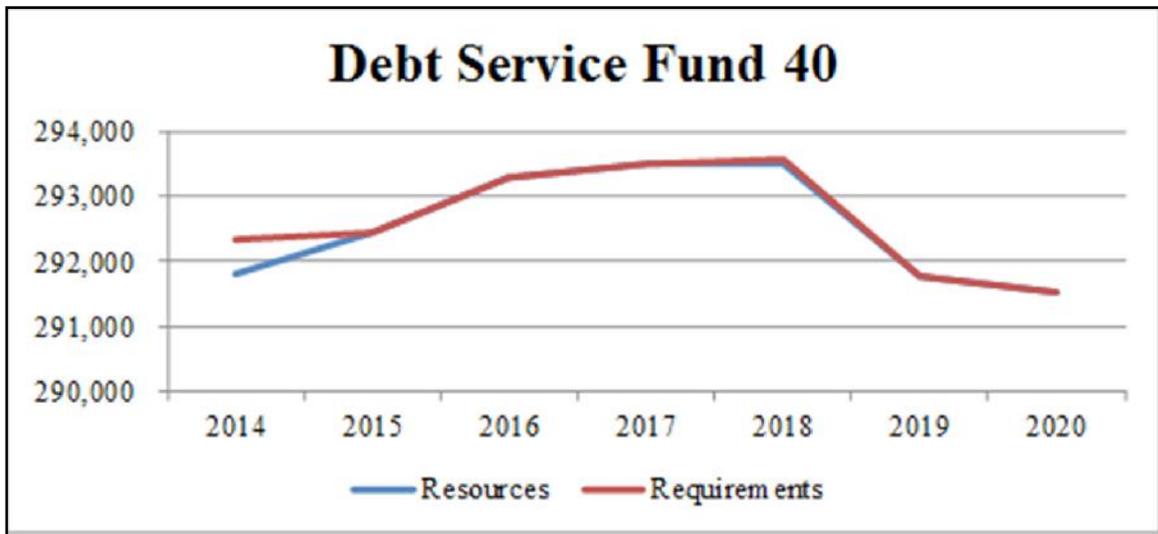


Figure 61 – Debt Service Fund Resources and Requirements by Year



Water Utility Fund 51: Resources							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Charges for Services	3,164,105	3,285,500	3,385,500	3,485,210	3,587,874	3,693,580	3,802,419
Other Revenue	51,433	55,000	55,000	56,100	57,222	58,366	59,534
Fund Operating Revenue s	3,215,538	3,340,500	3,440,500	3,541,310	3,645,096	3,751,947	3,861,953
% Change From Prior Period	14%	4%	3%	3%	3%	3%	3%

Water Utility Fund 51: Requirements							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Personnel	434,499	492,113	538,381	538,381	538,381	538,381	538,381
Materials, Supplies, and Services	856,754	1,229,490	1,104,704	1,104,704	1,104,704	1,104,704	1,104,704
Capital Outlay	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Administrative Charge	745,906	1,049,688	1,093,491	1,093,491	1,093,491	1,093,491	1,093,491
Total Fund Requirements	2,037,159	2,771,291	2,736,576	2,736,576	2,736,576	2,736,576	2,736,576
% Change From Prior Period	7%	36%	-1%	0%	0%	0%	0%

Table 62 – Water Utility Fund Resources and Requirements

The Water Utility is primarily managed by the Public Works and Utility Billing Departments. Resources are expected to increase in fiscal year 2016. This is primarily due to increases in water utility rates and growth in customer accounts.

Requirements are expected to stay approximately the same from FY2016-2020.

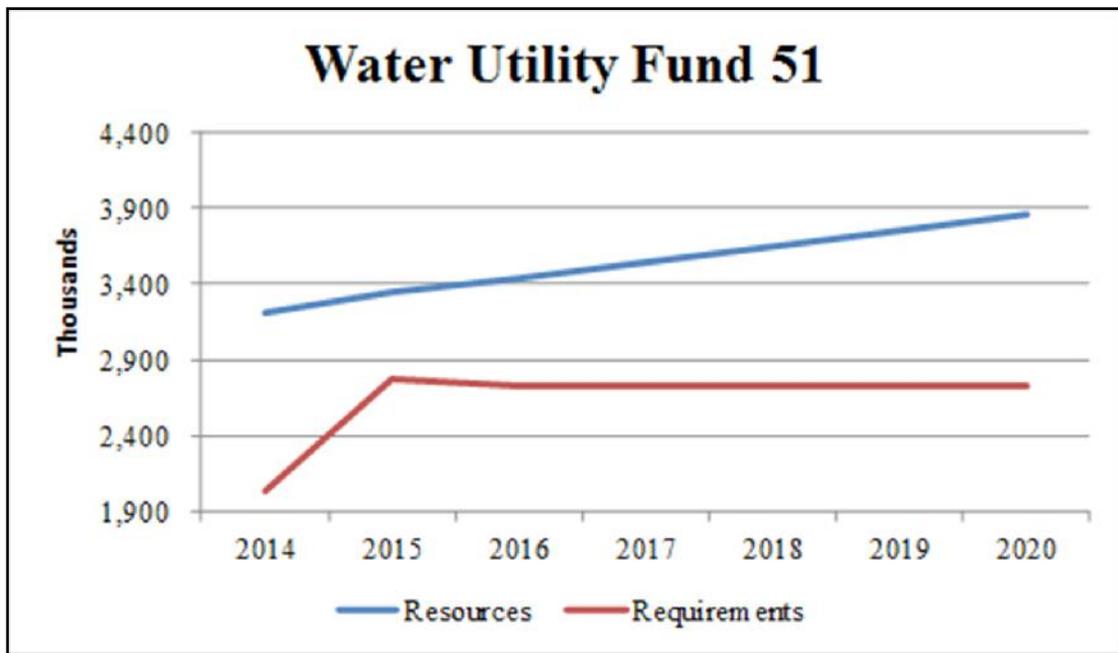


Figure 62 – Water Utility Fund Resources and Requirement by Year



Culinary Water Impact Fee Fund 56: Resources							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Impact Fee Revenue	946,250	900,000	750,000	751,500	753,015	754,545	756,091
Other Revenue	637,656	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Fund Operating Revenues	1,583,906	900,000	750,000	751,500	753,015	754,545	756,091
% Change From Prior Period	-38%	-43%	-17%	0%	0%	0%	0%

Culinary Water Impact Fee Fund 56: Requirements							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Capital Outlay	247,790	1,382,557	-	-	-	-	-
Developer Reimbursements	-	500,000	500,000	500,000	500,000	500,000	500,000
Debt Service	383,500	382,000	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Total Fund Requirements	631,290	2,264,557	500,000	500,000	500,000	500,000	500,000
% Change From Prior Period	16%	259%	-78%	0%	0%	0%	0%

Table 63 – Culinary Water Impact Fee Fund Resources and Requirements

Resources for the culinary water impact fee fund are expected remain constant in 2016-2020. The City saw a significant increase in impact revenue in 2013 but wants to remain conservative in its forecast for 2016.

Requirements are expected to increase, mainly due to capital projects planned for the future. This will mostly be shown in carryforward from FY2015

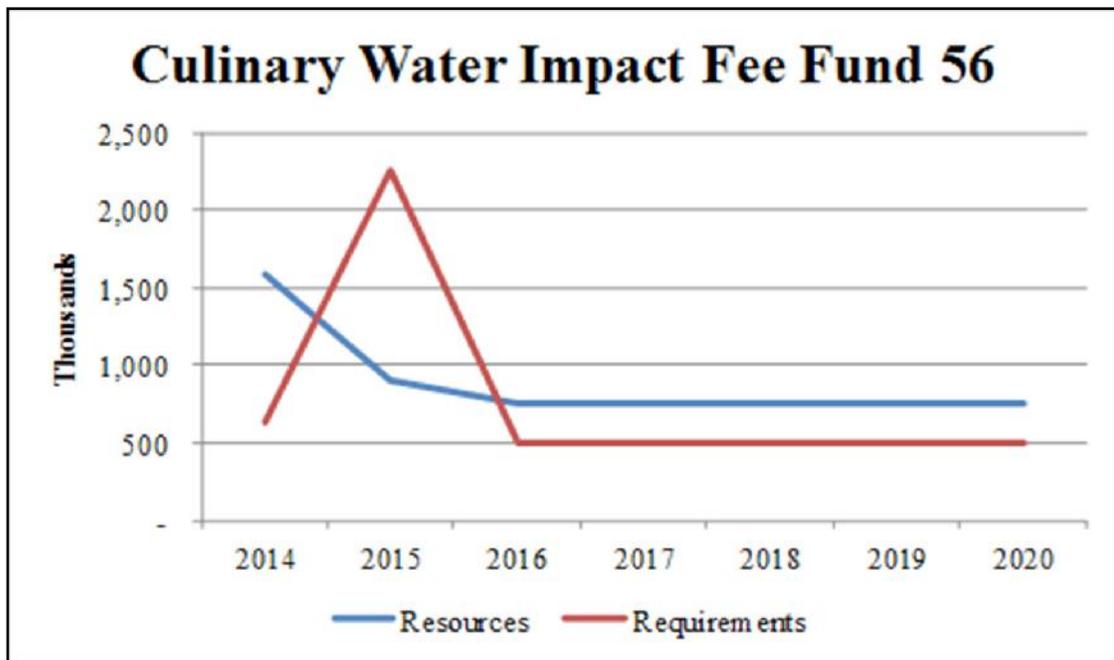


Figure 63 – Culinary Water Impact Fee Fund Resources and Requirements by Year



Secondary Water Impact Fee Fund 57: Resources							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Impact Fee Revenue	340,144	200,000	200,000	200,000	200,000	200,000	200,000
Other Revenue	(320)	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Fund Operating Revenue s	339,824	200,000	200,000	200,000	200,000	200,000	200,000
% Change From Prior Period	-3%	-41%	0%	0%	0%	0%	0%

Secondary Water Impact Fee Fund 57: Requirements							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Capital Outlay	43,271	17,008	-	-	-	-	-
Debt Service	92,494	78,000	-	-	-	-	-
Transfers	-	-	48,000	48,000	48,000	48,000	48,000
Depreciation	-	-	-	-	-	-	-
Total Fund Requirements	135,765	95,008	48,000	48,000	48,000	48,000	48,000
% Change From Prior Period	-63%	-30%	-49%	0%	0%	0%	0%

Table 64 – Secondary Water Impact Fee Fund Resources and Requirements

Resources for the secondary water impact fee fund are anticipated to remain constant in 2016.

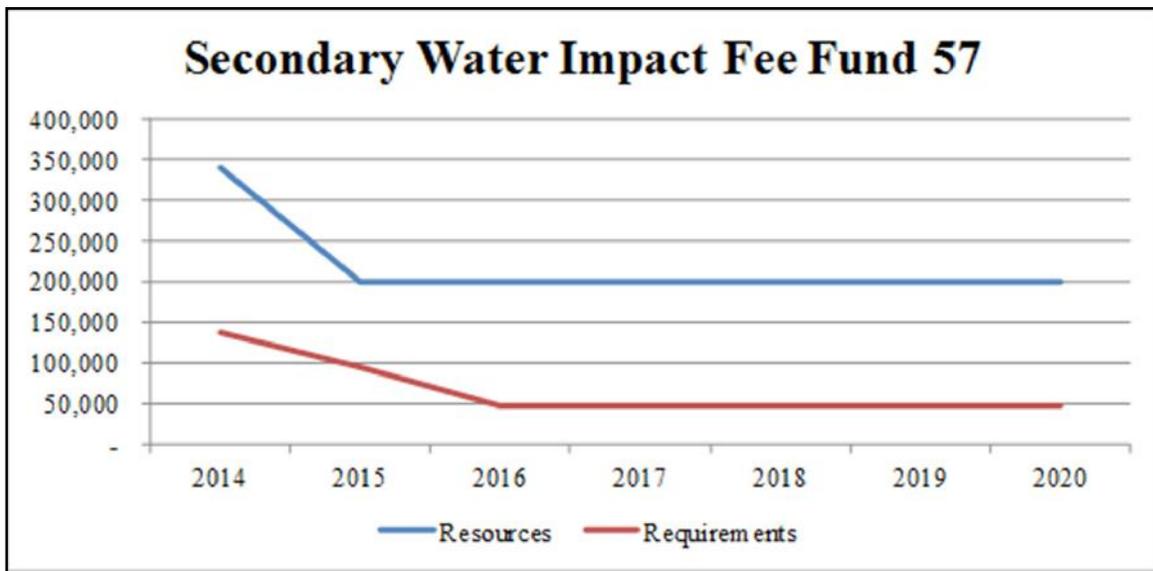


Figure 64 – Secondary Water Impact Fee Fund Resources and Requirements by Year



Sewer Utility Fund 52: Resources							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Charges for Services	2,300,286	2,186,500	2,336,500	2,383,230	2,430,895	2,479,512	2,529,103
Other Revenue	-	-	-	-	-	-	-
Fund Operating Revenues	2,300,286	2,186,500	2,336,500	2,383,230	2,430,895	2,479,512	2,529,103
% Change From Prior Period	5%	-5%	7%	2%	2%	2%	2%

Sewer Utility Fund 52: Requirements							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Personnel	100,605	134,299	140,728	140,728	140,728	140,728	140,728
Materials, Supplies, and Services	1,380,286	1,652,271	1,646,585	1,646,585	1,646,585	1,646,585	1,646,585
Depreciation	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Administrative Charge	341,439	536,768	562,274	562,274	562,274	562,274	562,274
Total Fund Requirements	1,822,330	2,323,338	2,349,587	2,349,587	2,349,587	2,349,587	2,349,587
% Change From Prior Period	0%	27%	1%	0%	0%	0%	0%

Table 65 – Sewer Fund Resources and Requirements

The Sewer Utility is primarily managed by the Public Works and Utility Billing departments. Resources are expected to increase in 2016 due to growth in the number of customers. Fund requirements are expected to remain constant in FY 2016.

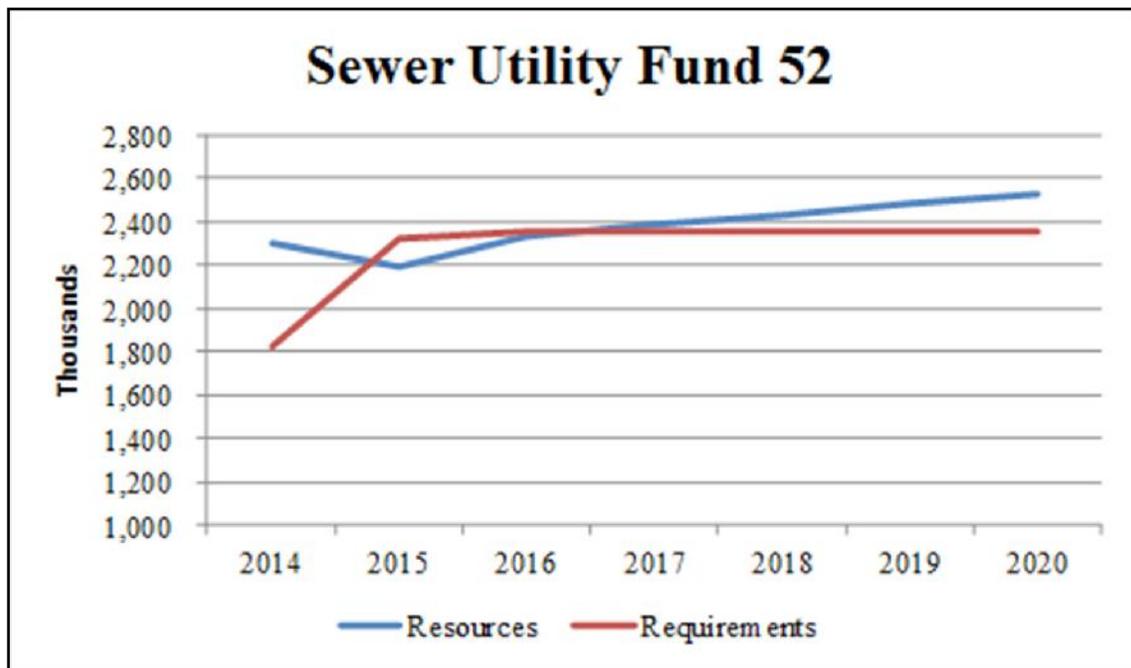


Figure 65 – Sewer Fund Resources and Requirements by Year



Wastewater Impact Fee Fund 53: Resources							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Impact Fee Revenue	431,115	3,300,000	300,000	303,000	306,030	309,090	312,181
Other Revenue	2,314	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Fund Operating Revenues	433,429	3,300,000	300,000	303,000	306,030	309,090	312,181
% Change From Prior Period	-13%	661%	-91%	1%	1%	1%	1%

Wastewater Impact Fee Fund 53: Requirements							
Major Object	2013	2014	2015	2016	2017	2018	2019
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Capital Outlay	385,269	1,863	-	-	-	-	-
Developer Reimbursements	66,500	73,500	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Total Fund Requirements	451,769	75,363	-	-	-	-	-
% Change From Prior Period	18%	-83%	-100%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

Table 66 – Wastewater Impact Fee Fund Resources and Requirements

Resources for the wastewater impact fee fund are expected to remain constant in 2016-2020.

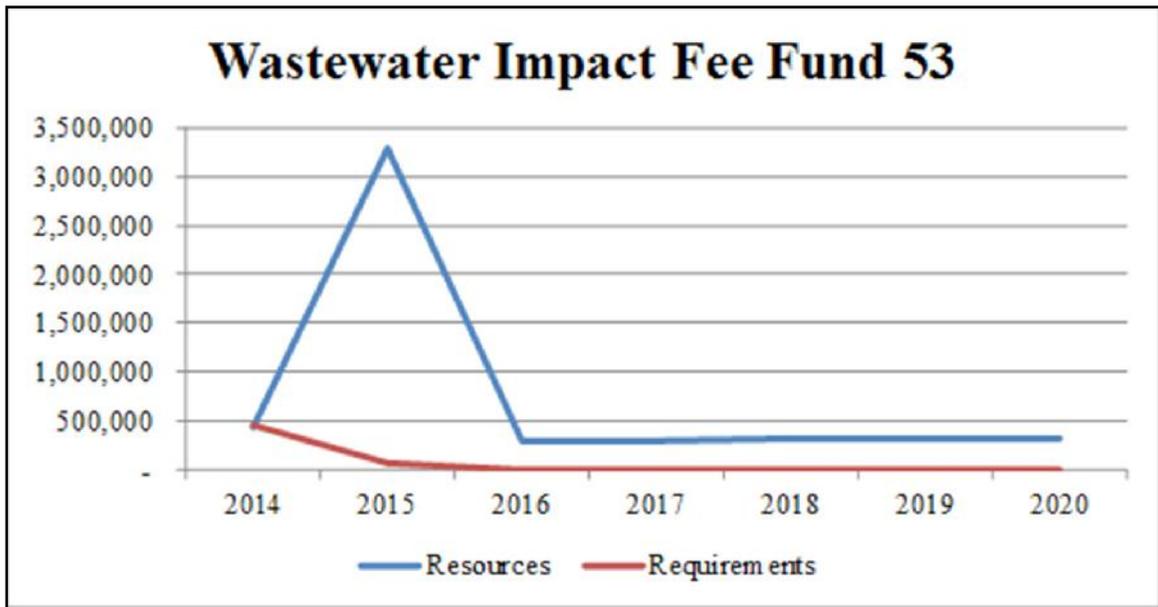


Figure 66 – Wastewater Impact Fee Fund Resources and Requirements by Year



Storm Drain Utility Fund 54: Resources							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Charges for Services	407,505	400,000	400,000	404,000	408,040	412,120	416,242
Other Revenue	1,357	235,554	174,064	465,440	217,385	104,607	847,686
Fund Operating Revenues	408,863	635,554	574,064	869,440	625,425	516,727	1,263,928
% Change From Prior Period	6%	55%	-10%	51%	-28%	-17%	145%

Storm Drain Fund 54: Requirements							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Personnel	-	75,167	83,791	74,167	74,167	74,167	74,167
Materials, Supplies, and Services	4,750	45,397	44,397	44,397	44,397	44,397	44,397
Capital Outlay	19,765	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Transfers	(27,769)	(47,713)	(47,713)	(47,713)	(47,713)	(47,713)	(47,713)
Administrative Charge	209,377	287,085	323,164	323,164	323,164	323,164	323,164
Total Fund Requirements	206,123	359,936	403,638	394,015	394,015	394,015	394,015
% Change From Prior Period	0%	75%	12%	-2%	0%	0%	0%

Table – 67 Storm Drain Fund Resources and Requirements

The Storm Drain Utility Fund is managed primarily by the Public Works and Utility Billing departments. Resources are anticipated to increase in 2017. This is due to an increase in the number of customers. Requirements are also expected to increase with the market changes and increase in benefits in FY2016. In other revenue, the increase between 2019 and 2020 is due to beginning fund balance to be appropriated for projects, these are revenues that have been collected in previous years, but are budgeted the year the capital project will be taking place.

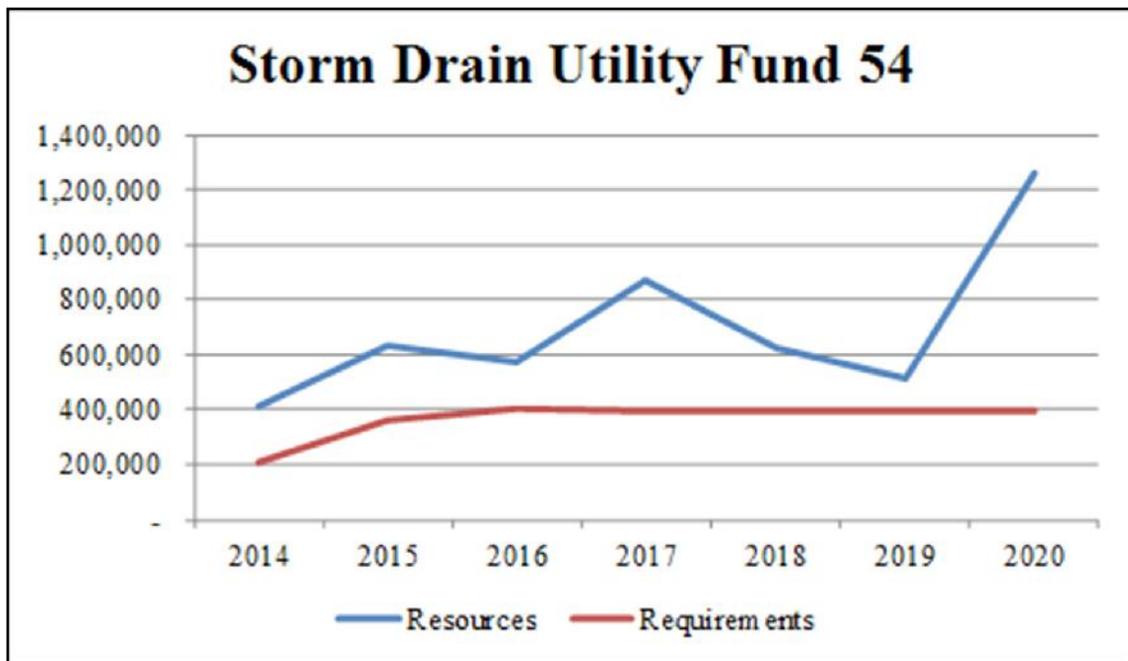


Table – 67 Storm Drain Fund Resources and Requirements



Storm Drain Capital Projects Fund 31: Resources							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Impact Fees	172,322	250,000	250,000	250,000	250,000	250,000	250,000
Interest Revenue	5,803	5,000	5,000	5,000	5,000	5,000	5,000
Vehicle Equipment Rent	-	-	-	-	-	-	-
Total Resources	178,125	255,000	255,000	255,000	255,000	255,000	255,000
% Change From Prior Period	-32%	43%	0%	0%	0%	0%	0%

Storm Drain Capital Projects Fund 31: Requirements							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Capital Outlay	188,346	1,025,273	422,000	-	-	-	-
% Change From Prior Period	1443%	444%	-59%	-100%	0%	0%	0%

Table 68 – Storm Drain Capital Projects Fund Resources and Requirements

Resources for the storm water fund are expected to be constant in 2016 because impact fee revenue is expected to stay the same from 2015.

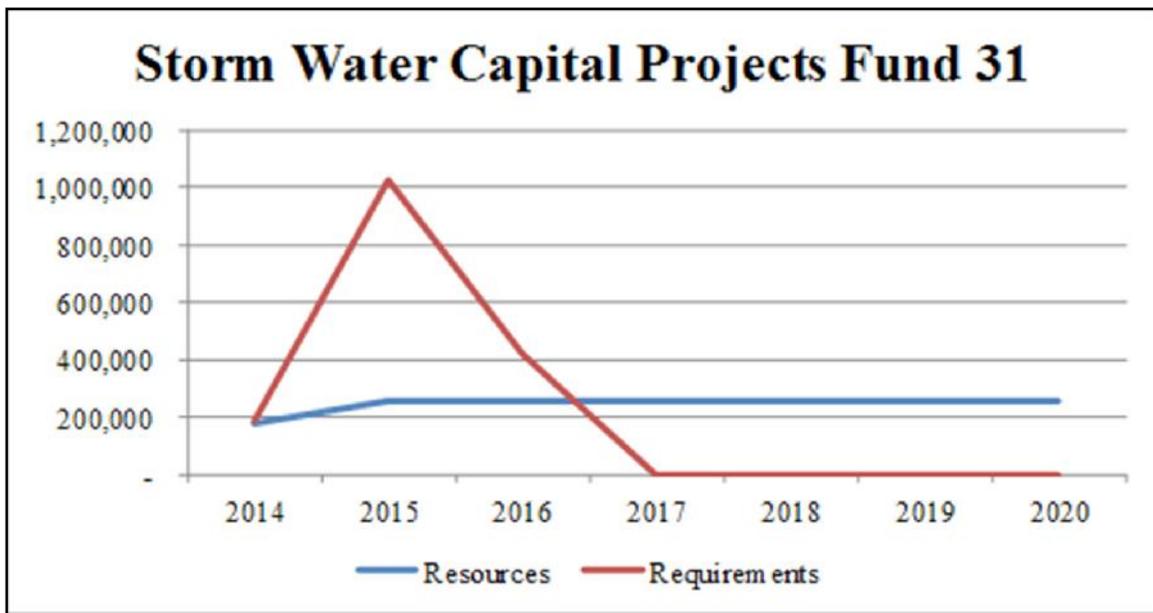


Figure 68 – Storm Drain Capital Projects Fund Resources and Requirements by Year



Garbage Utility Fund 55: Resources							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Charges for Services	896,600	851,785	880,000	888,800	897,688	906,665	915,732
% Change From Prior Period	0%	-5%	3%	1%	1%	1%	1%

Garbage Utility Fund 55: Requirements							
Major Object	2014	2015	2016	2017	2018	2019	2020
	Actual	Adj Budget	Budget	Plan	Plan	Plan	Plan
Personnel	-	-	-	-	-	-	-
Materials, Supplies, and Services	986,030	733,370	747,371	761,788	776,496	791,500	806,805
Administrative Charge	37,769	50,293	50,293	51,299	52,325	53,371	54,439
Total Fund Requirements	1,023,799	783,663	797,664	813,087	828,821	844,871	861,244
% Change From Prior Period	25%	-23%	2%	2%	2%	2%	2%

Table 69 – Garbage Utility Fund Resources and Requirements

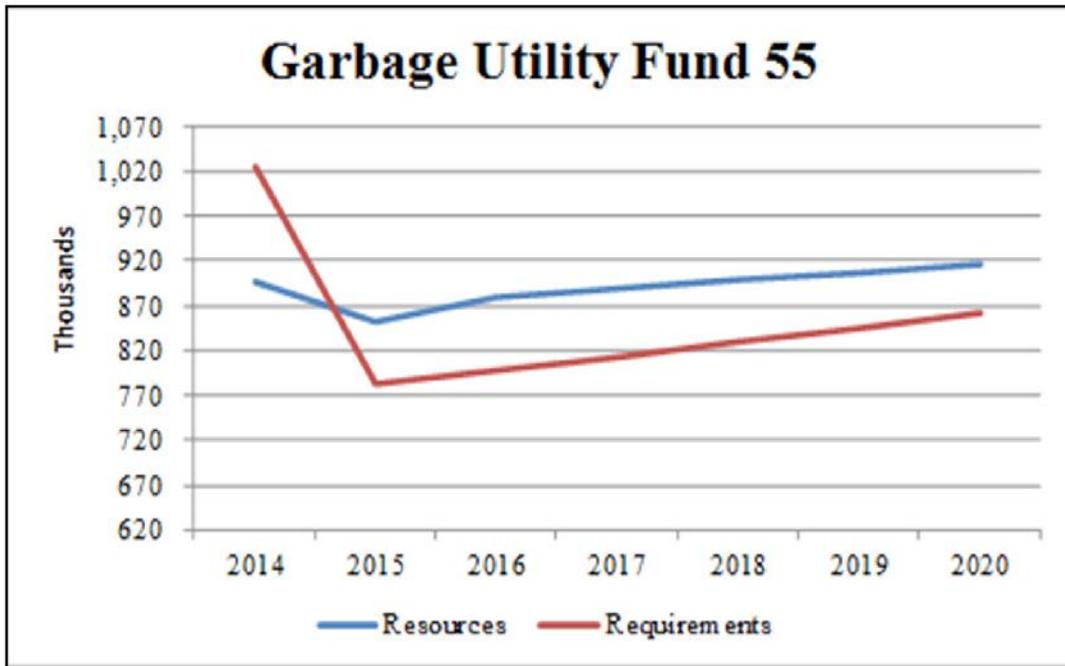


Figure 69 – Garbage Utility Fund Resources and Requirements by Year



POLICIES AND OBJECTIVES



This section of the Budget outlines the City's Policies and Objectives as they relate to the municipal budget. The City of Saratoga Springs 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. These policies represent a foundation to address changing circumstances and conditions, and to assist in the decision making process. In addition, 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
- 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 (five years for operations and capital improvement plan) 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, projected over a five-year period, 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 three-year 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.
 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: Significant ongoing costs, such as insurance, taxes, utilities, and maintenance should be determined before an initial purchase is made or a capital project is constructed. Capital and program decisions should not be made unless staff has provided a five-year analysis of ongoing maintenance and operational costs where applicable.
 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 staffing and funding 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.

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.
- C. One-time revenue sources will not be used for ongoing expenses unless specifically approved by the City Council.

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 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 “public 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 “public 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 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. An example of this is the City’s water and sewer fund.
 - 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. When setting service charges, consideration will be given for the reserves necessary to shield the service during an economic downturn or extraordinary events.
- b. Cost recovery goals should be based on the total cost of delivering the service, including direct costs, 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.
- 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 public service programs and economic development activities.

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

- a. Cost recovery goal for activities directed to adults, youth, and seniors is 100%.
- b. Charges will be assessed for use of ball fields, special-use areas, and recreation equipment for activities not sponsored by the City. Such charges will generally conform to the fee guidelines described above.
- d. The 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:

- 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?
 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.

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. Adequate reserves will also be considered when setting fees and rates.

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, charging reasonable franchise and property tax in-lieu fees will be considered. Franchise fees will be considered for water, sewer, garbage, and storm drain.

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 coverage of costs, and current competitive rates.

BALANCED BUDGET POLICY

Per state law, the City is required to pass a balanced budget annually. The City considers a budget balanced when beginning fund balance (revenues on hand at the beginning of the year) and revenues received during the year are equal to the expenditures for the year and the ending fund balance (or the revenues on hand at the end of the year).

CAPITAL FINANCING AND DEBT MANAGEMENT

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, special taxes, impact fees, or developer agreements when benefits can be specifically attributed to users of the facility.
- D. The City will use the following criteria to evaluate pay-as-you-go versus long-term financing for capital improvement funding:

Factors That Favor Pay-As-You-Go

1. When current revenues and adequate fund balances are available or when project phasing can be accomplished.
2. When debt levels adversely affect the City's credit rating.
3. When market conditions are unstable or present difficulties in marketing.

Factors That Favor Long-Term Financing

1. When revenues available for debt service are deemed to be sufficient and reliable so that long-term financing can be marketed with investment grade credit ratings.
2. When the project securing the financing is of the type which will support an investment grade credit rating.
3. When market conditions present favorable interest rates and demand for City financing.
4. When a project is mandated by state or federal requirements and current revenues and available fund balances are insufficient.
5. When the project is immediately required to meet or relieve capacity needs.
6. When the life of the project or asset financed is 10 years or longer.
7. Spread the cost of the asset to those who benefit from it now and in the future
8. Acquire assets as needed rather than wait until 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 issuer 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 and/or interest rates can be decreased.
- B. Direct debt will not exceed 4 % 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.
- D. The City will generally conduct financing on a competitive basis. However, negotiated financing may be used due to market volatility or the use of an unusual or complex financing or security structure.
- 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, coinciding 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:
 - Purposes for which debt will be issued
 - Types of debt that may be issued
 - Limitations on indebtedness
 - Debt maturity schedule or other structural features
 - Method of sale
 - Method of selecting consultants and professionals
 - Refunding policies
 - Disclosure practices

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.

Policies flexible to permit City to take advantage of market opportunities or to respond to changing conditions without jeopardizing essential public services.

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 % of estimated total 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 % of the total, estimated, ensuing years budgeted revenues. No appropriations may be made against the 5 % mandated minimum.

The General Fund balance reserve is an important factor in the City's ability to respond to unforeseen and unavoidable emergencies and revenue shortfalls. Alternative uses of excess fund balance must be carefully weighed. Over the next two years, the City will strive to maintain the General Fund Balance at the legal maximum of 25 %. 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 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 after credit for the sale of surplus equipment and interest earned by the replacement program.
- 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 after credit for the sale of surplus equipment and interest earned by the replacement program.
- 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, 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 ratio

requirements identified in its bond obligations.

- A. This level is considered the minimum level necessary to maintain the City's credit worthiness and to adequately provide for the following:
1. Economic uncertainties, local disasters, and other financial hardships or downturns in the local or national economy
 2. Contingencies for unseen operating or capital needs
 3. 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.

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 such as 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 2%. 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 3%. 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.
- 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 4 to 5%. 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 6% 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.

CAPITAL IMPROVEMENT MANAGEMENT

A. The public Capital Improvement Plan (CIP) will include the following:

1. Public improvement projects that cost more than \$10,000.
2. Capital purchases of new vehicles or equipment (other than the replacement of existing vehicles or equipment) that cost more than \$10,000.
3. Capital replacement of vehicles or equipment that individually cost more than \$50,000.
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 is a five year 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 infra-structure.

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

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 six years, 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. Any changes made to these projects should be updated in the impact fee analysis and included in future impact fee studies.

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.
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 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.
 - d. Funds have been budgeted for the project.
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.
 - 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.

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.

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

1. Ensure all purchases for 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;
5. Maintain a list of contractors for public improvements and personal services who have made themselves known to the City and are interested in soliciting City business;
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 process.
4. When it is advantageous to the City, annual contracts for services and supplies regularly



- purchased should be initiated.
5. All purchases and contracts in excess of \$5,000 must be approved by the City Manager. Amounts to be paid by the City of less than \$5,000, may be approved and authorized by the respective department heads consistent with other city procurement policies and procedures.
 6. The City Attorney prior to entering into any such contract shall review all contracts for services.
 7. 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 process.
 - 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.
 8. Acquisition for undertaking building improvement or public works projects may require public requests for bids (UCA 11-39-103).
 - a. All contracts for building improvements over the amount specified by state code, specifically:
 - i. For each year after 2003 (\$40,000 for the year 2003), the amount of the bid limit for the previous year, plus an amount calculated by multiplying the amount of the bid limit for the previous year by the lesser of 3 % or the actual % change in the CPI during the previous calendar year.
 - b. All contracts for public works projects over the amount specified by state code, specifically:
 - i. For each year after 2003 (\$125,000 for the year 2003), the amount of the bid limit for the previous year, plus an amount calculated by multiplying the amount of the bid limit for the previous year by the lesser of 3 % or the actual % change in the CPI during the previous calendar year.
 - c. Contracts for grading, clearing, demolition or construction undertaken by the Community Redevelopment Agency shall adhere to the procedures prescribed by State law.
 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 manager 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.

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.

2. Purchases of Capital Assets are “equipment type” items which would be included in a fixed asset accounting system having a material life of one year or more and costing in excess of \$5,000. These items are normally budgeted within the normal 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 manager shall make the determination.

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 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.
- 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.

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

- a. In writing;
- b. Filed with the manager or his designee;
- c. Opened publicly by the 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 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 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.

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 manager.

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 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 Manager shall investigate information provided by prospective bidders in a timely manner. In most cases 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.
 - 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 neglect 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 manager, within five 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.

INVESTMENTS

1. Policy The City of Saratoga Springs seeks to invest public funds in securities and deposits that provide a high degree of safety and liquidity along with a competitive yield based on prevailing market conditions while meeting the daily cash flow demand of the city. All investments and deposits are placed subject to applicable City and State ordinances and laws pertaining to investment of public funds in the State of Utah, specifically the Utah Money Management Act, which provisions are hereby incorporated as part of this policy.

2. Scope. This investment policy covers investment of all financial assets reported in the Comprehensive Annual Financial Report for The City of Saratoga Springs. The scope includes the General, Special Revenue, Capital Projects, Enterprise, Debt Service, Special Assessment and Internal Service funds for the City and include:

- 10 General Fund
- 22 Street Lighting SID Fund
- 23 SSD Street Light SID S.R. Fund
- 24 Zone 2 Water Improvement SID Fund
- 31 Storm Drain- Capital Projects Fund
- 32 Parks- Capital Projects Fund
- 33 Park- Capital Projects Fund
- 34 Public Safety- Capital Projects Fund
- 35 Capital Projects Fund
- 51 Water Fund
- 52 Sewer Fund
- 53 Wastewater Capital Projects Funds
- 54 Storm Drain Enterprise Fund
- 55 Garbage Utility Fund
- 56 Culinary Water Capital Projects Fund
- 57 Secondary Water Capital Projects Fund

Any new funds created will also be subject to this investment policy, to State statute, and rulings of the State Money Management Council.

3. Prudence. The standard of prudence applied by the City's investment officials is the "prudent person" and/or "prudent investor" rule. "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 benefits to be derived, and the probable duration for which such investment may be made, and considering the investment objectives specified in section 4.0" This standard shall be applied in the context of managing the overall investment portfolio of the City. The City Treasurer acting in accordance with 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 deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4. Objectives. Funds of the City will be invested in accordance with the Utah Money Management Act found at U.C.A. Chapter 51 Title 7. These objectives of the Money Management Act and the City in order of priority are:

- A. **Safety of Principal.** Safety of principal/capital is the foremost objective of the investment program. Investments shall be made to ensure the preservation of capital in the overall portfolio. Investments will be diversified by security type, by industry, by issuer, and maturity date to spread potential investment risks.
- B. **Liquidity.** The investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated. Efforts to achieve this objective will be focused on matching the term to maturity of investments with the period of availability of funds.
- C. **Return on Investment.** The investment portfolio will be designed with the objective to earn a market rate of return throughout budget years and economic cycles, taking into account investment risk, legal requirements and cash flow needs.

5. Delegation of Authority. Authority to manage the City's investment program is derived from Utah Annotated, 10-6-141 1953, as amended. The City Council and Mayor have assigned the responsibility for conducting investment transactions to the City Treasurer. The City Treasurer is responsible for investment decisions and activities. The City Treasurer shall develop and maintain administrative procedures for the operation of the investment program consistent with these policies. In the event of an emergency and the unavailability of the City Treasurer, the Finance Director is authorized to conduct the City's investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the general policies and procedures as adopted by the City.

- A. **Investment Procedures.** The City Treasurer shall establish written investment policy procedures for the operation of the investment program consistent with this policy. A copy will be on file in the City Treasurer's office and will be reviewed and updated regularly. 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.

6. Ethics and Conflicts of Interest. Those involved in the investment process 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. The overall program shall be designed



and managed with a degree of professionalism worthy of the public trust. Employees and investment officials shall disclose to the City Manager any material financial interests in financial institutions that conduct business within the City, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the City's portfolio. Employees and officers shall subordinate their personal investment transactions to those of the City, particularly with regard to the time of purchases and sales.

7. Authorized Financial Dealers and Institutions. Financial institutions and investment broker/dealers who desire to become qualified bidders or qualified depositories must be certified thru the State and meet all requirements imposed by the Utah State Department of Financial Institutions and the requirements of the Utah Money Management Council, and Act (Rule 16). The Utah Money Management Council quarterly issues a list of certified dealers, and a list of qualified depositories authorized by state statute to conduct transactions with public treasurers. Transactions involving authorized deposits or investments of public funds may be conducted only through Issuers of securities authorized by Section 51-7-11(3), Qualified Depositories included in the current state list, or Certified Dealers included in the current state list. All securities purchased from a certified dealer are required to be delivered to the City Treasurer or to the City's safekeeping bank.

8. Authorized and Suitable Investments. The City may place public money in investments/deposits authorized by the Utah Money Management Act (U.C.A. 51-7-11). The Treasurer shall ensure that all purchases and sales of securities are settled within 15 days of the trade date. In general these investments can be any of the following subject to restrictions specified in the Act:

Obligations of the U.S. Treasury and most Government-Sponsored Agencies

Commercial paper

Bankers Acceptances

Publicly traded fixed rate corporate obligations

Certain variable rate securities and deposits

Deposits with the State Public Treasurer's Investment Fund

Certain fixed rate negotiable deposits with a certified depository

Master Repurchase Agreement:

Repurchase and Reverse-repurchase Agreements are not allowed by this policy. The City of Saratoga Springs shall not enter into a Master Repurchase Agreement, a repurchase agreement, or a reverse-repurchase agreement.

9. Investment Pools/Mutual Funds. The City upon thorough investigation of the pool/fund will require the following from the Utah Public Treasurers' Investment Fund or similar qualified pool/fund prior to any investing with said pool:

A. Monthly statement detailing all transactions on each investment account held by the city such as:

- Date and account number for each account
- Reference date for each transaction
- All deposits and withdrawals listed by date
- Report period covered
- Balance for each account
- Account summary: Beginning balance, deposits in the period, withdrawals in period, ending balance, gross earnings, fee (0%), net earnings, average daily balance, gross earnings rate, net earnings rate.

B. Every six months, provide a statement of how the Pool/Fund invests said funds and how often

the Pool/Fund is audited.

- C. A current copy, at least annually, of the State Money Management Act and Rules of the State Money Management Council.
- D. Receive quarterly, a copy of the approved list of depository institutions that have been Qualified as depositories to receive public funds. Also included will be a listing of allowable Maximum Amount of Public Funds allowed per institution.
- E. Receive quarterly, a copy of the listing of Certified Dealers and their Agents who are certified to receive Public Funds.

10. Collateralization. In the State of Utah, the collateralization of public funds is not required.

11. Safekeeping and Custody. All security transactions by The City of Saratoga Springs shall be conducted on a delivery-versus-payment basis. All security transactions shall be held in safekeeping by a third-party institution which has been certified by the Utah Money Management Council and designated by the City Treasurer. Securities held in safekeeping will be evidenced by a safekeeping receipt issued to the City Treasurer within a few business days following the purchase.

12. Diversification. Investments entered into by the City will be diversified by security type, industry, institution and maturity to spread potential investment risk and return among many classes of investments. As measured by cost, the portfolio will be invested no more than 50% in any one class of investments (This restriction does not apply to U.S. Treasury Bonds, Notes, and Bills; U.S. Government Agency Obligations; and the Utah State Public Treasurer's Investment Fund). Diversification of investments with a single institution must comply with applicable rules of the Act, specifically;

- A. No more than 20% of funds may be invested in any one permitted qualified out-of-state depository institution. (Rule 10, 5)
- B. No more than 10% of the total portfolio with a single Commercial Paper or corporate Notes issuer if the portfolio is \$10,000,000 or less (Rule 17, 5)
- C. No more than \$1,000,000 in a single Commercial paper or Corporate Notes issuer if the portfolio is greater than \$10,000,000 but less than \$20,000,000 (Rule 17, 5)
- D. No more than 5% of the total portfolio with a single Commercial Paper or corporate Notes issuer if the portfolio is \$20,000,000 or more (rule 17, 5)

Further, for issuers which are not covered by rules or statute, the City will restrict its investments to no more than 20% with a single issuer with the exception of funds invested with the Utah State Treasurers' Pool (referred to hereafter as "The State Pool"), U.S. Treasury securities, U.S. Government Agency Securities, or funds held in trust (i.e. construction, sinking, or reserve bond funds, etc.).

13. Maximum Maturities. As stated in the Utah State Money Management Act, "the remaining term to maturity of the investment may not exceed the period of availability of the funds to be invested." The operating and capital funds of the City are pooled to obtain maximum return on investment and to simplify administration of the investment program. Recognizing the overall short-term (one year and under) duration of the budget cycle and normally anticipated cash flow, maturities will not exceed a maximum of three years and will most often be one year or less.

14. Internal Control. The City Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the funds of the City are protected from loss, theft or misuse. 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.

Accordingly, the City Treasurer shall establish a process for independent review by such means as established by the general financial policies and procedures of the City. This review shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and recordkeeping
- Custodial safekeeping
- Avoidance of physical delivery securities
- Written confirmation of transactions for investment and wire transfers
- Development of a wire transfer agreement with the lead bank and third-party custodian

15. Performance Standards. Market yields will be sought throughout the budget and economic cycle consistent with the overriding objectives stated. In keeping with the State of Utah statutes and the city's investment strategy, funds will be placed for investment and not speculation, (i.e. technically referred to as a passive investment strategy). The benchmark standard for rate of return on the City portfolio will be the average rate of return on similar investments and portfolios such as 6 month U.S. Treasury bills and the Utah State Public Treasurer's Investment Fund.

16. Reporting. Management reports on the City's portfolio are generated and distributed monthly to all City department heads, the City Manager and the Mayor and City Council for review and comment. The first report gives a breakdown of the balances and allocation of interest for each city fund which has money invested through the City Investment Fund (exhibit F). The second report is the current month copy of the list of investments and deposits as sent to the state semi-annually (exhibit G). The third report lists the G/L account balances in the Investment Fund and associated earnings (exhibit H). The list of investments and deposits is provided semi-annually to the Utah Money Management Council for compliance review as required by 51-7-15 of the Money Management Act. The investment portfolio and deposits are included in the Comprehensive Annual Financial Report for the City.

17. Investment Policy Adoption. Investment policies are developed by the City Treasurer and reviewed with the Administrative Services Director, City Manager, Mayor and City Council subject to the rules of the Money Management Act. The City's investment policy shall be adopted by the City of Saratoga Springs Council. Any modifications made to this policy must be approved by the City Council.

18. Glossary.

AGENCIES: Federal agency securities and/or Government-sponsored enterprises.

ASKED: The price at which securities are offered.

BANKERS' ACCEPTANCE (BA): A draft or bill of 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.

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.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): The official annual report for the government entity. 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.

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.

CUSTODY: A banking service that provides safekeeping for the individual securities in a customer's investment portfolio under a written agreement which also calls for the bank to collect and pay out income, to buy, sell, receive and deliver securities when ordered to do so by the principal.

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).

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.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued 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.

DUE DILIGENCE: Such a measure of prudence, activity, assiduity, as is properly to be expected from, and ordinarily exercised by, a reasonable and prudent person under the particular circumstances; not measured by any absolute standard, but depending on the relative facts of the special case.

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) which 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.

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.

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-throughs" is often used to describe Ginnie Maes.

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.

MARKET VALUE: The price upon 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.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

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.

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.

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.

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.

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.

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.

SEC RULE 15C3-1: See Uniform Net Capital Rule.

STRUCTURED NOTES: Notes issued by Government Sponsored Enterprises (FHLB, FNMA, SLMA, etc.) and Corporations which have imbedded options (e.g., call features, step-up coupons, floating rate coupons, 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.

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 2 to 10 years.

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.

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** is 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.

NSF CHECKS

Purpose. To define procedures for processing nonsufficient funds checks.

Procedures. When a check is returned for nonsufficient funds (NSF), an NSF check fee will be assessed. The amount of the fee will be based on the City's current fee schedule. Utility billing payments will be reversed off the customer's utility billing account, and court payments will be charged back on the defendant's case. No checks will be accepted from a customer after 2 returned checks within a one-year period. This restriction will last for one year beginning with the date of the second nonsufficient check. After sufficient collection efforts, checks that are not paid within 120 days are written off to the general ledger department/fund that originally received the check. The City Treasurer will approve checks to be written off. At the Treasurer's discretion, NSF checks may be sent to the City's collection agency. If a recovery is made (either through the City or the collection agency), the revenue will be credited to the department/fund the writeoff was charged to.

JOURNAL ENTRIES

Purpose. To define procedures for implementing accounting changes to the City's general ledger through the journal entry process.

Responsibilities. Employees are authorized to perform journal entries through the City Manager or Assistant City Manager. Proper journal entry backup is required for all journal entries. Journal entries must also comply with any applicable City policies and procedures.

Approval. The finance department will prepare a journal entry report for the City Manager or Assistant City Manager monthly. This report will show the effective date of the journal entry, journal entry number, general ledger account numbers, description, and debit/credit amount. The journal entry report must be in sequential journal entry number. Any sequence gaps should be noted and explained in the report. Any journal entry with debits in excess of \$50,000 (excluding account reclassifications) must first be approved by the City Manager or Assistant City Manager before entry.

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. These lists will be the responsibility of each department to maintain.

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. The total dollar amount of inventory will be reviewed annually to ensure that it should not be reported on the financial statements.

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 class. If an alternate method is chosen, this will be disclosed in the City's financial statement notes. 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.

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 Utah Code Ann. Sec. 10-8-2.

Personal Property of the City is a fixed asset. It is important that accounting of fixed assets is accurate and timely. 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 responsibility of each department to maintain an inventory of all department property. The departments shall be responsible for submitting to the finance department an updated inventory log of all changes to assets costing greater than \$5,000 at least annually. The finance department 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 department for disposition consideration. The department head shall clearly identify age, value, comprehensive description, condition and location. Other departments in the City will be given first consideration for the items. For property valued at \$5,000 or greater, the finance department shall present to the City Council a listing of property to be disposed of. The city shall comply with current state law relative to the disposition of surplus property. The City shall conduct a public hearing relative to the disposition of this property.

The finance department shall, after approval by the City Council, dispose of the assets. The City Manager has final authority on the method of disposition, with or without advertisement or bids. The finance department 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 (if applicable).

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 City Manager has final authority on the method used.

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, special revenue fund, or internal service fund. In this case, the money shall be deposited in the fund of the enterprise, special revenue, or internal service fund that made the original purchase. Any fees associated with selling the property (such as auction fees) will be netted against the proceeds received.

Advertised Sealed Bids. A notice of such public auction or invitation for sealed bids shall be published in a newspaper of general circulation or the City newsletter at least 14 days before the opportunity for public comment. The notice 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.

Disposition of Police Evidence

Property no longer needed as evidence - Utah Code 24-3-103

- 1) When the prosecuting attorney determines that property no longer needs to be held as evidence, the prosecuting attorney may:
 - a. petition the court to apply any property that is money towards restitution, fines, fees, or monetary judgments owed by the owner of the property;
 - b. petition the court for an order transferring ownership of any weapons to the seizing agency for its use and disposal as the seizing agency determines, if the owner;
 - (i) is the person who committed the crime for which the weapon was seized; or
 - (ii) may not lawfully possess the weapon; or
 - c. notify the agency that has possession of the property that the property may be:
 - (i) returned to the rightful owner, if the rightful owner may lawfully possess it; or
 - (ii) disposed of, if the property is contraband.
- 2) The agency shall exercise due diligence in attempting to notify the rightful owner of the property to advise the owner that the property is to be returned.
- 3) (a) Before the agency may release property to a person claiming ownership of the property, the person shall establish to the agency pursuant to Subsection 3(b) that the person:
 - (i) is the rightful owner; and
 - (ii) may lawfully possess the property.

Subsection 3(a) by providing to the agency:

- (i) identifying proof or documentation of ownership of the property; or



- (ii) a notarized statement, if proof or documentation is not available.
- 4) (a) When property is returned to the owner, a receipt listing in detail the property returned shall be signed by the owner.
 - (b) The receipt shall be retained by the agency and a copy shall be provided to the owner.
- 5) If the agency is unable to locate the rightful owner of the property or if the rightful owner is not entitled to lawfully possess the property, the agency may:
 - a) apply the property to a public interest use;
 - b) sell the property at public auction and apply the proceeds of the sale to a public interest use; or
 - c) Destroy the property if it is unfit for a public interest use or for sale.
- 6) Before applying the property or the proceeds from the sale of the property to a public interest use, the agency shall obtain from the legislative body of its jurisdiction;
 - a) permission to apply the property or the proceeds to public interest use; and
 - b) the designation and approval of the public interest use of the property or the proceeds.

24-1-102 Definitions

- 13) "Legislative Body" means:
 - a) the Legislature, county commission, county council, city commission, city council, or town council that has fiscal oversight and budgetary approval authority over an agency
- 20) "Public Interest use" means a:
 - a) use by a government agency as determined by the legislative body of the agency's jurisdiction; or
 - b) donation of the property to a nonprofit charity registered with the state.

Disposition of property no longer needed as evidence will be determined per Utah law 24-3-103. The Saratoga Springs Police Department's Evidence Custodian will follow subsections 1-4 as they relate to properties held in evidence. The Evidence Custodian will acquire the disposition of said properties from the Prosecuting Attorneys and will return, when lawful, to the rightful owners.

In order for the Saratoga Springs Police Department to apply/follow the law 24-3-103(5) for properties that we are unable to locate the rightful owners or if the rightful owners are not entitled to lawfully possess the properties it is proposed that the "Legislative Body" deem the Saratoga Springs Police Department as said "public interest use".

It is proposed that as said "public interest use" that we will follow subsection 5 a-c as it relates to property no longer needed as evidence.

It is proposed that as said "public interest use" that we will have the legislative body permission to apply/follow 24-3-103(6).

BENCHMARKING

Philosophy. The city has been participating in the Utah Benchmarking Project. The philosophy behind benchmarking, as defined by the group, is to enable comparisons between and among organization processes in an attempt to discover best practices that, once imported, will improve all operations for the city. Benchmarking with Utah's participating communities will help in the efforts to provide the most appropriate level of service to the citizens of Saratoga Springs at the lowest possible cost while achieving the best possible efficiencies of effort.

Purpose. The purpose of benchmarking for the city emulates the projects goal which is to provide the city with a service delivery management tool that supports the cities decision-making processes in strategic planning and accountability. Through benchmarking the city can better determine where success is coming from in other cities, and find ways to make city services better and more cost effective. Through this process, the city can focus on its goals for city improvement, partnering to share information, and adapting to the needs of the citizens.

Selection. For comparison purposes, the city will continue to use the same “benchmark” group that was previously predetermined by the City Council for the wage analysis study. These cities were chosen based on a variety of factors such as; geography, demographics, population size, and finances.

For the purposes of benchmarking, the following cities were chosen:

- Centerville
- Clinton
- Draper
- Farmington
- Lehi
- North Ogden
- Pleasant Grove
- Riverton
- South Jordan
- South Ogden
- South Salt Lake City
- Washington

SPECIAL EVENT SERVICES

For special events and other services that have been or will be developed for the City, 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

In many cases 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. The procedure for this type of special contract is as follows: the department will request budget adjustments during the first budget opening 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, directly through the general fund or a transfer, and special event participant fees.

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 will solicit corporate donations from businesses when appropriate. Any corporate donation will directly pay for any cost incurred by the City for the special event.

General Fund Transfer. If necessary and appropriate, 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.

LIBRARY

Fiscal Policy. It is the policy of the City for the library to be primarily funded through donations and miscellaneous revenues (such as the sale of library cards). The City, at its discretion, may appropriate additional funds for one-time and ongoing costs. The library's expenditures will not be allowed to exceed current revenue (donations, miscellaneous revenue, and City contributions) plus beginning fund balance (if any). Monthly revenue and expense reports will be provided to the Library Board for their review.

Purchasing Policy. The library is to follow the City's purchasing policies. All approved expenditures will be paid through the City's accounts payable department.

Revenue Policy. The library must follow any applicable state and local revenue collection policies and procedures.

REPLACEMENT POLICY FOR VEHICLES AND EQUIPMENT

With significant growth, the City's fleet has expanded to include over 100 vehicles and pieces of rolling stock. In anticipation of future growth and in order to increase accountability, streamline approval processes and save taxpayer dollars a fleet replacement schedule has been created.

This schedule will give stakeholders the ability to prioritize vehicle replacement and approach fleet management from a strategic perspective. Data used in the analysis includes: an inventory of all equipment, the estimated useful life and projected replacement date, corrective and preventative maintenance schedule and costs, depreciating value and replacement cost.

The vehicle and equipment replacement schedule captures both objective and subjective factors related to a vehicles condition and value. Objectively, the replacement schedule tracks: total mileage/ hours; previous year mileage, parts expense; labor expense; preventative maintenance; corrective maintenance; estimated live expectance; and depreciating value. Subjectively, the replacement schedule captures feedback from the Department Head or their designees related to the condition and quality of the vehicle or piece of equipment. While objective criteria will be applied to every vehicle and

piece of rolling equipment, subjective analysis will be weight more heavily for specialized equipment such as fire engines, modified police vehicles and specialty trucks.

Once a vehicle or piece of equipment satisfies this objective and subjective criteria, it is flagged for consideration to be replaced and submitted to the City Manager. The City Manager has signatory authority to approve replacement vehicles and equipment. After a vehicle meets objective and subjective requirements for replacement, the City Manager or designee can determine whether or not a new replacement vehicle should be purchased. This decision requires the City Manager to balance the benefits of replacing a vehicle against budgetary priorities and constraints. This encourages lean management of the City's operations, streamlines the previous approval process and allows Council to retain ultimate approval authority for vehicle replacements during the budget process.

This new approval process does not apply to vehicles and equipment that are being added to the existing fleet. When a vehicle or piece of equipment is being added to, rather than replacing, it will require get specific approval by the City Council.

REPLACEMENT POLICY FOR COMPUTER EQUIPMENT

This policy pertains to the replacement of computer equipment based on a specific set of criteria.

The following is the criteria used:

- a. User Needs – a replacement computer should not be based on technological cycles but on the needs of each user.
- b. Warranty Expiration – considers the time spent by staff in maintenance, troubleshooting and repair downtime.
- c. Necessary Upgrades – considers cost of a new system as opposed to on-going support of older software/hardware based on technological programs only.
- d. Minimum Computer Configuration Standards – staff may determine what this standard is. For example, considering whether the computer performs adequately when running a standard operating system, web browser, word processor, spreadsheet, desktop database, and Oracle simultaneously.
- e. Refresh Rate – cost of replacement and upgrading parts and the cost of replacement compared with maintenance.

Laptops that are more than three years old and desktops that are more than three years old will be eligible to be considered under the factors above.

The Computer replacement schedule tracks: Staff downtime; maintenance time; troubleshooting time; repair downtime; and the cost of on-going support of older software/hardware. This schedule also captures descriptive feedback from the Department Head or their designees explaining the end users' needs and whether the current computer system is affecting productivity. Subjective criteria is especially valuable in this analysis because the end user's needs are varied, this variance will be captured in the replacement schedule.

Once a computer satisfies the objective and subjective criteria, it is flagged for review by the City Manager. At this point, the City Manager or designee can determine whether or not a new replacement computer should be purchased. This decision requires the City Manager to balance the benefits of replacing a vehicle against budgetary priorities and constraints. When a computer is replaced the older unit is cascaded to an employee that does not require a newer machine in order to maintain productivity.



Alternatively, a cascaded computer can be assigned as a back-up unit in a specific area or department.

This new approval process does not apply to computers that are being added to the current allotment of computers.



The General Fund requests for funding totaled \$1,748,828 of which \$587,006 was City Manager recommended ongoing expenses. The Bluffdale Police contract will cover \$105,880 of the ongoing costs. One-time expenses in the amount of \$535,543 are also City Manager recommended, which consist of: Dispatch building agreement, bobtail truck with salter and plow, generator for the fire station, wash/retention basin, parks equipment, and signage. Below are all of the budget options requested.

Fund	Department	Request	FY 2015 Adjusted Budget	FY 2016 Dept Request	City Manager Recommended	On going/ One Time
General Fund	Personnel	Payplan Reclasses 2nd year		\$146,000	Y	On going
General Fund	Administration	Electronic Payroll Voucher Software Fees		\$2,300	Y	On going
General Fund	Administration	Adjust Credit Card Bank Fees		\$6,610	N	
General Fund	Administration	Records and Asset Manager/Management Analyst		-\$10,000	Y	On going
General Fund	Administration	Records and Asset Manager/Management Analyst		\$79,608	Y	On going
General Fund	Non-Departmental	Payplan Analysis Contract Services		\$5,000	Y	One-time
General Fund	Elections	Elections		\$9,600	Y	On going
General Fund	Attorney	Books and Memberships		\$1,910	N	
General Fund	Planning	Planning Intern		\$15,433	N	
General Fund	Planning	Admin Assistant Hours		\$5,567	Y	On going
General Fund	Public Relations/Comm	Play Unplugged		\$1,500	N	
General Fund	Public Relations/Comm	Economic Development Memberships		\$6,900	Y	On going
General Fund	Public Relations/Comm	Economic Development		\$5,000	Y	On going
General Fund	Civic Events	Volunteer and Sponser services		\$4,000	Y	On going
General Fund	Court	Online CC payment services for CORIS		\$3,554	N	
General Fund	Court	Judge Salary per state requirement		\$1,150	Y	On going



General Fund	Library	Sirsi Dynex Subscription	\$7,000	\$7,000	Y	On going
General Fund	Library	Library Programs	\$1,000	\$1,000	Y	On going
General Fund	Engineering	Increase in subscriptions for annual software	\$1,500	\$1,500	Y	On going
General Fund	Engineering	Engineering Intern	\$18,809	\$16,809	Y	On going
General Fund	Engineering	GIS Intern	\$8,405		N	
General Fund	Parks	Salaries and Wages (seasonals)		\$68,265	Y	On going
General Fund	Parks	Vehicle Maintenance		\$514	Y	On going
General Fund	Parks	Gasoline		\$1,962	Y	On going
General Fund	Parks	Maintenance and Supplies		\$6,834	Y	On going
General Fund	Parks	Restroom maintenance		\$2,644	Y	On going
General Fund	Parks	Fertilizer		\$10,953	Y	On going
General Fund	Parks	Sprinkler Maintenance and parts		\$3,753	Y	On going
General Fund	Parks	Equipment Maintenance		\$567	Y	On going
General Fund	Parks	Landscape equipment purchase		\$500	Y	On going
General Fund	Parks	Hand Tools		\$800	Y	On going
General Fund	Parks	Separate Secondary water from HOA landscape		\$30,000	N	
General Fund	Parks	Park signage		\$36,183	Y	One-time
General Fund	Parks	New Trailer		\$6,000	Y	One-time
General Fund	Parks	Trees for planting in native soil		\$10,000	Y	One-time
General Fund	Parks	Mower and rollers for striping		\$12,000	Y	One-time
General Fund	Parks	Utility truck body		\$8,000	Y	One-time
General Fund	Non-Departmental	Workers Compensation	\$60,000	\$60,000	Y	On going
General Fund	Non-Departmental	Dispatch Building Agreement		\$250,000	Y	One-time
General Fund	Police	PT SRO Officer at Vista Heights		\$15,000	Y	On going
General Fund	Police	Police Officer 1		\$121,965	N	
General Fund	Police	Police Officer X2		\$133,413	N	
General Fund	Police	Police Corporal		\$120,300	N	



General Fund	Police	Police Sergeant (up-grade one position from Corporal)		\$13,860	N	
General Fund	Police	Court Security		\$14,900	Y	On going
General Fund	Police	Uniform Expense		\$8,761	N	
General Fund	Police	Supplies Cost		\$7,733	N	
General Fund	Police	Animal Shelter Fees		\$3,000	Y	On going
General Fund	Police	Overtime Adjustment	\$10,000		Y	On going
General Fund	Police - Bluffdale	Police Officer		\$92,020	Y	On going
General Fund	Police - Bluffdale	Police Sergeant (up-grade one position from Corporal)		\$13,860	Y	On going
General Fund	Fire	Generator for South Fire Station		\$22,500	Y	One-time
General Fund	Fire	Health and Wellness		\$10,500	N	
General Fund	Fire	Fire Equipment and Supplies		\$20,000	N	
General Fund	Fire	Vehicle Maintenance		\$6,000	N	
General Fund	Fire	Contract Services		\$4,000	N	
General Fund	Fire	Gasoline and Oil		\$2,563	N	
General Fund	Streets	Walk Behind Striper		\$14,500	N	
General Fund	Streets	Walk Behind Grinder		\$7,000	N	
General Fund	Streets	Bobtail Truck with salter and plow		\$158,300	Y	One-time
General Fund	Streets	Pickup Salt spreader		\$8,000	N	
General Fund	Streets	Road markings paint stencils		\$3,500	N	
General Fund	Streets	Truck mounted arrow board		\$4,500	N	
General Fund	Streets	Wash/Retention Basin		\$42,500	Y	One-time
Street Light SID	Street Lights	Street Light rate analysis		\$10,000	Y	One-time
Storm Drain Impact	Strom Drain	Talus Ridge Outfall reimbursement	\$172,000		Y	One-time
Roads Impact	Roads	400 S Widening reimbursement agreement with DR Horton		\$75,000	Y	One-time
General Capital	General	Roads Projects		\$737,025	Y	On going
General Capital	General	Street Light Projects		\$50,000	Y	On going



General Capital	General	Parks Capital Projects		\$50,000	Y	On going
General Capital	General	Vehicle Replacement		\$252,000	Y	On going
General Capital	General	Equipment Replacement		\$29,653	Y	On going
General Capital	General	Computer Replacement		\$22,122	Y	On going
General Capital	General	Fiber Optic Master plan		\$13,200	Y	One-time
Water Operations	Water	Pay Plan/Reclasses 2nd year		\$44,000	Y	On going
Water Operations	Water	Utility Maintenance Worker (seasonal)		\$18,493	N	
Water Operations	Water	Mini X (Lease)		\$8,250	N	
Water Operations	Water	Well Repairs		\$5,000	N	
Water Operations	Water	Water Table Drop Projects		\$74,000	Y	One-time
Water Operations	Water	Fixed Network Meter Reader		\$64,000	Y	One-time
Sewer Operations	Sewer	Pay Plan/Reclasses 2nd year		\$4,000	Y	On going
Sewer Operations	Sewer	Drying Pond for Jet truck		\$42,500	Y	One-time
Sewer Operations	Sewer	Inlet Park outfall upsize phase II		\$208,218	Y	One-time
Sewer Impact	Sewer	Inlet Park Lift station upgrade		\$300,000	Y	One-time
Sewer Impact	Sewer	Inlet Park Outfall upsize phase I		\$1,399,000	Y	One-time
Sewer Impact	Sewer	Inlet Park Outfall upsize phase II		\$1,445,782	Y	One-time
Secondary Impact	Water	Zone 1 North Source and Storage		\$2,886,000	Y	One-time
Secondary Impact	Water	Zone 1 North Transmission Line along 400 N		\$1,481,000	Y	One-time
Water Rights	Water Rights	Purchase of Water Rights		\$600,000	Y	On going



2014-2015 Budget Amendment Supplemental #1 - Council Approved September 16, 2014						
G/L Account	Department	Description	Current FY 2015 Budget	New Budget Amount	Increase (Decrease)	Notes/Comments
General Fund						
Revenues						
10-3310-100	Intergovernmental Revenue	Grants	(200,000)	(212,000)	(12,000)	Library Received 2 grants for young adult books and library programs
10-3680-255	Other Revenue	Police Service Contract - Bluffdale	(895,000)	(859,193)	35,807	Revenue per contract signed June 10, 2014
10-3310-100	Intergovernmental Revenue	Grants	(200,000)	(213,682)	(13,682)	Guiding Good Choices Interlocal Agreement
Expenditures						
10-4610-400	Library Services	Book Purchases	17,000	27,000	10,000	Library Received 2 grants for young adult books and library programs
10-4610-500	Library Services	Library Programs	2,800	4,800	2,000	Library Received 2 grants for young adult books and library programs
10-4570-560	Civic Events	Communities That Care	7,000	20,682	13,682	Guiding Good Choices Interlocal Agreement
Culinary Water Impact Fund						
Expenditures						
56-4000-600	Capital Project Expenditures	Culinary Water Master Plans	25,391	43,191	17,800	Per contract with Hansen, Allen and Luce
Secondary Water Impact Fund						
Expenditures						



57-4000-600	Capital Project Expenditures	Secondary Water Master Plans	1,083	17,008	15,925	Per contract with Hansen, Allen and Luce
					69,532	
2014-2015 Budget Amendment Supplemental #2 - Council Approved October 21, 2014						
G/L Account	Department	Description	Current FY 2015 Budget	New Budget Amount	Increase (Decrease)	Notes/Comments
General Fund						
Expenditures						
10-4570-550	Civic Events	City Celebrations	15,500	23,029	7,529	revenue received last fiscal year over the \$15,000 match
10-4570-565	Civic Events	Literacy Program	514	849	335	donations received in FY2014
10-4610-700	Library	Capital Outlay	8,587	9,801	1,214	donations received in FY2014
10-4220-740	Fire Department	Fire Equipment /Supplies	39,650	84,650	45,000	SCBA's budgeted last fiscal year in an operating account, but not purchased due to getting NFPA, OSHA, and NIST approvals first
10-4220-202	Fire Department	Wiland Fire Expenses	-	97,300	97,300	Wiland Expenses/offset by income revenue (\$135K Billed)
10-4150-208	Non-Departmental	Software Maintainance Expense	37,609	44,009	6,400	City sourced fees and SSL security certification for external use
10-4150-510	Non-Departmental	General Liability Insurance	198,726	258,726	60,000	Insurance costs are higher than budgeted estimates
10-4140-310	Administration	Professional & Tech Auditor	22,400	25,400	3,000	Cost of Single Audit - requirement for Federal Grant Audits (NRCS Grant)
10-4450-340	Engineering	Office Equipment/Supplies	1,100	5,100	4,000	One time exp for survey equipment



10-4450-500	Engineering	Software Maintainance Expense	7,250	7,550	300	Ongoing Maintenance for Survey Equipment
<u>Parks Impact Fund</u>						
<u>Expenditures</u>						
32-4000-720	Capital Project Expenditures	South Marina	322	-	(322)	Project Complete - Defund
32-4000-721	Capital Project Expenditures	Marina Park Trailhead	1,519	-	(1,519)	Project Complete - Defund
32-4000-740	Capital Project Expenditures	Parks Capital Projects	476	-	(476)	Project Complete - Defund
<u>Capital Projects Fund</u>						
<u>Expenditures</u>						
35-4000-782	Capital Project Expenditures	City Hall Remodel	547	-	(547)	Project Complete - Defund
<u>Capital Projects Fund</u>						
<u>Expenditures</u>						
51-5100-792	Water Operations	Pond 6 Expansion	86,986	-	(86,986)	Project Complete - Defund
<u>Sewer Impact Fund</u>						
<u>Expenditures</u>						
53-4000-706	Capital Project Expenditures	Developer Reimbursement Payoff	800,000	855,500	55,500	For Developer Agreement Signed April 29th (Ironwood) - pd 9/30/14
53-4000-600	Capital Project Expenditures	Sewer Master Plans	-	6,500	6,500	Cost to complete contract
<u>Secondary Water Impact Fund</u>						



Expenditures						
57-4000-710	Capital Project Expenditures	Secondary Water Capital Projects	4,511	-	(4,511)	Project Complete - Defund
					192,717	
2014-2015 Budget Amendment Supplemental #3 - Council Approved December 2, 2014						
G/L Account	Department	Description	Current FY 2015 Budget	New Budget Amount	Increase (Decrease)	Notes/Comments
<u>Storm Drain - Capital Projects Fund</u>						
<u>Expenditures</u>						
new	Storm Drain Impact Fund	Sunrise Meadows Outfall	-	175,000	175,000	new project
31-4000-785	Storm Drain Impact Fund	Debris/De-tention Basin LME Engineering	339,000	100,000	(239,000)	project grant was not awarded adj for engineering to be completed
new	Storm Drain Impact Fund	City Center Outfall	-	250,000	250,000	new project
<u>Roads Capital Projects Fund</u>						
<u>Expenditures</u>						
33-4000-735	Roads Impact Fund	400 N Lane Addition 2nd West	200,737	-	(200,737)	project complete - defund
33-4000-736	Roads Impact Fund	Riverside Drive	2,639,547	3,300,000	660,453	Project estimated costs *Road Project funds will be adjusted once bids are awarded in Spring 2015
33-4000-738	Roads Impact Fund	Market Street	789,547	1,200,000	410,453	Project estimated costs *Road Project funds will be adjusted once bids are awarded in Spring 2015



33-4000-706	Roads Impact Fund	Roads Reimbursement	300,000	171,000	(129,000)	Defund \$129,000 Portion - Rindlesbach Settlement Agreement \$171,000 transfer to parks Benches 8 project
Capital Projects Fund						
Revenues						
35-3980-110	Capital Projects Fund	Developer Contributions	-	(350,000)	(350,000)	Lexon Bond Settlement Agreement for Benches 8 Park - approved 11/18/2014
35-3810-100	Capital Projects Fund	Transfer from Fund 33	-	(171,000)	(171,000)	Transfer from Fund 33 to Fund 35 to fund Benches 8 Park - Rindlesbach Settlement Agreement - approved 11/18/2014
35-3910-200	Capital Projects Fund	Developer Contributions		(2,500,000)	(2,500,000)	Developer Contributions for Riverside Drive & Market Street
Expenditures						
new	Capital Improvements Fund	Benches 8 Park	-	608,000	608,000	Project Estimate for Benches 8 Park - Additional revenue from developer contribution
35-4000-736	Capital Improvements Fund	Riverside Drive		1,000,000	1,000,000	Project estimated costs *Project funds will be adjusted once bids are awarded in Spring 2015
35-4000-738	Capital Improvements Fund	Market Street		1,500,000	1,500,000	Project estimated costs *Project funds will be adjusted once bids are awarded in Spring 2015



<u>Wastewater Capital Projects Fund</u>						
<u>Expenditures</u>						
53-4000-600	Wastewater Impact Fees	Sewer Master Plans	4,538	-	(4,538)	project complete - defund
53-4000-791	Wastewater Impact Fees	Gravity Sewer Outfall to TSSD engineering	59,076	-	(59,076)	defund - engineering complete
<u>Culinary Water Capital Projects</u>						
<u>Expenditures</u>						
56-4000-695	Culinary Water Impact	RR 18 inch water line	50,000	-	(50,000)	combined with below project
56-4000-719	Culinary Water Impact	Culinary Waterline 18 inch in RR	650,000	700,000	50,000	Combined with above project
56-4000-710	Culinary Water Impact	Rate Study	-	12,200	12,200	Rate studies
					962,754	
2014-2015 Budget Amendment Supplemental #4 - Council Approved January 20, 2015						
G/L Account	Department	Description	Current FY 2015 Budget	New Budget Amount	Increase (Decrease)	Notes/Comments
<u>General Fund</u>						
<u>Expenditures</u>						
10-4180-310	General Fund	Prof & Tec - Planning Commission	8,650	-	(8,650)	Planning commission now being paid for out of payroll
10-4180-110	General Fund	Salaries and Wages	229,877	238,527	8,650	Planning commission now being paid for out of payroll
10-4140-330	General Fund	Administration Education and Training	6,200	8,500	2,300	adjust to cover existing training costs



10-4150-208	General Fund	Software Maintenance Expense	44,009	48,509	4,500	Setup of electronic pay vouchers and fees for this year
10-4150-350	General Fund	Consulting Services	-	15,000	15,000	Professional Services Contract
10-4150-330	General Fund	Education and Training	-	4,000	4,000	Annual Retreat
10-4150-180	General Fund	Employee and Volunteer Appreciation	1,500	5,500	4,000	recognition of employees and volunteers
10-4160-283	General Fund	Utilities - Telephone	85,232	85,500	268	Hotspots for Civic Events cell phones
10-4220-253	General Fund	Fire Vehicle Repairs	16,500	22,500	6,000	One time adjustment for vehicle repairs
10-4240-110	General Fund	Building Inspection-Salaries and Wages	346,863	308,213	(38,650)	Defund 1/2 building inspector for FY2015
10-4420-330	General Fund	Public Works Education and Training	3,000	6,000	3,000	Training Budget for Public Works Director
10-4570-600	General Fund	City Wide Events	20,000	20,800	800	Donations for civic events production of the Messiah
10-4450-140	General Fund	Engineering Uniforms and Clothing	1,630	500	(1,130)	move budget to public improvements
10-4470-140	General Fund	Public Improvements Uniforms & Clothing	-	1,130	1,130	move budget to public improvements
10-4450-134	General Fund	Engineering overtime	3,713	-	(3,713)	move budget to public improvements
10-4470-134	General Fund	Public Improvements overtime	-	3,713	3,713	move budget to public improvements
10-4450-252	General Fund	Engineering vehicle maintenance	7,500	3,500	(4,000)	move budget to public improvements
10-4470-252	General Fund	Public Improvements vehicle maintenance	1,500	5,500	4,000	move budget to public improvements



Expenditures						
54-5400-700	Storm Drain Operations	Capital Outlay	47,735	-	(47,735)	defund
					(103,963)	
2014-2015 Budget Amendment Supplemental #5 - Council Approved March 17, 2015						
G/L Account	Department	Description	Current FY 2015 Budget	New Budget Amount	Increase (Decrease)	Notes/Comments
General Fund						
Expenditures						
10-4610-400	Library	Book Purchases	27,000	28,500	1,500	received 2 grants (\$1000 from Target, \$500 from State of Utah)
10-4150-510	Non-Departmental	General Liability Insurance	258,726	318,726	60,000	workers compensation premium higher than budget
Parks - Capital Projects Fund						
Expenditures						
32-4000-686	Parks	Shoreline Wetland Study	17,136	19,700	2,564	increased cost for study
Storm Drain Impact Fund						
Expenditures						
31-4000-659	Storm Drain	City Center Outfall	250,000	490,000	240,000	Bid over budget covered by fund balance
Water Fund						
Expenditures						
51-5105-936	Water Operations	Secondary Residential Meters	1,816,625	2,473,226	656,601	Cost of meters covered by bond revenue
					960,665	



2014-2015 Budget Amendment Supplemental #6 - May 19, 2015						
G/L Account	Department	Description	Current FY 2015 Budget	New Budget Amount	Increase (Decrease)	Notes/Comments
General Fund						
Expenditures						
10-4610-400	Library	Book Purchases	28,500	34,325	5,825	received CLEF grant \$5,825
					5,825	

2014-2015 Budget Amendment Supplemental #7 - June 16, 2015						
G/L Account	Department	Description	Current FY 2015 Budget	New Budget Amount	Increase (Decrease)	Notes/Comments
General Fund						
Expenditures						
10-4147-500	Justice Court	State Justice Court Fees Paid	95,000	112,000	17,000	State court fees based on type and number of cases the court does
10-4160-530	General Gov Bldg and Grounds	Greenbelt Property Tax	-	3,000	3,000	Property Tax transfer
10-4570-550	Civic Events	City Celebrations	23,029	25,029	2,000	revenue above city match
10-4570-600	Civic Events	Other City Wide Events	20,800	23,800	3,000	revenue above city match
Parks - Capital Projects Fund						
Expenditures						
32-4000-689	Parks Impact Fund	HH Detention Basin Trail	32,365	32,828	463	project over budget
32-4000-691	Parks Impact Fund	Harvest Hills Regional Park	97,328	106,578	9,250	project over budget
32-4000-692	Parks Impact Fund	HH Plat A Native Park	65,344	65,516	172	project over budget
32-4000-693	Parks Impact Fund	Shay Park	2,000,000	2,760,000	760,000	Estimated costs
new code	Parks Impact Fund	Sports Complex Design	-	200,000	200,000	Design for the Sports Complex



<u>Road Impact Fund</u>						
<u>Expenditures</u>						
new code	Road Impact Fund	800 West Signal	-	300,000	300,000	Signal for 800 West - funded with Road Impact Fund Balance
33-4000-749	Road Impact Fund	Pioneer Crossing Betterments	726,100	790,110	64,010	Change orders, additional waterline, upsizing electrical boxes, and new signs for 800 W
<u>Capital Fund</u>						
<u>Expenditures</u>						
35-4000-683	Capital Fund	Telephone System	-	34,701	34,701	Telephone System
35-4000-670	Capital Fund	Loch Lomond Crosswalk	10,000	18,000	8,000	Project estimated cost
<u>Water Fund</u>						
<u>Expenditures</u>						
51-5500-100	Water Operations	Depreciation	-	850,000	850,000	BOOK ENTRY ONLY for Budget
<u>Sewer Fund</u>						
<u>Expenditures</u>						
52-5500-100	Sewer Operations	Depreciation	-	610,000	610,000	BOOK ENTRY ONLY for Budget
<u>Sewer Impact Fund</u>						
<u>Expenditures</u>						
53-5500-100	Sewer Impact	Depreciation	-	115,000	115,000	BOOK ENTRY ONLY for Budget
<u>Storm Drain Fund</u>						
<u>Expenditures</u>						
54-5500-100	Storm Drain Operating	Depreciation	-	410,000	410,000	BOOK ENTRY ONLY for Budget



<u>Garbage Utility</u>						
<u>Expenditures</u>						
55-4010-300	Garbage Operations	Sanitation	704,351	775,351	71,000	Using fund balance to purchase more recycle cans for new residences
<u>Culinary Water Impact</u>						
<u>Expenditures</u>						
56-5500-100	Culinary Water Impact	Depreciation	-	1,050,000	1,050,000	BOOK ENTRY ONLY for Budget
<u>Secondary Water Impact</u>						
<u>Expenditures</u>						
57-5500-100	Secondary Water Impact	Depreciation	-	250,000	250,000	BOOK ENTRY ONLY for Budget
					4,757,595	



PURPOSE

As part of an ongoing effort to enhance transparency and to provide timely analytical tools for decision making the City has added this Market and Fiscal Health Analysis Section¹ to the budget document. This section includes a series of health indicators and trend analysis that the City should continue monitor as the community grows. The analytics should be used in the decision making process to help insure the fiscal sustainability of the City. As part of a “best practice measurement” ICMA (The International City Management Association) has recommend and identified trends that Cities should be monitoring as part of the City’s overall fiscal health. These measures are longitudinal in nature and provide for a series of trends to be observed and monitored as communities plan for future growth and contemplate service delivery alternatives. Due to the increased availability of data and technology the City is incorporating these measures and an additional tool for communicating fiscal health and monitoring trends.

The process for using quantitative data begins with collecting the data. Much of the fiscal, demographic, and economic data is readily available through city and state reports. For example, revenue and expenditure data for the City are found through the Utah State Auditor’s website.

Another trend in municipal government is the use of performance and financial benchmarks. These benchmarks can be set locally, regionally, or on the state or federal level. Analysts can use these benchmarks to compare the city’s current conditions and practices to optimal conditions and best practices of other municipalities and agencies.

After the data is compiled, then city staff can analyze it. There are three steps in analyzing data:

1. Identify trends and causes
2. Calculate the risks
3. Analyze the options

In reviewing the data, it is important to ask three questions: For illustrative purposes this section contains possible responses to the questions posed.

1. Why is it happening? (Attempt to identify the cause or causes of the trend)
2. Is it important? (Assess the significance of the trend or issue)
3. What can be done? (Devise an action strategy if necessary or controllable)

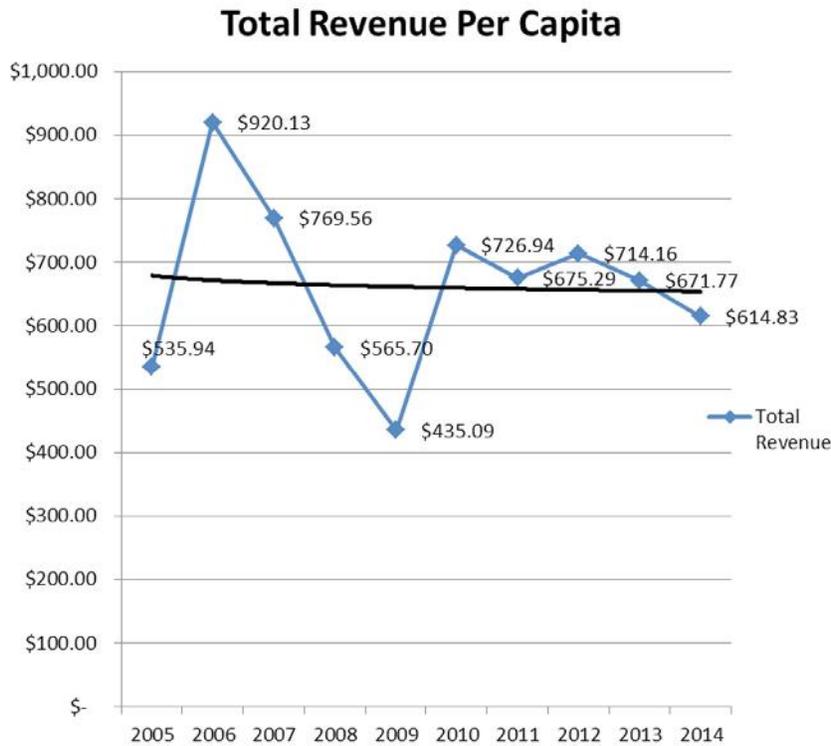
The following data trends come from the ICMA Municipal Financial Indicators Evaluation Kit. City staff has provided additional data trends and evaluations beyond the suggestions of the ICMA that meet the needs of the City. This section of the budget is Staff’s first attempt to bring this analysis and discussion to the policy discussion. Future years will bring additional analysis and trends to this section of the Budget.

¹ International City/County Management Association. (2003). *The Municipal Financial Indicators Evaluation Kit*. Washington, D.C.: ICMA.



METRICS

Trend Indicator:
The City is experiencing periods of decreasing revenues per capita.



Source: Office of Utah State Auditor. Local Government Records, UT Census Form. FY 2005-2014

1. Why is it happening?

There are several possible explanations for this trend:

- Significant increase in population
- Revenues not growing at the same rate as the population
- New growth revenues having a delay before the City realizes the revenues
- High population growth rates relative to the rest of the State

2. Is it important?

In FY 2008, the downward trend was not due to a significant increase in population. It was caused by a significant decrease in revenues attributed to the Great Recession.

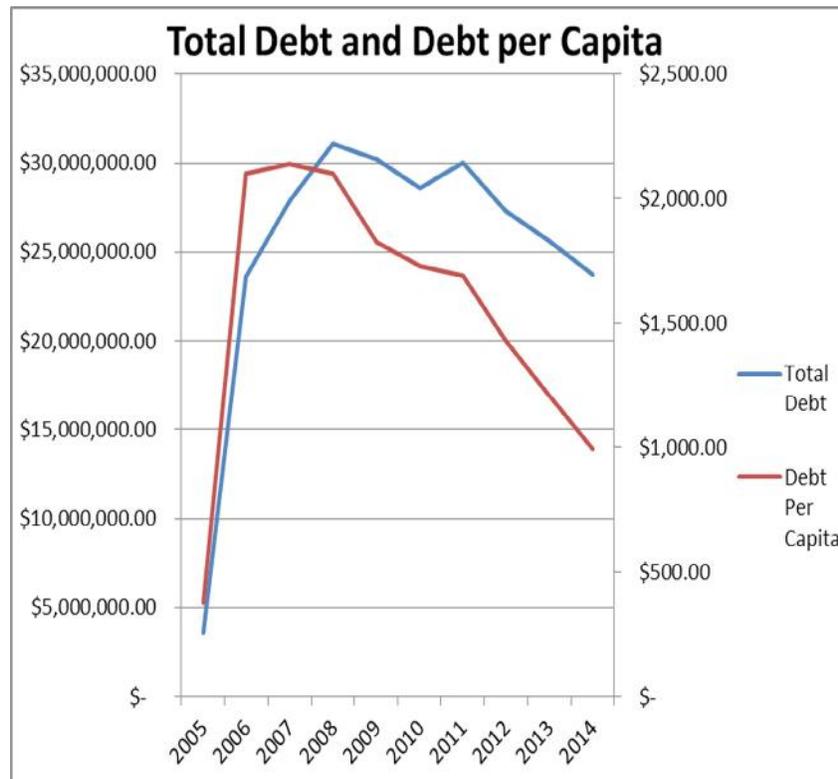
In FY 2012-2014, the decrease in revenue per capita was most likely caused by the significant increase in population due to the census population update and the City experiencing a recover to its growth subsequent to the recession. In FY 2010, the population was identified as 17,600. In FY 2014, the population was estimated at 23,844. This is an approximate 35 percent increase in population over four years. In this situation, population grew faster than revenues for a multitude of factors including delays in revenues from property, sales, and other taxes that are distributed by population distribution methodologies.



3. What can be done?

This metric should be monitored continually. If long term revenue growth does not match population growth, then there are three options for continued funding sustainability: increase in taxes, new revenue streams, or an increase in fees and/or utility rates.

Trend Indicator:
The City is experiencing decreasing debt per capita.



Source: City of Saratoga Springs Utah Annual Budget Report. FY 2005 – 2014.

1. Why is it happening?

There are two possible reasons why this may be happening:

- Population is increasing
- There has been a conservative issuance of debt.

2. Is it important?

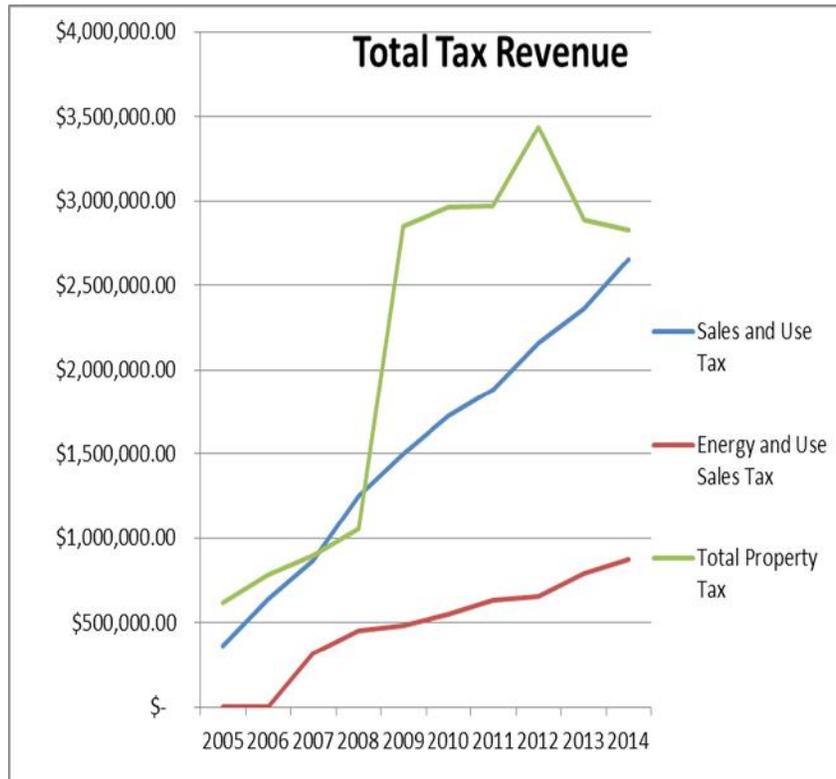
The theory and practice of debt issuance in city government is a multifaceted issue depending on the types of debt and the needs associated with that debt. In all cases the City should be conservative in issuing debt and have adequate funding sources to secure the debt. Other factors to observe in this trend include if the population is increasing or decreasing and what is a sustainable debt practice for the City. According to the graph, the amount of debt fluctuates equally with the debt per capita, which indicates that the debt per capita is decreasing due to a conservative issuance of debt as the population continues to increase.

3. What can be done?

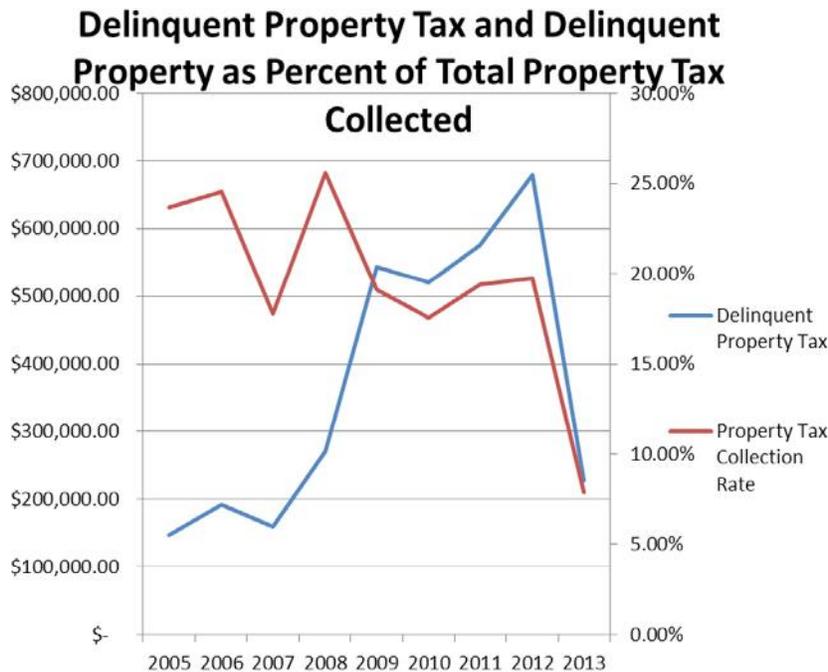
Since the graph represents a positive trend, there is little to be done other than continue to monitor the situation and conservatively issue debt as necessary for the City. Currently the City has a good bond rating for the City as discussed in previous sections of the budget.



Trend Indicators:
The City is experiencing periods of decreasing property tax revenues.



Source: Office of Utah State Auditor. Local Government Records, UT Census Form. FY 2005-2014



Source: Office of Utah State Auditor. Local Government Records, UT Census Form. FY 2005-2014



1. Why is it happening?

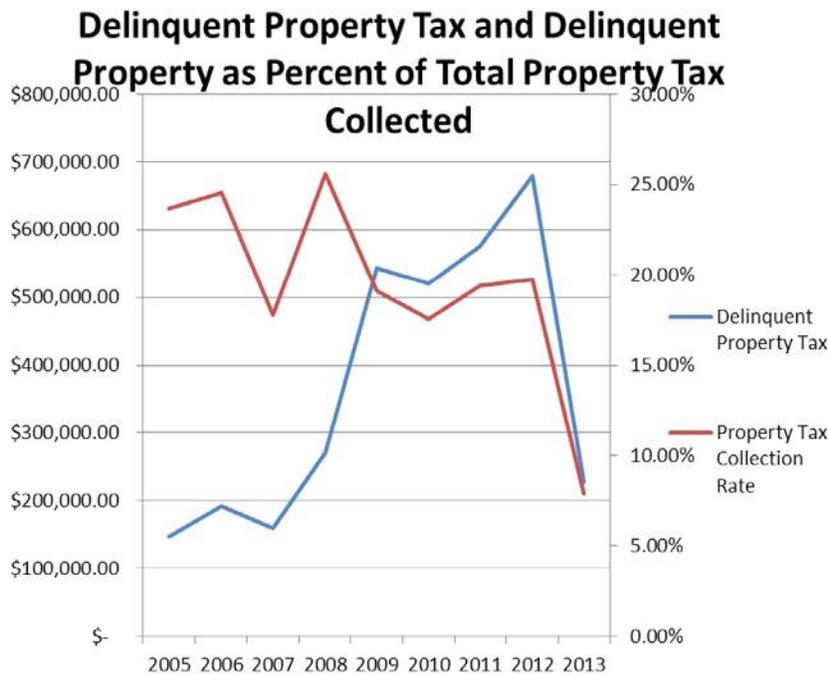
The only decrease in revenue occurred in property tax delinquency recovery. The property tax rate is set so that revenues remain neutral. In this case the amount of delinquent taxes are decreasing which is a positive trend indicating that less delinquencies are occurring post-recession. A minimum amount is collected each year. Anything collected above that amount is new growth. Though the property tax rate decreased from 2013 to 2014, the drop in collected amount is most likely due to a lack of new growth. Further analysis reveals that the drop in property tax was most likely due to a decrease in delinquent property taxes collected.

2. Is it important?

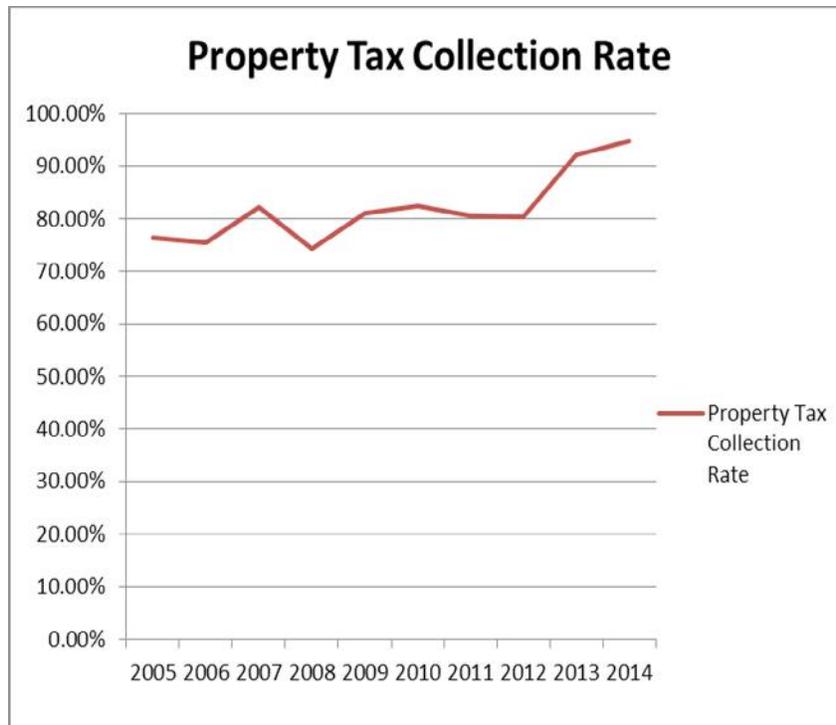
Based on the analysis, this trend is not important due to natural fluctuations in delinquent property collections.

3. What can be done?

The City staff should continue to monitor the revenue, delinquent tax, and delinquent tax percent trend lines. As discussed previously, a drop in delinquent property tax collected may cause a drop in revenues.



Source: Office of Utah State Auditor. Local Government Records, UT Census Form. FY 2005-2014



Source: Office of Utah State Auditor. Local Government Records, UT Census Form. FY 2005-2014

1. Why is it happening?

The decrease in delinquent tax collections and rates is most likely the recovery from the 2008 economic recession. As noted in the graphs, since 2012 the amount of delinquent taxes has decreased which means that residents are beginning to pay their delinquent taxes.

2. Is it important?

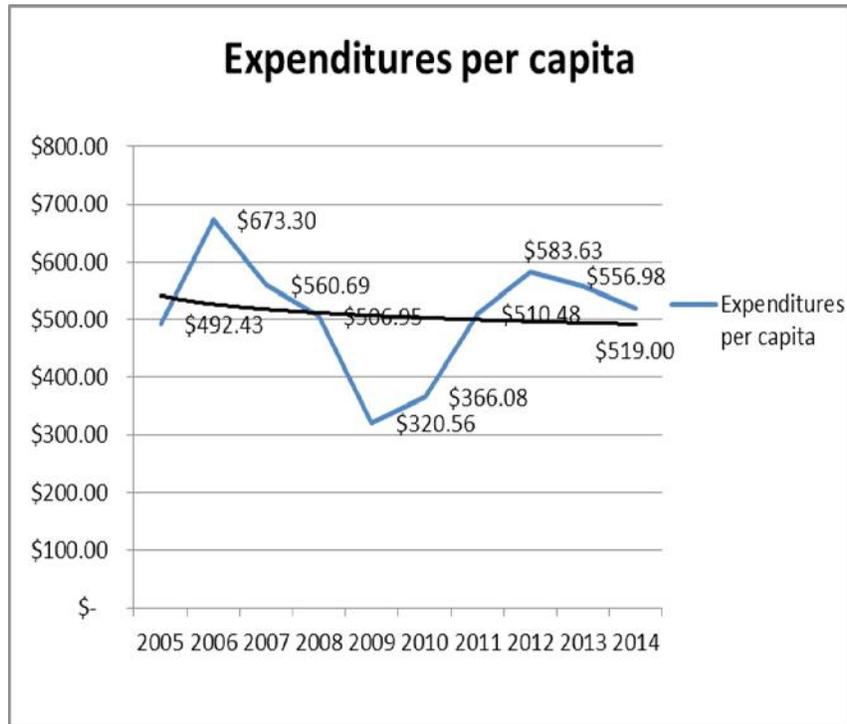
If this trend continues, this will be a significant trend. A decrease in property tax delinquency indicates a healthier economic status of the residents, which may translate into greater economic growth for the city.

3. What can be done?

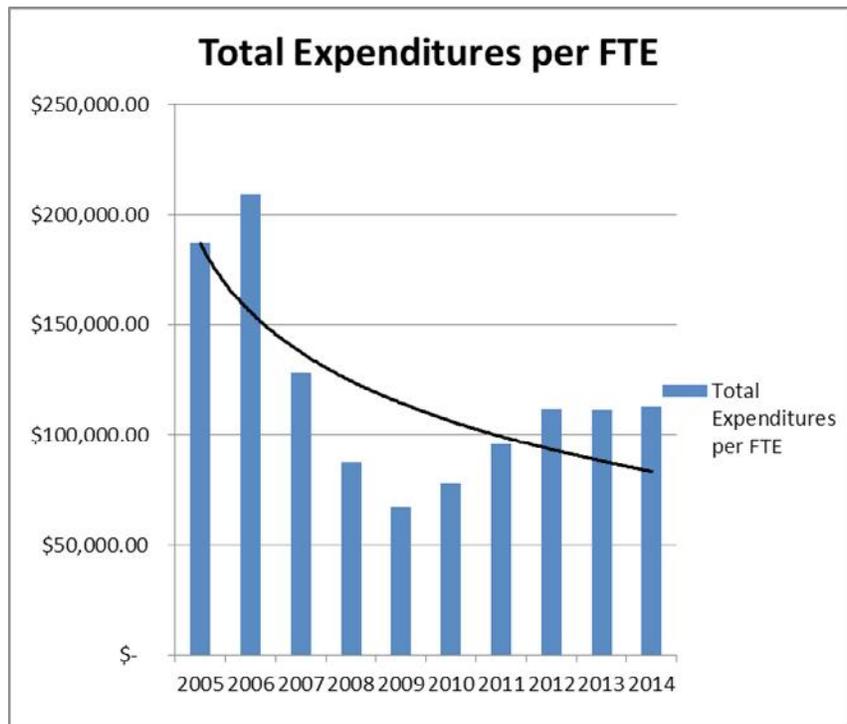
Delinquent taxes should be monitored to see if the downward trend continues. If delinquent taxes continue to be a problem, the City can look at its collection policies and tax rates for adjustments.



Trend Indicators:
The City is experiencing an overall decrease a relatively flat trend in net operating expenditures per capita.



Source: Office of Utah State Auditor. Local Government Records, UT Census Form. FY 2005-2014



Source: City of Saratoga Springs. FY 2005 – 2014 Budget Document



1. Why is it happening?

Since this graph is based on population, the most likely cause of the fluctuations is due to uneven growth in expenditures compared to growth in population. For example, one year population may have grown quickly while expenditures grew more slowly, resulting in a lower trend. The next year the expenditures may grow more quickly than the population resulting in an upward trend. A more accurate representation is the second graph which shows the expenditures per FTE employee. As noted, expenditures per employee is decreasing which denotes an increase in efficiency.

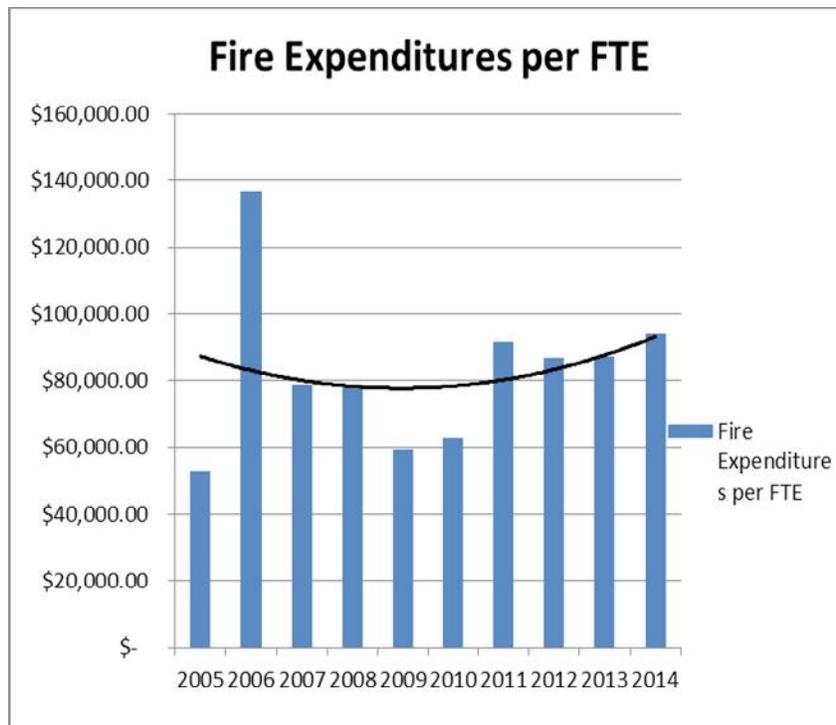
2. Is it important?

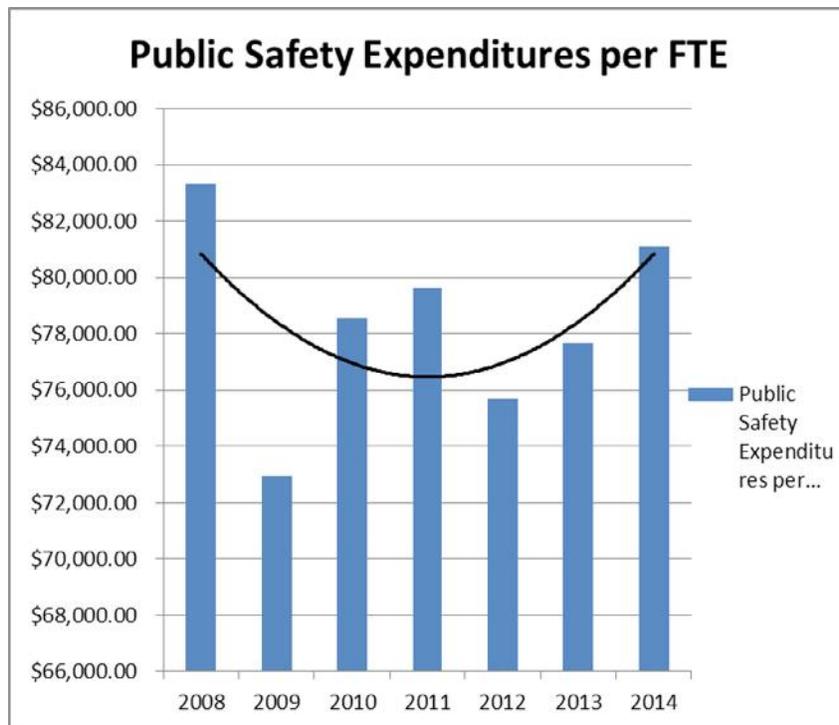
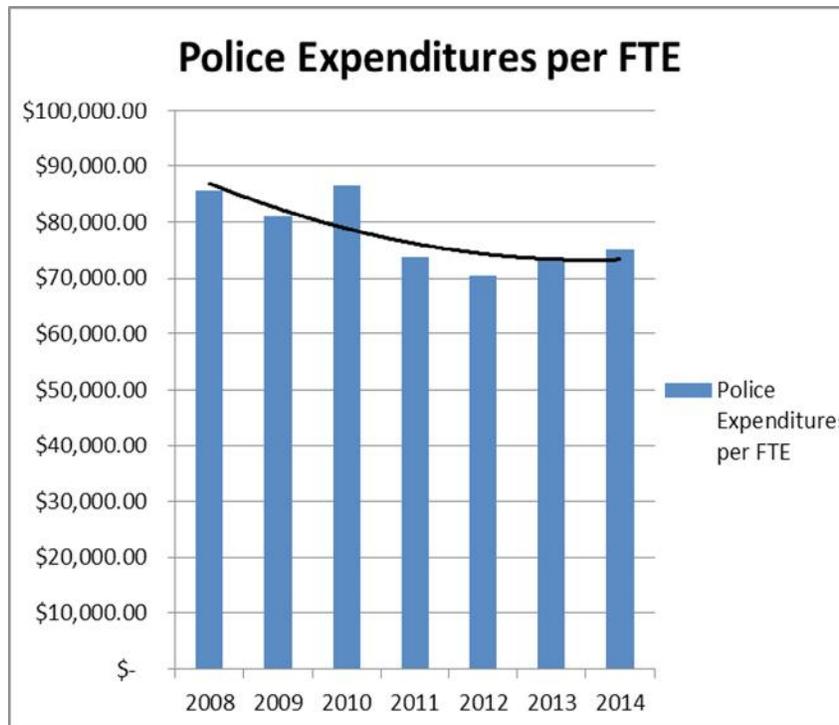
It is incredibly important. However, it is difficult to determine whether or not the levels of expenditures are normal compared to other cities. In order to determine if this is a cautionary trend, the City needs to set benchmarks as to the proper amount of expenditures per capita relative to this community, to the number of FTE's, and the outcomes expected by the residents.

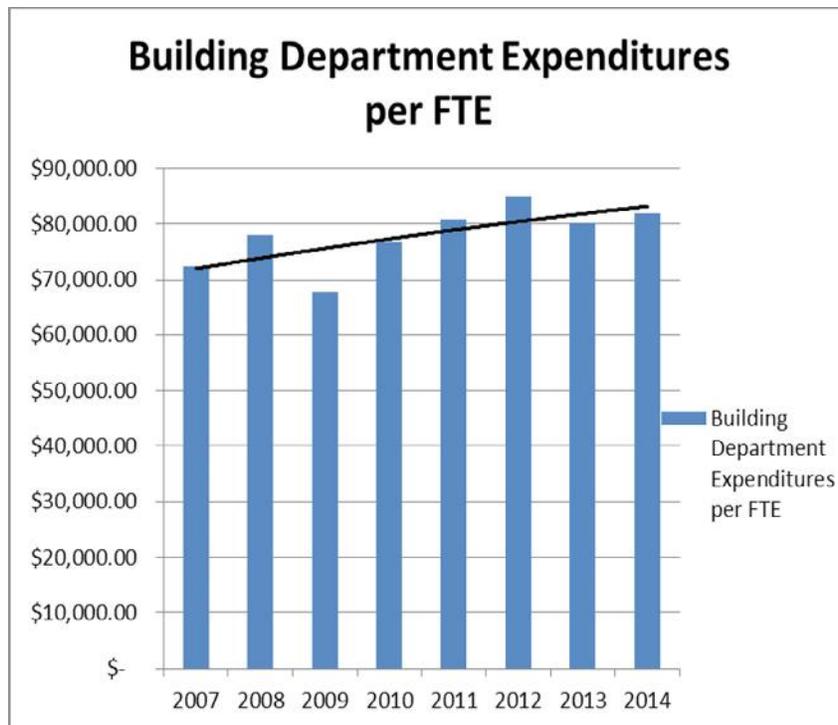
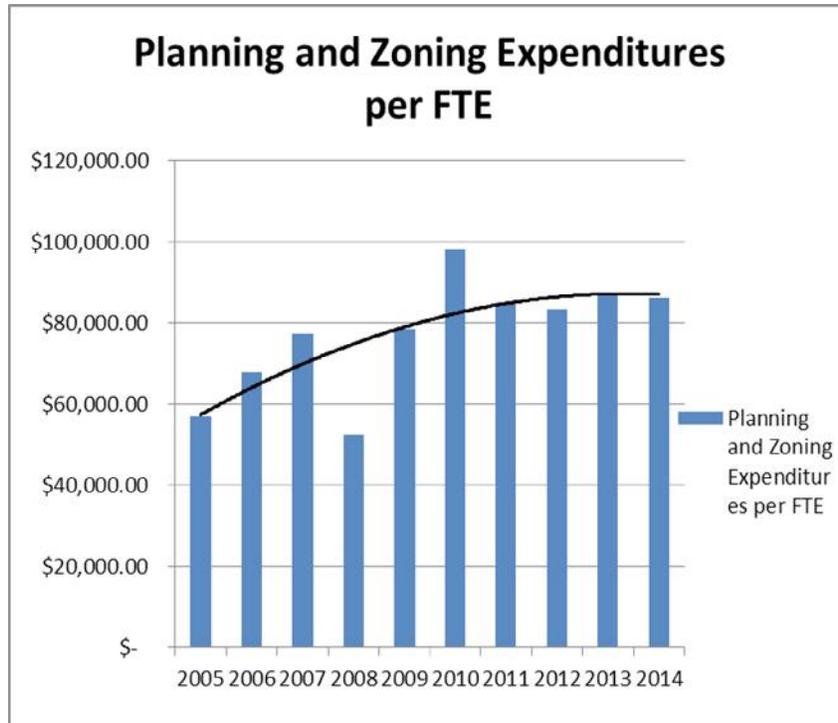
3. What can be done?

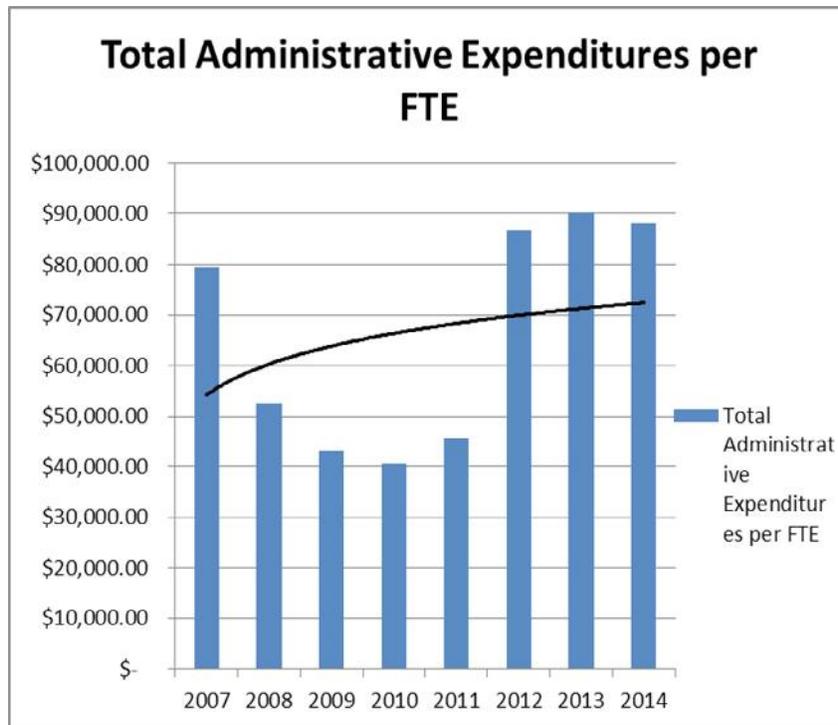
As previously stated, the City may need to set benchmarks for appropriate expenditures per capita. The City should also continue to focus on population growth as a way to mitigate rising expenditures, since expenditures should rise with population growth.

Trend Indicators:
The City is experiencing an overall decrease in net operating expenditures per capita. Expenditures per FTE per Department

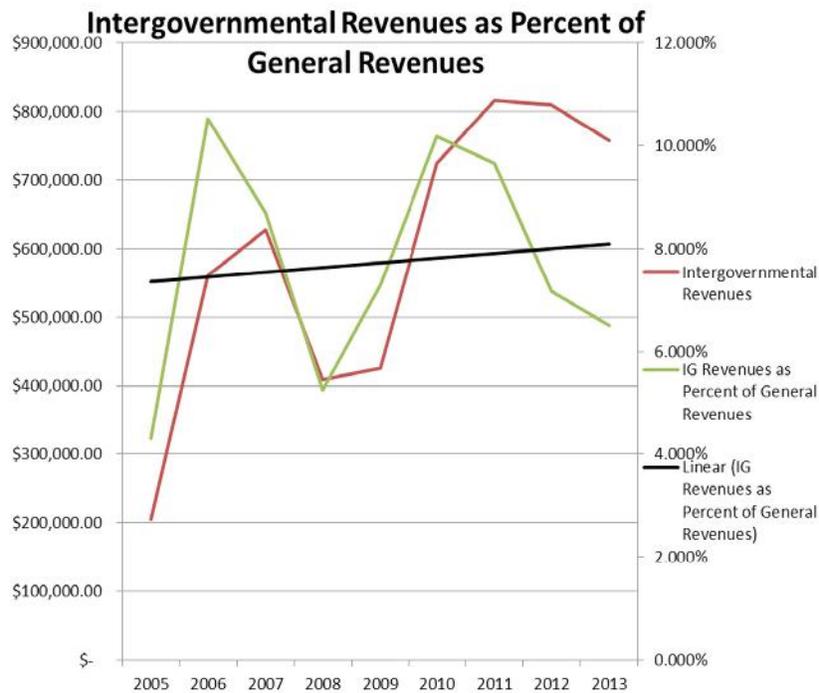








Trend Indicators:
The City is experiencing increasing intergovernmental revenues as a percent of general revenues.



Source: Office of Utah State Auditor. Local Government Records, UT Census Form. FY 2005-2013

**1. Why is it happening?**

The City is receiving an increasing amount of intergovernmental revenues from various grants. These grants are similar to funds that many cities receive within the state.

2. Is it important?

The intergovernmental revenues have remained below ten percent of the general fund revenues. However, the city is using state monies to fund daily operations and not solely for capital projects. Though the percentage is small, this can be dangerous if the state experiences a decrease in revenues and has to reduce the amount of aid to municipalities.

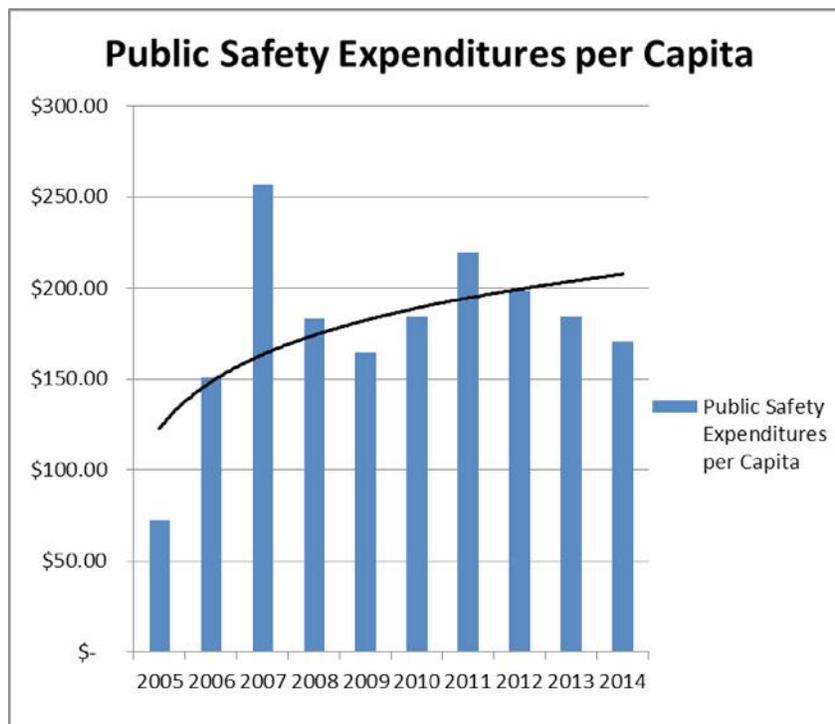
3. What can be done?

The following are suggestions for this trend:

- Create a contingency plan for alternative funding sources
- Begin matching intergovernmental funds with revenues

Trend Indicators:

The City is experiencing increasing public safety expenditures per capita.



Source: *City of Saratoga Springs Utah Budget Report. FY 2005 – 2014*

1. Why is it happening?

Public safety expenditures are increasing faster than the population is increasing. This may be due to an increase in personnel, an increase in workload and hours worked, or a decrease in population. Since the population is not decreasing, this trend may suggest an increase in personnel costs or an increase in workload for each officer.

2. Is it important?

If the expenditures per capita are lower than comparable benchmarks, then it would seem appropriate



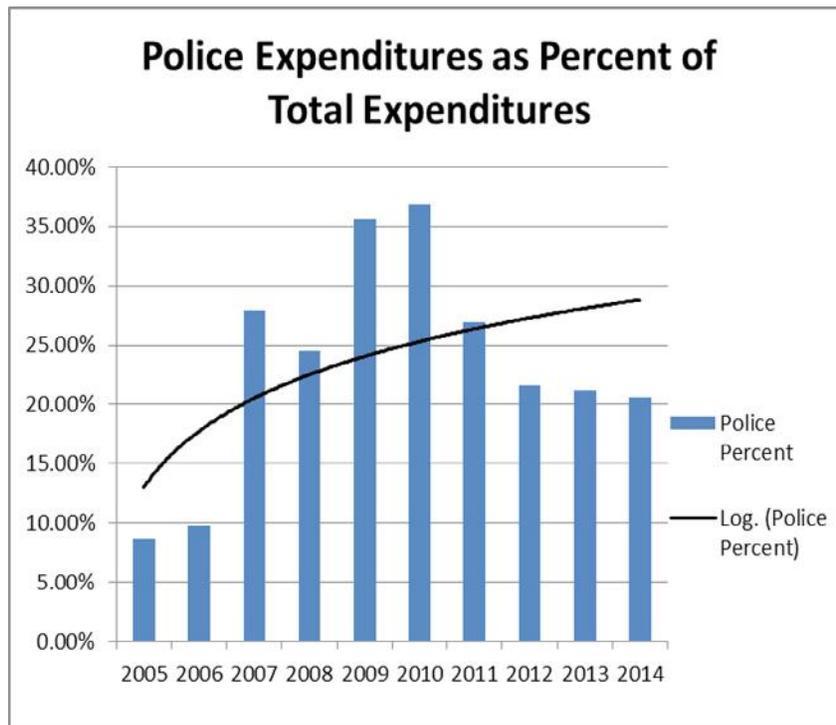
that the expenditures should increase in order to match the benchmarks. However, if the expenditures continue to increase beyond the benchmarks, then it is possible that the City could be spending too much per person on public safety.

3. What can be done?

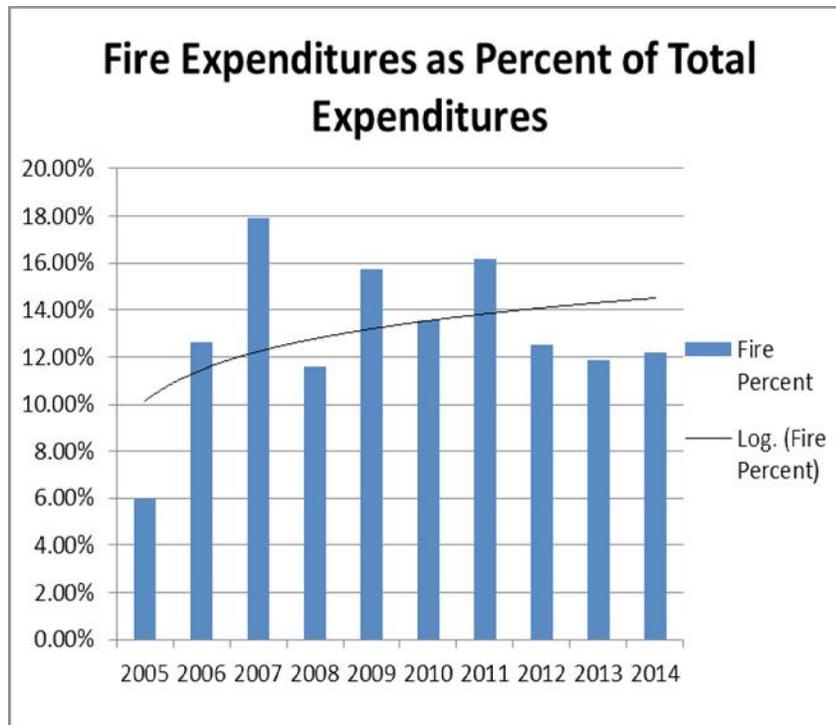
There are several possible options:

- Re-evaluate the public safety expenditures for efficient use of funds
- Compare expenditures per capita to other cities using benchmarks

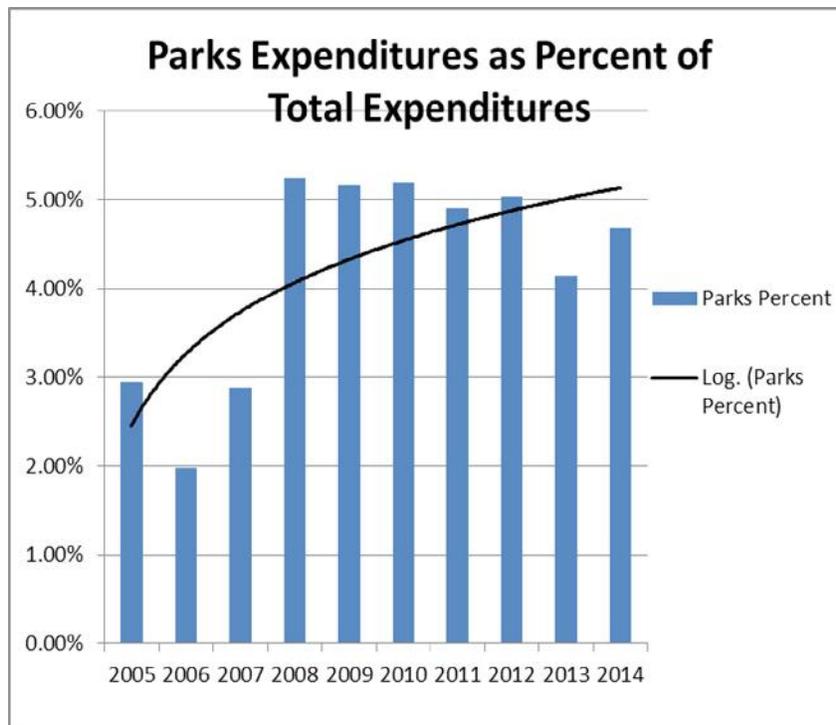
Trend Indicators:
The City is experiencing increasing expenditures for one function as a percentage of total net operating expenses.



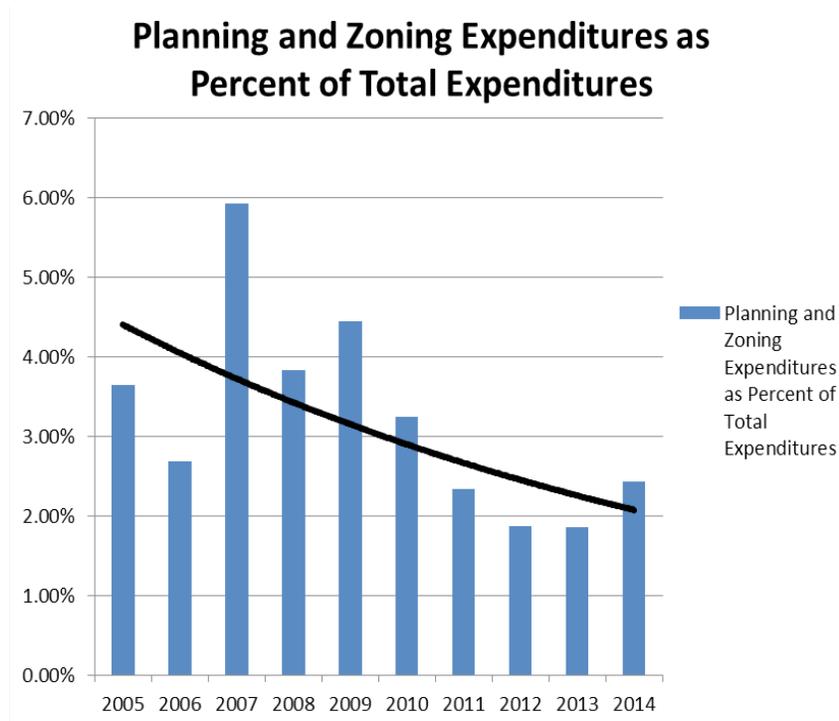
Source: City of Saratoga Springs Utah Budget Report. FY 2005 - 2014



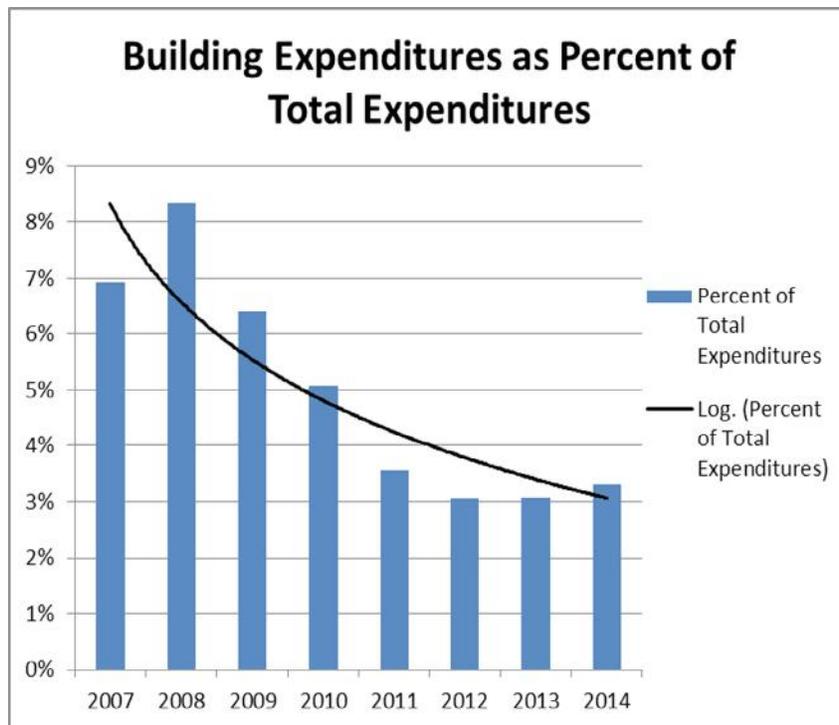
Source: City of Saratoga Springs Utah Budget Report. FY 2005 - 2014



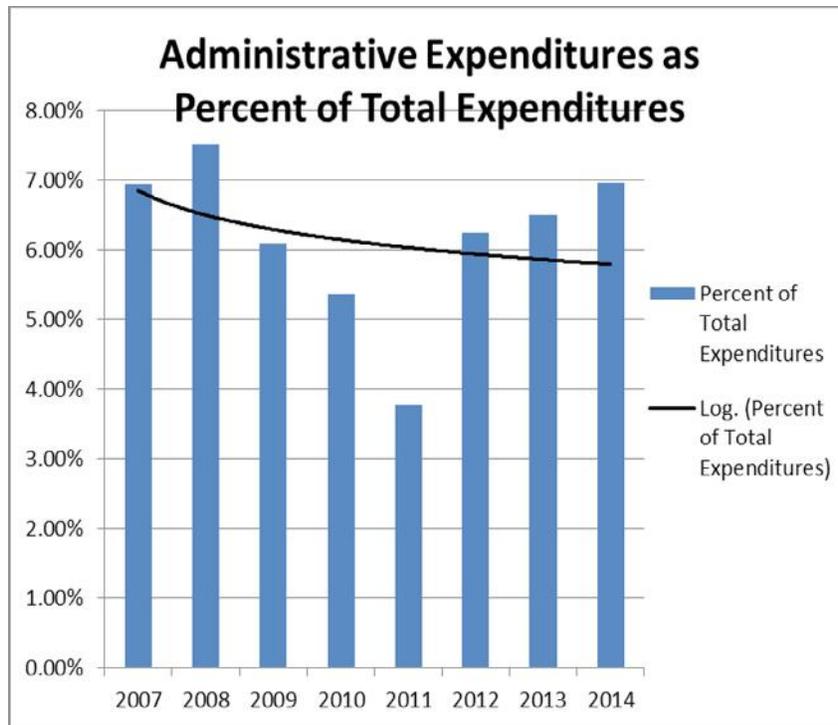
Source: City of Saratoga Springs Utah Budget Report. FY 2005 - 2014



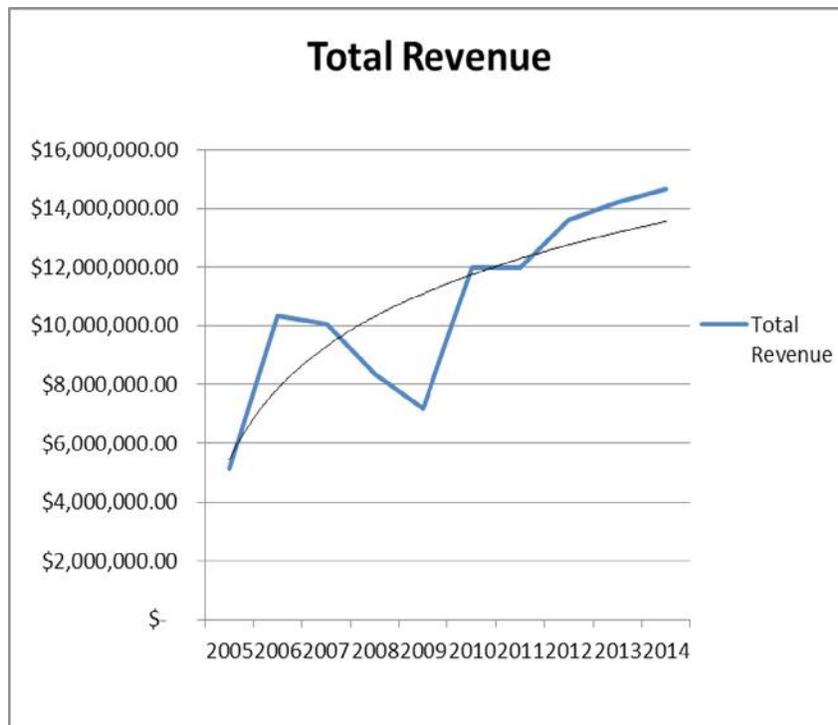
Source: City of Saratoga Springs Utah Budget Report. FY 2005 - 2014



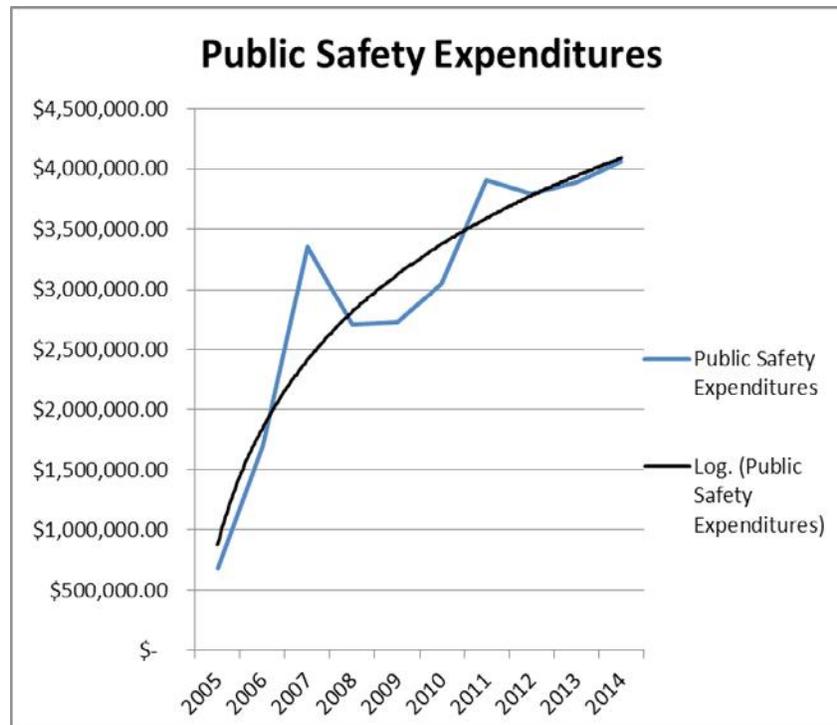
Source: City of Saratoga Springs Utah Budget Report. FY 2005 - 2014



Source: City of Saratoga Springs Utah Budget Report. FY 2005 - 2014



Source: City of Saratoga Springs Utah Budget Report. FY 2005 - 2014



Source: City of Saratoga Springs Utah Budget Report. FY 2005 - 2014

1. Why is it happening?

According to the graphs, the public safety expenditures (fire and police) are taking an increasing amount of the general fund expenditures. The increase in public safety expenditures is due to the increase in personnel and operating expenditures. Similar to previous analyses, the increase in expenditures may be due to an increase in workload or an increase in personnel.

2. Is it important?

This is a very important trend. Revenues grew on average \$530,000 each year for the past five years. Public safety expenditures increased \$202,000 per year on average for the past five years. That is 38.1% as fast as revenues. For comparison, planning and zoning expenditures increased \$20,000 per year on average for the past five years, or about 3.8% as fast as revenues.

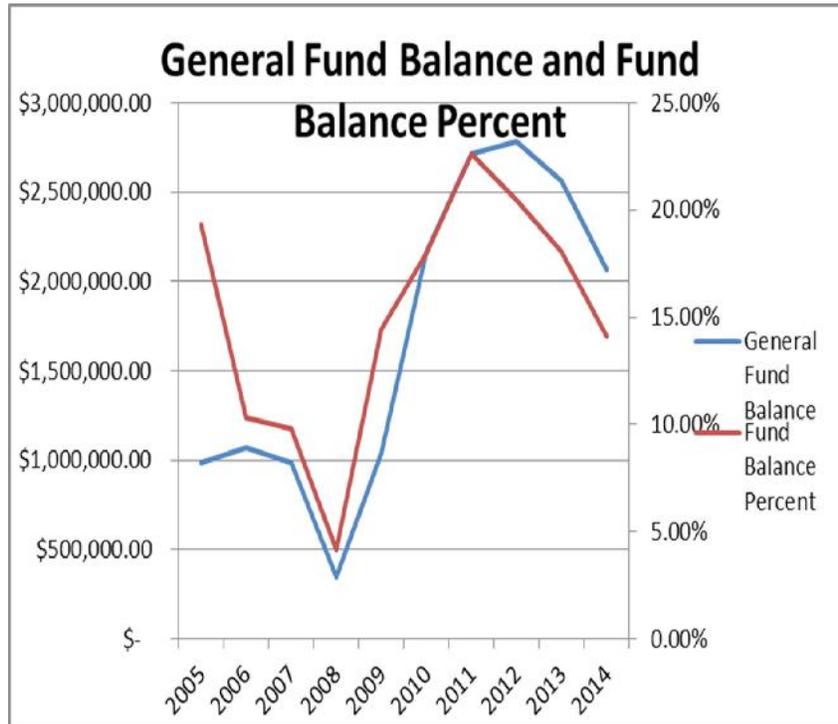
It is important to point out in the analysis that public safety employees, due to benefits, equipment, and insurance are typically more expensive than other employees. However, if public safety expenditures continue to grow at an increasing rate, expenditure growth could outstrip revenue growth, eventually resulting in deficits.

3. What can be done?

This trend may represent a particular policy choice of the elected officials and/or concerned citizens. Depending on the policy direction, the City could choose to contain the growth of public safety expenditures or continue to allow such growth. If the growth is allowed, the City may need to plan for it by identifying funding practices aimed directly at funding public safety.



Trend Indicators:
The City is experiencing an increasing fund balance.



Source: City of Saratoga Springs, Utah. Financial Statements FY 2005 – 2014.

1. Why is it happening?

The City has experienced extended periods of growth where revenues are more than expenditures. This trend is most likely due to the growth of the city’s residential and commercial areas.

2. Is it important?

This trend is important in that it is a good indicator of the economic growth and wealth of the City. Not only is the fund balance increasing, but the fund balance percent is increasing as well. This indicates that the amount of fund balance truly is increasing compared to the amount of expenditures.

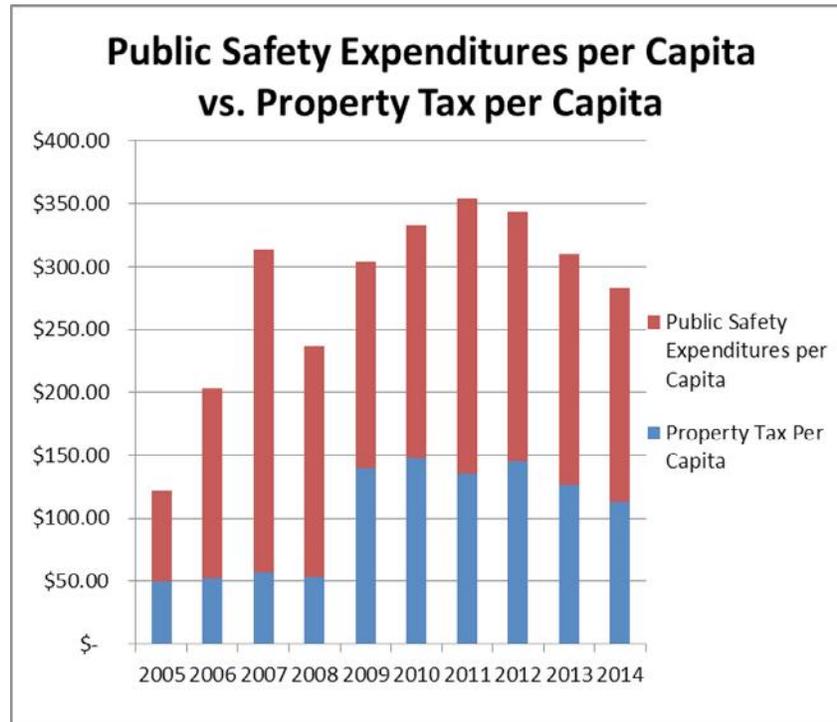
3. What can be done?

The City staff should continue to monitor this information and consider how to maintain the maximum percent of fund balance.



Trend Indicators:

The Public Safety (Fire and Police Departments) expenditures are consistently more than property tax revenues. City is experiencing an increasing fund balance.



Source: City of Saratoga Springs, Utah. Financial Statements FY 2005 – 2014.

1. Why is it happening?

Property tax is not able to cover all of the public safety (fire and police) expenditures. This may be due to increases in personnel costs and workloads or increases in other operating expenditures.

2. Is it important

This, in congruence with other analyses, shows that public safety (fire and police) is a large portion of the expenditures for the city. If these trends continue, the city may need to assess its ability to pay for public safety expenditures and to identify sustainable funding.

3. What can be done?

At this time, it is important for the City to evaluate the workload and personnel needs of the public safety departments in order to determine if workload is met with the proper amount of personnel and other expenditures. Additionally, the following are some of the options to increase property tax revenues if the City would like property tax to pay for public safety:

- Adjust property tax rates
- Reevaluate property values
- Encourage new commercial, residential, or industrial growth to expand tax base

In the future, if the trends hold, the City may need to identify additional funding sources.



		Pay Range		
		Low	High	High
Position	Department		FY 2014-15	FY 2015-16
Accounts Payable Manager	Administration	\$18.62	\$19.34	\$19.34
Administrative Assistant	Planning/Police/Public Works	\$15.18	\$19.14	\$19.14
Assistant City Manager	Administration	\$36.17	\$45.89	\$46.55
Assistant Civic Events Coordinator	Recreation	\$10.00	\$14.00	\$14.00
Assistant Public Works Director	Public Works	\$28.62	\$37.27	\$37.27
Assistant Recreation Coordinator	Recreation	\$12.00	\$12.00	\$12.00
Building Inspector II	Building	\$18.05	\$21.98	\$21.98
Building Inspector III	Building	\$21.67	\$27.78	\$28.45
Building Official	Building	\$24.62	\$33.73	\$33.73
City Attorney	Attorney	\$37.76	\$49.68	\$53.04
City Engineer	Engineering	\$29.56	\$40.08	\$40.12
City Management Intern	Administration	\$10.00	\$10.00	\$10.00
City Manager	Administration	\$41.33	\$60.68	\$60.68
City Prosecutor	Attorney	\$29.74	\$36.81	\$43.22
City Recorder	Recorder	\$25.23	\$28.64	\$32.99
Civic Events	Recreation	\$15.00	\$16.60	\$18.50
Code Enforcement	Police	\$14.52	\$17.87	\$19.96
Communities That Care Coordinator	Recreation	\$16.00	\$16.00	\$16.00
Corporal	Police	\$25.00	\$27.00	\$26.00
Court Clerk I	Court	\$13.23	\$14.78	\$14.90
Crossing Guard	Police	\$9.09	\$9.09	\$9.09
Crossing Guard Supervisor	Police	\$11.11	\$11.11	\$11.11
Deputy City Recorder	Recorder	\$12.00	\$16.00	\$19.12
Electrician	Public Works	\$21.85	\$28.29	\$28.29
Engineer in Training (EIT)	Engineering	\$18.70	\$19.28	\$21.11
Field Coordinator	Recreation	\$12.50	\$12.50	\$12.50
Finance Manager	Administration	\$34.08	\$41.31	\$44.89
Fire Captain	Fire	\$19.64	\$24.82	\$25.40
Fire Chief	Fire	\$33.44	\$41.44	\$42.82
Firefighter/Paramedic	Fire	\$14.70	\$16.92	\$16.93
Firefighter/AEMT	Fire	\$11.31	\$14.14	\$14.14
GIS Administrator	Engineering	\$20.06	\$25.68	\$25.68
GPS Data Collector	Engineering	\$17.93	\$19.80	\$20.98
Human Resources Specialist	Administration	\$21.63	\$33.76	\$30.83
Legal Intern	Attorney	\$15.00	\$15.00	\$15.00
Legal Secretary	Attorney	\$15.00	\$17.65	\$17.65
Library Clerk	Library	\$8.50	\$11.00	\$11.00



Library Director	Library	\$15.00	\$19.34	\$23.17
Parks Maintenance I	Parks	\$13.62	\$15.61	\$16.17
Parks Maintenance III	Parks	\$17.00	\$19.10	\$20.83
Parks Superintendent	Parks	\$21.90	\$28.05	\$30.17
Part-time Firefighter (AEMT)	Fire	\$11.00	\$14.13	\$14.13
Patrol Sergeant	Police	\$23.04	\$27.00	\$31.00
Payroll Clerk	Administration	\$13.25	\$15.60	\$16.05
Permit Tech	Building	\$14.07	\$18.22	\$18.58
Planner I	Planning			\$21.78
Planning Director	Planning	\$32.33	\$38.72	\$40.67
Plans Examiner	Building	\$20.05	\$25.06	\$25.06
Police Chief	Police	\$34.73	\$44.26	\$46.09
Police Officer I	Police	\$18.00	\$19.50	\$19.50
Police Officer II	Police	\$20.00	\$23.00	\$23.00
Police Officer III	Police	\$23.00	\$26.00	\$26.00
Public Relations/Economic Development Manager	Economic Development	\$22.36	\$29.52	\$32.17
Public Improvements Inspector	Public Works	\$18.50	\$22.32	\$23.10
Records Clerk	Police	\$13.44	\$16.53	\$16.97
Records & Asset Manager/Mgmt Analyst	Administration	\$21.06		\$25.19
Recreation Coordinator	Recreation	\$15.00	\$17.40	\$20.09
Referee	Recreation	\$10.00	\$10.00	\$10.00
Reserve Officer	Police	\$17.00	\$17.00	\$17.00
Seasonal Maintenance Workers	Public Works	\$10.00	\$11.00	\$11.00
Senior Court Clerk	Court	\$16.73	\$18.18	\$20.77
Senior Planner	Planning	\$20.58	\$25.50	\$25.50
Storm Drain & Streets Supervisor	Public Works	\$20.51	\$25.64	\$25.64
Treasurer	Administration	\$19.53	\$24.85	\$26.10
Utility Billing Clerk	Utility Billing	\$8.86	\$15.69	\$16.05
Utility Maintenance Worker I	Public Works	\$13.00	\$14.64	\$14.64
Utility Maintenance Worker II	Public Works	\$15.25	\$17.60	\$17.60
Utility Maintenance Worker IV	Public Works	\$18.05	\$22.54	\$22.54
Utility Maintenance Supervisor	Public Works	\$23.56	\$29.45	\$29.45
Utility Billing Supervisor	Utility Billing	\$17.11	\$21.52	\$21.52



CITY OF



IMAGINE SARATOGA SPRINGS



SARATOGA SPRINGS

Community Strategic Plan
of the City of Saratoga Springs

February 2015





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Message FROM THE MAYOR



“I take great pleasure in presenting to you our city’s 5-year community-based vision and strategic plan. Literally thousands of hours have been invested in its creation, most of those offered by volunteer citizens with a sincere desire to contribute to the future of our community.

In looking to the creation of this plan, we were careful to set up a process that would be driven by citizens, rather than elected officials or city staff. I’d like to personally thank the members of our strategic planning advisory committee, citizens from all areas of the city who sacrificed countless hours in the creation of this plan. They gathered citizen surveys and planned meetings where residents could share their thoughts on the future of our community and where we need to focus our efforts as a city.

We have been truly overwhelmed by the response. The committee spent hours reading through literally thousands of written responses and evaluating feedback from citizen meetings. Thank you to those that took this opportunity to share your thoughts!

I expect this plan to serve as a guide for city staff and elected officials over the coming years as we make decisions about how to best allocate the scarce resources entrusted to us by our citizens. This will form the basis of our annual budget. By building our budget upon citizen priorities, we can be much more secure in knowing that we are doing the people’s business.

We are committed to using what resources we have in ways that advance the priorities identified in the document that follows. Imagine the future we can create if we unite our efforts in advancing those things that our citizens have identified as most important. I look forward to joining with you in building that future.”

Mayor Jim Miller

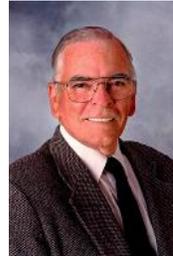


MAYOR AND CITY COUNCIL AS OF JULY 1, 2015



Mayor Jim Miller

Email: jmiller@saratogaspringscity.com
Term: 01/2014 - 01/2018



Council Member Bud Poduska

Email: bpoduska@saratogaspringscity.com
Term: 01/2012 - 01/2016



Council Member Michael McOmber

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Some Interesting Things About **SARATOGA SPRINGS**



Saratoga Springs boasts beautiful lakeshore living, a quiet and rural atmosphere, great air quality, superb views, and a central location. Residents enjoy easy access to recreational opportunities within the City with new opportunities being added and planned each year. Saratoga Springs is committed to responsible and balanced growth, while providing a high quality of life for our residents. About 24,000 residents call Saratoga Springs home and enjoy our quiet suburban location with expansive views of Timpanogos Mountain and Utah Lake. Saratoga Springs was named the best city in Utah for homeownership in 2014 by NerdWallet.

Besides the stunning views and central location, the City of Saratoga Springs provides many leisure and recreational opportunities. The City began construction on Shay Park in 2015. This 12.3 acre park will be built in multiple phases and feature multiple playing fields, playground amenities and a pavilion with picnic tables among other features. Easy access to Utah Lake is available via the Pelican Bay Marina and Marina Park, an 8-acre park that allows residents and visitors to enjoy fishing, boating, swimming, walkways, open grass areas, fire pits and barbeque grills among other amenities. The City's Neptune Park, one of the 19 city-owned parks, continues to be a regional attraction for northwest Utah County with its' distinctive playground featuring a 30-foot climbing pyramid.

Talons Cove, an 18-hole golf course, was recently named the #1 Golf Course in Central and Northern Utah and 3rd overall in the state. The privately-owned and operated course was opened in 2003 along Utah Lake and provides stunning views of Mount Timpanogos along with challenging play for all skill levels. Residents enjoy running, biking and walking on over seven miles of trails, along with easy access to the Jordan River Trail, all while enjoying the City's scenic views. Future planned trails will provide easy access between neighborhoods and commercial areas throughout the City and tie into regionally planned trails, providing residents easier access to even more recreational opportunities.

We invite you to enjoy all that Saratoga Springs has to offer and find out for yourself why "life's just better here."



SARATOGA SPRINGS' STRATEGIC PLAN

The central purpose in this undertaking was to provide Saratoga Springs with a tool that can be used by elected officials and city staff to guide goal setting and focus efforts on those things that residents have identified as their highest priorities. In order to truly be effective, this plan needs to become part of how elected officials and city staff operate and think about programs and services. Ultimately, it needs to be incorporated into how we measure success. No matter how comprehensive this plan is, the test of its usefulness will be defined by how effective it is in guiding decisions and creating the future to which citizens aspire.

The Methodologies

The City Council commissioned a group of citizens to serve on the City's Strategic Planning Advisory Committee (SPAC). The purpose of this committee was to gather data from the citizenry and synthesize that information into a set of recommended strategic directives.

The methodologies utilized by the SPAC included the following:

- Stakeholder focus group meetings
- Open houses
- Citizen surveys
- Special events
- Business meetings

In all, the committee was able to gather thousands of pieces of citizen feedback and input and synthesize them into clear citizen priorities. Participants in the process were also able to provide the SPAC with information related to key initiatives and improvements they would like to see implemented.

Access Air Beauty Clean Parks Recreation
 Community Country Fact Family View
 High Density Housing Lake Living Location
 Low Density Not Overly Open Space Quiet
 Running Rural safety Schools Slower Pace
 Small Town Transportation
 Neighborhood Close to the City

“WE LOVE THE BEAUTIFUL NEIGHBORHOODS AND SEE POTENTIAL FOR THIS AREA DEVELOPING AND BECOMING EVEN GREATER THAN IT IS!”

“IT IS A BEAUTIFUL FAMILY COMMUNITY WITH A LOW CRIME RATE AND A FISCALLY RESPONSIBLE LOCAL GOVERNMENT.”





SARATOGA SPRINGS' STRATEGIC PLAN

Explanation and Definition of Key Strategic Plan Elements

In the process of examining this strategic plan, the reader will encounter various terms and phrases associated with key elements of the plan. It is important that we place an understanding of the strategic plan within the context of what these elements are intended to contribute.

Primary Directive

This is a clear statement that describes the city's rationale for existing. It is the product of what we in Saratoga Springs are passionate about, where our competencies lie, and what we believe provides the means to realize our community vision. The Primary Directive represents the highest level directive, serving as the hub of the plan to which all other strategic directives are attached.

Strategic Directive

This plan contains six strategic directives. A strategic directive is a very high level priority that is articulated in a way that effectively describes a community priority. Such is not intended to describe specific initiatives, ideas, programs, or services. It merely captures in a very general way what citizens believe is most important in their community.

Strategic Initiative

Each strategic directive is accompanied by a number of strategic initiatives which assist in bringing the directive to the level of application. In other words, strategic initiatives are more specific actions, programs, and ideas designed to bring about the realization of the strategic directives. A directive is a destination and the initiatives represent the directions that will enable us to arrive at our destination.

Tool Box

Tool box items are included in the appendix and contain very specific recommendations and ideas that emerged from the strategic planning process. They are usually descriptive of a prescribed action or improvement. Unlike strategic initiatives, tool box items are included in the strategic plan simply to generate additional ideas and to provide a clearer strategic context. They should not be considered as the city's "to do list." This exhaustive list of ideas contains elements that may or may not be legally, financially, or physically possible. The term "tool box" is appropriate since city staff will refer to this section in an effort to bring into focus the thoughts and intentions that served as the genesis of strategic directives and initiatives.



THE PRIMARY DIRECTIVE OF SARATOGA SPRINGS

The primary purpose of government is to provide the basis or foundation for civilized living. While this concept may appear elementary and more than intuitive, much debate in recent years has swirled around the role of government. It is therefore critical that, before presenting the community strategic direction, the City define its role in the lives of its citizens. We do this by formulating and articulating the Primary Directive of Saratoga Springs.

This is the essence and reason sustaining the existence of the City of Saratoga Springs. It lies at the intersection of three things.

- 1) What city leaders and staff have a deep passion for – Why do we come to work every day? What motivates us? Why do we care about what happens in Saratoga Springs?
- 2) What we believe the city can do well or even better than any other city – Are we uniquely positioned to do something extraordinary? What are we equipped to accomplish? This is a question of not only what we can do, but what we can do better than others.
- 3) What drives the city’s resource engine – What is it that needs to happen in order to empower us to realize this primary directive?

In Saratoga Springs, our Prime Directive is:

“To provide and sustain an environment where individuals, families, and businesses join together in creating an exceptional quality of life.”

What are we deeply passionate about?

In Saratoga Springs, we have a passion for elevating and sustaining quality-of-life. We understand completely the sacred trust that is ours; to maximize our citizens’ investment by supporting those programs, initiatives, and ideas that will translate into an opportunity for them to live an exceptional quality of life. We believe that our passionate commitment to our community vision and values, combined with careful planning and purposeful follow-through, will translate into every resident’s opportunity for a better life.

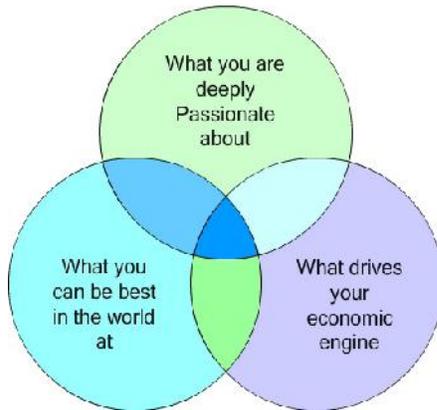
What can we be the best in the world at?

Who can ask for a better environment than we have in Saratoga Springs? In very few community venues have so many positive elements come together. We firmly hold that a citizen commitment to and participation in the beautification of this unique area will bring about long-term benefits, not only to ourselves but our children as well. We believe that our community is unlike any other in Utah and that the opportunities that present themselves today, if capitalized upon, will allow us to create a place with an unparalleled quality of life.





THE PRIMARY DIRECTIVE OF SARATOGA SPRINGS



What drives our economic, or in the public sector, our resource engine?

We believe that as we are able to lift our citizens' quality-of-life, we will have demonstrated our competency and trustworthiness. Citizen trust, meanwhile, is generated at the intersection of competency and trustworthiness. As our citizens' trust increases, they are more likely to continue to invest in the services that we provide. As they do so, we are empowered to continue lifting our level of service, which results in greater trust, and so the process repeats itself. Public trust drives Saratoga Springs' resource engine.

All programs, initiatives, and energy must therefore be focused on achieving the Primary Directive. All metrics and outcomes should support this Primary Directive. The strategic plan's role in fulfilling the Primary Directive begins by defining what citizens believe is essential to quality of life. As a precursor to developing the strategic plan, the Strategic Planning Advisory Committee was able to identify six factors that citizens believe define quality of life in Saratoga Springs. These are:

1. **A STRONG SENSE OF COMMUNITY**
2. **THE PRESERVATION OF OUR NATURAL BEAUTY AND PROMOTION OF COMMUNITY AESTHETICS**
3. **QUALITY PLANNING AND GROWTH**
4. **A HEALTHY AND SAFE COMMUNITY**
5. **MODERN AND WELL-MAINTAINED TRANSPORTATION SYSTEMS**
6. **FISCAL SUSTAINABILITY AND RESPONSIBILITY**



Strategic Directive 1

SENSE OF COMMUNITY



“In Saratoga Springs, we value a strong sense of community. We seek to build and nurture this by providing opportunities for citizen participation in local governance and planning, problem solving, and volunteerism. Communication between citizens and local government is clear, abundant, diverse, and transparent. We take advantage of opportunities to further build our sense of community through celebrations of our community’s heritage, participation in local activities and events, and by investing in the quality of our city and neighborhoods.”

Value Statement

This directive speaks to the importance of consistently engaging citizens in both community work and play. Citizens want to feel valued, important, and included. They also want to feel pride and ownership in their local government, and want to be involved and informed. In Saratoga Springs, we value our heritage and share the responsibility for building a bright future.

Strategic Initiatives

- Connect and engage residents and business partners via the use of a multifaceted communications and engagement strategy which effectively utilizes multiple communication media and citizen/business learning experiences such as a citizens’ academy.
- Utilize entryway signage and other visual elements to clearly identify city boundaries.
- Conduct a feasibility study associated with the development of a new community recreation center. Study elements should include an analysis of all possible funding, as well as one-time and ongoing costs, preferred amenities, land acquisition costs and possible locations, and all other elements that will enable the elected body and citizens to determine a development timeline.
- Create a civic identity by working toward the development of a new city hall, library, and other elements congruent with a new city center.
- Celebrate the achievements and accomplishments of our residents and businesses.





Strategic Directive 1

SENSE OF COMMUNITY

Desired Outcomes

- Citizens are provided various learning and serving experiences that are engaging and edifying.
- The city utilizes fully all traditional and social media in regular engagement of and outreach to citizens and other stakeholder groups.
- Our city boundaries are visually acknowledged at each major ingress in a uniform, aesthetically pleasing manner that in every regard represents the pride we have in our community.
- A feasibility study is conducted to explore the possible development of a new community recreation center. Such study investigates all aspects of center development, as well as financing and ongoing fiscal support. The study includes citizen input and the results are fully and publicly communicated.
- A master plan and design of a new Saratoga Springs Civic Center is created and adopted. This plan begins to serve as a blueprint for the future development of a new city core.
- We regularly and publicly recognize and celebrate the achievements of our staff, citizens, and businesses.



Strategic Directive 2

NATURAL BEAUTY AND COMMUNITY AESTHETICS



“In Saratoga Springs, we cherish our natural beauty and environment. We recognize that these characteristics represent the reason why many have made their homes here. We therefore place high importance on preserving and enhancing the natural beauty of this very unique location. As we work together to promote the quality and cleanliness of our neighborhoods and commercial areas, it will inspire citizens and visitors to appreciate and take pride in the shared beauty of the environment that is uniquely Saratoga Springs.”

Value Statement

This directive speaks to the importance of preserving and enhancing the reasons why many came to Saratoga Springs. With its proximity to Utah Lake and unparalleled mountain vistas, citizens want to continue to take pride in the natural beauty that makes Saratoga Springs so unique. The aesthetic quality of our community and neighborhoods also plays a critical role in preserving Saratoga Springs’ natural beauty and quality of life.

Strategic Initiatives

- Employ policies and initiatives to preserve green space and open space where appropriate and practicable.
- Develop and implement a plan for significant lakefront preservation as venues for community amenities that expand public enjoyment of this unique natural resource.
- Protect and celebrate our natural environment.
- Utilize enforcement and communication/education tools to educate residents and businesses regarding the importance and civic responsibility associated with keeping our community clean and appealing.
- Reevaluate community building guides/codes, promoting modifications that clarify policies, streamline processes, and encourage quality and aesthetically contributing development.
- Promote a diversity of quality architectural styles and standards.
- Expand the city’s inventory of trees.





Strategic Directive 2

NATURAL BEAUTY AND COMMUNITY AESTHETICS

Desired Outcomes

- We take advantage of opportunities to preserve natural aspects of the beauty of our community and open space.
- The city fosters, maintains and enforces policies to protect our environment, while helping to provide for programs and events that build appreciation for and celebrate our natural beauty.
- The city has developed and is implementing a plan focused on providing substantially increased community lakefront amenities designed to expand public enjoyment of life on the Lake.
- Our code enforcement program is active and robust, yet focuses on several means, including education, to encourage compliance with codes designed to keep our community clean and appealing.
- Our building codes communicate the unique environment that is Saratoga Springs; and our policies and procedures are clear, simplified, and streamlined in a manner that encourages aesthetically contributing development.
- Development in Saratoga Springs, both residential and commercial, is diverse and represents a high quality of architectural styles and standards.
- Saratoga Springs enjoys the urban forestry program which annually builds on our inventory of healthy trees.



Strategic Directive 3

QUALITY PLANNING AND GROWTH



“In Saratoga Springs, we value our rural and unique character. Growth and development is therefore planned and executed in a manner that preserves not only our community character but also our natural beauty and environment. Economic development is conducted with the objective of elevating quality of life by enhancing convenient access to goods and services. Residential development, meanwhile, emphasizes single-family home development while still providing for an adequate level of carefully located other housing options.”

Value Statement

This directive speaks to the importance of balancing necessary and inevitable growth and development with those qualities and characteristics that originally attracted residents to Saratoga Springs. In Saratoga Springs, we place prime importance on preserving the natural beauty that makes our community unique. At the same time, we work to ensure that commercial and residential development contribute to and don't detract from our quality of life.

Strategic Initiatives

- Conduct a General Plan review.
- Clarify, simplify, and deregulate the development process.
- Develop and implement a comprehensive economic development strategic plan.
- Modify the General Plan to anticipate and plan for major amenities – cemetery, hospital, movie theater, Civic Center, etc.
- Communicate trade-offs between development/density and economic development.
- Ensure city zoning prescribes a feathering approach to densities.
- Look at “Age in place” development possibilities.

Desired Outcomes

- Zoning districts endeavor to prescribe higher densities in the urban core with densities decreasing as development moves away from the city center.
- Our General Plan is reviewed optimally every three years and no less than every five years.
- Saratoga Springs' General Plan anticipates future development of major community amenities.
- The development process has been analyzed, and modifications have been put into place which simplify and streamline the process as much as possible, while increasing customer service.
- An economic development plan has been assembled and implemented, drawing on synergies between the city and state/regional partners such as GOED and EDCUtah.





Strategic Directive 4

HEALTHY AND SAFE COMMUNITY



“In Saratoga Springs, we value an active, safe, and healthy lifestyle. We believe that local government plays a role in realizing this by promoting the walk-ability of our community and safe walking routes for schoolchildren, by helping to provide an abundance of recreational opportunities, by promoting the development of parks and trails, and by working toward the future development of recreational and community facilities/amenities.”

Value Statement

This directive speaks to the important role that local government plays in promoting a healthy and safe community. In Saratoga Springs, we work to provide the opportunities, infrastructure, and facilities that promote an active and safe lifestyle for ourselves and our children.

Strategic Initiatives

- Develop police and fire protection in a manner that accommodates the needs of future growth.
- Develop and continue maintenance of parks and trails.
- Implement the trails master plan and continue the development of trails.
- Expand youth and adult sports/recreation programming.
- Plan for the development of a senior center and creation of additional senior living options.
- Plan for the development of public amenities that facilitate the use and enjoyment of the city’s natural assets (e.g. Lakefront picnic tables, beach, fire pits, boardwalk, expanded parking, etc.)

Desired Outcomes

- The growth and development of emergency services parallels the needs of a growing population.
- Saratoga Springs residents enjoy convenient access to well-maintained parks, trails, and open space.
- Recreation programming is abundant and diverse, providing programs for adults and youth oriented to both athletic and nonathletic activities.
- The city has planned for and developed facilities and programs for seniors.
- The creation and beginning implementation of a Lakefront master plan.



Strategic Directive 5 **TRANSPORTATION**



“In Saratoga Springs, we invest in the development and maintenance of a modern transportation system. We accomplish this by taking appropriate measures to mitigate traffic, expand critical corridors, and provide timely and essential maintenance of our roadway system.”

Value Statement

This directive speaks to the impact that a quality transportation system has on quality of life. In Saratoga Springs, we value the benefits of a well-maintained and modern transportation system, and we recognize the role that such plays in both economic development and community health and safety.

Strategic Initiatives

- Long-term planning for major roads and corridors.
- Adequate ingress/egress for residential developments.
- Proactive and timely maintenance of roads and street lights.

Desired Outcomes

- The city’s streets master plan is up-to-date and includes planning and anticipation of primary corridors/roadways.
- The city has created a pavement management plan. This plan is adequately funded and followed.
- Signalization at all intersections that meet warrants has been installed.





Strategic Directive 6

FISCAL SUSTAINABILITY AND RESPONSIBILITY



“In Saratoga Springs, we create a sustainable future for our community that does not place undue financial or other burdens on future generations. As such, we develop sustainable revenue models for funding local government services while minimizing the financial impacts on citizens.”

Value Statement

This directive speaks to the need to prudently manage community resources and provide critical services in such a way that maximizes citizen return on investment. In Saratoga Springs, we plan for economic storms and maintain fiscal capabilities to ensure the delivery of citizen services and the proactive maintenance of critical infrastructure. We likewise work to accomplish this while striving to not place undue financial burdens on citizens.

Strategic Initiatives

- Ensure that adequate funding is in place to support and maintain all future projects.
- Create a comprehensive fiscal sustainability plan.
- Ensure that all primary master plans are up to date and reviewed on a regular basis and that maintenance of infrastructure is performed in a proactive and timely manner.
- Appropriately use bonding as a means of funding projects that will benefit multiple generations of residents. As part of this, develop a communications strategy to inform residents regarding generational equity. (i.e. – – how bonding enables municipal government to place the cost burden on those who benefit from the use of major amenities and infrastructure).

Desired Outcomes

- The city has developed and follows a comprehensive fiscal sustainability plan.
- The city maintains transportation and other infrastructure in a proactive and timely manner.
- All master plans are regularly reviewed and updated.
- Debt levels are well within prudent parameters and the city follows a policy of debt utilization that emphasizes the use of debt to ensure equity of burden.
- The city maintains three months of operating reserves.
- Enterprise funds maintain fund reserves adequate to provide proactive maintenance and repairs as well as meet unanticipated emergency situations.



THE STRATEGIC PLANNING PROCESS

The Saratoga Springs Council determined the need to bring focus to spending priorities. Key to this endeavor was the creation of a community strategic plan. The Council determined that such an initiative, if it were to survive and become truly useful to the community, would need to become a community initiative driven by citizens.



The Mayor and Council therefore commissioned a committee of citizen volunteers, known as the Strategic Planning Advisory Committee (SPAC) to drive the strategic planning process. The strategic planning process began with SPAC meetings with the City Council in order to define expectations and council member understanding regarding community priorities. These meetings also assisted the committee in identifying critical stakeholder groups that would need to be engaged during the strategic planning process.





THE STRATEGIC PLANNING PROCESS

Stakeholder meetings were then held with business groups, service clubs, faith-based organizations, educational/parent groups, ethnic groups, and a host of others. Open houses were held, and the public was invited to participate in generating both community priorities and ideas that would eventually form the basis for these strategic directives communicated in this plan. Finally, surveys were administered on the city website as well as distributed to city email groups, volunteers, and community event attendees. The process of gathering stakeholder input spanned more than six months. At the end of this process, the SPAC began to synthesize the hundreds of pieces of information they had gathered from citizens into more specific focus areas, more commonly referred to as “strategic directives.” Ultimately, six strategic directives were produced. The committee, utilizing these community priorities, then produced specific strategic initiatives associated with each focus area. Preliminary findings of the strategic planning process were presented to the city council at its January 2015 planning retreat. The final plan was adopted by the Council in March of the same year. It will stand as the planning blueprint for the city until 2019.



IMPLEMENTATION OF THE PLAN

Simply having a plan does not ensure its implementation. The city should take specific measures in order to implement this strategic plan and measure its progress toward its realization. Specifically, the city should:

- Utilize this plan as the basis for annual strategic planning and goal setting.
- Annually establish and review outcome measures associated with strategic plan directives. Make adjustments as necessary to ensure close correlation between outcome measures and plan directives.
- Create a community scorecard for city and citizen use. This should be in a highly illustrative format, accessible electronically via the city's website. The site should provide data associated with previously identified outcome measures. It is critical that this information is kept as current as possible.
- Annually provide the City Council and departmental decision-makers with a city business plan, which ties Council goals to strategic directives, identifying critical outcomes, measures, objectives, and expected budget impacts.
- Report semi-annually strategic plan implementation progress and impacts.

SPECIAL THANKS

The strategic planning process and composition is a broad-based community endeavor. Generally speaking, the broader the base of community participation, the greater the survivability of the plan. In Saratoga Springs, this was certainly and fortunately the case. Nevertheless, the city expresses its appreciation to specific individuals and groups that made this initiative possible. Special thanks go to:

- The Strategic Planning Advisory Committee (David Weber, Aleta Wilkinson, Elizabeth Holliday, Matt Niepraschk, Mica Cain).
- Dan Griffiths – Tanner LLC, public sector consulting, for the facilitation of the strategic planning process and the production of the strategic plan.
- The Saratoga Springs Kiwanis Club, the Saratoga Springs Business Alliance, Saratoga Springs Empty Nester groups, and the development community for its assistance in facilitating focus group discussions.
- The Citizens of Saratoga Springs, without whose participation this plan would not be possible.





APPENDIX: THE TOOL BOX

Tool box items contain very specific recommendations and ideas that emerged from the strategic planning process. They are usually descriptive of a prescribed action or improvement. Unlike strategic initiatives, tool box items are included in the strategic plan simply to generate additional ideas and to provide a clearer strategic context. They should not be considered as the city's "to do list." This exhaustive list of ideas contains elements that may or may not be legally, financially, or physically possible. The term "tool box" is appropriate since city staff will refer to this section in an effort to bring into focus the thoughts and intentions that served as the genesis of strategic directives and initiatives.

Strategic Directive 1 Tool Box Items

- Provide more community events such as parades, concerts, and the Harvest Festival, Ensure adequate public communications regarding events and appropriate venues
- Improve elected official/citizen public meeting interactions and experiences by holding town hall meetings, providing maximum transparency open forums as part of every Council meeting, reporting highlights of public meetings online, and closing the communication loop with citizens who offer comment at public meetings
- Civic center/downtown
- Define a Main Street
- Address divisive attitude between the north and south ends of the city
- Get more involved with residents
- Broaden vision
- Promote open forum style of government
- Keep mission of the city and residents at core of everything done
- More schools
- Higher education options in town
- Ask the people what they want
- Help people become proud of where they live
- Engage citizens face-to-face
- Focus on customer service at City Hall
- Separate post office
- Celebrate and honor community heritage
- Entryway signage at city limits with ability of service clubs to co-locate signage
- Business welcome packet
- Improve business alliance
- More robust public arts programs



APPENDIX: THE TOOL BOX

Strategic Directive 2 Tool Box Items

- Advocate with appropriate agencies and jurisdictions the cleanup of the Lake
- Improve entrance to Jacobs Ranch neighborhood
- Facilitate yard cleanup
- Improve the appearance of green spaces along Redwood Road south of Centennial Boulevard
- Encourage beautification of commercial areas
- Greater promotion of xeriscape landscaping where practical
- Enhance and expand recreational amenities
- Improve Jordan River Parkway, add trash bins and provide for the general restoration of the River
- Green waste pickup
- More trees
- Simplify the development plan in order to facilitate citizen understanding
- Community garden
- Sweepers clean bike lanes
- Sponsor photographic contests and exhibitions using Saratoga Springs' natural environment as subject matter
- Utilize images of our natural environment in public buildings, communications, and venues. Promote access and activities that help bring people into contact with natural environment
- Promote the Lake as a recreational amenity
- Consider the provision of dump passes

Strategic Directive 3 Tool Box Items

- Thank businesses for being here, improve relationships with businesses
- Wholesale/bulk items stores
- Commercial gyms
- Quick serve and full-service restaurants, upscale restaurant
- Larger lots
- Cemetery
- Movie theater
- Home improvement/hardware store
- Health food store
- Lakefront development/businesses on the pier
- Balance commercial development across community - with inclusion of groceries, clothing, convenience/gas, fitness, unique grocery, etc.
- High-speed fiber
- Address lack of businesses south of the Crossroads
- Craft store
- Promote economic development in the South
- Gas station near the boat docks
- Clothing store
- Gas station south of Pioneer





APPENDIX: THE TOOL BOX

Strategic Directive 3 Tool Box Items - Cont.

- Revitalize Crossroad
- Grocery store at Pelican Point
- Revisit General Plan to incorporate more open space and agricultural land
- Bring hospitality businesses to Utah Lake
- Encourage business development near Jacobs Ranch subdivision
- Technology jobs and businesses
- Deregulate business development
- No more homes along Redwood Road
- Encourage unique restaurant opportunities
- Light industry
- Robust shopping district

Strategic Directive 4 Tool Box Items

- Implement citywide trail system that includes interconnectivity between neighborhoods, Marina access trails, mountain bike trails, and urban trails along major corridors
- Expand recreation programming to include both athletic and nonathletic activities, as well as programs for both youth and adults
- Community recreation center and swimming pool
- Splash pad
- Library expansion
- Hospital
- Skate park
- Beach with fire pits
- More mosquito and other pest abatement
- Edible parks and greenways
- Sports complex
- More baseball fields
- Boardwalk
- Tennis courts
- Marina development with sailboat rentals
- Extended walking trail to Reid and Ursula Wayman Park
- Expand parking at Marina
- Park in Sunset Haven
- Fix parking and roads around Neptune Park
- Improve secondary water pressure
- Traffic lights at Vista and Westlake
- Connect neighborhoods to Jordan Trail
- Road improvements near 800 N., especially near all schools
- 5 acre park in Saratoga Hills neighborhood
- More restrooms in parks
- Lower speed limits as warranted
- Maximize sidewalk width around Thunder Ridge Elementary



APPENDIX: THE TOOL BOX

Strategic Directive 4 Tool Box Items - Cont.

- Recycle pickup every week
- Create a dog park
- Investigate methods of reducing alkalinity of secondary water
- Park on Coyote Run
- Implement traffic calming measures on Colt Drive as warranted
- Additional organized community watch groups
- Improve water quality
- RADD kids classes
- Trail connectivity with Eagle Mountain trail system
- Greater pedestrian connectivity on Redwood Road from Arctic Circle to Saratoga Hills
- Facilitate community docks at the Lake
- More recreation staff
- Promote winter sports on the lake
- Senior center
- Sewer improvements
- Expand fire and ambulance services with volunteers

Strategic Directive 5 Toolbox Items

- Signal at 800 W./Pony Express
- Expand Redwood Road to four lanes south of Grandview
- Keep up with road striping
- Advocate Mountain View Corridor extension
- Highway across the Lake
- Ease traffic on Redwood Road
- Fix 400 N. in entirety, widen and replace
- Investigate and determine appropriate timing before Eagle Mountain egress to I 15, including direct line Pony Express Parkway access to Pioneer Crossing
- Complete Swainson from Hawks Landing to Sage Hills Elementary
- Fix 800 W. pavement
- Extend school zone at Riverview Elementary to at least the length of the school and perhaps to the crossing area east of the school by the bridge over the canal.
- Local transit to parks
- Improve traffic along Redwood Road between Grandview and 73
- Public transit such as Frontrunner, TRAX, etc
- Remove median on 73
- Develop more north/south routes besides just Redwood Road
- Encourage UTA to provide more buses
- Signaled intersection of Pony Express and 800 by Vista Heights
- Wider road with a turn lane into the middle school
- More road lanes south of 400 S
- Extend the concrete divider in front of Smiths, so people going south will have no choice but to turn at Commerce Drive





APPENDIX: THE TOOL BOX

Strategic Directive 5 Toolbox Items - Cont.

- Encourage UDOT to extend Lehi's 2100 N. to the west of Redwood Road, move around the west side of Harvest Hills, and then connect to 73
- Improve slurry of Harvest Hills area
- More East/West transportation
- Signaled intersection at Fairway Boulevard and Redwood Road

Strategic Directive 6 Tool Box Items

- Fiscal conservatism
- Keep taxes as low as possible
- Additional foresight and planning
- Moderate utility rates
- More moderate thinking. We want services and understand that we need to pay for them
- Focus expenditures in areas that benefit greatest number of people
- More budget transparency
- Low taxes are great, but we need community services to match the growth

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).

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 beginning in fiscal year 2012. 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.

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.

CUSTODY: A banking service that provides safekeeping for the individual securities in a customer's investment portfolio under a written agreement which also calls for the bank to collect and pay out income, to buy, sell, receive and deliver securities when ordered to do so by the principal.

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.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued 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.

DUE DILIGENCE: Such a measure of prudence, activity, assiduity, as is properly to be expected from, and ordinarily exercised by, a reasonable and prudent person under the particular circumstances; not measured by any absolute standard, but depending on the relative facts of the special case.

E

EA. – Each

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.

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.

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.

FULL TIME EQUIVILANT (FTE): Employee status based on a 40 hour work week 52 weeks of the year for a total of 2080 hours per year.

FUND BALANCE: The difference between assets and liabilities.

FY: Fiscal Year (the fiscal year ends on June 30th of the year stated and begins on July 1st of the previous 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

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.

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).

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 – Poly (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.

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

REDEVELOPMENT AGENCY (RDA): 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.

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.

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.

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.

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.