CITY OF SARATOGA SPRINGS
CITY COUNCIL WORK SESSION
AGENDA

Tuesday, April 1, 2014
Meeting held at the City of Saratoga Springs City Offices
1307 North Commerce Drive, Suite 200, Saratoga Springs, Utah 84045

One or more Councilmember may participate in this meeting electronically via video or telephonic conferencing

City Council Work Session

5:30 p.m.

1. Discussion of future agenda items.

2. City Council goal setting.

3. Discussion of the Award of Construction for Phase 1 secondary water meters and the Award of Engineering Contract for Phase 2 secondary water.

4. Discussion of office signs.

5. Presentation of the Tentative Budget Document for FY 2014-2015.

6. Reports:

    a. Mayor.
    b. City Council.
    c. Administration communication with Council.

7. Adjourn to Policy Session.

In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify the City Recorder at 766-9793 at least one day prior to the meeting.

City Council
Staff Report

Author: Jeremy D. Lapin, P.E., City Engineer
Subject: Construction Contract for Phase 1 Secondary Water Meters
Date: April 1, 2014
Type of Item: Award of Construction Contract

Description:

A. Topic:

This item is for the awarding of a contract for the installation of secondary water meters for Phase 1 of the City's Secondary Water Meter installation project.

B. Background:

The City is in the process of finalizing its Impact Fee Facilities Plan for its secondary water systems. The above project is programmed for FY 2014 - 2015 and is proposed as bond funded improvement.

Because the City desires to move as quickly as possible in installing the meters, Staff has identified those locations (homes) where meters boxes and setters are already installed and only a meter needs be installed. These locations were grouped into a phase 1 whereas locations that will require the installation of a meter setter and box in additional to the meter were grouped into a phase 2. Phase 1 includes approximately 1,200 homes while phase 2 has about 2,700. Phase 1 has been fast tracked so that the City can begin collecting use data as soon as possible from those 1,200 homes to expedite a metered rate study. Existing budget items will be used to cover the cost of the project until full project funding is acquired via a bond.

C. Analysis:

The City issued a request for bids in March of 2014. Bids will be due April 8th and a bid tab will be provided at the April 15th City Council Meeting.

Recommendation:

City Staff recommends that the City Council award the bid to the lowest qualified bidder. No action is necessary at this time.

City Council
Staff Report

Author: Jeremy D. Lapin, P.E., City Engineer
Subject: Engineering Contract for Phase 2 Secondary Water Meters
Date: April 1, 2014
Type of Item: Award of Engineering Contract

Description:

A. Topic:

This item is for the awarding of a contract for the engineering for phase 2 of the City's Secondary Water Meter installation project.

B. Background:

The City is in the process of finalizing its Impact Fee Facilities Plan for its secondary water systems. The above project is programmed for FY 2014 - 2015 and is proposed as bond funded improvement.

Because it is critical that the City have accurate and detailed cost estimates for this project before issuing the bond, and because the City desires to move as quickly as possible in installing the meters when funding becomes available, the engineering for this project will begin immediately. Existing budget items will cover the cost of the project design and administration however, the project will not be able to be constructed until full project funding is acquired.

C. Analysis:

The City issued a request for proposals in March of 2014 to the firms that were prequalified under our Water category and also groups pre-qualified under our Parks category. Proposals are due April 8th. Proposals will be evaluated and a recommendation will be provided at the April 15th City Council Meeting.

Recommendation:

No action is necessary at this time.

City Council
Staff Report

Author: **Chelese Rawlings, Finance Manager**
Subject: **Tentative Budget Document FY 2014-2015**
Date: **April 1, 2014**
Type of Item: **Informational**

Summary Recommendation: Staff recommends a review the City of Saratoga Springs Tentative Budget Document for the fiscal year 2014-15.

Description

A. Topic

The Tentative Budget Document is a working document that is created using the current budget requests and the previous final budget document as a template. This document will be used in determining the composition of the final budget document for fiscal year 2014-2015.

B. Background

The Tentative budget should to be adopted by City Council in May for the fiscal year 2014-2015. This document will be used in budget discussions as a guide for the final budget document. This Tentative Budget Document includes the following sections: Executive Summary, Operating Budgets, and Financial Policies and Objectives.

C. Analysis

When the City of Saratoga Springs Tentative Budget Document for Fiscal Year 2014-2015 is adopted, it formalizes the City's resolve to remain fiscally and legally responsible.

Recommendation: Staff recommends a review of the Tentative Budget Document for the fiscal year 2014-15.

2014 - 2019
Tentative Budget

City of
Saratoga Springs, Utah

April 2014

EXECUTIVE SUMMARY – INTRODUCTION

EXECUTIVE SUMMARY

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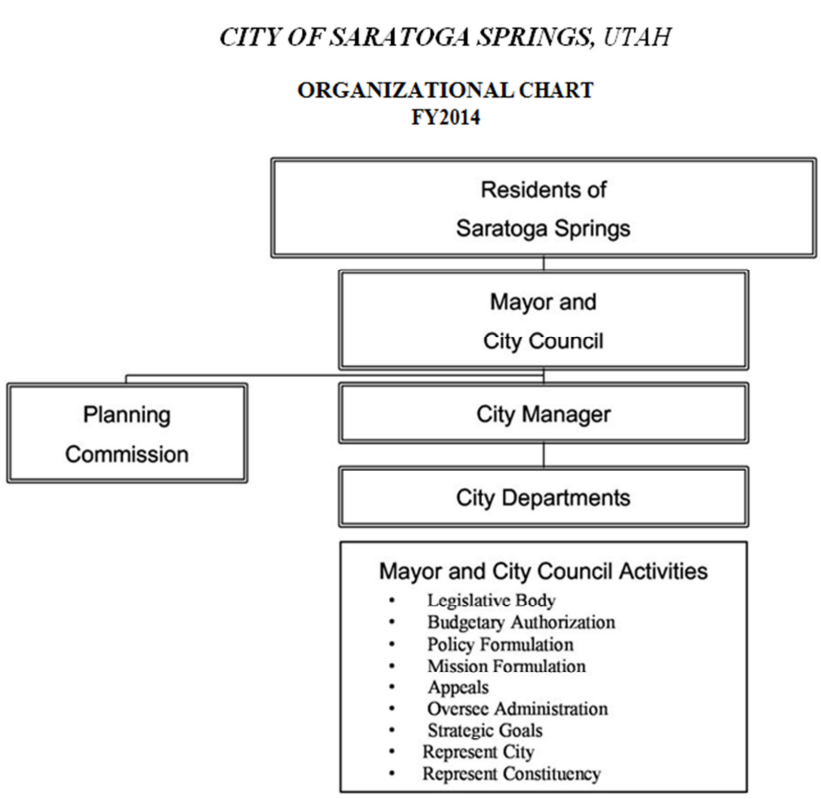

Comment [MC1]: Should we also put a box on this chart that shows other recommending boards, commissions, or Committees? Art, Civic Events, Library?

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EXECUTIVE SUMMARY – INTRODUCTION

CITY OF SARATOGA SPRINGS
1307 N. Commerce Drive, Suite 200
Saratoga Springs, Utah 84045
801-766-9793

MAYOR AND CITY COUNCIL AS OF JULY 1, 2014~~3~~

~~**Mayor Mia B. L**~~ ~~C~~
~~Email: mlove@s~~ ~~y.com~~ ~~E~~
~~Term: 01/2010 -~~ ~~T~~

~~**Council Membe**~~ ~~C~~
~~Email: rcall@sa~~ ~~.com~~ ~~E~~
~~Term: 01/2012 - 0~~ ~~T~~

Mayor Jim Miller
Email: jmiller@saratogaspringscity.com
~~Term: 01/2014 - 01/2018~~

Council Member Stephen Willden
Email: SWillden@saratogaspringscity.com
Term: 01/2014 - 01/2018

~~**Council Member Michael McOmber**~~ ~~C~~
~~Email: mmcomber@saratogaspringscity.com~~ ~~E~~
~~Term: 01/2010 -~~ ~~T~~

Council Member Rebecca Call
Email: rcall@saratogaspringscity.com
Term: 01/2012 - 01/2016

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

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EXECUTIVE SUMMARY – INTRODUCTION

City Manager Introduction:

The City of Saratoga Springs FY 201343 adjusted budget and the FY 20145 budget reflect a local economy continuing to ~~recovering from~~recover from the "Great Recession of December 2007 to June 2009"~~recession~~ that historian and economists argue was the worst recession since the Great Depression in 1929. The national economy and ~~specifically the~~ housing market trends ~~, appear to~~ continue to ~~be~~ improve ~~ing~~ placing Saratoga Springs as one of the fastest growing Cities in the State with a positive economic forecast for the foreseeable future. ~~from the housing and banking crisis that has gripped the country since 2008. For five years unemployment and low consumer confidence have destabilized the economy. As a result, the Federal Reserve Board has adjusted markets through massive easing policies. These policies seem to have improved the stock market after years of volatility. This stabilization of the national economy is further evidenced by the Federal Reserve's recent decision to phase out their program of aggressive easing. However, it is unknown how markets will react to the withdrawal of support from the Federal Reserve.~~

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 [1]		
July - Dec	2012	142
Jan - Dec	2013	335
Jan - Feb	2014	27
Total Housing Permits		504
4.13 persons per household		2,082
*Est 3 - 4 Month Home Construction		
Projected Population		
April 1, 2010	2010	17,802
July 1, 2012	2012	21,137
July 1, 2014	2014	23,219
Estimated Population Increase since 2010 4/1/2010		5,417
Percent Growth 2010 - 2014		30.4%

This astounding 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

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EXECUTIVE SUMMARY – INTRODUCTION

working with over 8,000 new lots at some point in the application process. It is anticipated that the continuing creation of more lots within the City will continue to foster the growth demands in the City leading to more and additional service delivery demands in the future.

With the economic volatility of the last ~~five~~six years, it is difficult to make precise economic predictions. However, 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 2014~~4~~5. Where these revenue growth projections are made, the City has assumed levels that are consistent with observable current trends and actual revenues. Based on continued ~~-~~improv~~inged~~ economic performance of the last few years and this City's ability to overcome the last ~~five~~six years of recession and post-recession slowed growth, I can with ~~confidence~~ 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. ~~Additionally, with several new developments – including the development of nearly 3,000 acres around the City Center – there is a bright economic outlook for the future of our community.~~

Saratoga Springs finished Fiscal Year 2013 and began FY 2014 with the General Fund Reserve not exceeding the maximum level allowed under state law ~~by~~ of $2,508,347. 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 201~~8~~9. This is the third year that we have implemented a five year fiscal operating plan and the second year that we have begun implementing five year capital plans. 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 Saratoga Springs can weather economic volatility and plan for future success.

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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 is undertaking a substantial policy review and recodification of the City Codes. These efforts will help 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 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 (i.e., without a property tax increase).

In preparing this budget, City staff used as a base the FY 2013~~4~~ Adopted Budget approved by

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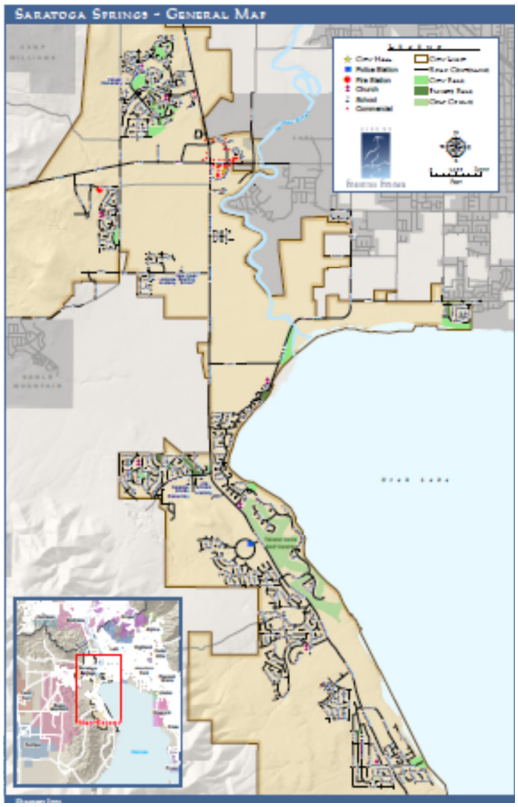
EXECUTIVE SUMMARY – INTRODUCTION

Council in June of 201~~2~~3. 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 being denied 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 FYI 2013 Adjusted, FY 2014 and FY 2015 – 201~~8~~9 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 Recommended Budget for FY 201~~3~~4 and FY 2014~~5~~ – 201~~8~~9 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 is located approximately 20-25 minutes by car via I-15.

The City's population of approximately 20,000 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. Even in a down economy, the cities of Saratoga Springs, Eagle Mountain and Lehi continue to issue many development approvals and permits. 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 91,730 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 100,000 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 a volunteer position appointed to 4 year staggered terms. The Commission's primary responsibilities are to review and provide a recommendation on new development plans in accordance with the direction established by Council, zoning changes, and the general plan.

Mark J. Christensen – City Manager
J. Spencer Kyle – Assistant City Manager
Chelese Rawlings – Finance Manager

Please visit the City online at www.saratogaspringscity.com

EXECUTIVE SUMMARY – INTRODUCTION

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 2013 adjusted budget, 2014 tentative budget, and 2015 - 2018 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!

EXECUTIVE SUMMARY – INTRODUCTION

CITY COUNCIL SHORT TERM GOALS AND PRIORITIES (12 – 18 Months)

First Priority

- Identify metrics / trigger points for each major department~~City Center Master Planning~~
- Locate / Design / Build Ball Parks
- ~~Complete Long Term: Capital, Fleet, and Operations Planning~~
- Smart Zoning Map
- ~~Develop Pioneer Crossing Phase 2 plan.~~
- Lakeshore study master plan
- ~~Facilitate Satellite University Campus Discussions~~
- Transaction functionality improvement (vendors)
- Maintain competitive salary
  - ~~Provide additional City Council Training. (ULCT)~~

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Second Priority

- Apply for additional Grants including energy efficiency and alternative energy technologies.

CITY COUNCIL LONG TERM GOALS (2 - 20 years)

- ~~Create a community that has diverse and sustainable resources. This should include a strong workforce, infrastructure planning and coordination, water system rights and delivery, consumer sales tax base, and economic and environmental sustainability.~~ Develop a long range sustainable plan with quantifiable metrics to proportionally increase "infrastructure" staff roads etc. to proactively address growth demands
- Build 1st class recreation facilities.
- ~~Create and support arts in the community including civic events, performing, and visual arts.~~
- Create a successful environment for business "Class A", dining and retail to foster an environment of WORK, LIVE, PLAY~~Create a diverse community including cultural development, housing opportunities, and age distribution~~.
- Create a unique Lakefront for economic & residential development.
- Improve communication to foster engagement between the City, the residents, businesses and schools.
- Improve staff satisfaction to develop and retain committed employees.
- ~~Provide a full range of quality of life facilities for citizens of all ages and backgrounds that include: full service library, diverse recreation programs and outdoor recreation opportunities including parks, trails, shoreline/boardwalk, and trail heads for off-road vehicles.~~
- ~~Create a diverse educational base including all phases of childhood education and post high school educational opportunities.~~
- ~~.Facilitate mass transit facilities and opportunities within the community.~~
- ~~Develop long term plans for a sewer recycling and reuse center.~~
- ~~Develop long-term plans and opportunities to utilize geothermal, solar, wind, and renewable~~

~~power sources.~~
- ~~Apply for funding grants.~~
- ~~Create a long term lakeshore business development plan.~~
- ~~Facilitate a private or public cemetery within the City.~~

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-Term Goals" and action items as part of their long-term and short-term planning process. The goals and objectives identified above have been identified by the Mayor and Council as community priorities for FY 2014 ~~3~~– 2015~~4~~ and beyond that are tied to the City's Mission and Organizational Philosophy, to act as leader in providing quality governmental services. 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 January 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.

EXECUTIVE SUMMARY – INTRODUCTION

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

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 Format: This is the third year the City has completed and published a formal multi-year budget document with this format and scope. Last year 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 3 months of Fiscal Year 2013~~3~~4 and Fiscal Years 2015~~14~~ – 2018~~9~~). 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 2014; 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 2013-2014 budget, City Council is legally appropriating funds and authorizing expenditures in accordance with policies outlined in this document and in accordance with State law.

BUDGET AWARDS PROGRAM

EXECUTIVE SUMMARY – INTRODUCTION

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.

EXECUTIVE SUMMARY – INTRODUCTION

EXECUTIVE SUMMARY – BUDGET OVERVIEW

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 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. The City has implemented its "Recession/Net Revenue Shortfall Plan" (refer to the "Policies and Objectives" section) and is closely monitoring the potential budgetary impacts and strategies.

EXECUTIVE SUMMARY – BUDGET OVERVIEW

Fiscal First Aid Techniques			
Action	**Primary Treatments**	**Action**	
	Revenue		Recognize opportunities within crisis
	Audit revenue sources	X	Manage perceptions
	Improve billing and collections procedures	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

EXECUTIVE SUMMARY – BUDGET OVERVIEW

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 % 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 % to the constitutional maximum of 45 %. 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.

EXECUTIVE SUMMARY – BUDGET OVERVIEW

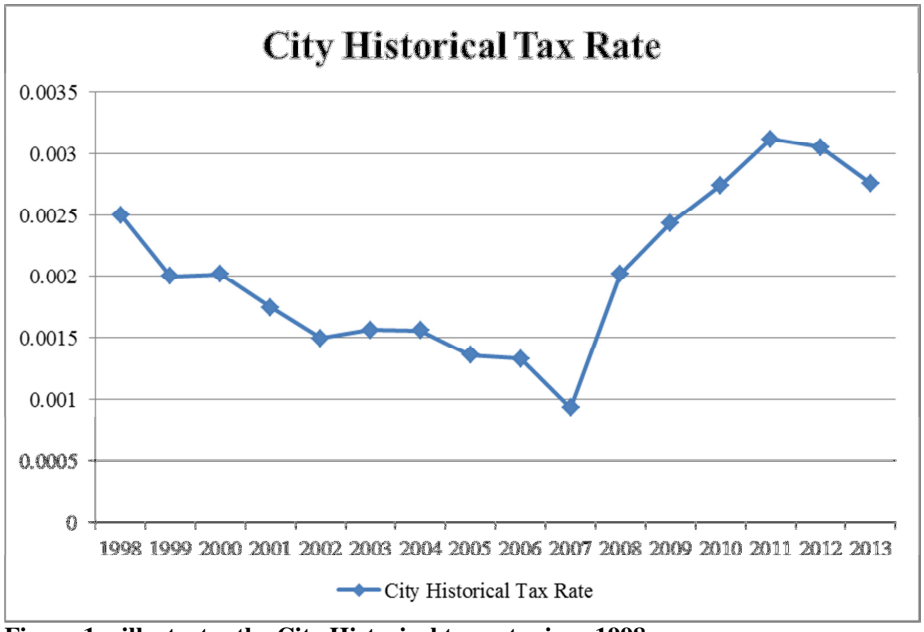


Figure 1 – illustrates the City Historical tax rate since 1998

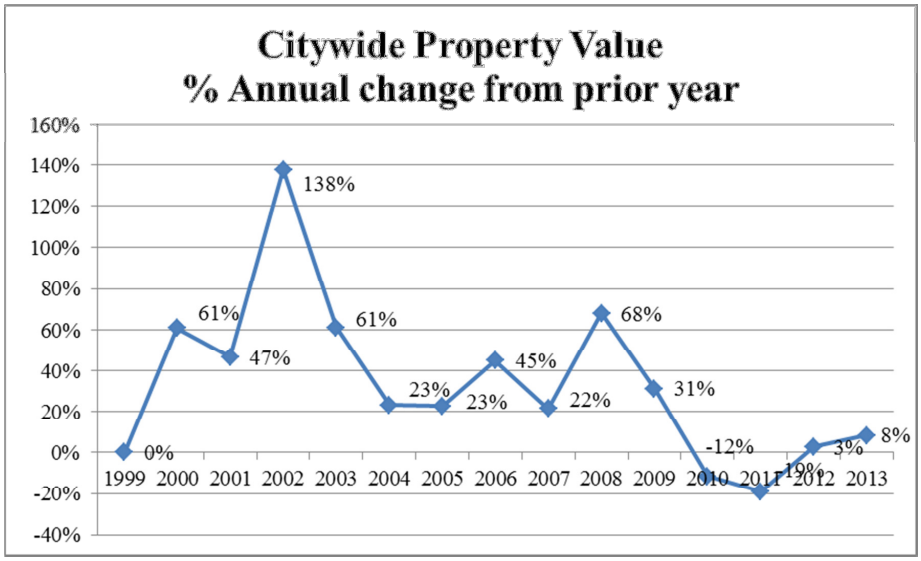


Figure 2 – illustrates the Citywide Property Value percent change for prior year since 1998.

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.

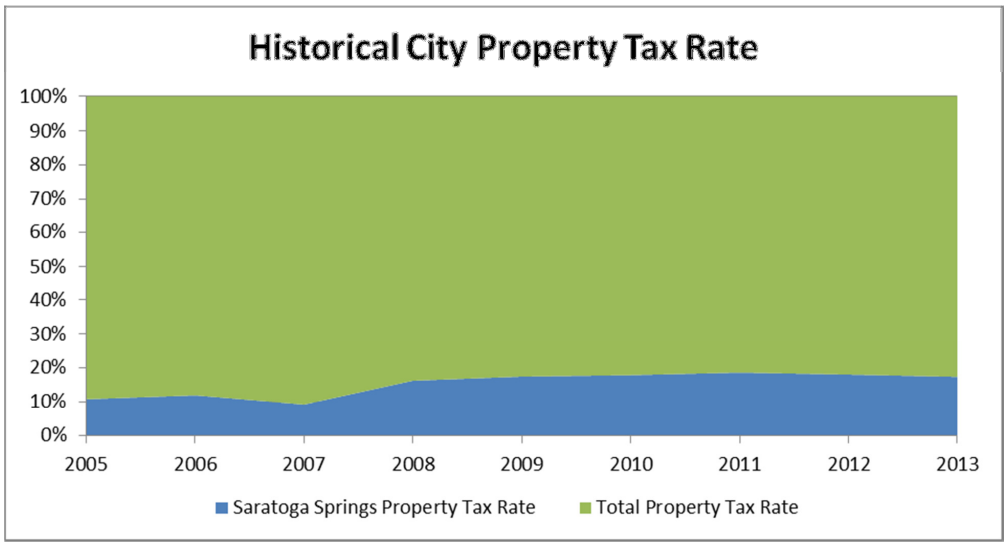


Figure 3 – illustrates each taxing entities share of the total levy for property taxes in 2013.

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.

EXECUTIVE SUMMARY – BUDGET OVERVIEW

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

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

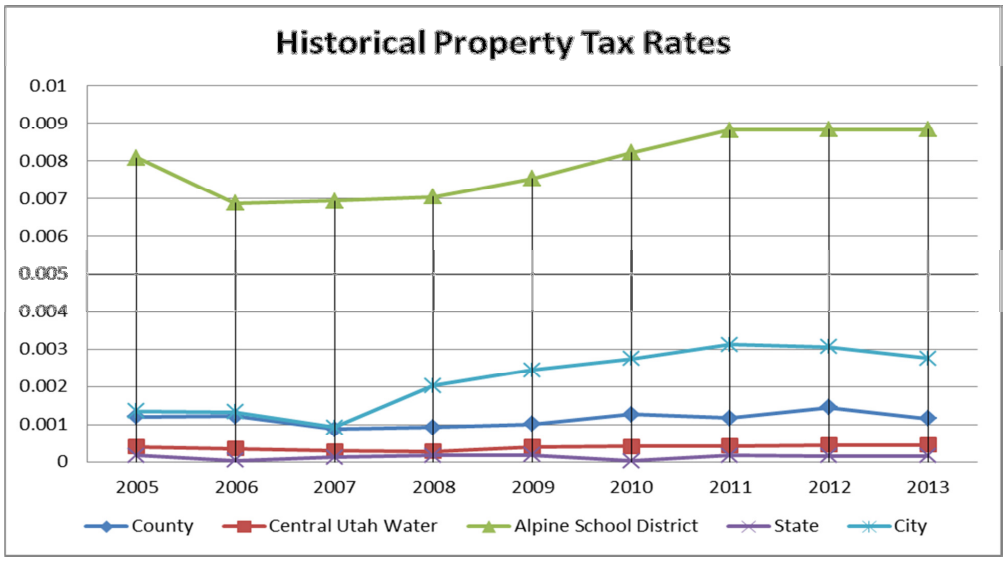


Figure 4 – illustrates each taxing entities tax rate for Saratoga Springs since 2005.

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.

EXECUTIVE SUMMARY – BUDGET OVERVIEW

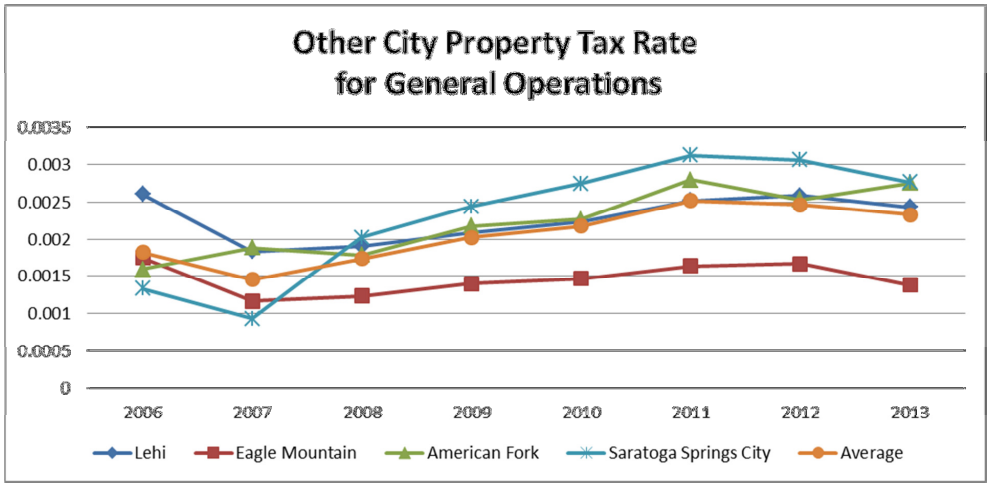


Figure 5 – Illustrates each operating property tax rate compared to Saratoga Springs since 2006.

City of Saratoga Springs, Top 10 Tax Payers, **2010			
Taxpayer	Rank	*Taxable Valuation	% of Total Value
Wal-Mart	1	$14,185,632	1.53%
Scott McLachlan	2	$11,453,726	1.24%
Stations West	3	$6,186,446	0.67%
Questar Gas	4	$5,574,781	0.60%
Utah Pacific Holding	5	$4,890,800	0.53%
Pacificorp	6	$4,781,679	0.52%
Cougars Rock Investments	7	$3,768,786	0.41%
Towne Storage	8	$3,269,422	0.35%
S3 Properties (Walgreens)	9	$2,786,771	0.30%
Wardley	10	$2,743,000	0.30%
Principle Tax Payer Totals		**$59,641,043**	
Total Property Valuation		**$ 925,040,605**	
Top 10 as a % of Total		**6%**	
*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 2000 Census. The City's population has grown from 1,003 in 2000 to 17,781 in 2010. Saratoga Springs grew by approximately 1,673% during this ten-year time span.

Census 2010 Demographic Profile Highlights

EXECUTIVE SUMMARY – BUDGET OVERVIEW

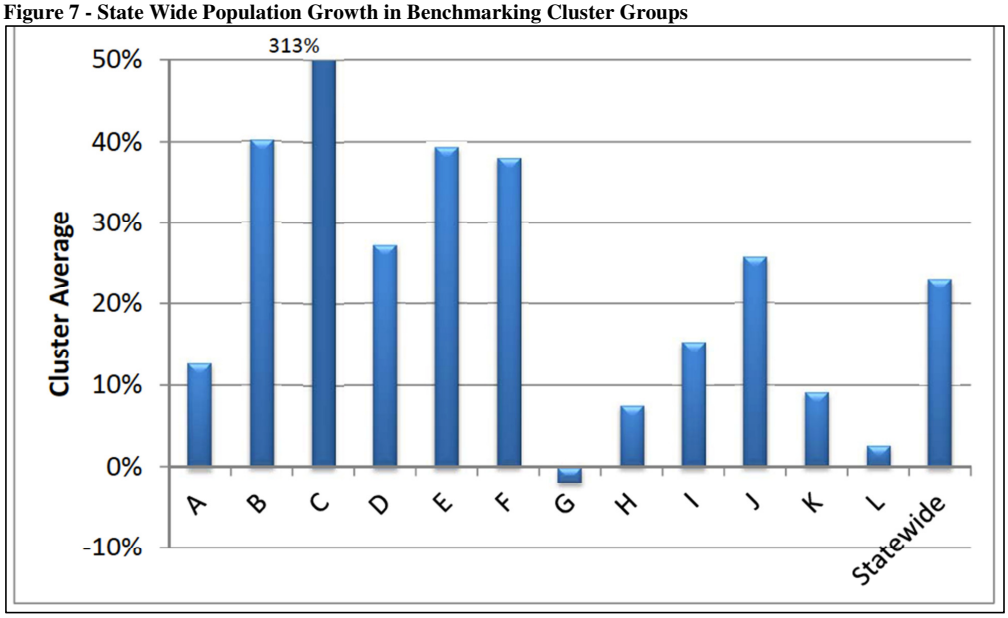
Subject	Total		18 years and over	
	Number	Percent	Number	Percent
POPULATION				
Total population	17,781	100.0	9,434	100.0
RACE				
One race	17,288	97.2	9,303	98.6
White	16,501	92.8	8,828	93.6
Black or African American	94	0.5	38	0.4
American Indian and Alaska Native	50	0.3	32	0.3
Asian	163	0.9	117	1.2
Native Hawaiian and Other Pacific	140	0.8	70	0.7
Some Other Race	340	1.9	218	2.3
Two or More Races	493	2.8	131	1.4
HISPANIC OR LATINO AND RACE				
Hispanic or Latino (of any race)	1,026	5.8	541	5.7
Not Hispanic or Latino	16,755	94.2	8,893	94.3
One race	16,370	92.1	8,796	93.2
White	15,902	89.4	8,526	90.4
Black or African American	89	0.5	35	0.4
American Indian and Alaska Native	43	0.2	26	0.3
Asian	163	0.9	117	1.2
Native Hawaiian and Other Pacific Islander	140	0.8	70	0.7
Some Other Race	33	0.2	22	0.2
Two or More Races	385	2.2	97	1.0
HOUSING UNITS				
Total housing units	4,685	100.0		
OCCUPANCY STATUS				
Occupied housing units	4,387	93.6		
Vacant housing units	298	6.4		

Table 6 – Saratoga Springs Demographic Information from 2010 Census

The Utah Benchmarking Project has clustered Cities into similar groups. Saratoga Springs is in cluster group "C" for high growth Cities. As you can see in the figure below, cluster C has seen

a 313% increase in population over the last 10 years. Saratoga Springs' growth has been 1,673% during the same time period.

Figure 7 - State Wide Population Growth in Benchmarking Cluster Groups



EXECUTIVE SUMMARY – ECONOMIC OUTLOOK

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 remained constant in this fiscal year. Some service level changes of note include:

- In-house Professional Staff. In the previous budget year funding was approved for an Finance Manager, Public Relations Manager, and a Library Director. It is believed that for the cost the City will receive greater service due to having these positions in house.

Formatted: Highlight

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 2014 will be implementing 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 nominal economic growth and taxable sales, stabilizing housing markets and unemployment, and low investment earnings. Stronger growth patterns are expected beginning in FY 2014-2015.

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. Maneuvering through these economic uncertainties is becoming increasingly difficult; future expenditure reductions may require the reduction in levels of service.

Personnel costs, city-wide, rose slightly. The City's health insurance renewal came back with a 3-4% increase. The City conducted a salary analysis comparing employees' salaries against their

counterparts in the group of benchmark cities. During their retreat, the City Council set a goal to pay employees at the 65th percentile over the next three 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 2014 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 May 2011 the City received its first ever bond rating (Sales Tax Revenue 2011 Series for Public Works and other City Facilities improvements.) from Standard and Poor's. The City received a rating of AA on its $4,000,000 debt issuance and competitively sold these bonds. The City was able to receive a true interest cost (TIC) rate of 3.64 percent for this issuance in part because of the excellent bond rating the City received. The City was able to sell these bonds without a reserve fund.

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.

Will be updated closer to the end of the fiscal year

Table 7 – Ending Fund Balance for Appropriation

Changes in Fund Balance Greater than 10%

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

The Zone 2 SID (Fund 24) This funds balance decreased by greater than 10% due to paying of the SID Debt.

Storm Drain Capital (Fund 31). This fund's increase greater than 10% is due to minimal budgeted expenditures were billed against this fund during the year while still receiving revenues.

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

Roads Capital Projects (Fund 33) This fund's balance increased greater than 10% due to the an increase in revenues, but minimal expenditures. Fund Balance will be primarily used to pay for the budgeted projects.

Public Safety Capital Projects (Fund 34) This fund's balance increased greater than 10% due to a

loan to this fund being paid off.

General Capital Projects (Fund 35) This funds balance increased by greater than 10% due to a transfer from the General Fund.

Water Operations (Fund 51) This Fund balance decreased by greater than 10% due to increased costs, but no service revenue changes.

Storm Drain (Fund 54) This fund balance increased by greater than 10% due to increased revenues coupled with less expenditures.

Garbage Utility (Fund 55) This fund's balance increased by more than 10% This is due to an increase in revenue.

Water Impact (Fund 56 and 57) This fund decreased in fund balance because additional payment to LMMWC were budgeted in FY 2013.

Will be updated closer to the end of the fiscal year

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

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.

EXECUTIVE SUMMARY – ECONOMIC OUTLOOK

- 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.

Special Improvement District Fund: Accounts for the operations and improvements within the SID and the accumulation of money for the repayment of the existing Special Assessment Bonds payable in annual installments. The principal source of revenue is levying a special tax on the properties located within the SID.

Capital Project Funds: Prepared accounting records and budgets for all capital project funds are maintained on a modified accrual basis. The capital project funds are used to account for the construction of major capital projects not included in the proprietary funds. The Capital Improvement Fund is used to account for capital projects of the City's general government. The City performed a capital facilities and impact fee analysis during 2012.

Functional Units by Fund Type		
General Fund	**Enterprise Funds**	**Special Improvement**
General Government	Water	Street Lighting
Public Safety	Sewer	
Highways & Public Improvements	Storm Drain	
Parks and 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.

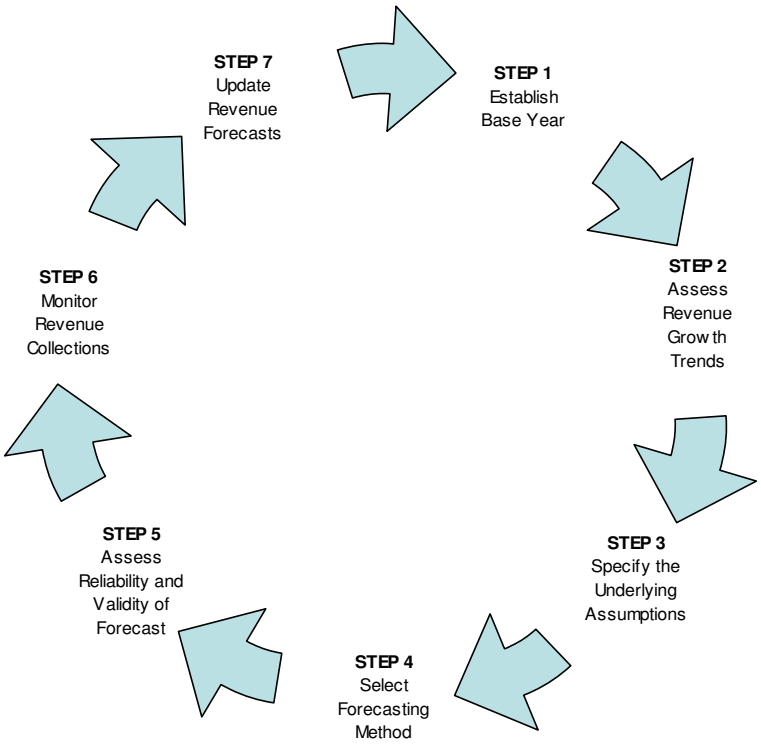
- Multi-year revenue/resource projections
- Maintaining an in-depth understanding of revenues/resources
- Assessing the effects of potential changes to revenue source rates and bases
- Periodically estimating the impact and potential foregone revenue/resources as a result of policies that exempt from 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		2013 Actual	2014 Adj Budget	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan
10	General Fund	11,550,452	10,881,324	12,186,774	12,262,342	12,374,708	12,508,993	12,645,741
22, 23	Street Ligting Funds	163,821	209,412	218,073	187,931	192,494	197,270	202,271
31	Storm Drain Capital Projects Fund	260,897	283,262	496,048	255,000	255,000	255,000	747,200
32	Parks Capital Projects Fund	806,000	(777,751)	450,000	472,500	496,125	520,931	546,978
33	Roads Capital Projects Fund	1,087,440	500,000	500,000	505,000	510,050	515,151	520,302
34	Public Safety Capital Projects Fund	395,912	250,000	300,000	303,000	306,030	309,090	312,181
35	Capital Projects Fund	2,532,190	4,989,005	1,628,434	1,522,964	1,378,434	1,378,434	1,378,434
40	Debt Service Fund	221,375	291,800	292,450	292,950	293,300	293,500	294,001
51	Water Utility Fund	2,869,312	2,550,850	3,340,500	3,335,310	3,432,916	3,533,402	3,636,851
52	Sewer Utility Fund	2,193,261	2,016,000	2,186,500	2,230,230	2,274,835	2,320,331	2,366,738
53	Wastewater Impact Fee Fund	496,943	315,000	365,000	3,368,650	372,337	10,376,060	379,820
54	Storm Drain Utility Fund	386,928	361,000	400,000	2,904,000	408,040	412,120	416,242
55	Garbage Utility Fund	897,809	851,768	851,785	860,303	868,906	877,595	886,371
56	Culinary Water Impact Fee Fund	1,520,834	1,626,439	2,700,000	903,000	906,030	909,090	912,181
57	Secondary Water Impact Fee Fund	428,450	239,527	2,200,000	4,700,000	200,000	200,000	200,000
Total Revenues by Fund		**$ 25,811,623**	**$ 24,587,636**	**$ 28,115,564**	**$ 34,103,181**	**$ 24,269,204**	**$ 34,606,967**	**$ 25,445,312**

Table 10 Government-Wide Revenues by Fund

Comment [e2]: Final Budget, Rev Fund Total

Government-Wide: Revenues by Major Object							
Major Object	2013 Actual	2014 Adj Budget	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan
Tax Revenue	5,988,154	5,773,595	5,960,150	6,067,334	6,176,662	6,288,176	6,401,920
% Change from Prior Year	25%	-4%	3%	2%	2%	2%	2%
Licenses and Permits	648,974	482,100	582,100	582,724	583,360	584,010	584,672
% Change from Prior Year	115%	-26%	21%	0%	0%	0%	0%
Intergovernmental Revenue	757,047	782,202	782,202	711,202	691,702	691,702	691,702
% Change from Prior Year	-7%	3%	0%	-9%	-3%	0%	0%
Charges for Services	7,487,320	6,830,613	8,116,063	8,169,016	8,323,308	8,481,519	8,643,754
% Change from Prior Year	46%	-9%	19%	1%	2%	2%	2%
Other Revenue	3,567,793	2,471,233	2,464,000	2,508,130	2,553,671	2,600,684	2,649,232
% Change from Prior Year	48%	-31%	0%	2%	2%	2%	2%
Contributions and Transfers	3,899,181	4,408,102	3,307,553	3,327,971	3,348,405	3,368,863	3,882,040
% Change from Prior Year	918%	13%	-25%	1%	1%	1%	15%
Total	**$ 22,348,470**	**$ 20,747,844**	**$ 21,212,068**	**$ 21,366,377**	**$ 21,677,108**	**$ 22,014,953**	**$ 22,853,320**
% Change from Previous Year	61%	-7%	2%	1%	1%	2%	4%

Table 11 Government-Wide Revenues by Major Object

Comment [e3]: Final Budget Rev Fund Total

Charges for Services, fees charged to users for goods or services, are expected to have an increase in FY 2015. Between 2016 and 2019 charges for services are expected to increase at an average annual rate of 2% as the city expects some increase in construction, recreation programming fees, and ambulance fees. Charges for services represent 38.3% of revenues for 2015.

Property Tax Revenues in 2015 are estimated at $2,209,190 or 18.1% of City's general fund revenue. This estimate has increased in comparison to the property tax collected in 2014. 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	2013 Actual	2014 Adj Budget	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan
Tax Revenue	27%	28%	28%	28%	28%	29%	28%
Licenses and Permits	3%	2%	3%	3%	3%	3%	3%
Intergovernmental Revenue	3%	4%	4%	3%	3%	3%	3%
Charges for Services	34%	33%	38%	38%	38%	39%	38%
Other Revenue	16%	12%	12%	12%	12%	12%	12%
Contributions and Transfers	17%	21%	16%	16%	15%	15%	17%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

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

Comment [e4]: Final Budget; Rev Fund Total

Sales, Franchise, and Energy Tax receipts are estimated to reach $3,389,800 or 27.8% of general fund revenue in 2015, up about 4.4% from the 2014 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 Tansit Tax	0.25%
Mass Tranist 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

Comment [e5]: http://tax.utah.gov/sales/rate/12q3combined.pdf

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 changed 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

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.

Changes in Sales Tax Revenue Due to 2010 Census:

As a result of the 2010 census, Saratoga Springs received a higher than projected population figure. This resulted in greater sales tax revenue due to the distribution formula. Not all cities were affected equally as many cities have seen reductions.

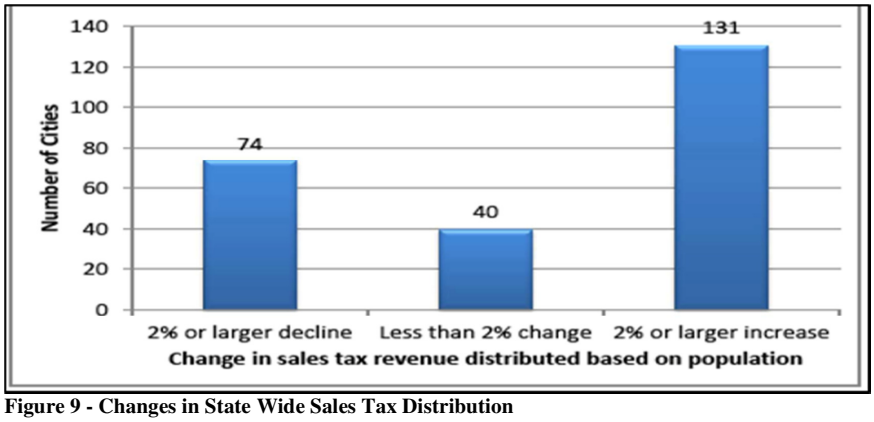


Figure 9 - Changes in State Wide Sales Tax Distribution

Largest likely losses:	Largest likely gains:
Sandy (about $650,000)	West Valley City (about $380,000)
Provo (about $460,000)	Salt Lake City (about $340,000)
Orem (about $450,000)	Herriman (about $260,000)
South Jordan (about $280,000)	Spanish Fork (about $165,000)
American Fork (about $150,000)	North Salt Lake (about $160,000)
Cottonwood Heights (about $120,000)	South Salt Lake (about $145,000)
Bountiful (about $115,000)	Syracuse (about $140,000)
Pleasant Grove (about $100,000)	Clearfield (about $140,000)
Riverton (about $100,000)	Saratoga Springs (about $125,000)

Table 15 - State Wide Largest Gains and Losses in Sales Tax Reallocation

Franchise Tax receipts for cable services are collected at 3% of gross sales and telecommunications taxes are collected at 3.5% of gross sales. **Energy Taxes** for power and gas services are collected at 6%.

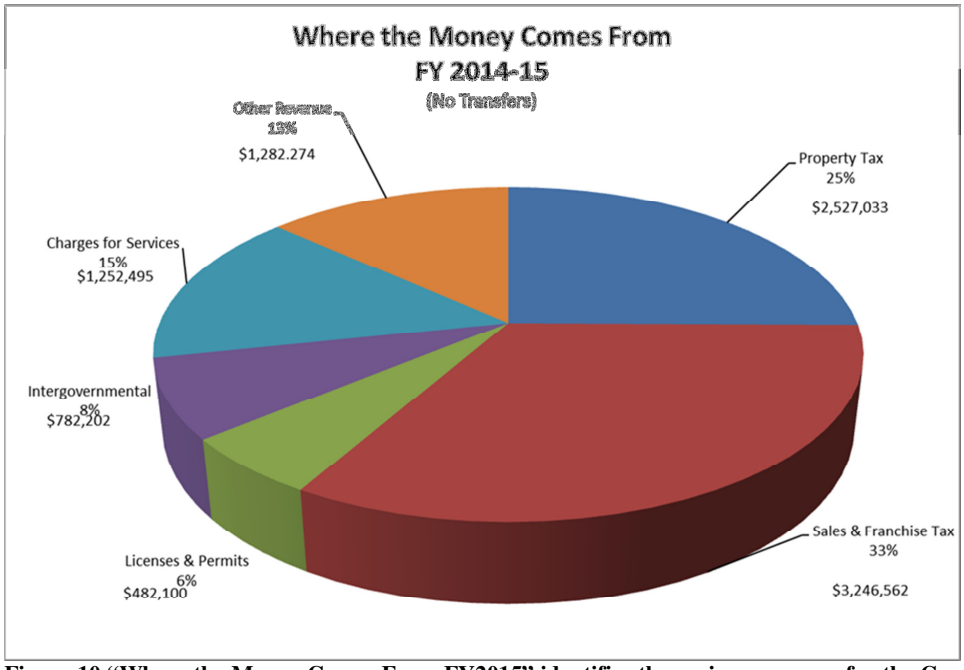


Figure 10 "Where the Money Comes From FY2015" identifies the major resources for the General Fund excluding fund balance and interfund transfers.

Intergovernmental Revenue receipts are estimated to reach $782,202 or 6.4% of the City's general fund revenue in 2015. 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 81.31 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 $582,100 or 4.8% of the City's general fund revenue in 2015. 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 $1,365,500 or 11.2% of the City's projected general fund revenues for FY 2015. 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 20134 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; 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.

Government-Wide: Requirements by Fund

Fund		2013 Actual	2014 Adj Budget	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan
10	General Fund	11,120,424	10,820,867	12,186,774	12,262,342	12,374,708	12,508,992	12,645,741
22, 23	Street Ligning Funds	109,513	214,393	228,111	198,035	202,679	207,556	212,677
31	Storm Drain Capital Projects Fund	14,118	913,973	496,048	144,530	40,203	-	747,200
32	Parks Capital Projects Fund	1,888,690	2,319,254	450,000	70,000	-	-	-
33	Roads Capital Projects Fund	46,203	5,155,223	-	-	-	-	-
34	Public Safety Capital Projects Fund	5,313	830,000	-	-	-	-	5,000,000
35	Capital Projects Fund	2,418,870	6,469,741	1,628,434	1,522,964	1,378,434	1,378,434	1,378,434
40	Debt Service Fund	291,000	291,800	292,450	292,950	293,300	293,500	294,001
51	Water Utility Fund	1,911,106	2,878,029	3,340,500	3,335,310	3,432,916	3,533,401	3,636,851
52	Sewer Utility Fund	1,552,601	2,323,783	2,684,051	2,364,753	2,365,112	3,674,609	2,390,216
53	Wastewater Impact Fee Fund	276,860	1,453,041	284,460	2,560,136	-	13,365,120	-
54	Storm Drain Utility Fund	688,358	361,000	595,554	2,904,000	948,270	851,663	1,611,164
55	Garbage Utility Fund	756,772	851,768	851,785	860,303	868,906	877,595	886,372
56	Culinary Water Impact Fee Fund	138,008	2,111,462	2,700,000	903,000	1,085,937	909,091	912,182
57	Secondary Water Impact Fee Fund	216,575	502,342	2,200,000	4,700,000	200,000	200,000	200,000
Total Revenues by Fund		**$ 21,434,412**	**$ 37,496,677**	**$ 27,938,167**	**$ 32,118,323**	**$ 23,190,467**	**$ 37,799,961**	**$ 29,914,838**

Table 16 Government-Wide Requirements by Fund

Comment [e6]: Final Budget Rev Fund Total

Government-Wide: Revenues by Major Object

Major Object	2013 Actual	2014 Adj Budget	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan
Tax Revenue	5,988,154	5,773,595	5,960,150	6,067,334	6,176,662	6,288,176	6,401,920
% Change from Prior Year	25%	-4%	3%	2%	2%	2%	2%
Licenses and Permits	648,974	482,100	582,100	582,724	583,360	584,010	584,672
% Change from Prior Year	115%	-26%	21%	0%	0%	0%	0%
Intergovernmental Revenue	757,047	782,202	782,202	711,202	691,702	691,702	691,702
% Change from Prior Year	-7%	3%	0%	-9%	-3%	0%	0%
Charges for Services	7,487,320	6,830,613	8,116,063	8,169,016	8,323,308	8,481,519	8,643,754
% Change from Prior Year	46%	-9%	19%	1%	2%	2%	2%
Other Revenue	3,567,793	2,471,233	2,464,000	2,508,130	2,553,671	2,600,684	2,649,232
% Change from Prior Year	48%	-31%	0%	2%	2%	2%	2%
Contributions and Transfers	3,899,181	4,408,102	3,307,553	3,327,971	3,348,405	3,368,863	3,882,040
% Change from Prior Year	918%	13%	-25%	1%	1%	1%	15%
Total	**$ 22,348,470**	**$ 20,747,844**	**$ 21,212,068**	**$ 21,366,377**	**$ 21,677,108**	**$ 22,014,953**	**$ 22,853,320**
% Change from Previous Year	61%	-7%	2%	1%	1%	2%	4%

Table 17 Government-Wide Requirements by Major Object

Comment [e7]: Final Budget Rev Fund Total

Government-Wide: Revenues by Major Object as a Percentage

Major Object	2013 Actual	2014 Adj Budget	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan
Tax Revenue	27%	28%	28%	28%	28%	29%	28%
Licenses and Permits	3%	2%	3%	3%	3%	3%	3%
Intergovernmental Revenue	3%	4%	4%	3%	3%	3%	3%
Charges for Services	34%	33%	38%	38%	38%	39%	38%
Other Revenue	16%	12%	12%	12%	12%	12%	12%
Contributions and Transfers	17%	21%	16%	16%	15%	15%	17%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table 18 Government-Wide Requirements by Major Object as a percentage of Total

Comment [e8]: Final Budget Rev Fund Total

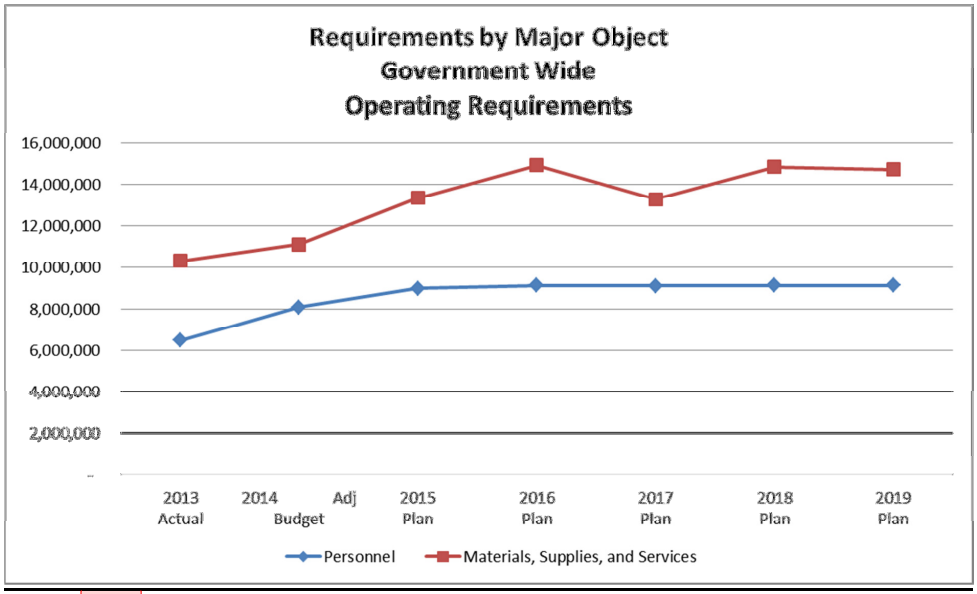


Figure 11 Government-Wide Operating Requirements by Major Object

Comment [e9]: Final Budget Rev Fund Totals

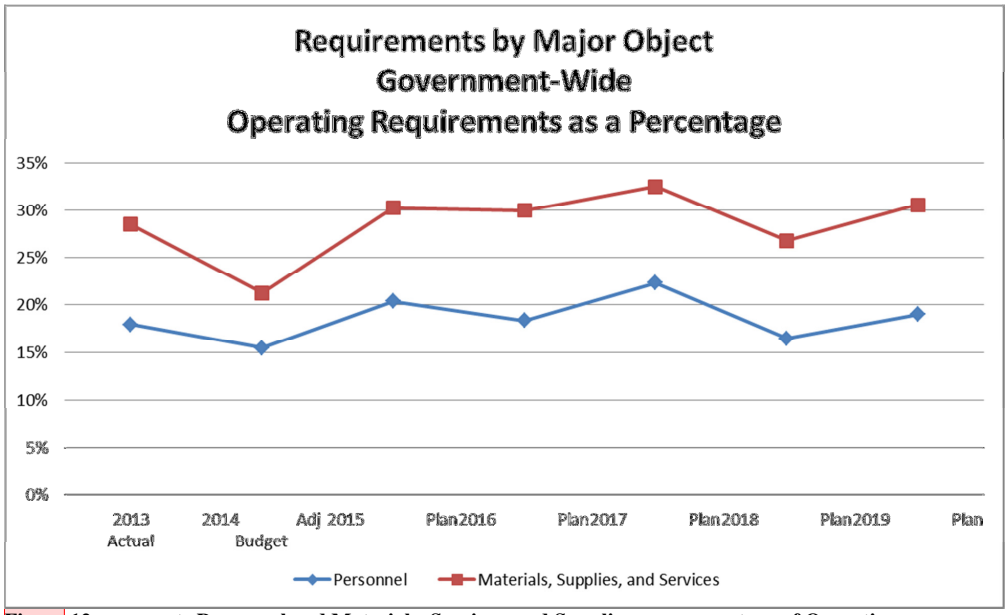


Figure 12 represents Personnel and Materials, Services, and Supplies as a percentage of Operating requirements for all funds combined.

Comment [e10]: Final Budget Rev Fund total

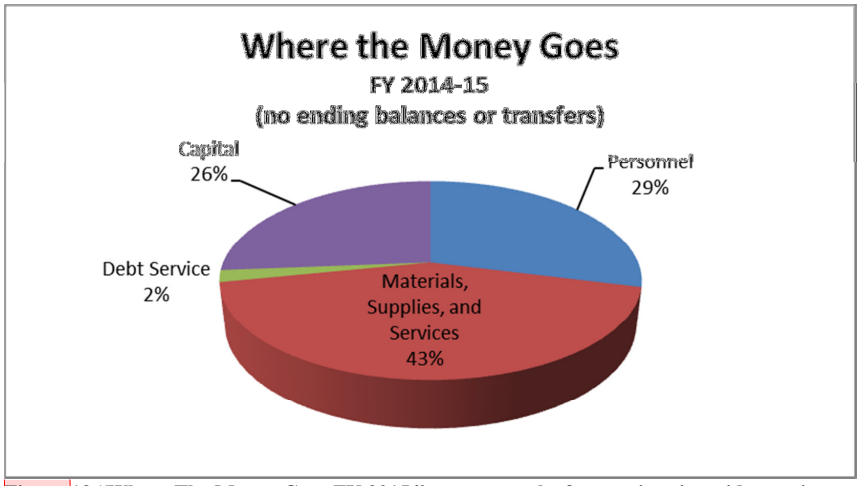


Figure 13 "Where The Money Goes FY 2015," represents the four major city-wide requirements.

Comment [e11]: Final Budget Rev Fund Total

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 4.6 % (July 2013). Utah is still below the national average of 7.4 % (July 2013).

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.

Compensation: During the 2014 fiscal year the city performed a compensation plan analysis. 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 20 other cities. 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 for employees to be paid at the 65th %ile of their benchmarked passion 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 Humana. Vision insurance is provided by Eye Med and is fully funded through employee payroll deductions. Life insurance is provided by Guardian. Long Term Disability insurance is provided by Lincoln Insurance Company.

PEHP offers two different plans for employees to choose from. One plan is a traditional health insurance plan. It has a $500 deductible 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 $1,250 for single coverage and $2,500 for double and family coverage. The premiums are lower for the high deductible plan. The City contributes the savings into the employees' HSA. The two plans are cost neutral for the City.

The City received a renewal with an approximately 5.3% increase for health insurance when compared to last year.

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.

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

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. In 2008 the City opted out of Social Security. In lieu of Social Security payroll taxes, the City contributes the 6.2 % into a 401(k) plan for the employee.

Plan	Rate (%)
Public Employees Noncontributory	17.29
Public Safety	32.20
Firefighters	21.17

Table 20 City Retirement Contribution Rates

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 the retirement benefits for new public employees and new public safety and firefighters employees.

Market Pay Analysis
Beginning in fiscal year 2012 and each year as part of the budget process, the City will complete a pay benchmarking study with the Wasatch Comp Group and a number of governmental entities to determine how the City's 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 2015 and 2019 at an average rate of 3 % annually. Benefits between 2015 and 2019 have been estimated to increase at an average rate of 4 % annually.

Since 2008, full-time equivalents have increased by 40.9 %.

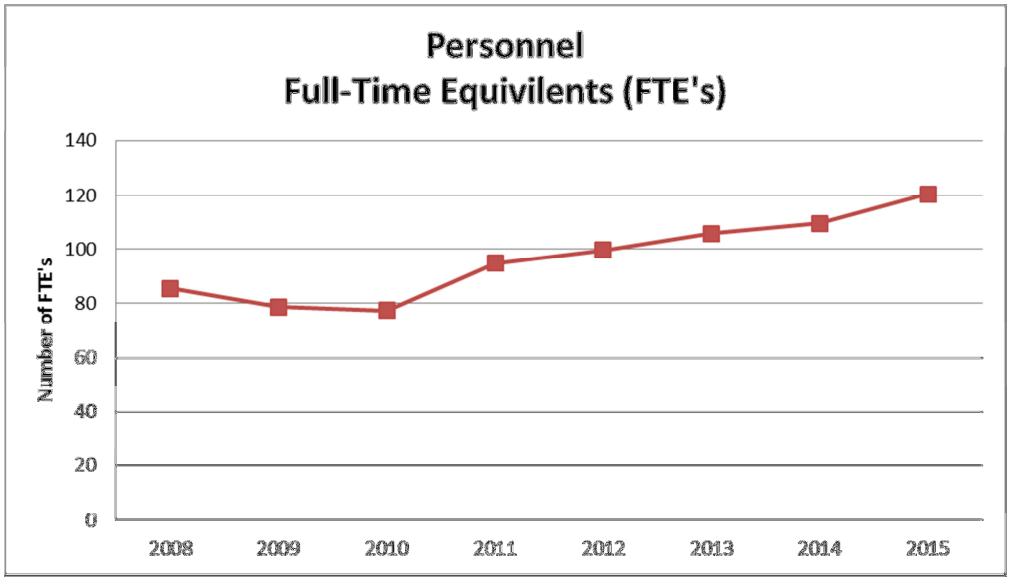


Figure 14 Personnel – Change in Full-Time Equivalents

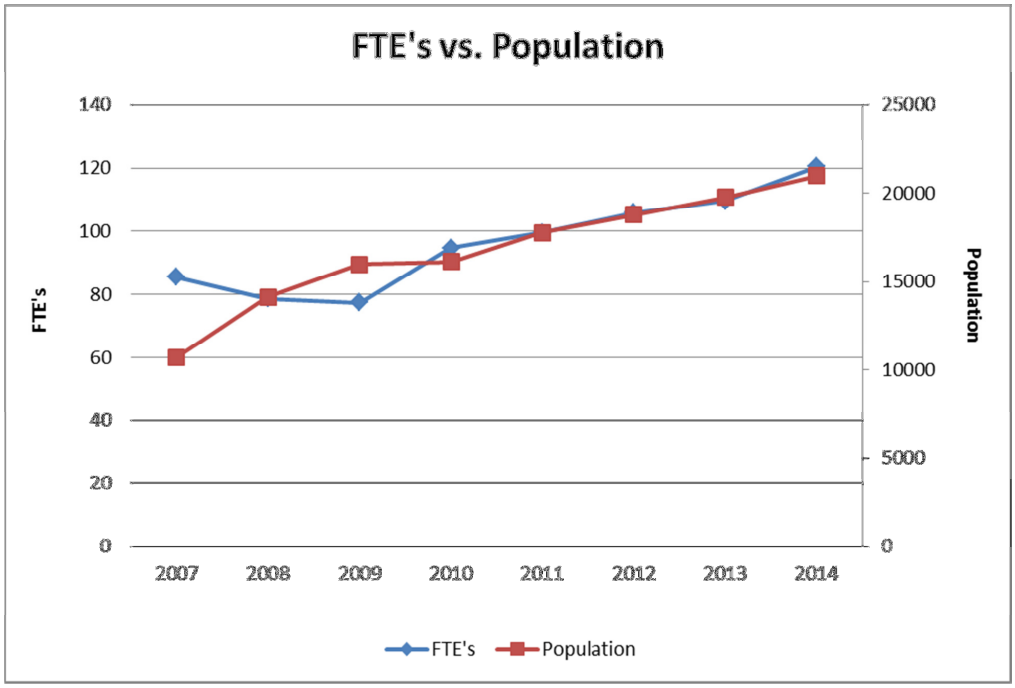


Figure 15 compares the number of employees to population.

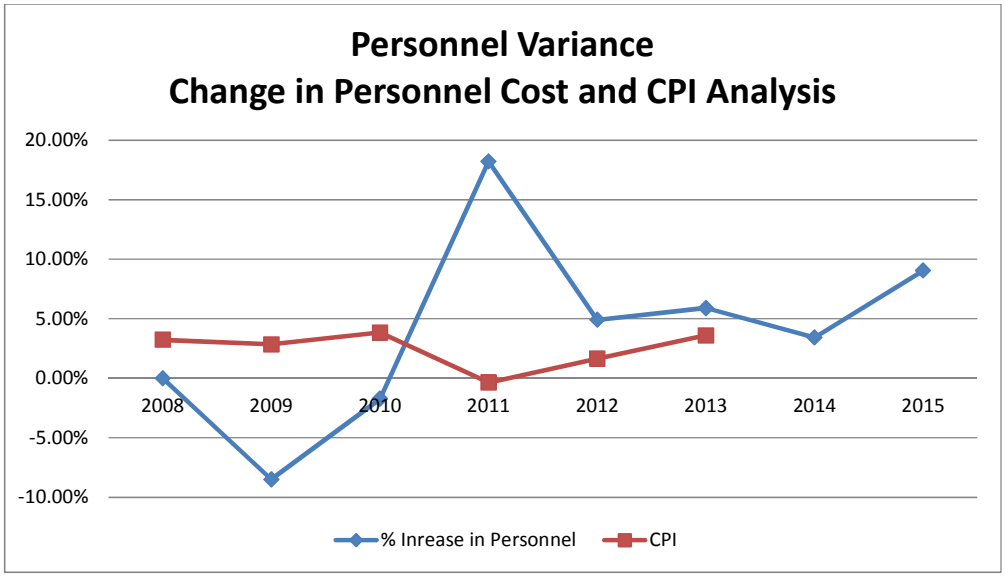


Figure 16 (compares Changes in Personnel Costs to the Change in the Consumer Price Index relative to growth patterns between 2008 and 2015.

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 their associated personnel costs.

Department	2008	2009	2010	2011	2012	2013	2014	2015
Administration	10.75	7.5	8	7.5	8	8.5	9.75	11.75
Recreation Services	1	0.5	0.66	0.66	2.05	2.8	2.8	3
Building	8	5	4	4	4	4.5	5	6
Planning	5.5	3	2	2.5	2.5	2.5	3.5	3.5
Public Works	20.75	17.5	18	21	22	25.5	26.5	33.75
Engineering	7	5.5	3.5	6.5	6.5	6.5	6.5	4
Fire	11	14	13	16	16	16	16	17.5
Police	21.5	23.3	25.8	33.05	34.05	34.05	34.05	35.5
Court		2	2	3	3	3	3	3
Attorney		0.5	0.5	0.5	1.5	2.5	2.5	2.5
Total	85.5	78.8	77.46	94.71	99.6	105.85	109.6	120.5

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

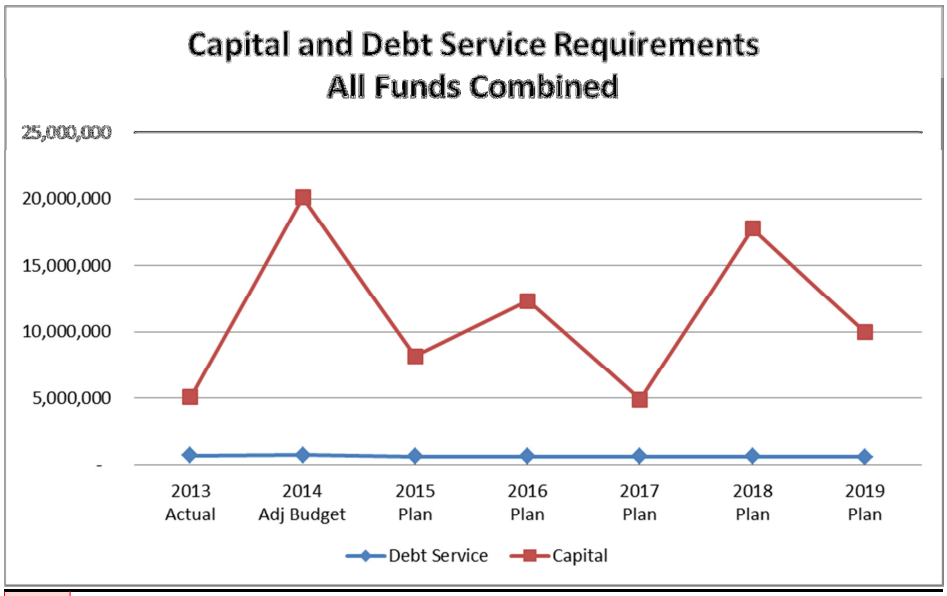


Figure 17 (left) represents capital and debt service requirements for all funds combined for fiscal years 2013 actual, 2014 adjusted budget, 2015 - 2019 budget plan.

Comment [e12]: Final Budget Rev Fund Total

Capital requirements are proposed to decrease from $20,076,194 in 2014 to $8,164,482 in 2015, a decrease of 59.3 %. Many of the budgeted amounts from FY 2014 will roll over into FY2015 for projects that were budgeted and incomplete and/or not started as of the end of FY2014.The City is currently undertaking a revision of its master plans, capital facilities plans, and impact fee studies. For this reason, capital improvements are only partially budgeted beyond the 2014 year. As soon as the updated capital facilities plans are approved they will be included in the budget document.

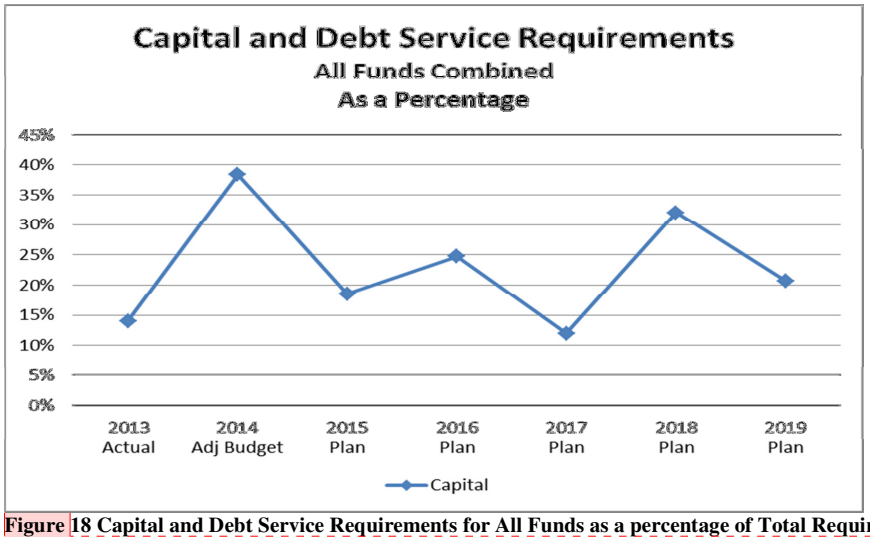


Figure 18 Capital and Debt Service Requirements for All Funds as a percentage of Total Requirements

Comment [e13]: Final Budget Rev Fund Total

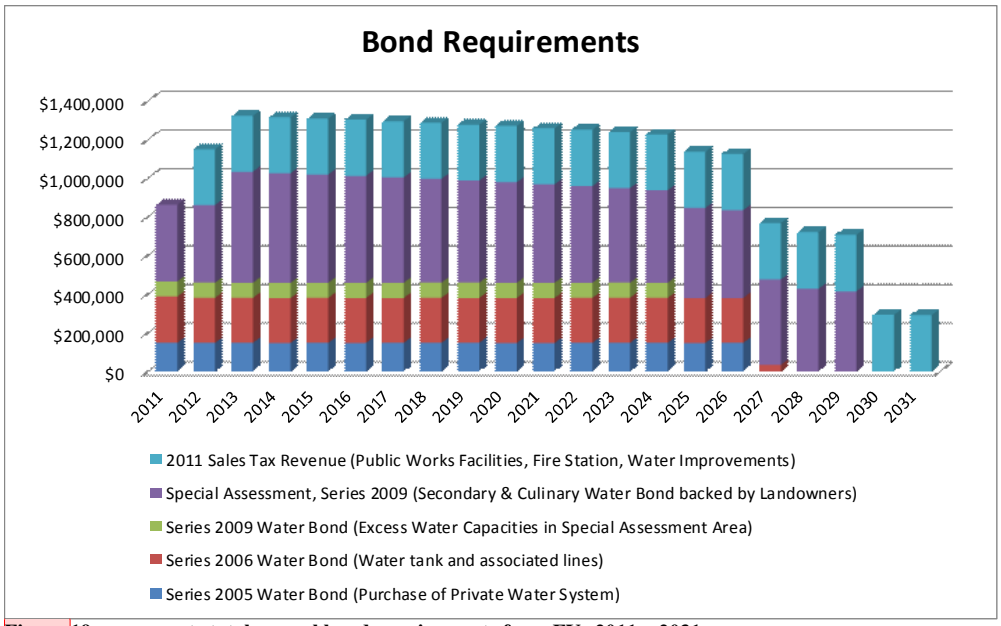


Figure 19 - represents total annual bond requirements from FYs 2011 – 2031

Comment [e14]: Final Budget: Debt Schedules

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 end of FY 2014 and again in FY 2016.

Debt Service requirements continue to follow their relative amortization schedules. The newest issuance occurred in June 2011. The City competitively placed Series 2011 Sales Tax Revenue Bonds for $4 million to finance the purchase and construction of a Public Works facility, fire station renovations, and water system improvements. Will include more about water debt when it become available

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-12	Additions	Retirements	Balance 30-Jun-13	Due Within One Year
Governmental activities:							
2011 Sales Tax Revenue Bond	3.000 to 4.125	4,000,000	3,860,000		145,000	3,715,000	150,000
Obligations Under Capital Leases			382,432		190,038	192,394	142,414
Total Governmental Activity Debt		4,000,000	4,242,432	-	335,038	3,907,394	292,414
Business-type activities:							
2005 Water Revenue Bond	3.840	2,031,000	1,572,000	-	84,000	1,488,000	90,000
2006 Water Revenue Bond	3.200	350,000	2,617,000	-	149,000	2,468,000	154,000
2009 Water Revenue Bond	4.160	866,000	729,000	-	48,000	681,000	50,000
2012 Special Assesment Bond	0.750 to 4.450	3,114,374	3,114,374		157,374	2,957,000	215,874
Culinary Water System Settlement			15,003,460	-	1,000,000	14,003,460	1,050,000
Obligations Under Capital Leases			38,148	-	20,833	17,315	17,315
Total Business-Type Activity Debt		6,361,374	23,073,982	-	1,459,207	21,614,775	1,577,189

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. The City of Saratoga Springs has an assessed value of $757,236,263, with no general obligation debt. The limit for the City is $30,289,450. The current level of debt does not have any effects on the current operations of the City. For more information on the City's debt management policies, see the Policies and Objectives section of this budget document.

Interfund Transfer The City 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

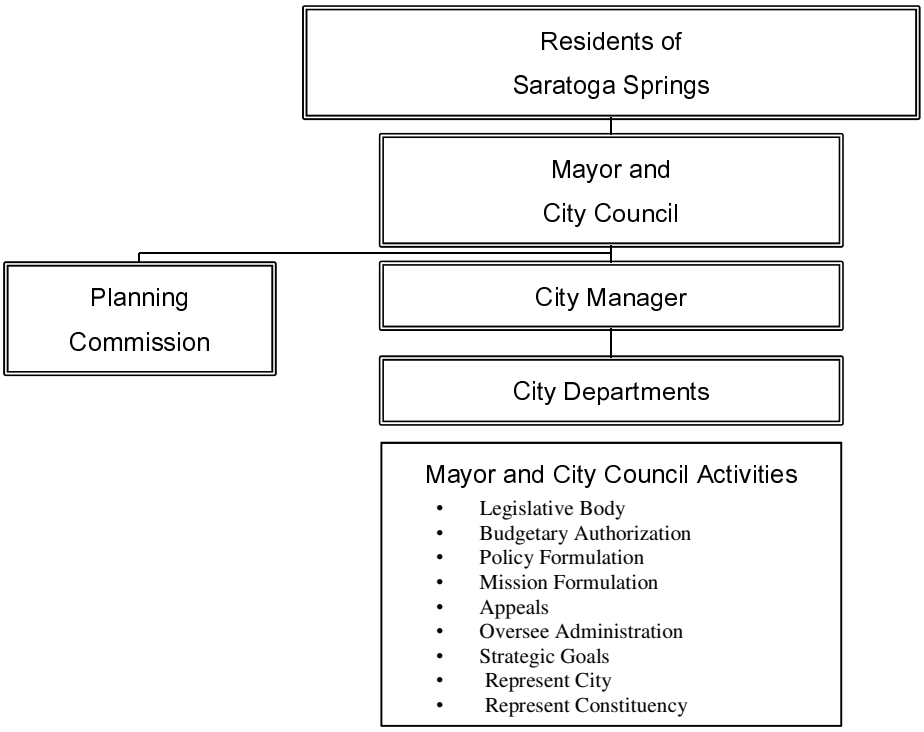
Major (projects > $100,000) capital projects as priorities for fiscal year 2015:

1. **Welby Jacobs turnout to Benches ($1,817,000).**
2. **Crossroads Blvd 18 inch water line and booster ($1,211,000).**
3. **Redwood Road 18 inch water line ($653,000).**
4. **Secondary Residential Meters ($2,774,000).**
5. **Harbor Parkway Lake Mountain Estates ($162,200).**
6. **Shay Park ($2,000,000).**
7. **200 East – 4th South to Pioneer Crossing ($2,650,000)**
8. **High School Light ($200,000).**
9. **Pioneer Crossing to Redwood Road ($800,000).**

OPERATING BUDGETS

GENERAL GOVERNMENT: CITY LEADERSHIP

City of Saratoga Springs
Organizational Structure



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!

GENERAL GOVERNMENT: CITY LEADERSHIP

CITY COUNCIL SHORT TERM GOALS AND PRIORITIES (12 – 18 Months)

First Priority

- Identify metrics / trigger points for each major department~~City Center Master Planning~~
- Locate / Design / Build Ball Parks
- ~~Complete Long Term: Capital, Fleet, and Operations Planning~~
- Smart Zoning Map
- ~~Develop Pioneer Crossing Phase 2 plan.~~
- Lakeshore study master plan
- ~~Facilitate Satellite University Campus Discussions~~
- Transaction functionality improvement (vendors)
- Maintain competitive salary
- ~~Provide additional City Council Training. (ULCT)~~

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Second Priority

- Apply for additional Grants including energy efficiency and alternative energy technologies.

CITY COUNCIL LONG TERM GOALS (2 - 20 years)

- ~~Create a community that has diverse and sustainable resources. This should include a strong workforce, infrastructure planning and coordination, water system rights and delivery, consumer sales tax base, and economic and environmental sustainability.~~ Develop a long range sustainable plan with quantifiable metrics to proportionally increase "infrastructure" staff roads etc. to proactively address growth demands
- Build 1st class recreation facilities.
- ~~Create and support arts in the community including civic events, performing, and visual arts.~~
- Create a successful environment for business "Class A", dining and retail to foster an environment of WORK, LIVE, PLAY~~Create a diverse community including cultural development, housing opportunities, and age distribution~~.
- Create a unique Lakefront for economic & residential development.
- Improve communication to foster engagement between the City, the residents, businesses and schools.
- Improve staff satisfaction to develop and retain committed employees.
- ~~Provide a full range of quality of life facilities for citizens of all ages and backgrounds that include: full service library, diverse recreation programs and outdoor recreation opportunities including parks, trails, shoreline/boardwalk, and trail heads for off-road vehicles.~~
- ~~Create a diverse educational base including all phases of childhood education and post high school educational opportunities.~~
- ~~,Facilitate mass transit facilities and opportunities within the community.~~
- ~~Develop long term plans for a sewer recycling and reuse center.~~
- ~~Develop long-term plans and opportunities to utilize geothermal, solar, wind, and renewable power sources.~~
- ~~Apply for funding grants.~~

GENERAL GOVERNMENT: CITY LEADERSHIP

- ~~Create a long term lakeshore business development plan.~~
- ~~Facilitate a private or public cemetery within the City.~~

General Fund 10: Mayor and City Council							
Requirements by Major Object	**2013 Actual**	**2014 Adj Budget**	**2015 Plan**	**2016 Plan**	**2017 Plan**	**2018 Plan**	**2019 Plan**
Personnel	58,193	53,287	71,587	71,587	71,587	71,587	71,587
Materials, Supplies, & Services	45,337	43,062	44,185	45,355	46,576	47,849	49,177
Total Requirement	**103,529**	**96,349**	**115,771**	**116,942**	**118,162**	**119,435**	**120,763**
% Change from Prior Period	**60%**	**-7%**	**20%**	**1%**	**1%**	**1%**	**1%**

Table 23 (above) represents the Mayor and City Council's fiscal year 2013 actual expenditures, 2014 final budget, 2015 approved budget, and 2016 through 2019 budget plan.

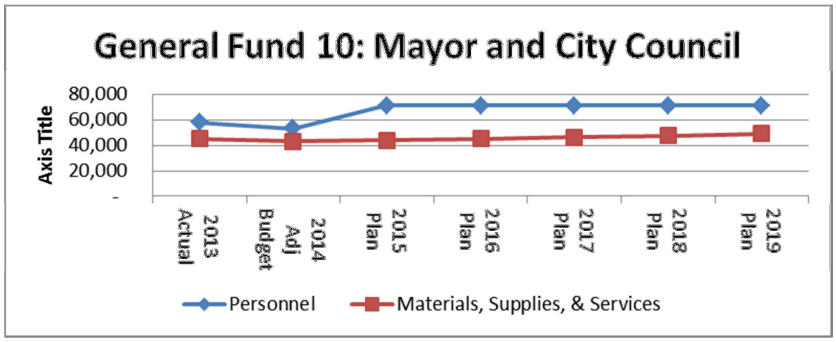


Figure 20 (above) represents Personnel and Materials, Services, and Supplies (MSS) between 2013 and 2019.

Personnel requirements are expected to stay approximately the same between 2015 and 2019.

Materials, Supplies, and Services are expected to remain relatively constant between 2015 and 2019. A moderate 3 % increase is anticipated for Materials, Supplies, and Services between 2015 and 2019. This is mainly due to increases in association and membership dues.

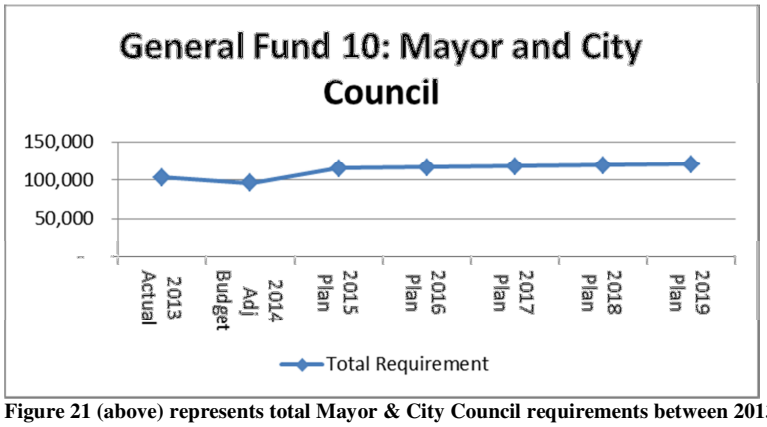
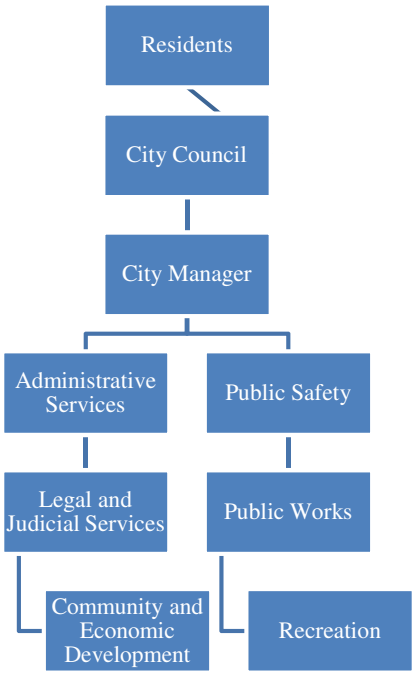


Figure 21 (above) represents total Mayor & City Council requirements between 2013 – 2019.

GENERAL GOVERNMENT: CITY MANAGER



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 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.

GENERAL GOVERNMENT: CITY MANAGER

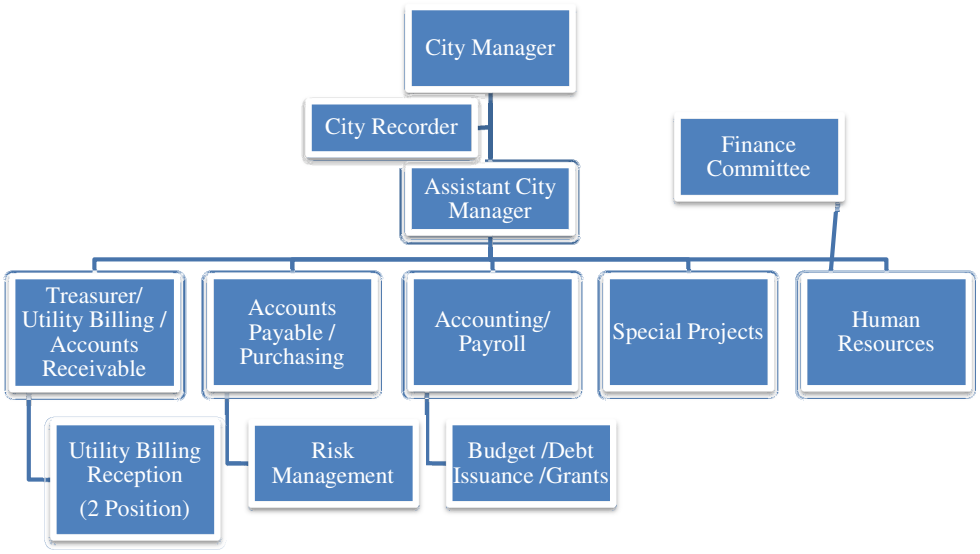
Fiscal Year 2012 Accomplishments and Highlights	
Council Goal	**Status**
City Center Annexation and Master Planning	The property has been annexed and planning is in progress
Complete Long Term: Capital, Fleet, and Operations Planning	In Progress
Develop Pioneer Crossing Phase 2 plan.	In Progress
Facilitate Satellite University Campus Discussions	In Progress
Provide additional City Council Training. (ULCT)	In Progress
Begin Construction on Shay and Neptune Parks in FY 2012. Park completion in future phases.	Neptune Park is completed, Shay Park is in progress.
Apply for additional Grants including energy efficiency and alternative energy technologies.	Not started

Table 24 Fiscal Year 2013 Accomplishments and Highlights

Performance Measure	Target 2013
% of departmental goals met on an annual basis	90
% of Council goals accomplished	95
% of staff attending individual training	100
% of staff receive opportunity for quarterly in house training	100
% of staff and boards receive annual sexual harassment training	100
City Manager to complete 40+ hours of continuing education per year	40

Table 25 Fiscal Year 2013 Performance Measures

GENERAL GOVERNMENT: ADMINISTRATION



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 Adj Budget**	**2015 Plan**	**2016 Plan**	**2017 Plan**	**2018 Plan**	**2019 Plan**
Personnel	425,283	508,358	506,733	506,733	506,733	506,733	506,733
Materials, Supplies, & Services	51,808	44,611	45,511	46,411	47,311	48,211	49,111
Capital	-	-	-	-	-	-	-
Total Requirement	**477,091**	**552,969**	**552,244**	**553,144**	**554,044**	**554,944**	**555,844**
% Change from Prior Period	**108%**	**16%**	**0%**	**0%**	**0%**	**0%**	**0%**

Table 26 (above) represents the Administration Department's actual expenditures for 2013, adjusted budget for 2014, tentative budget for 2015, and budget plan for 2016 - 2019.

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 slightly decrease in fiscal year 2015 due to a reorganization of departments.

GENERAL GOVERNMENT: ADMINISTRATION

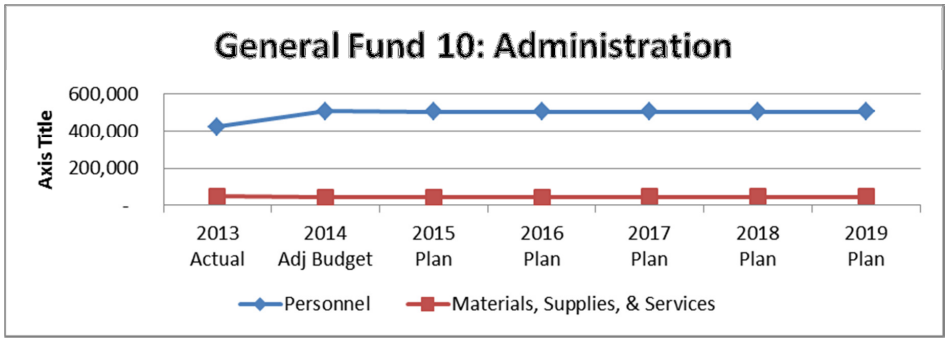


Figure 22 (above) represents Material, Services, and Supplies and Personnel major requirements between 2013 and 2019.

Positions funded in the administration department include the City Manager, Finance Manager, Accounts Payable Clerk, and HR/Payroll Clerk (part-time). Proposed for FY 2015 are a Human Resource Specialist, and the removal of the Assistant City Manager to the Public Works Department. Full-time equivalents are expected to stay the same at 4.75.

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.

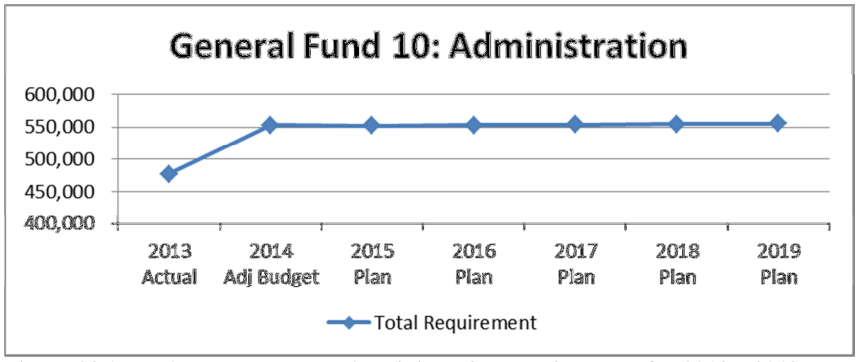
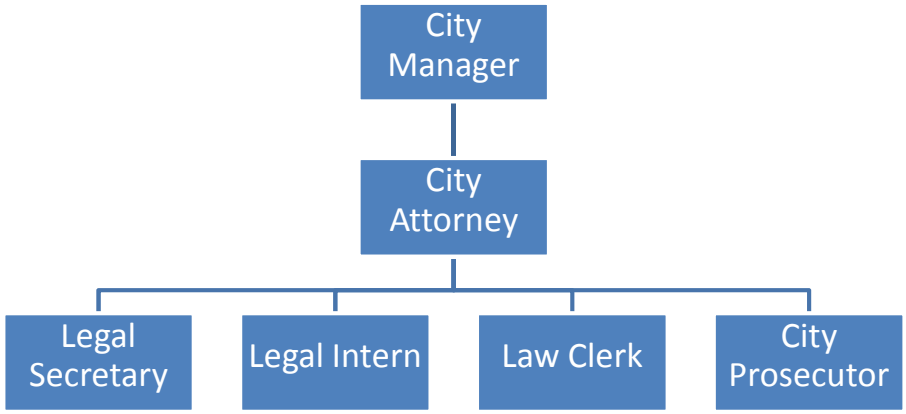


Figure 23 (above) represents total Administration requirements for 2013 – 2019.

Performance Measure	Target 2013
# of months month end completed by 15th	12
Audit completed by October 15th	Yes
# of months that financial reports presented to council by 10th of month	12
Earn GFOA Distinguished Budget Award	Yes
Earn GFOA Excellence in Financial Reporting Award	Yes

Table 27 - Administration Performance Measures

GENERAL GOVERNMENT: CITY ATTORNEY



2013 City Attorney Highlights

Fiscal Year 2012-13 was an eventful year for the City Attorney's Office. We hired a part-time prosecutor, law clerk, and unpaid intern and purchased necessary equipment for these new members of our office. Because of the increased staff, we were able to accomplish tasks that we were unable to previously. For example, we provided significant training of the police department, which resulted in improvement of key areas including fewer dismissals of DUI and domestic violence cases. We were also able to near completion of significant code revisions. We also significantly revised the City's agreements, including bond, subdivision, and master development agreements.

2014 Attorney Goals

During Fiscal Year 2013-14, the City Attorney's Office expects to continue code revisions and police training. We also hope to establish policies and procedures for our Administrative Code Enforcement program and for the calling of performance and warranty bonds. In addition, we plan on revamping our standard construction contracts. Finally, we plan on seeking successful resolution of several pending lawsuits.

Mission: **Civil:** Advise the Mayor, City Council, City Manager, and employees in all areas of municipal civil law. These functions include: (a) drafting and reviewing contracts; (b) advising the City on all aspects of local government law, including land use law, civil rights, construction law, real estate, and employment law; (c) drafting and reviewing municipal and State legislation; (d) advising on insurance and risk management issues; (e) defending and prosecuting lawsuits to protect the rights and interests of the City and its officers, employees, and elected officials; (f) managing outside legal counsel; and (g) managing or engaging in appellate advocacy before all State and Federal courts.

Criminal: Prosecute misdemeanors, including class A misdemeanors, and handle appeals from the Justice Court to District Court. In addition, (a) advise the Police Department regarding warrants, investigations, and other criminal matters; (b) civilly abate public nuisances; and (c) assist in the enforcement of City ordinances and codes including building, fire, and housing codes, land use law, and zoning law.

GENERAL GOVERNMENT: CITY ATTORNEY

General Fund 10: Attorney							
Requirements by Major Object	**2013 Actual**	**2014 Adj Budget**	**2015 Plan**	**2016 Plan**	**2017 Plan**	**2018 Plan**	**2019 Plan**
Personnel	165,260	161,055	222,049	222,049	222,049	222,049	222,049
Materials, Supplies, & Services	31,143	45,210	45,455	45,704	45,959	46,219	46,484
Total Requirement	**196,403**	**206,265**	**267,504**	**267,754**	**268,008**	**268,268**	**268,533**
% Change from Prior Period	**36%**	**5%**	**30%**	**0%**	**0%**	**0%**	**0%**

Table 48 (above) represents the Attorney Department's actual expenditures for 2013, 2014 adjusted budget, tentative 2015 budget, and 2016-2019 budget plan.

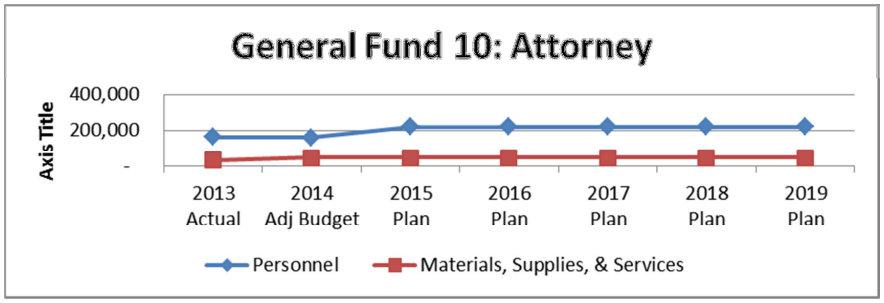


Figure 45 (above) represents Personnel, Materials, Services, and Supplies (MSS) major requirements from fiscal years 2013 – 2019.

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 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.

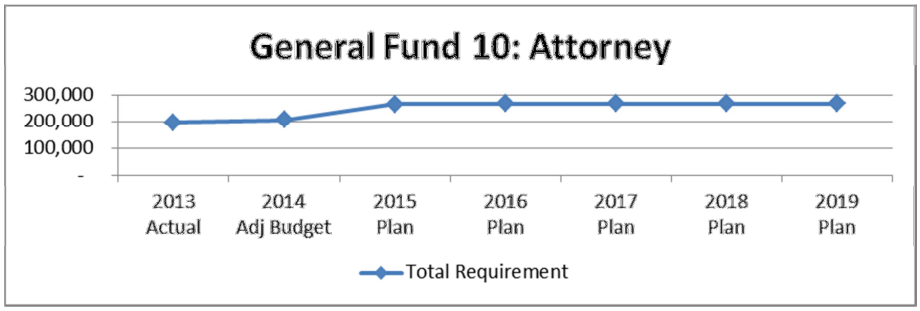


Figure 46 (right) represents total departmental requirements from fiscal years 2013– 2019.

Materials, Supplies, and Services are expected to remain fairly stable from 2015-2018.

GENERAL GOVERNMENT: CITY RECORDER

General Fund 10: Recorder Department							
Requirements by Major Object	2013 Actual	2014 Adj Budget	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan
Personnel	75,938	89,728	111,954	112,123	112,300	112,485	112,677
Materials, Supplies, & Services	12,749	20,815	11,275	21,275	11,275	21,275	11,275
Total Requirement	**88,687**	**110,543**	**123,229**	**133,398**	**123,575**	**133,760**	**123,952**
% Change from Prior Period	10%	25%	11%	8%	-7%	8%	-7%

Table 28 (above) represents City Recorder's actual expenditures for 2013, adjusted budget for 2014, tentative budget for 2015, and budget plan for 2016 - 2019.

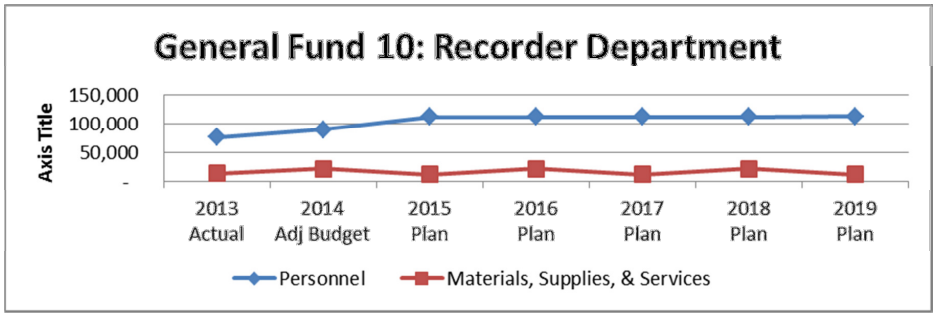


Figure 24 (above) represents Personnel and Material, Services, and Supplies major requirements between 2013- 2019.

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 increase from 1 FTE to 1.5 FTE. An adjustment was made in FY 2014 to bring on a part-time recorder for the last few month of the fiscal year and into future years.

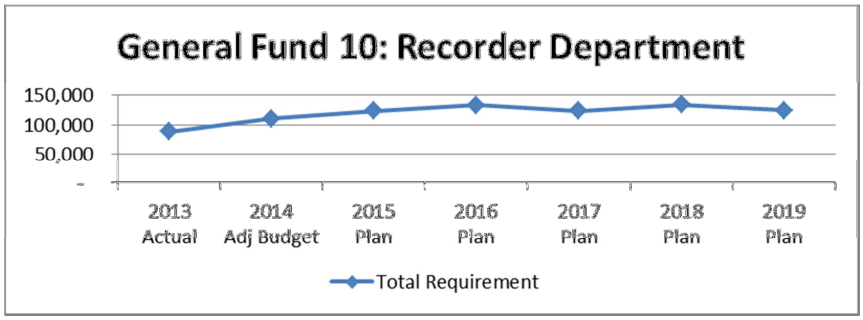


Figure 25 (above) represents total City Recorder requirements for 2013 – 2019.

Materials, Supplies, and Services (MSS) are expected to decrease by less 50 % in FY 2015 because of elections not held in that fiscal year. Overall City Recorder requirements are expected to fluctuate between 2014 to 2018. These fluctuations are due to elections on even-numbered years (as previously discussed). MSS is expected to remain relatively flat.

GENERAL GOVERNMENT: CITY RECORDER

Table 29 City Recorder Performance Measures

Performance Measure	Target 2013
Council agendas are posted 5 days prior to meeting	90%
% of times council minutes are ready for approval by next regular meeting	100
Scheduled records are destroyed	Annually
All records are converted to new records management software	Monthly

ess

licensing has also increased in FY 2013.

GENERAL GOVERNMENT: CITY TREASURER

General Fund 10: Utility Billing Department							
Requirements by Major Object	**2013 Actual**	**2014 Adj Budget**	**2015 Plan**	**2016 Plan**	**2017 Plan**	**2018 Plan**	**2019 Plan**
Personnel	36,697	36,697	131,701	131,701	131,701	131,701	131,701
Materials, Supplies, & Services	37,781	39,781	41,581	43,461	45,425	47,477	49,622
Total Requirement	**74,478**	**76,478**	**173,282**	**175,162**	**177,126**	**179,178**	**181,323**
% Change from Prior Period		**3%**	**127%**	**1%**	**1%**	**1%**	**1%**

General Fund 10: Treasurer Department							
Requirements by Major Object	**2013 Actual**	**2014 Adj Budget**	**2015 Plan**	**2016 Plan**	**2017 Plan**	**2018 Plan**	**2019 Plan**
Personnel	69,990	78,363	79,028	79,028	79,028	79,028	79,028
Materials, Supplies, & Services	56,145	65,189	68,173	71,303	74,585	78,026	81,635
Total Requirement	**126,135**	**143,552**	**147,201**	**150,331**	**153,613**	**157,054**	**160,663**
% Change from Prior Period	**413%**	**14%**	**3%**	**2%**	**2%**	**2%**	**2%**

Table 30 (above) represents the City Treasurer and Utility Billing's actual expenditures for 2013, adjusted budget for 2014, tentative budget for 2015, and budget plan for 2016 – 2019.

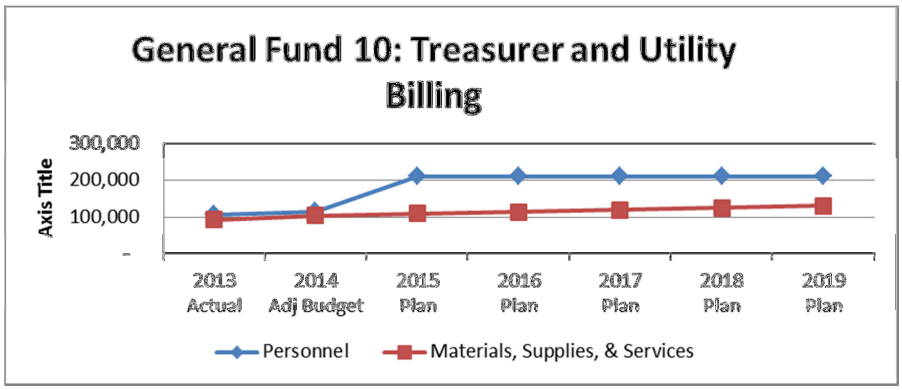


Figure 26 (above) represents the City Treasurer and Utility Billing's Personnel and Material, Services, and Supplies major requirements between 2013 and 2019.

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 increase from 2.5 FTE to 2.75(1 FTE Treasurer, 1.75 FTE Utility Billing).

GENERAL GOVERNMENT: CITY TREASURER

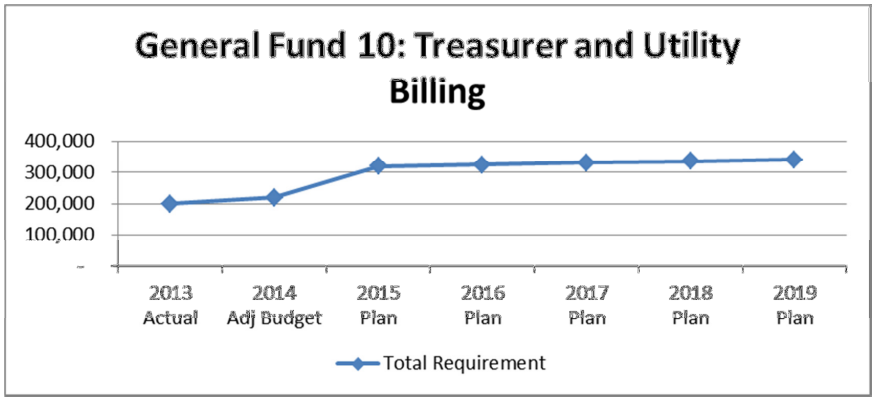


Figure 27 (above) represents total Treasurer and Utility Billing requirements for 2013-2019.

Materials, Supplies, and Services (MSS) are expected to increase by 4-5 % in 2015 due to increasing costs in utility billing and treasurer. 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.

Performance Measure	Target 2013
% of billing concerns resolved within 24 hours	90
% of terminated customers not delinquent	>80
% of internet payments	70

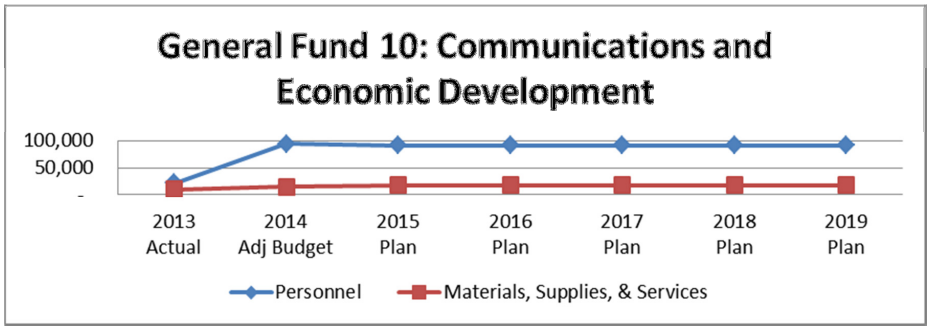
Table 31 (above) represents the Utility Billing Department's performance measures.

GENERAL GOVERNMENT: COMMUNICATIONS AND ECONOMIC DEVELOPMENT DEPARTMENT

Communications and Economic Development

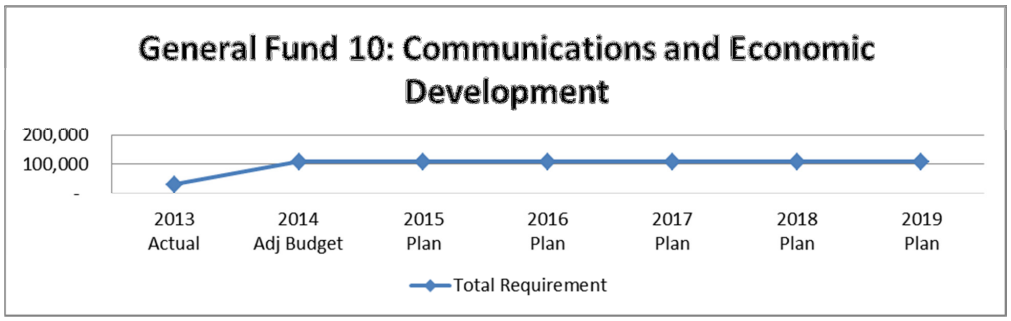
General Fund 10: Communications and Economic Development							
Requirements by Major Object	**2013 Actual**	**2014 Adj Budget**	**2015 Plan**	**2016 Plan**	**2017 Plan**	**2018 Plan**	**2019 Plan**
Personnel	21,792	94,918	91,528	91,528	91,528	91,528	91,528
Materials, Supplies, & Services	9,324	15,000	17,000	17,000	17,000	17,000	17,000
Total Requirement	**31,116**	**109,918**	**108,528**	**108,528**	**108,528**	**108,528**	**108,528**
% Change from Prior Period	**0%**	**253%**	**-1%**	**0%**	**0%**	**0%**	**0%**

Table 30 (above) represents the Communications and Economic Development actual expenditures for 2013, adjusted budget for 2014, tentative budget for 2015, and budget plan for 2016 – 2019.

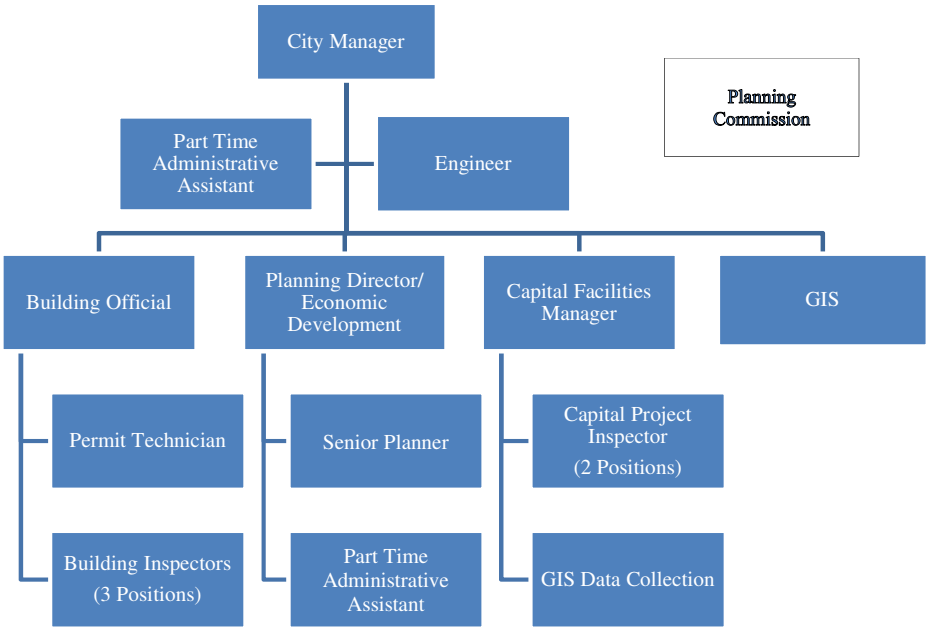


Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA). This department was created in FY 2013. It includes 1 FTE, the Public Information Manager. In FY 2015 the economic development budget will be moved into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

Materials, Supplies, and Services (MSS) are expected to stay about the same from FY 2015-2019.



GENERAL GOVERNMENT: COMMUNICATIONS AND ECONOMIC DEVELOPMENT DEPARTMENT



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.

General Fund 10: Building Department							
Requirements by Major Object	**2013 Actual**	**2014 Adj Budget**	**2015 Plan**	**2016 Plan**	**2017 Plan**	**2018 Plan**	**2019 Plan**
Personnel	323,876	347,335	482,528	506,571	482,617	482,666	482,719
Materials, Supplies, & Services	37,209	51,820	76,820	51,820	51,820	51,820	51,820
Total Requirement	**361,085**	**399,155**	**559,348**	**558,391**	**534,437**	**534,486**	**534,539**
% Change from Prior Period	**18%**	**11%**	**40%**	**0%**	**-4%**	**0%**	**0%**

Table 32 (above) represents the Building Department's actual expenditures for 2013, 2014 adjusted budget, 2015 tentative budget, and budget plan for 2016– 2019.

GENERAL GOVERNMENT: COMMUNICATIONS AND ECONOMIC DEVELOPMENT DEPARTMENT

Performance Measure	Target

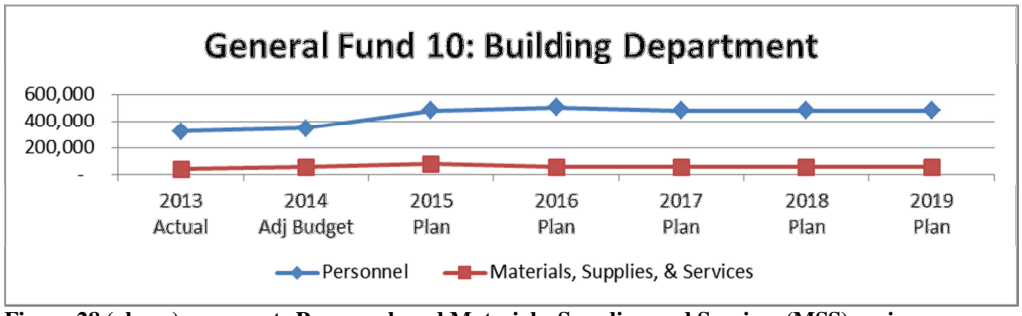


Figure 28 (above) represents Personnel, and Materials, Supplies, and Services (MSS) major requirements for fiscal years 2013 -2019.

Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA, training). 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 2015 it is anticipated that an additional building inspector will be added to staff, this is reflected in the tentative budget.

Materials, Supplies, and Services requirements will increase more than 48% in 2015, for the purchase of a new vehicle. It will return to normal levels in FY 2016.

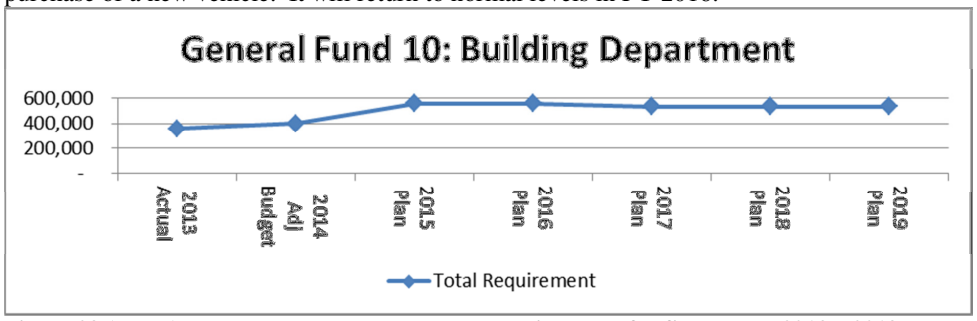


Figure 29 (above) represents total departmental requirements for fiscal years 2013 – 2019.

GENERAL GOVERNMENT: COMMUNICATIONS AND ECONOMIC DEVELOPMENT DEPARTMENT

	2013
Inspections are completed by next business day	100%
Residential plan reviews within 10 business days	100%
Commercial plan reviews within 15 business days	100%

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

2013 Achievements

Building Department 2013 Highlights
In the FY 2012-13 we were able to maintain an average turnaround time of 1.10 days from the time of complete submittal until the initial plan review was completed. Additionally, as a department we completed 11,113 building inspections - this is an average of 926 per month. Finally, in the last fiscal year the Building Department issued 547 building permits. These are the highest numbers since 2007. Despite this growth, the Building Department was able to maintain a next day inspection policy throughout the year.

During the last year the Planning Department spent extensive hours on the Smart Code, Design Guidelines and numerous projects. The Smart Code is still under review and portions of it may be used for the first 180 acres of SLR property to develop. The Design Guidelines were recently adopted by the City Council on July 2, 2013. The Planning Department processed many code changes, including the creation of a beekeeping ordinance, changes to definitions, creation of the Mixed Lakeshore, Business Park, Institutional/Civic, and Public School Bus Lot Zones, as well as many other minor changes. The City Wide Zoning Map was updated and adopted on September 4, 2012.

Additional projects that were processed by the Planning Department and received final approval from the City Council during the 2012-2013 fiscal year include Master Plans, Site Plans, and Preliminary and Final Plats as listed below. Several Concept Plans were also reviewed, but have not been included in the list since Concept Review does not grant any entitlements.

Master Plans: Fox Hollow Master Development Agreement; Site Plans: Smith and Payne Dental offices, IMAA Training, New Haven School, Smith's Fuel Center, Lakeview Academy Expansion.

General Fund 10: Planning and Zoning Department							
Requirements by Major Object	**2013 Actual**	**2014 Adj Budget**	**2015 Plan**	**2016 Plan**	**2017 Plan**	**2018 Plan**	**2019 Plan**
Personnel	203,031	304,323	323,797	323,797	323,797	323,797	323,797
Materials, Supplies, & Services	15,116	12,350	18,285	18,460	18,095	20,880	21,015
Total Requirement	**218,147**	**316,673**	**342,082**	**342,257**	**341,892**	**344,677**	**344,812**
% Change from Prior Period	**11%**	**45%**	**8%**	**0%**	**0%**	**1%**	**0%**

Table 35 (above) represents the Planning and Zoning Department's actual expenditures for 2013, 2014 adjusted budget, 2015 tentative budget, and budget plan for 2016– 2019.

GENERAL GOVERNMENT: COMMUNICATIONS AND ECONOMIC DEVELOPMENT DEPARTMENT

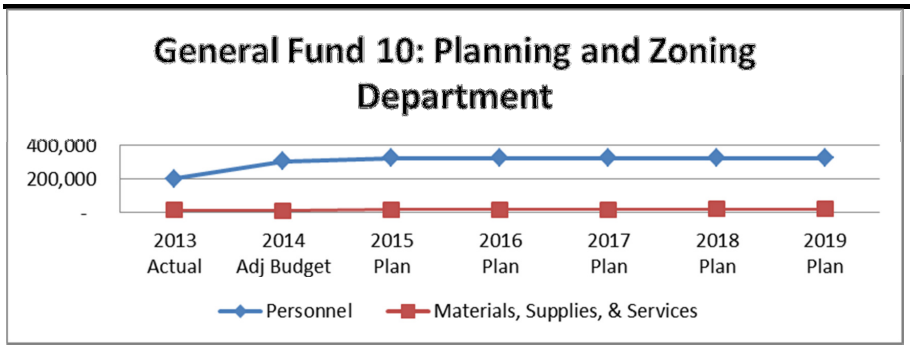


Figure 30(above) represents Personnel, and Materials, Supplies, and Services (MSS) major requirements for fiscal years 2013 -2019.

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

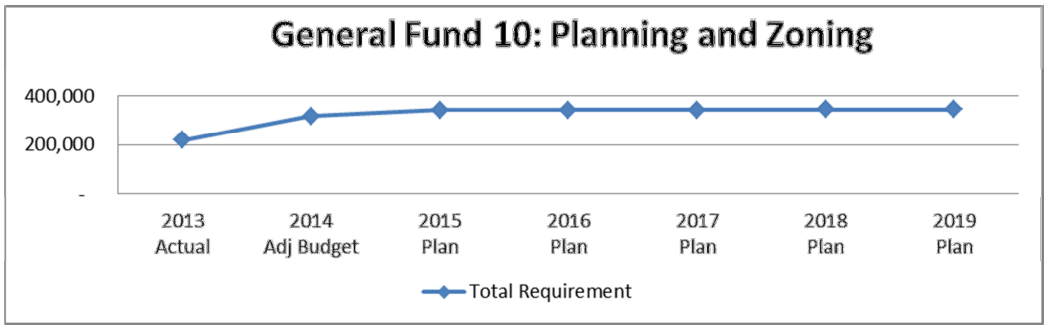


Figure 31(above) represents total departmental requirements for fiscal years 2013 – 2019.

Materials, Supplies, and Services requirements are expected to increase at approximately 48.1% in FY 2015. This is mainly due to increased costs for planning commission with number of yearly meetings and an increase in planning commissioners from five to seven.

GENERAL GOVERNMENT: ENGINEERING / PUBLIC IMPROVEMENTS

2012-2013 Goals (Alignment with City Efforts)		
Goal	**Category**	**Measurement**
• Maintain existing turnaround times for all Planning related applications	**Customer Service**	• 10 days for internal review for Site Plans, Subdivision Plats, Code Amendments, Annexations, Rezones, Gen. Plan Amendment, Conditional Use. Includes redlines and memos prepared for applicants. • 5 days for Sign Permits • Above Tracked in Access
• Same day return on all phone calls and email messages.	**Customer Service**	• Personal review and tracking of customer feedback.
• Public Noticing, Cross training department members on the Public Noticing procedures and requirements	**Communication**	• City Recorder to provide training related to City, State and Newspaper processes • Matrix created to identify Public Noticing timeframes for each requirement • Access will be used to track progress.
• Implementation of new DRC meeting to review all projects and timelines, to address concerns and tighten up interdepartmental communication	**Communication**	• Committee to meet every 2 weeks (or more frequently as needed) • DRC notes and action items recorded, distributed and followed up on after each meeting. Access will be used to track progress.
• Additional fields will be added to our Access database to insure that all items we are tracking will be found in one location.	**Organization**	• New process now required for all information to be entered into Access and then reviewed during the DRC discussions.
• Archiving of all old Planning Files	**Organization**	• All files will be archived, stored or destroyed based on State requirements and coordinated with City Recorder
• Ongoing training for Planners to maintain skills and stay up on industry changes	**Training**	• Staff attending American Planning Association Conference, October 6-7 • Maintain APA Membership • Prepare for AICP exam

Table 36 - Planning Performance Measures

GENERAL GOVERNMENT: ENGINEERING / PUBLIC IMPROVEMENTS

Engineering Highlights FY 2012-2013

During the past year (July 2012 – July 2013) the Engineering Department has done many things to advance GIS, public safety, customer support, utility operation, and internal processes. Development reviews with the planning and building departments have been optimized with standardized processes and templates implemented to ensure efficiency. Priority has been placed on providing a high level of customer service by providing timely responses to emails and phone calls and by providing easy access to standard forms, documents, specifications and details on the City's website. An update to the City Engineering Standards and Specifications was completed to improve quality and eliminate unnecessary or conflicting information from the previous document that was last updated in 2006. All as-built and construction drawings were digitized and filed for quick reference by any city employee.

Spatial database design/redesign, asset data collection utilizing survey and mapping grade GPS accuracy (three GPS units) has been the main focus for GIS. GPS data collection has inventoried the following assets: sewer laterals, storm drain, sewer manholes, water control valves, newly constructed utilities, street lights, and trees. Spatial data quality and accuracy has been improved through address creation, review and correction, boundary verification and review (plat, subdivision, municipal), and coordination with GIS users in other departments. Analysis and consumption of spatial data has been made possible through ArcGIS Desktop and ArcReader respectively. Analysis projects have included capital projects and sewer reimbursement areas. Individual departmental GIS support has been provided through project completion as requested. Maps and utility information have been published for public access via the City's website along with contact information so that customers can request utility information directly from the GIS department and receive a quick response. Numerous efforts were put forth during the debris flow/flood incident in Jacobs Ranch, including situational awareness mapping, spatial data collection and analysis to support reconstruction.

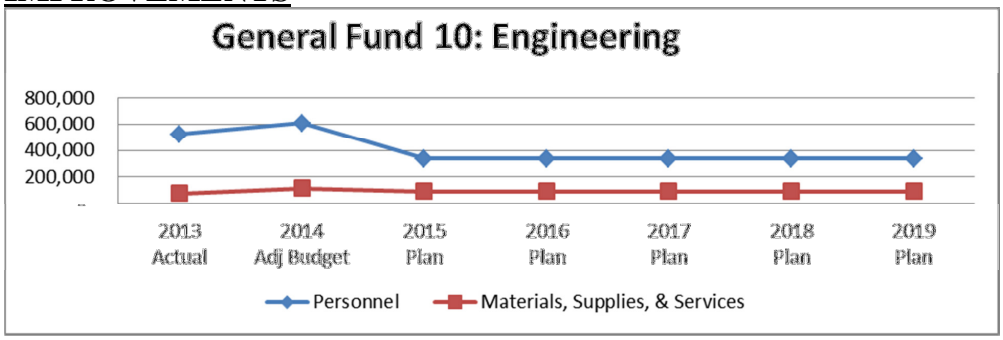
Traffic studies have been performed in priority areas, including the analysis of traffic calming devices in areas of concern and its effect on traffic speeds. Maps and results have been published for public access via the City webpage along with contact information where residents can forward their concerns or requests for information.

General Fund 10: Engineering Department							
Requirements by Major Object	**2013 Actual**	**2014 Adj Budget**	**2015 Plan**	**2016 Plan**	**2017 Plan**	**2018 Plan**	**2019 Plan**
Personnel	524,986	609,585	336,469	336,581	336,695	336,813	336,935
Materials, Supplies, & Services	76,996	113,819	92,406	92,406	92,406	92,406	92,406
Capital	-	-	-	-	-	-	-
Total Requirement	**601,981**	**723,404**	**428,875**	**428,987**	**429,101**	**429,219**	**429,341**
% Change from Prior Period	**107%**	**20%**	**-41%**	**0%**	**0%**	**0%**	**0%**

Table 37 (above) represents the Capital Facilities & Engineering Department's actual expenditures for 2013, 2014 adjusted budget, 2015 tentative budget, and budget plan for 2016– 2019.

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

GENERAL GOVERNMENT: ENGINEERING / PUBLIC IMPROVEMENTS



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 decrease by 44.8%. The main reason for this reduction is the creation of the new department Public Improvements. This split of the department has decreased the FTE's from 7.5 to 4.0.

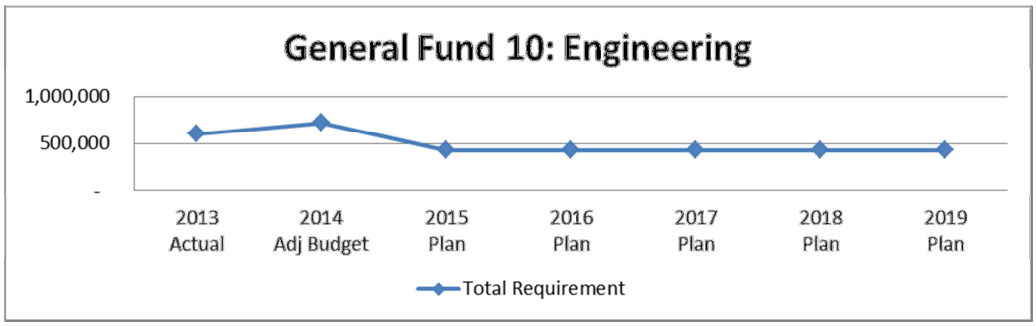
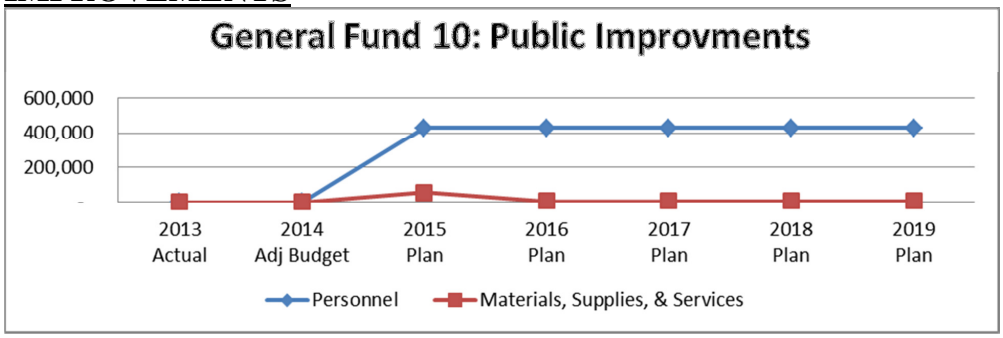


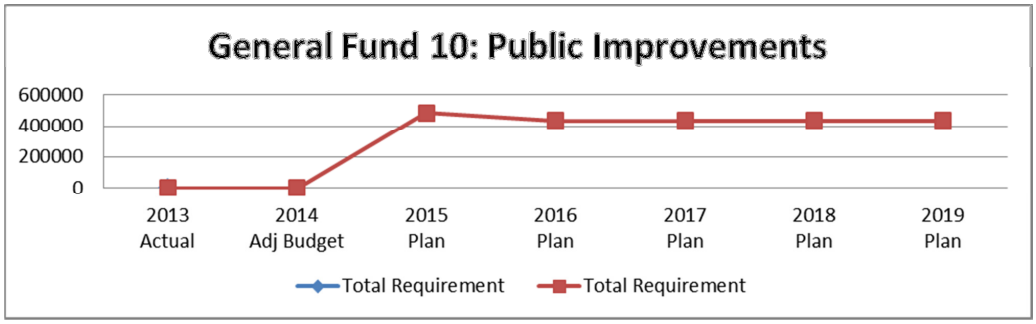
Figure 33 (above) represents total departmental requirements for fiscal years 2013– 2019

General Fund 10: Public Improvements							
Requirements by Major Object	**2013 Actual**	**2014 Adj Budget**	**2015 Plan**	**2016 Plan**	**2017 Plan**	**2018 Plan**	**2019 Plan**
Personnel	-	-	430,390	430,390	430,390	430,390	430,390
Materials, Supplies, & Services	-	-	55,500	5,500	5,500	5,500	5,500
Total Requirement	**-**	**-**	**485,890**	**435,890**	**435,890**	**435,890**	**435,890**
% Change from Prior Period	**#REF!**	**#DIV/0!**	**#DIV/0!**	**-10%**	**0%**	**0%**	**0%**

GENERAL GOVERNMENT: ENGINEERING / PUBLIC IMPROVEMENTS



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 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 2019.

GENERAL GOVERNMENT: ENGINEERING / PUBLIC IMPROVEMENTS

Non-Departmental

General Fund 10: Non-Departmental and Transfers							
Requirements by Major Object	**2013 Actual**	**2014 Adj Budget**	**2015 Plan**	**2016 Plan**	**2017 Plan**	**2018 Plan**	**2019 Plan**
Personnel	149,050	-	-	-	-	-	-
Materials, Supplies, & Services	292,173	317,175	352,133	360,473	369,213	378,373	387,974
Interfund Transfers	2,811,343	217,758	400,746	390,273	509,003	587,030	709,857
Total Requirement	**3,252,566**	**534,934**	**752,881**	**750,749**	**878,220**	**965,408**	**1,097,837**
% Change from Prior Period		**-84%**	**41%**	**0%**	**17%**	**10%**	**14%**

Table 38 (above) represents Non-Departmental's actual expenditures for 2013, 2014 adjusted budget, 2015 tentative budget, and budget plan for 2016 - 2019.

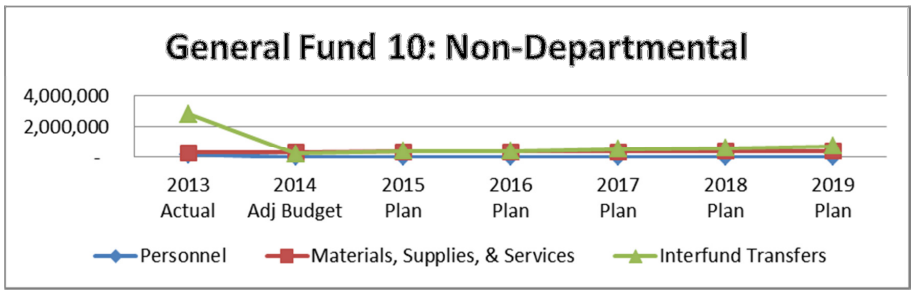


Figure 34 (above) represents Materials, Supplies, and Services (MSS), and Personnel costs for fiscal years 2013 – 2019.

Materials, Services, and Supplies requirements are expected to grow 3 % in 2013. MSS are expected to increase 1-3 % annually between 2015 through 2018. This increase is mainly due to the software maintenance costs associated with Cityworks, and increases in insurance costs.

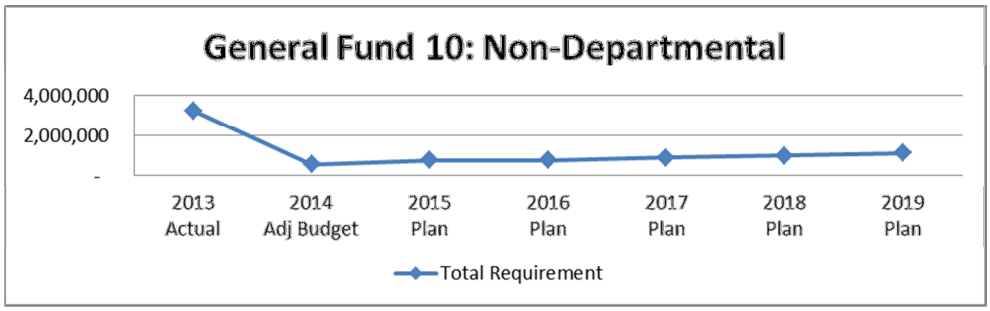


Figure 35 (above) represents total non-departmental requirements for fiscal years 2013 – 2019.

GENERAL GOVERNMENT – BUILDINGS & GROUNDS

Buildings and Grounds

General Fund 10: Buildings and Grounds							
Requirements by Major Object	**2013 Actual**	**2014 Adj Budget**	**2015 Plan**	**2016 Plan**	**2017 Plan**	**2018 Plan**	**2019 Plan**
Materials, Supplies, & Services	143,240	181,293	186,248	191,375	193,680	202,172	207,856
% Change from Prior Period	**-37%**	**27%**	**3%**	**3%**	**1%**	**4%**	**3%**

Table 39 (above) represents the Buildings and Grounds Department's actual expenditures for 2013, adjusted budget for 2014, tentative budget for 2015, and budget plan for 2016 – 2019.

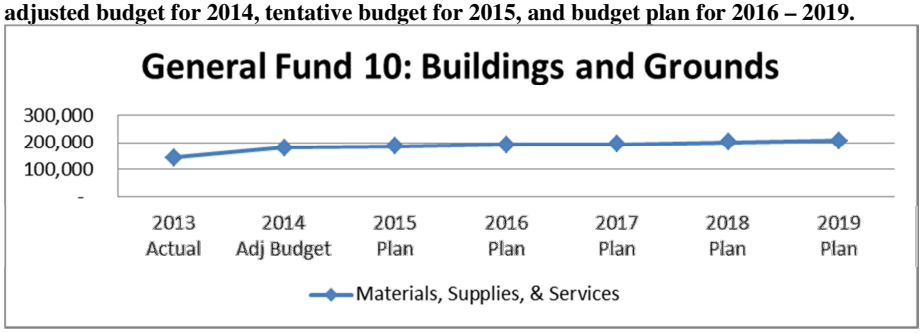
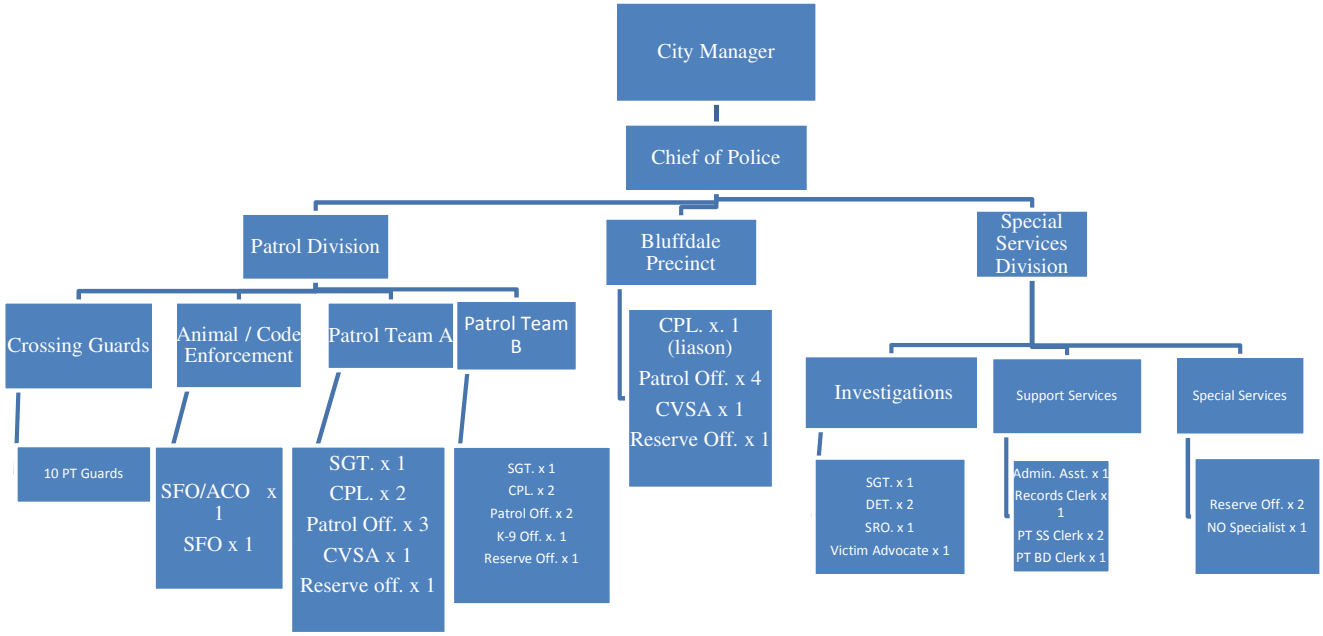


Figure 36 (above) represents Materials, Supplies, and Services (MSS) requirements for fiscal years 2013 – 2019.

In 2015 MSS is expected to increase 3 %. This is mainly due to slight increases in utilities and custodial services.

PUBLIC SAFETY – POLICE



Introduction

The Saratoga Springs Police Department currently employs twenty-four sworn police officers, two full-time animal control/code enforcement officers, four part time reserve police officers, one administrative assistant, one full-time and three part-time records clerks, a part time victim advocate, two part time Neighborhood Outreach coordinators, and ten 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 our quality of life.

Fiscal Year 2012-13 Accomplishments and Highlights

1. Maintained the highest quality of investigations to include the use of state of the art investigative equipment such as the new Cellebrite Cell Phone Data Analysis System.
2. Conducted patrol operations 24 hours per day using state of the art systems such as the Panasonic Arbitrator 360 camera system installed in all patrol vehicles.
3. Provided specialized law enforcement capabilities such as commercial truck inspections and enforcement, police service dog patrol, and a special weapons and tactics unit.

PUBLIC SAFETY – POLICE

4. Issued every sworn officer a patrol rifle enabling response to emergency situations such as active shooter cases at schools.
5. Taught a Police Science course to high school students at Westlake High School and provided a full time School Resource Officer.
6. Hired a new chief of police.

General Fund 10: Police Department - Saratoga Springs							
Requirements by Major Object	**2013 Actual**	**2014 Adj Budget**	**2015 Plan**	**2016 Plan**	**2017 Plan**	**2018 Plan**	**2019 Plan**
Personnel	1,976,778	2,175,519	2,389,051	2,494,994	2,503,146	2,511,624	2,520,443
Materials, Supplies, & Services	515,069	520,447	410,413	421,198	432,519	444,404	456,881
Capital	-	-	-	-	-	-	-
Total Requirement	**2,491,848**	**2,695,966**	**2,799,464**	**2,916,192**	**2,935,665**	**2,956,028**	**2,977,323**
% Change from Prior Period	**12%**	**8%**	**4%**	**4%**	**1%**	**1%**	**1%**

Table 40 (above) represents the police department's (Saratoga Springs) actual expenditures for 2013, adjusted budget for 2014, tentative budget for 2015, and budget plan for 2016 – 2019.

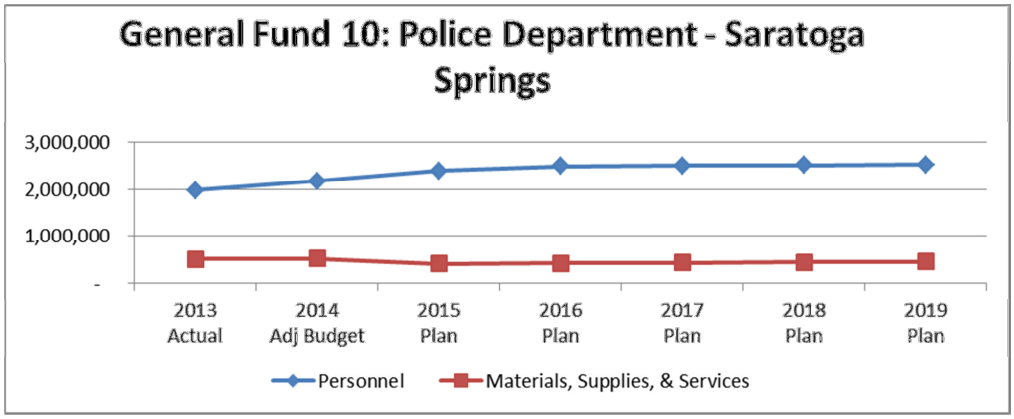


Figure 37 (above) represents Personnel, Materials, Services, and Supplies (MSS), and Capital expenses between 2013 and 2019.

Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA, training). Also, in FY 2015 an officer is anticipated to be added to the budget, in association with .5 FTE of a detective that was approved in a FY2014 budget amendment.

PUBLIC SAFETY – POLICE

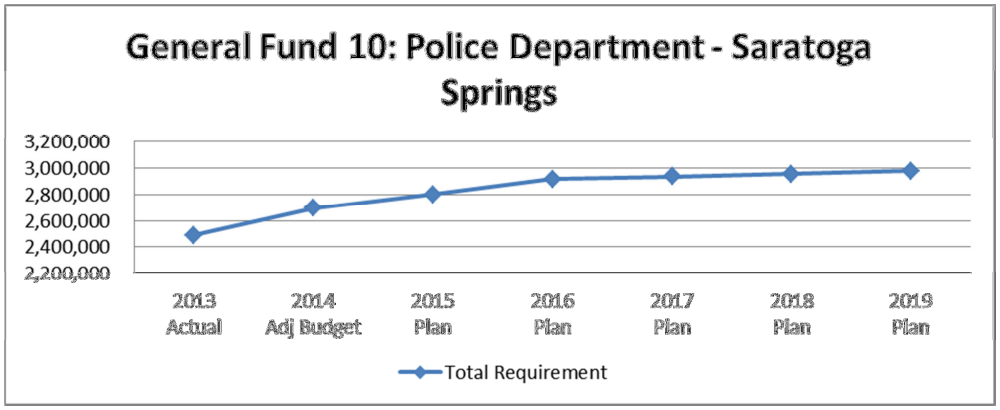


Figure 38 (above) represents total departmental requirements from fiscal years 2013-2019.

Materials, Supplies, and Services are expected to decrease by 21.1% in FY2015. This is mainly due to the removal of the vehicle lease payments in the department. This amount was removed and placed as an inter-fund transfer to the capital fund for the vehicle replacement program. At this time all leases and purchases of police vehicles will be handled through the vehicle replacement program.

Bluffdale Police Services

General Fund 10: Police Department - Bluffdale							
Requirements by Major Object	**2013 Actual**	**2014 Adj Budget**	**2015 Plan**	**2016 Plan**	**2017 Plan**	**2018 Plan**	**2019 Plan**
Personnel	564,408	538,628	608,663	609,544	610,467	611,434	612,446
Materials, Supplies, & Services	136,722	168,802	174,125	180,607	187,413	194,560	202,065
Capital	-	-	-	-	-	-	-
Total Requirement	**701,130**	**707,430**	**782,788**	**790,152**	**797,881**	**805,994**	**814,511**
% Change from Prior Period	**385%**	**1%**	**11%**	**1%**	**1%**	**1%**	**1%**

Table 41 (above) represents the police department's (Bluffdale) actual expenditures for 2013, adjusted budget for 2014, tentative budget for 2015, and budget plan for 2016 – 2019

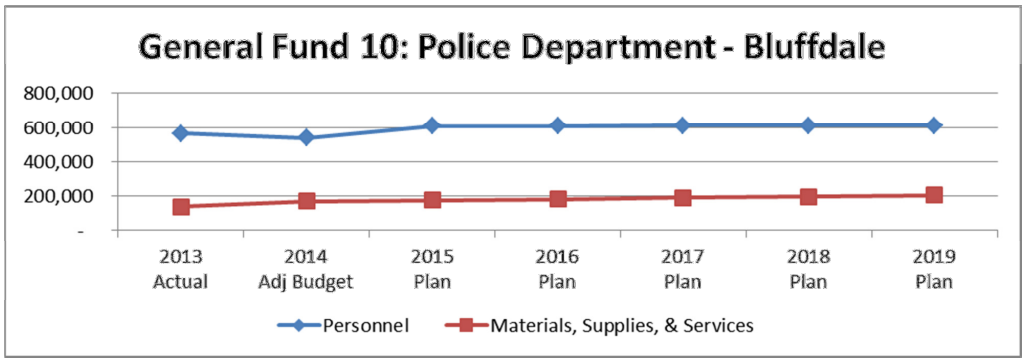


Figure 39 (above) represents Personnel, Materials, Services, and Supplies (MSS), and Capital expenses between 2013 and 2019.

PUBLIC SAFETY – POLICE

Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA, training). Also, as a budget amendment in FY2014 a .5 FTE detective was approved for the Bluffdale contract.

Materials, Supplies, and Services increased slightly between FY 2014 and FY 2015 due to increases in contract dispatch fees, this increase is being offset by increased revenue from Bluffdale City.

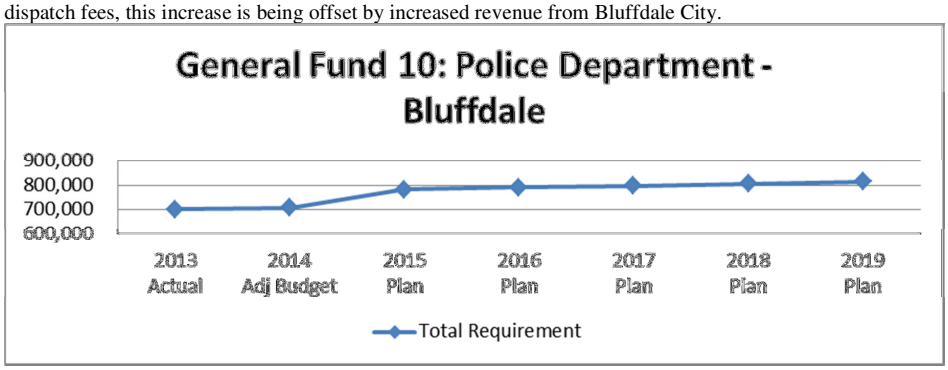
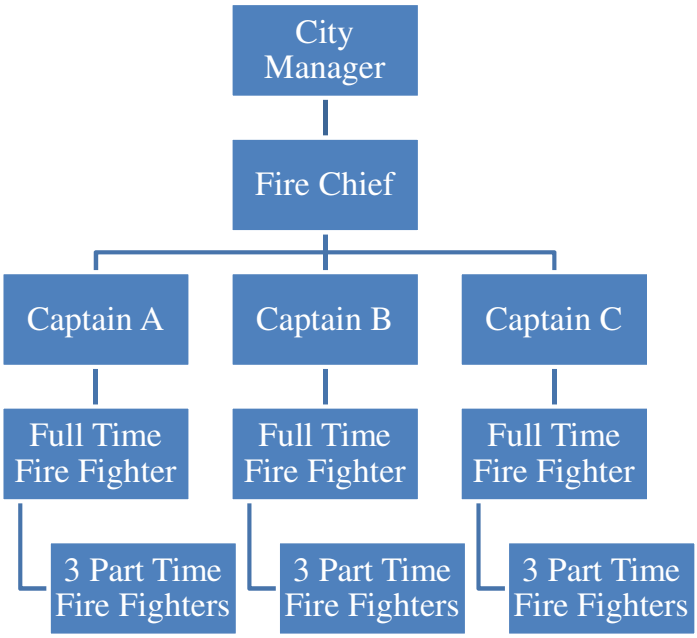


Figure 40 (above) represents total Police Department (Bluffdale) departmental requirements.

Police Department Performance Measures	Target 2013
Total Officer generated incidents	1200
Response time for priority 1 calls	< 7 min
Clear all assigned cases within 6 months	100%
Teach NOVA classes to 6th grade students	450 students
Serve all victims who request help from Victim Services	100%
# of Citizen Academies per year	1
# of new CAPS volunteers	6
CAPS Volunteer Hours	2000
# Scheduled neighborhood outreach meetings	150
# of Explorers	12
# of Explorer advisors	2
# of Explorer hours of service	300
# of hours of training per officer per year	80
Supervision 24/7 and min 2 officers at all times	100%
# hours of bike patrols per week during summer	20
% of vacation checks completed daily	100%
Provide 5.5 hours of crossing guard service per elem. school per day	100%

Table 42 – Police Performance Measures



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. 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 26 firefighters/EMTs. Five firefighter/EMTs are on duty 24/7. The firefighter/EMTs are trained to a minimum of EMT-I (Emergency Medical Technician - Intermediate) and firefighter II levels of certification.

Fiscal Year 2013 Accomplishments and Highlights

Completed several overall goals and objectives; specifically the successful completion of all physical requirements that have been implemented by all current and new personnel for both structural and wild land fitness testing. This was a benchmark

that was established in April of 2012. A total of 210 man hours were spent on duty in preparation for the implementation of this new condition of employment that was placed into policy April 12, 2012.

As a condition of employment with Saratoga Springs Fire and Rescue: Concluded first round of Train the Trainer instruction for Water and Ice Rescue and provided training to 45% of personnel. There was a total of 1504 man hours for Ice Rescue, 1280 for Water Rescue. Conducted 1150 man hours in fire training to include live fire training. 980 hours for CEU's in EMS training and compliance.

A total of six full and part-time personnel left Saratoga Springs Fire & Rescue for failure to meet physical fitness mandates. Fourteen full and part-time employees have been hired to replace them and to meet the Affordable Care Act thresholds for all part-time employees.

Spent 295 man hours in reaching out and implementing a new safety program in all the elementary schools in Saratoga Springs. Presented students with awards and provided breakfast for them and their families at the fire station.

The following are trainings provided to both external and internal customers:

- 85 man hours teaching Boy Scouts first aid
- 364 man hours in Public Relations events. (Splash, Polar Plunge, Parades, Safety Weeks, fire and medical)
- 165 man hours in providing 38 public tours of our stations
- 180 man hours in teaching CPR to public, and 150 man hours in teaching First-aid to the public.
- First-aid and CPR taught to every member of Public Works.
- 5 Babysitting classes to young men and woman in our community.
- CPR awareness and First-aid taught to 360 young women preparing for girls camps.
- 1082 Fire Hydrants tested and flowed.
- 285 Business inspections and new building inspections of sprinkler and alarm systems.
- Ran a total of 805 911 Emergency calls for service.

A new Pierce Quantum Engine was placed into service. Acquired two additional water craft at no cost to the City under a relationship developed with Yamaha. Continue to upkeep and update as much of our fleet as possible. Prepare to present fleet replacement schedule for the rest of the aging fleet.

General Fund 10: Fire Department							
Requirements by Major Object	**2013 Actual**	**2014 Adj Budget**	**2015 Plan**	**2016 Plan**	**2017 Plan**	**2018 Plan**	**2019 Plan**
Personnel	1,018,466	1,107,329	1,235,889	1,260,141	1,260,527	1,260,927	1,261,342
Materials, Supplies, & Services	377,194	373,582	291,748	307,524	298,868	284,990	276,699
Total Requirement	**1,395,660**	**1,480,911**	**1,527,637**	**1,567,665**	**1,559,395**	**1,545,917**	**1,538,041**
% Change from Prior Period	**#DIV/0!**	**6%**	**3%**	**3%**	**-1%**	**-1%**	**-1%**

Table 44 (above) represents the Fire Department's actual expenditures for 2013, 2014 adjusted budget, 2015 tentative budget, and 2016– 2019 budget plan.

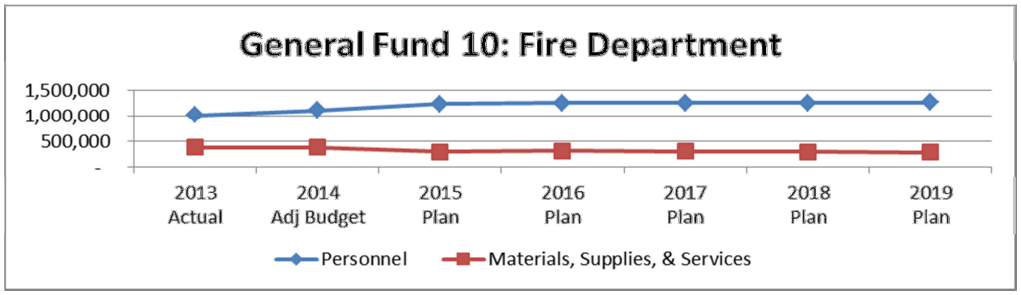


Figure 41 (above) represents Personnel, Materials, Supplies, and Services, and Capital Outlay major requirements from fiscal years 2013 - 2019.

Personnel costs account for market position adjustments (if necessary), staffing levels, and employee benefits (i.e. retirement, health care, FICA, training). The main increase in personnel is for the requested 3rd part-time position in the south fire station. This will be a placeholder in the budget until we can apply for the SAFER grant for full-time positions as directed by council.

Materials, Supplies, and Services (MSS) shows constant from fiscal years 2015 to 2019.

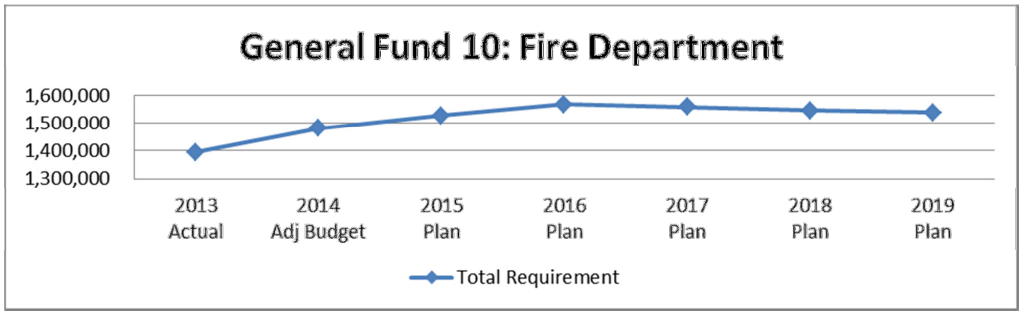
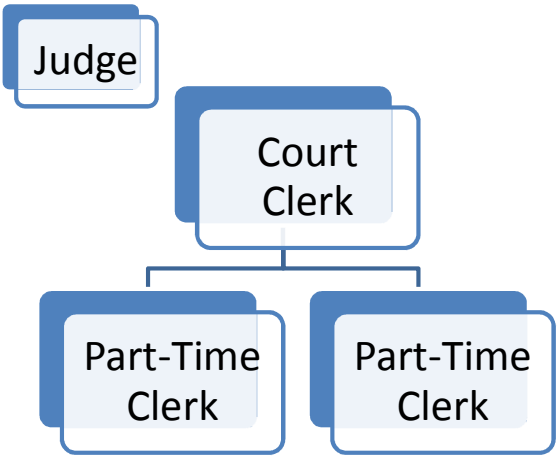


Figure 42 (above) represents total departmental requirements.

Fire Department Performance Measures	Target 2013
% of required annual business inspections completed	80
% of annual performance evaluations completed	90
# of times per year capital assets are inventoried	1
% of times daily weekly vehicle checks completed	100

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



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: Justice Court							
Requirements by Major Object	2013 Actual	2014 Adj Budget	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan
Personnel	138,385	120,936	114,585	114,624	114,666	114,712	114,761
Materials, Supplies, & Services	115,605	107,380	107,380	107,380	107,380	107,380	107,380
Total Requirement	**253,990**	**228,316**	**221,965**	**222,004**	**222,046**	**222,092**	**222,141**
% Change from Prior Period	**233%**	**-10%**	**-3%**	**0%**	**0%**	**0%**	**0%**

Table 46 (above) represents the Court's actual expenditures for 2013, 2014 adjusted budget, 2015 tentative budget, and 2016 – 2019 budget plan.

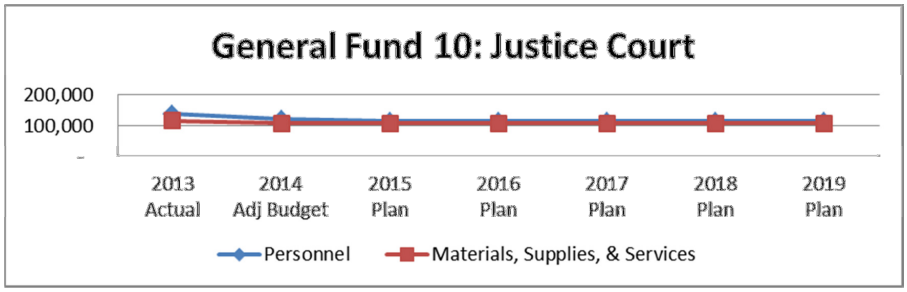


Figure 43 (above) represents Personnel, Materials, Services, and Supplies (MSS) major requirements from fiscal years 2013 – 2019.

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.

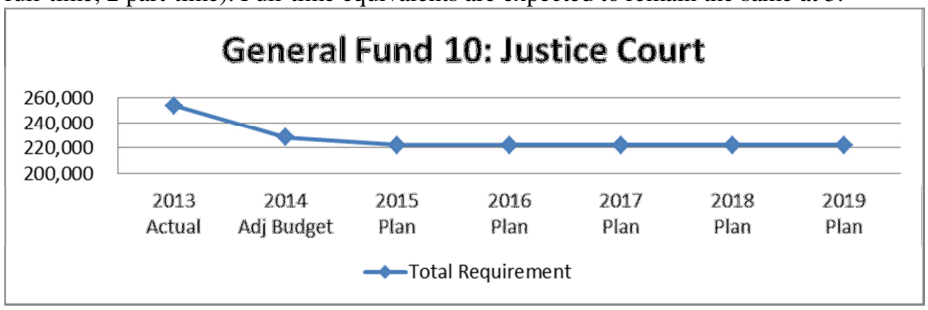
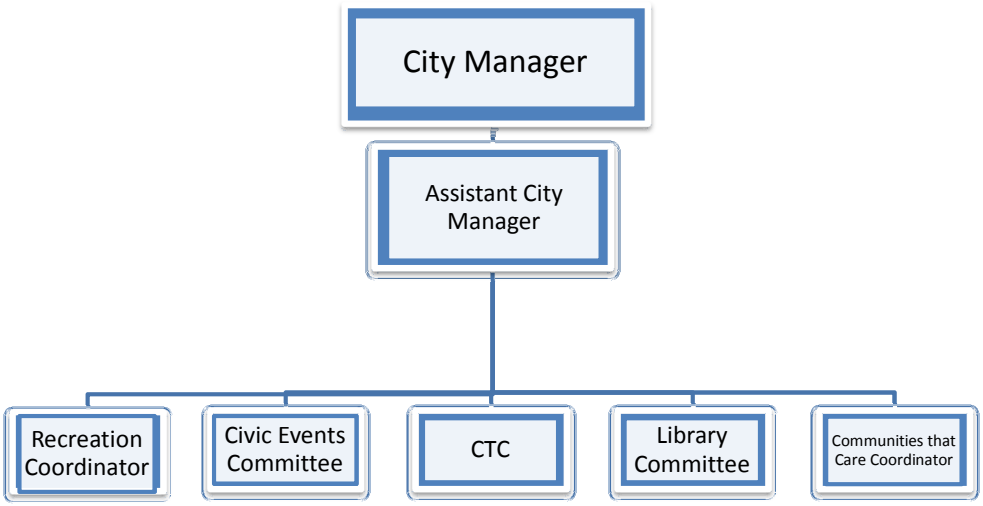


Figure 44 (above) represents total departmental requirements from fiscal years 2013 – 2019.

Materials, Supplies, and Services are expected to stay constant from 2015-2019.

Justice Court Performance Measure	Target 2013
# of weeks bail notices mailed out	52
#of of weeks delinquent notices mailed	52
# of months warrants on citations issued	12
% of time bench warrants on criminal FTA issued within one week of court date	100%
Submit case summary report to State by 10th each month	12
Complete annual warrant audit	1

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



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, fulfilling and unique in fulfilling its mission.

Goals

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

LEISURE SERVICES

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

Recreation

General Fund 10: Recreation							
Requirements by Major Object	**2013 Actual**	**2014 Adj Budget**	**2015 Plan**	**2016 Plan**	**2017 Plan**	**2018 Plan**	**2019 Plan**
Personnel	81,064	107,549	72,603	72,603	72,603	72,603	72,603
Materials, Supplies, & Services	68,992	75,111	75,111	75,111	75,111	75,111	75,111
Total Requirement	**150,056**	**182,660**	**147,714**	**147,714**	**147,714**	**147,714**	**147,714**
% Change from Prior Period	**38%**	**18%**	**-24%**	**0%**	**0%**	**0%**	**0%**

Table 49 (above) represents Recreation actual expenditures for 2013, adjusted budget for 2014, 2015 tentative budget, and budget plan for 2016 – 2019.

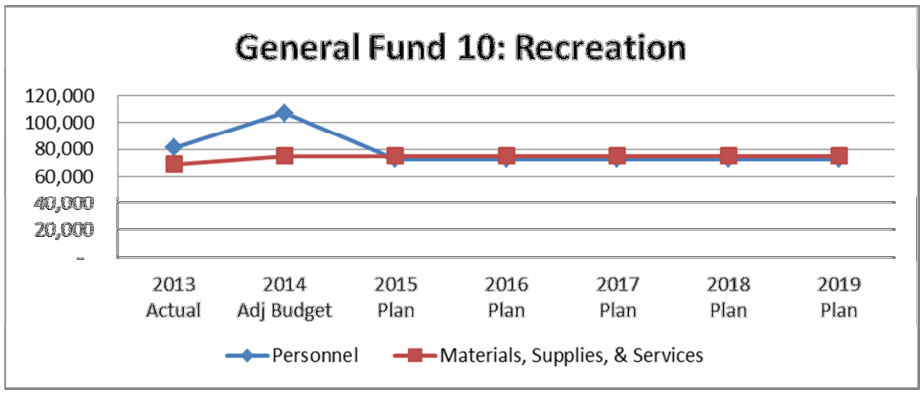


Figure 47 (above) represents Personnel and Materials, Services, and Supplies (MSS) major requirements.

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.

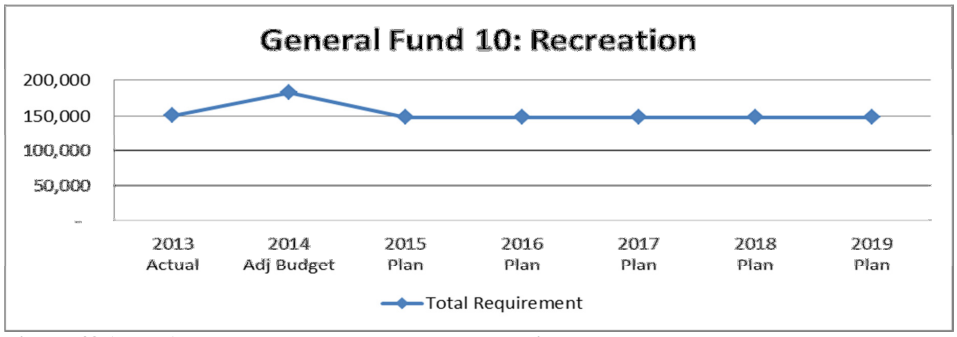


Figure 48 (above) represents total departmental requirements.

LEISURE SERVICES

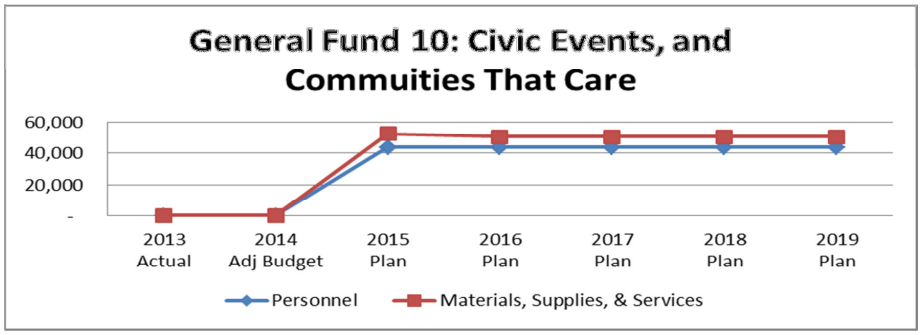
Performance Measure	Target 2013
# of months articles or announcements are in newsletter	12
% of times department webpage updated once a month	90
# of new programs/activities	1
% of programs that break even	100%
% increase in recreation participation	10

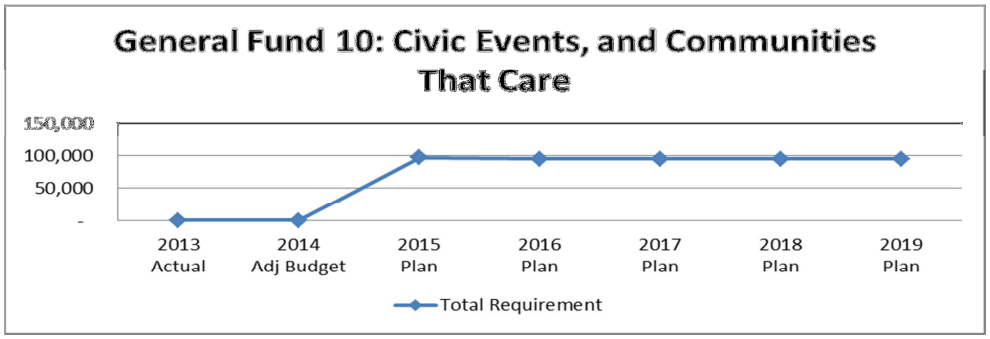
Table 50 (above) represents the Leisure Services performance measures for fiscal years 2012 – 2013.

Civic Events, and Communities That Care

General Fund 10: Civic Events, and Communities That Care							
Requirements by Major Object	2013 Actual	2014 Adj Budget	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan
Personnel	-	-	43,705	43,705	43,705	43,705	43,705
Materials, Supplies, & Services	-	-	52,500	50,500	50,500	50,500	50,500
Total Requirement	**-**	**-**	**96,205**	**94,205**	**94,205**	**94,205**	**94,205**
% Change from Prior Period	#DIV/0!	0%	100%	-2%	0%	0%	0%

Personnel In FY 2015 the department was separated from Recreation and included the Civic Event coordinator and Communities that Care Coordinator.





LEISURE SERVICES

General Fund 10: Library Services							
Requirements by Major Object	**2013 Actual**	**2014 Adj Budget**	**2015 Plan**	**2016 Plan**	**2017 Plan**	**2018 Plan**	**2019 Plan**
Personnel	17,714	110,238	123,687	123,687	123,687	123,687	123,687
Materials, Supplies, & Services	44,912	33,510	33,510	33,510	33,510	33,510	33,510
Capital	-	11,235	-	-	-	-	-
Total Requirement	**62,626**	**154,983**	**157,197**	**157,197**	**157,197**	**157,197**	**157,197**
% Change from Prior Period	**100%**	**147%**	**1%**	**0%**	**0%**	**0%**	**0%**

Table 51 (above) represents Library Services adjusted budget for 2014, 2015 tentative budget, and budget plan for 2016 – 2019.

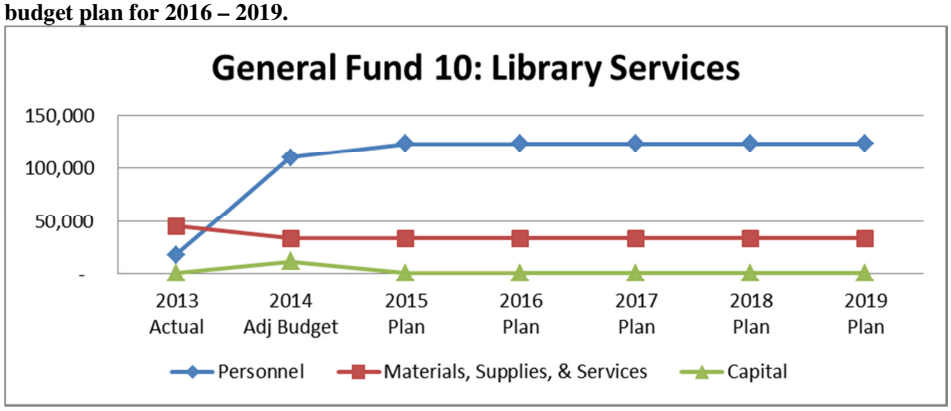


Figure 49 (above) represents Personnel, Materials, Services, and Supplies (MSS) and Capital major requirements

Personnel include a full-time librarian, and part-time librarians for total FTE's of 3.0

Materials, Supplies, and Services requirements are expected to remain relatively flat in beginning in fiscal year 2015.

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

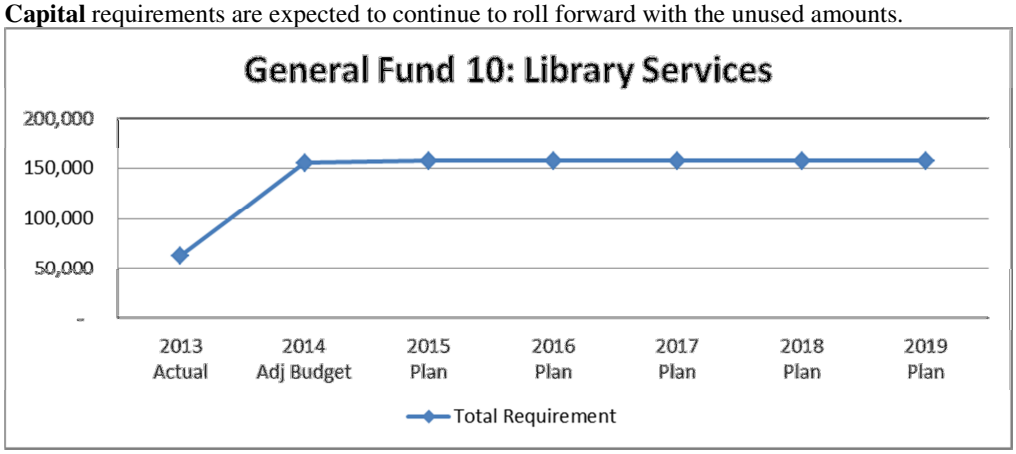


Figure 50 (above) represents total department requirements.

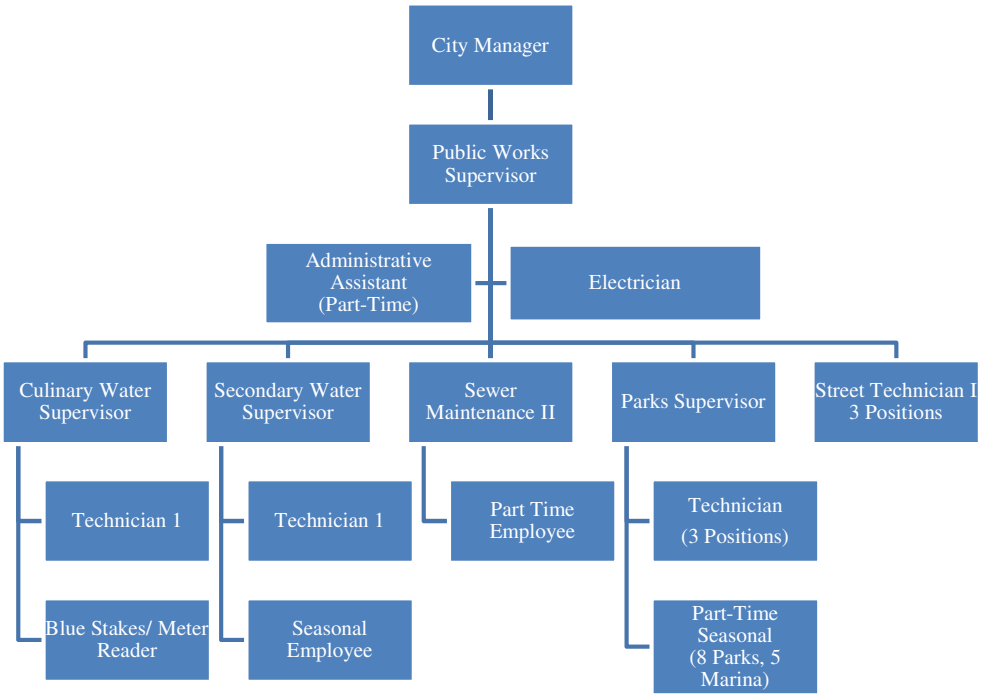
LEISURE SERVICES

2013 City Library Highlights
The Saratoga Springs Library provided vital services to the citizens of the community. In addition to providing materials for check out, computers for public use and a Wi-Fi connection for our community, the library provided a preschool age story hour on Tuesday mornings at 10:00 AM. The Summer Reading Program has also grown to include a School-aged session which brings in over 200 children and 75 adults each week. In FY 2013 there were a total 4,152 library card holders, 26,397 visits, 1,103 computer users.

2013 City Library Goals

The overarching goal for the library is to become certified with the State of Utah. The certification process is a three year process which will allow us to become eligible for many additional funding opportunities, such as: (1) We are able to become a member of the North Utah County Library Cooperative. This allows us to share books with 5 other libraries, thus expanding our collection by over 100,000 books. (2) Become eligible for the Federal Library and Services Technology Act (LSTA) funds, provided we meet federal requirements. (3) Eligibility for the Community Library Enhancement Fund (CLEF). (4) Apply for the State Development Grant. (5) Receive training and development from the Utah State Library.

BUDGET SUMMARIES – PUBLIC WORKS CAPITAL PROJECTS FUND



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.

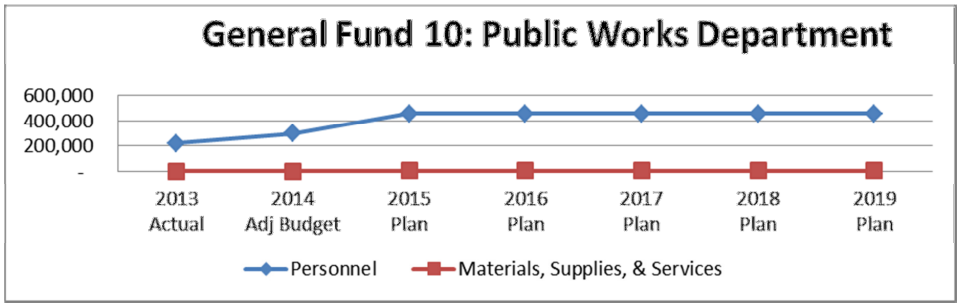
Fiscal Year 2012 Accomplishments

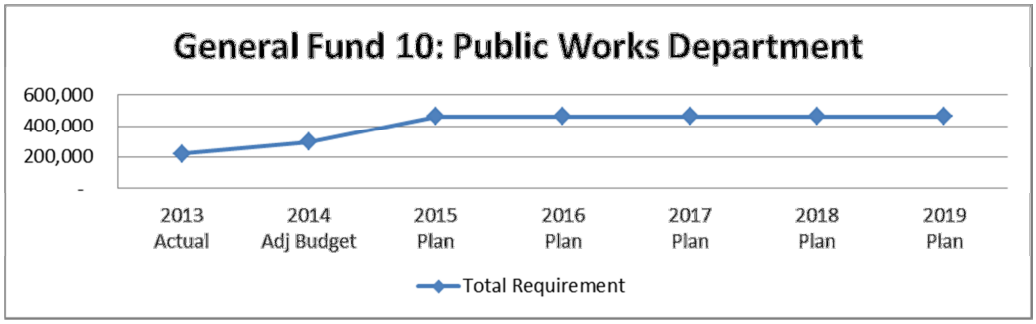
- Came in at or under budget in all departments
- Responded to 765 calls for service
- Responded to 3375 blue stake locates

BUDGET SUMMARIES – PUBLIC WORKS CAPITAL PROJECTS FUND

General Fund 10: Public Works Department							
Requirements by Major Object	**2013 Actual**	**2014 Adj Budget**	**2015 Plan**	**2016 Plan**	**2017 Plan**	**2018 Plan**	**2019 Plan**
Personnel	219,564	295,767	458,000	458,000	458,000	458,000	458,000
Materials, Supplies, & Services	-	-	3,000	3,000	3,000	3,000	3,000
Total Requirement	219,564	295,767	461,000	461,000	461,000	461,000	461,000
% Change from Prior Period		**100%**	**56%**	**0%**	**0%**	**0%**	**0%**

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.





General Fund 10: Highways and Public Works Departments							
Requirements by Major Object	**2013 Actual**	**2014 Adj Budget**	**2015 Plan**	**2016 Plan**	**2017 Plan**	**2018 Plan**	**2019 Plan**
Personnel	126,594	233,981	238,338	238,338	238,338	238,338	238,338
Materials, Supplies, & Services	212,513	446,033	418,633	418,633	418,633	418,633	396,533
Total Requirement	**339,106**	**680,014**	**656,971**	**656,971**	**656,971**	**656,971**	**634,871**
% Change from Prior Period	**45%**	**101%**	**-3%**	**0%**	**0%**	**0%**	**-3%**

Table 52 (above) represents the Public Works Department's actual expenditures for 2013, adjusted

BUDGET SUMMARIES – PUBLIC WORKS CAPITAL PROJECTS FUND

budget for 2014, 2015 tentative budget, and budget plan for 2016 – 2019.

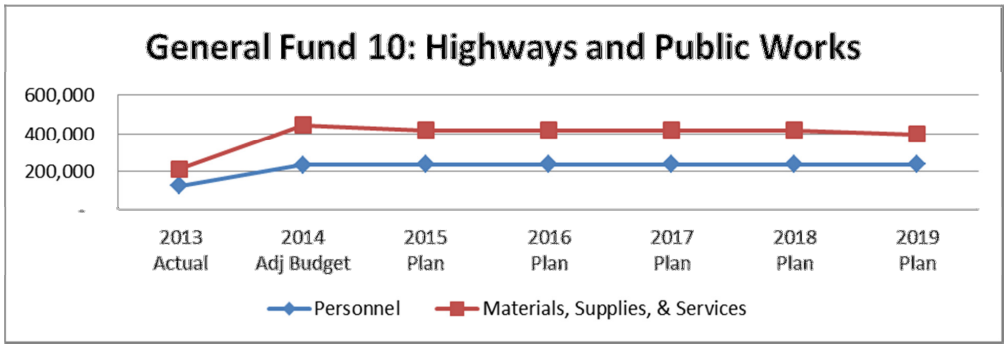


Figure 51 (above) represents Personnel and Materials, Supplies, and Services, (MSS) major requirements for fiscal year 2013 - 2019.

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

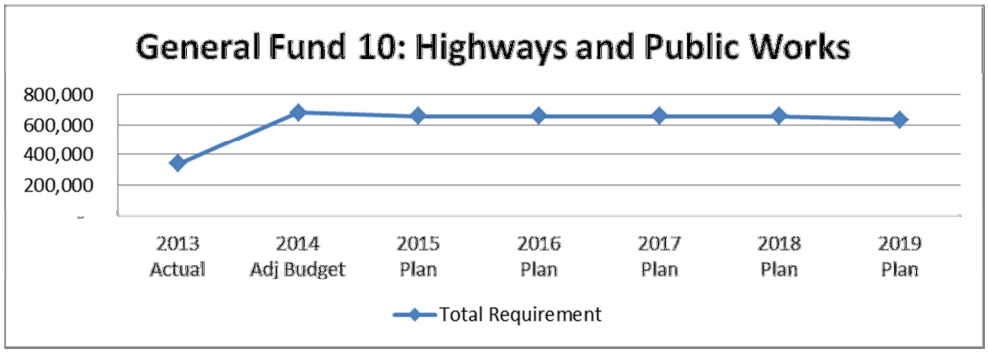


Figure 52 (above) represents total departmental requirements for fiscal years 2013 - 2019.

Materials, Supplies, and Services are expected to decrease in 2015 due to a decrease om contract services.

Public Works Department	Target 2013
Maintain water system certification from DDW	100
% of employees successfully pass water certification exams	90
# of fire hydrants not in service	0
% of fire hydrants operational	100
# of water line breaks	0
Maintain sewer system per DWQ and local requirements	100

BUDGET SUMMARIES – PUBLIC WORKS CAPITAL PROJECTS FUND

# of sewer backups	0
# of sewer backups due to blocked mains	0
% of known potholes repaired within 2 weeks	80
% of streets plowed after major storm in 6 hours	100
% of streets plowed after minor storm in 4 hours	100
# of times in the year city streets are swept	1
#of secondary water breaks	0
% of park equipment safe and operational	100

Table 53 Fiscal year 2012 Public Works performance measures

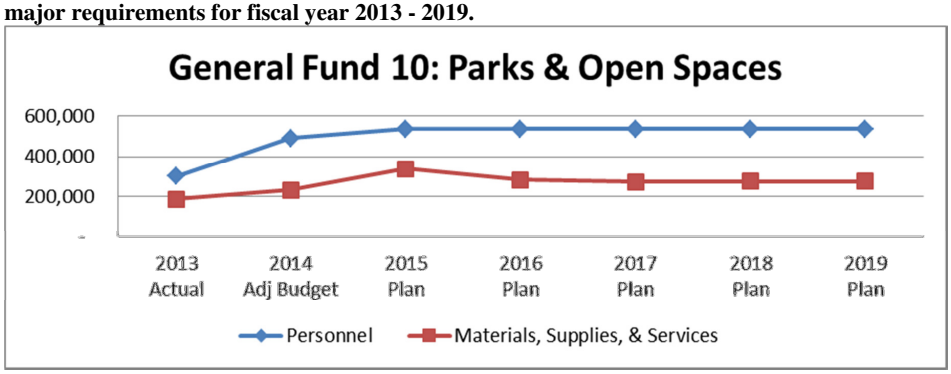
Parks and Open Space

General Fund 10: Parks & Open Space Department							
Requirements by Major Object	2013 Actual	2014 Adj Budget	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan
Personnel	301,543	490,206	535,431	535,431	535,431	535,431	535,431
Materials, Supplies, & Services	185,820	233,701	339,329	282,918	272,940	275,440	275,440
Capital							
Total Requirement	**487,362**	**723,907**	**874,760**	**818,349**	**808,371**	**810,871**	**810,871**
% Change from Prior Period	**56%**	**49%**	**21%**	**-6%**	**-1%**	**0%**	**0%**

Table 54 (above) represents the Parks and Open Space's actual expenditures for 2013, adjusted budget for 2014, 2015 tentative budget, and budget plan for 2016 – 2019.

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 .25 FTE as a marina attendant starting in FY 2015.

Figure 53 (below) represents Personnel, Materials, Supplies, and Services, (MSS), and Capital major requirements for fiscal year 2013 - 2019.



Materials, Supplies, and Services are expected to increase in 2015. This is mainly due some capital expenses that are budgeted .

BUDGET SUMMARIES – PUBLIC WORKS CAPITAL PROJECTS FUND

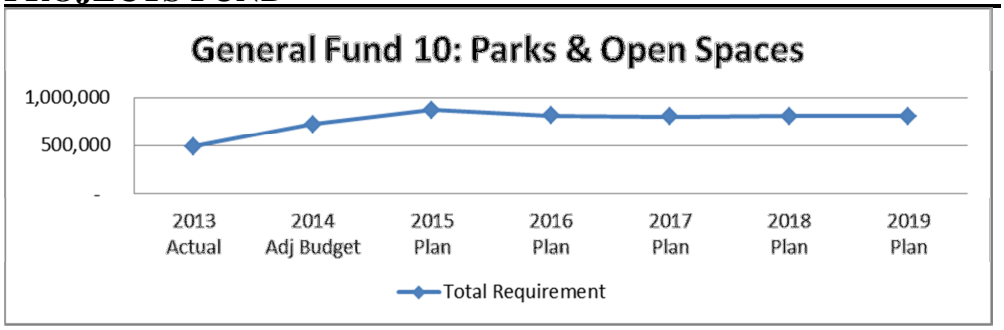


Figure 54 (above) represents total departmental requirements for fiscal years 2013 - 2019.

BUDGET SUMMARIES

General Fund 10: Resources & Requirements							
Resources	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Tax	5,988,154	5,773,595	5,960,150	6,067,334	6,176,662	6,288,176	6,401,920
Licenses & Permits	648,974	482,100	582,100	582,724	583,360	584,010	584,672
Intergovernmental	757,047	782,202	782,202	711,202	691,702	691,702	691,702
Charges for Services	1,484,397	1,252,495	1,528,778	1,532,928	1,534,619	1,536,327	1,538,053
Other Revenue	1,362,097	1,282,274	1,365,500	1,380,430	1,380,763	1,381,100	1,381,440
Contributions and Transfers	1,309,782	1,308,658	1,968,044	1,987,724	2,007,602	2,027,678	2,047,954
Fund Operating Revenues	**11,550,452**	**10,881,324**	**12,186,774**	**12,262,342**	**12,374,708**	**12,508,993**	**12,645,741**
% Change From Prior Period	**3%**	**-6%**	**12%**	**1%**	**1%**	**1%**	**1%**
Requirements							
Legislative	103,529	96,349	115,771	116,942	118,162	119,435	120,763
Administrative	477,091	552,969	552,244	553,144	554,044	554,944	555,844
Utility Billing	74,478	76,478	173,282	175,162	177,126	179,178	181,323
Treasurer	126,135	143,552	147,201	150,331	153,613	157,054	160,663
Recorder	88,687	110,543	123,229	133,398	123,575	133,760	123,952
Attorney	196,403	206,265	267,504	267,754	268,008	268,268	268,533
Justice Court	253,990	228,316	221,965	222,004	222,046	222,092	222,141
Non-Departmental	441,223	317,175	352,133	360,473	369,213	378,373	387,974
General Gov't Buildings & Grounds	143,240	181,293	186,248	191,375	193,680	202,172	207,856
Planning and Zoning	218,147	316,673	342,082	342,257	341,892	344,677	344,812
Communications & Economic Development	31,116	109,918	108,528	108,528	108,528	108,528	108,528
Police	3,193,194	3,408,709	3,587,566	3,711,657	3,738,859	3,767,334	3,797,148
Fire	1,392,437	1,585,061	1,631,787	1,671,815	1,663,545	1,650,067	1,642,191
Building	361,085	399,155	559,348	558,391	534,437	534,486	534,539
Highways	339,106	680,014	656,971	656,971	656,971	656,971	634,871
Engineering	601,981	723,404	428,875	428,987	429,101	429,219	429,341
Pulbic Improvements	-	-	485,890	435,890	435,890	435,890	435,890
Public Works	219,564	295,767	461,000	461,000	461,000	461,000	461,000
Parks & Open Space	487,362	723,907	874,760	818,349	808,371	810,871	810,871
Recreation	150,056	182,660	147,714	147,714	147,714	147,714	147,714
Economic Development	31,116	109,918	108,528	108,528	108,528	108,528	108,528
Library Services	62,626	154,983	157,197	157,197	157,197	157,197	157,197
Miscellaneous Expenses	-	-	-	-	-	-	-
Total Fund Operating Requirements	**8,992,567**	**10,603,109**	**11,689,823**	**11,777,865**	**11,771,500**	**11,827,757**	**11,841,679**
Transfers and Other Uses	2,811,343	217,758	400,746	390,273	509,003	587,030	709,857
Total Fund Requirements	**11,803,910**	**10,820,867**	**12,090,569**	**12,168,138**	**12,280,503**	**12,414,787**	**12,551,536**
% Change From Prior Period	**6%**	**-8%**	**12%**	**1%**	**1%**	**1%**	**1%**

Table 55 – General Fund Resources and Requirements

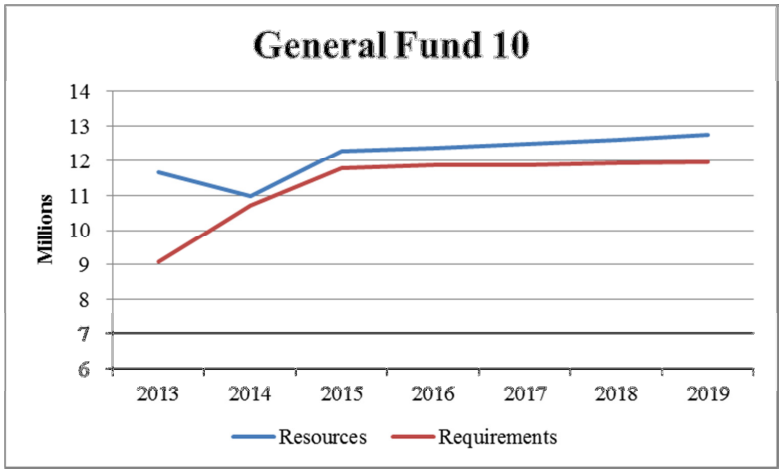


Figure 55 – General Fund Operating Resources and Requirements by Year

Street Lighting SID Funds 22 and 23: Resources							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Charges for Services	162,052	147,500	157,500	162,225	167,092	172,105	177,268
Other Revenue	1,769	66,695	70,611	35,810	35,588	35,451	35,409
Fund Operating Revenues	**163,821**	**214,195**	**228,111**	**198,035**	**202,679**	**207,556**	**212,677**
% Change From Prior Period	**17%**	**31%**	**6%**	**-13%**	**2%**	**2%**	**2%**

Street Lighting SID Funds 22 and 23: Requirements							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Personnel	-	-	-	-	-	-	-
Materials, Supplies, and Services	96,154	120,789	183,901	151,614	153,938	156,377	158,940
Administrative Charge	28,413	29,394	44,210	46,421	48,742	51,179	53,738
Total Fund Requirements	**124,567**	**150,183**	**228,111**	**198,035**	**202,679**	**207,556**	**212,677**
% Change From Prior Period	**62%**	**21%**	**52%**	**-13%**	**2%**	**2%**	**2%**

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.

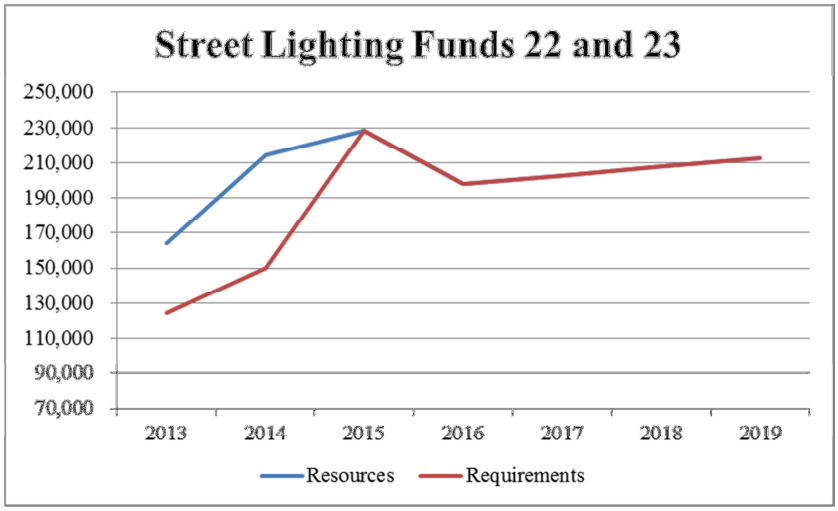


Figure 56 – Street Lighting Resources and Requirements by Year

Parks Capital Projects Fund 32: Resources							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Impact Fees	796,143	400,000	450,000	472,500	496,125	520,931	546,978
Intergovernmental	(1,741)	132,891	-	-	-	-	-
Interest Revenue	11,597	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-
Total Resources	**806,000**	**532,891**	**450,000**	**472,500**	**496,125**	**520,931**	**546,978**
% Change From Prior Period	**73%**	**-34%**	**-16%**	**5%**	**5%**	**5%**	**5%**

Parks Capital Projects Fund 32: Requirements							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Capital Outlay	187,261	2,319,254	450,000	70,000	-	-	-
% Change From Prior Period	**-85%**	**1139%**	**-81%**	**-84%**	**-100%**	**#DIV/0!**	**#DIV/0!**

Table 57 – Parks Capital Projects Resources and Requirements

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

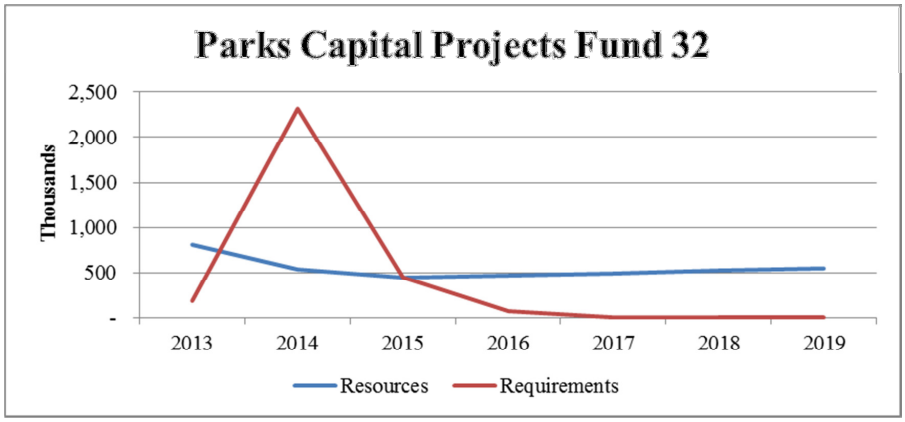


Figure 57 – Parks Capital Projects Resources and Requirements by Year

Roads Capital Projects Fund 33: Resources							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Impact Fees	1,055,916	475,000	500,000	505,000	510,050	515,151	520,302
Intergovernmental	-	-	-	-	-	-	-
Other Financing Sources	-	25,000	-	-	-	-	-
Interest Revenue	31,525	-	-	-	-	-	-
Total Resources	**1,087,440**	**500,000**	**500,000**	**505,000**	**510,050**	**515,151**	**520,302**
% Change From Prior Period	**86%**	**-54%**	**0%**	**1%**	**1%**	**1%**	**1%**

Roads Capital Projects Fund 33: Requirements							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Capital Outlay	625,119	5,155,223	-	-	-	-	-
% Change From Prior Period	**-89%**	**725%**	**-100%**	**#DIV/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.

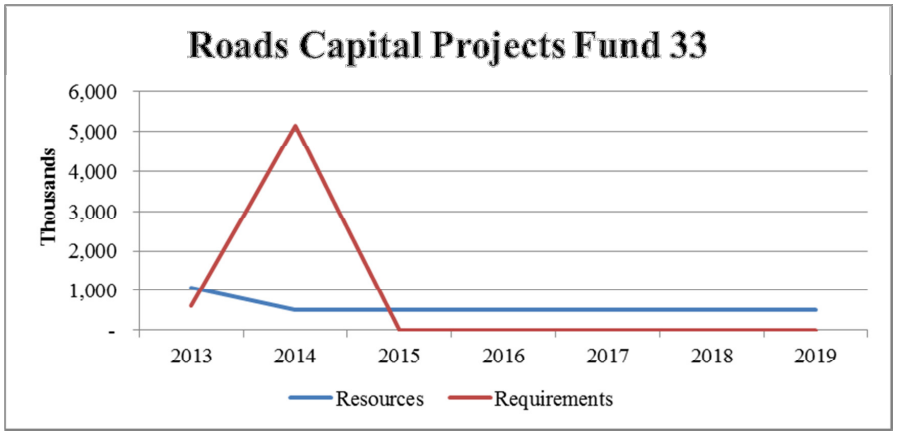


Figure 58 – Roads Capital Projects Resources and Requirements by Year

Public Safety Capital Projects Fund 34: Resources							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Impact Fees	390,700	250,000	300,000	303,000	306,030	309,090	312,181
Interest Revenue	5,212	-	-	-	-	-	-
Total Resources	**395,912**	**250,000**	**300,000**	**303,000**	**306,030**	**309,090**	**312,181**
% Change From Prior Period	**77%**	**-37%**	**20%**	**1%**	**1%**	**1%**	**1%**

Public Safety Capital Projects Fund 34: Requirements							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Capital Outlay	7,220	830,000	-	-	-	-	5,000,000
% Change From Prior Period	**-100%**	**11396%**	**-100%**	**#DIV/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.

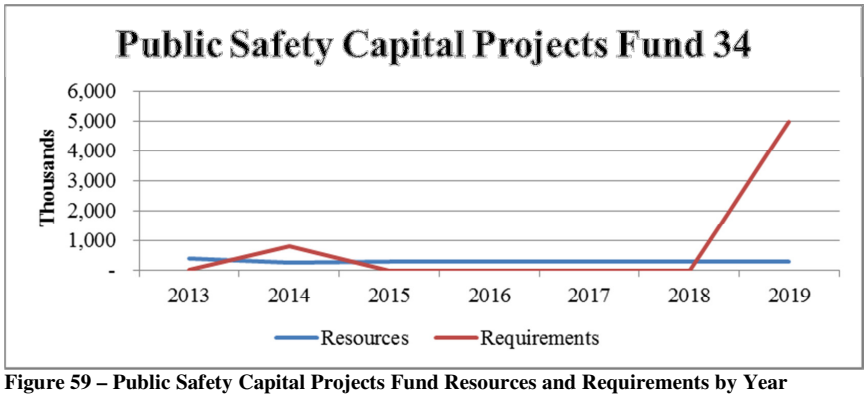


Figure 59 – Public Safety Capital Projects Fund Resources and Requirements by Year

Capital Projects (General) Fund 35: Resources							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Transfers In	2,366,616	1,935,488	1,303,434	1,303,434	1,303,434	1,303,434	1,303,434
Other Revenue	16,139	1,827,969	-	-	-	-	-
Total Resources	**2,382,755**	**3,763,457**	**1,303,434**	**1,303,434**	**1,303,434**	**1,303,434**	**1,303,434**
% Change From Prior Period	**1136%**	**58%**	**-65%**	**0%**	**0%**	**0%**	**0%**

Capital Projects (General) Fund 35: Requirements							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Capital Outlay	1,733,580	5,824,789	989,045	989,045	989,045	989,045	989,045
% Change From Prior Period	**78879%**	**236%**	**-83%**	**0%**	**0%**	**0%**	**0%**

Table 60 – General Capital Projects Fund Resources and Requirements

The General Capital Projects Fund activities are primarily managed by the Public Improvments and Engineering department. Resources are expected to increase in fiscal year 2015. This is primarily due to one-time revenue received in 2014 being used for capital purchases in 2015. Requirements are also expected to decrease by in 2015, largely due to carryover projects.

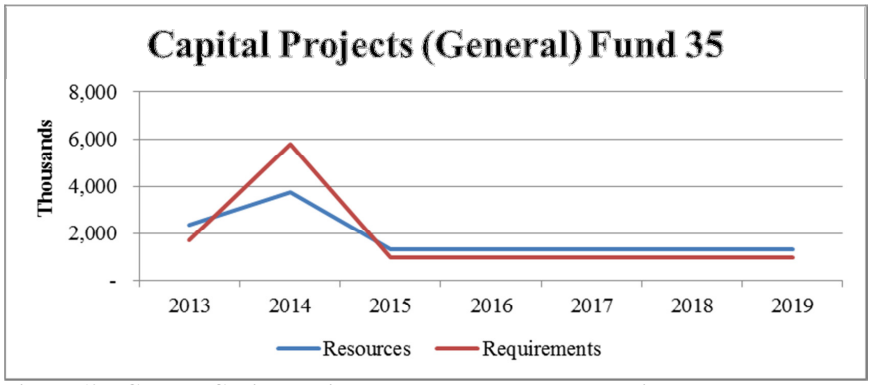


Figure 60 – General Capital Projects Fund Resources and Requirements by Year

Debt Service Fund 40: Resources							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Transfers In	221,375	291,800	292,450	292,950	293,300	293,500	294,001
% Change From Prior Period			**0%**	**0%**	**0%**	**0%**	**0%**

Debt Service Fund 40: Requirements							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Debt Service	289,134	289,300	289,950	290,450	290,800	291,000	291,501
Materials, Supplies, and Service	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Total Requirements	**291,634**	**291,800**	**292,450**	**292,950**	**293,300**	**293,500**	**294,001**
% Change From Prior Period			**0%**	**0%**	**0%**	**0%**	**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 2018.

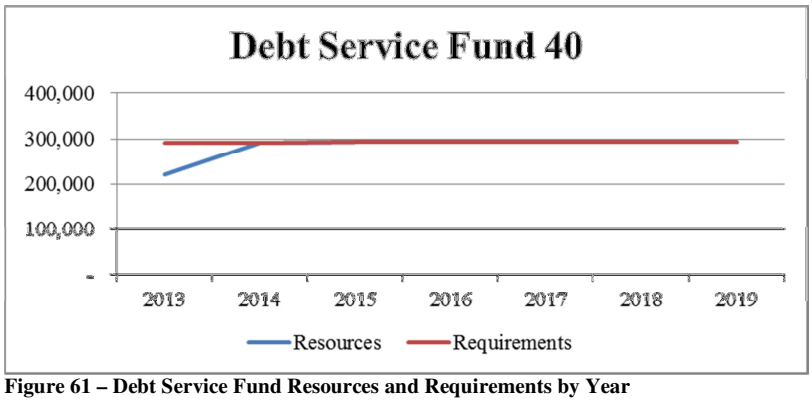


Figure 61 – Debt Service Fund Resources and Requirements by Year

Water Utility Fund 51: Resources							
Major Object	**2013 Actual**	**2014 Adj Budget**	**2015 Budget**	**2016 Plan**	**2017 Plan**	**2018 Plan**	**2019 Plan**
Charges for Services	2,750,508	2,495,850	3,285,500	3,279,210	3,375,694	3,475,035	3,577,318
Other Revenue	68,214	55,000	55,000	56,100	57,222	58,366	59,534
Fund Operating Revenues	**2,818,722**	**2,550,850**	**3,340,500**	**3,335,310**	**3,432,916**	**3,533,402**	**3,636,851**
% Change From Prior Period	**9%**	**-10%**	**31%**	**0%**	**3%**	**3%**	**3%**

Water Utility Fund 51: Requirements							
Major Object	**2013 Actual**	**2014 Adj Budget**	**2015 Budget**	**2016 Plan**	**2017 Plan**	**2018 Plan**	**2019 Plan**
Personnel	434,499	422,965	576,457	574,837	574,837	574,837	574,837
Materials, Supplies, and Services	856,754	1,207,462	1,161,008	1,330,089	1,337,634	1,345,337	1,353,201
Capital Outlay	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Administrative Charge	745,906	694,367	1,049,688	1,070,682	1,092,095	1,113,937	1,136,216
Total Fund Requirements	**2,037,159**	**2,324,794**	**2,787,153**	**2,975,607**	**3,004,566**	**3,034,111**	**3,064,254**
% Change From Prior Period	**-6%**	**14%**	**20%**	**7%**	**1%**	**1%**	**1%**

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 2015. This is primarily due to increases in water utility rates and growth in customer accounts.

Requirements are expected to increase between fiscal year 2014 and 2015. Transfers out are expected to increase in 2015 mainly due to debt service requirements for the 2011 Sales Tax Revenue Bond.

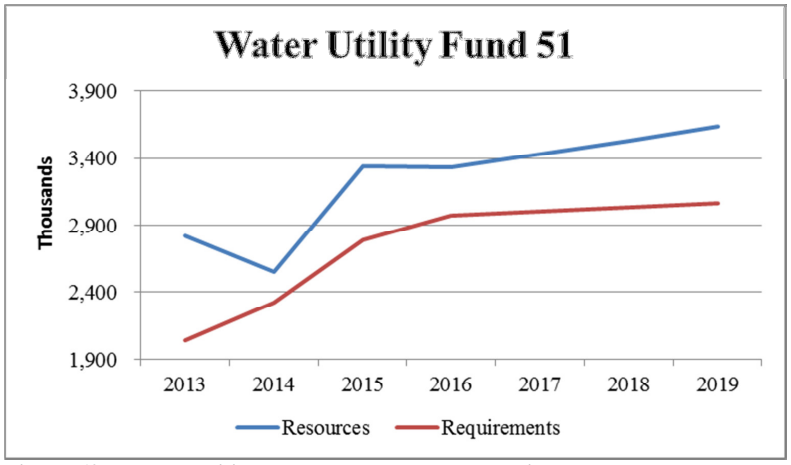


Figure 62 – Water Utility Fund Resources and Requirement by Year

Culinary Water Impact Fee Fund 56: Resources							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Impact Fee Revenue	1,519,661	900,000	900,000	903,000	906,030	909,090	912,181
Other Revenue	1,014,834	-	-	-	-	-	-
Transfers	-	705,112	-	-	-	-	-
Fund Operating Revenues	**2,534,495**	**1,605,112**	**900,000**	**903,000**	**906,030**	**909,090**	**912,181**
% Change From Prior Period	**221%**	**-37%**	**-44%**	**0%**	**0%**	**0%**	**0%**

Culinary Water Impact Fee Fund 56: Requirements							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Capital Outlay	-	507,116	1,180,000	-	-	-	-
Developer Reimbursements	-	500,000	500,000	500,000	500,000	500,000	500,000
Debt Service	-	380,019	382,000	380,635	379,937	379,955	379,955
Depreciation	-	-	-	-	-	-	-
Total Fund Requirements	**-**	**1,387,135**	**2,062,000**	**880,635**	**879,937**	**879,955**	**879,955**
% Change From Prior Period	**-100%**	**#DIV/0!**	**49%**	**-57%**	**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 2015. The City saw a significant increase in impact revenue in 2013 but wants to remain conservative in its forecast for 2015.

Requirements are expected to increase, mainly due to capital projects planned for the future.

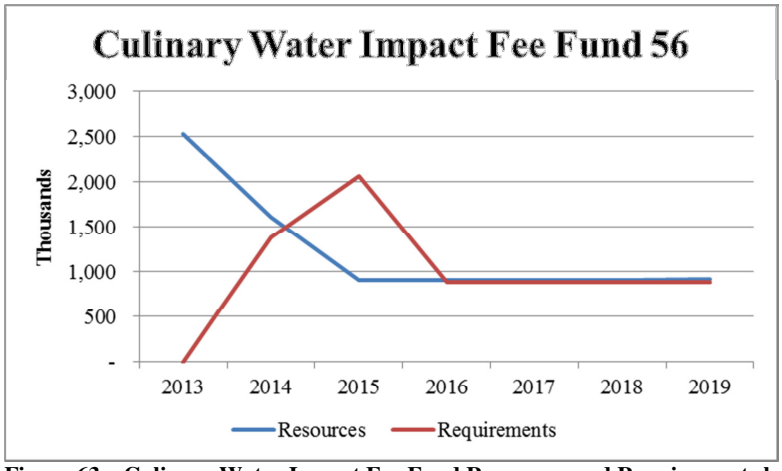


Figure 63 – Culinary Water Impact Fee Fund Resources and Requirements by Year

Secondary Water Impact Fee Fund 57: Resources							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Impact Fee Revenue	349,849	200,000	200,000	200,000	200,000	200,000	200,000
Other Revenue	360	-	-	-	-	-	-
Transfers	-	5,477	-	-	-	-	-
Fund Operating Revenues	**350,210**	**205,477**	**200,000**	**200,000**	**200,000**	**200,000**	**200,000**
% Change From Prior Period	**380%**	**-41%**	**-3%**	**0%**	**0%**	**0%**	**0%**

Secondary Water Impact Fee Fund 57: Requirements							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Capital Outlay	109,885	48,866	-	-	-	-	-
Debt Service	30,167	76,330	78,000	74,250	72,086	69,840	69,840
Transfers	-	-	-	-	-	-	-
Depreciation	231,061	-	-	-	-	-	-
Total Fund Requirements	**371,113**	**125,196**	**78,000**	**74,250**	**72,086**	**69,840**	**69,840**
% Change From Prior Period	**137%**	**-66%**	**-38%**	**-5%**	**-3%**	**-3%**	**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 2015.

Requirements are anticipated to increase 2015 the City undertakes an expansion of the secondary water system.

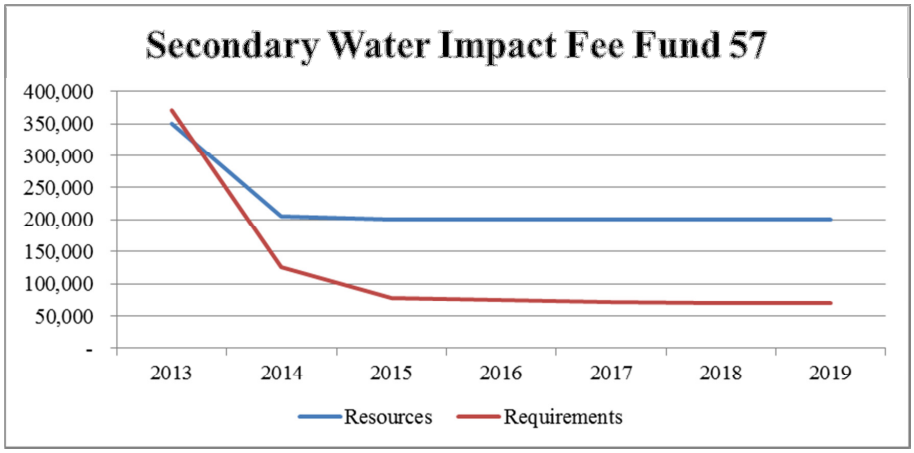


Figure 64 – Secondary Water Impact Fee Fund Resources and Requirements by Year

Sewer Utility Fund 52: Resources							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Charges for Services	2,193,261	2,016,000	2,186,500	2,230,230	2,274,835	2,320,331	2,366,738
Other Revenue	-	-	-	-	-	-	-
Fund Operating Revenues	**2,193,261**	**2,016,000**	**2,186,500**	**2,230,230**	**2,274,835**	**2,320,331**	**2,366,738**
% Change From Prior Period	**29%**	**-8%**	**8%**	**2%**	**2%**	**2%**	**2%**

Sewer Utility Fund 52: Requirements							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Personnel	118,497	137,799	132,356	132,356	132,356	132,356	132,356
Materials, Supplies, and Services	1,338,637	1,674,007	1,652,271	1,618,641	1,620,050	1,621,498	1,622,593
Depreciation	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Administrative Charge	389,046	340,725	536,768	547,503	558,453	569,622	581,015
Total Fund Requirements	**1,846,180**	**2,152,531**	**2,321,395**	**2,298,501**	**2,310,860**	**2,323,477**	**2,335,964**
% Change From Prior Period	**0%**	**17%**	**8%**	**-1%**	**1%**	**1%**	**1%**

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 2015 due to growth in the number of customers. Fund requirements are expected to remain constant in FY 2015.

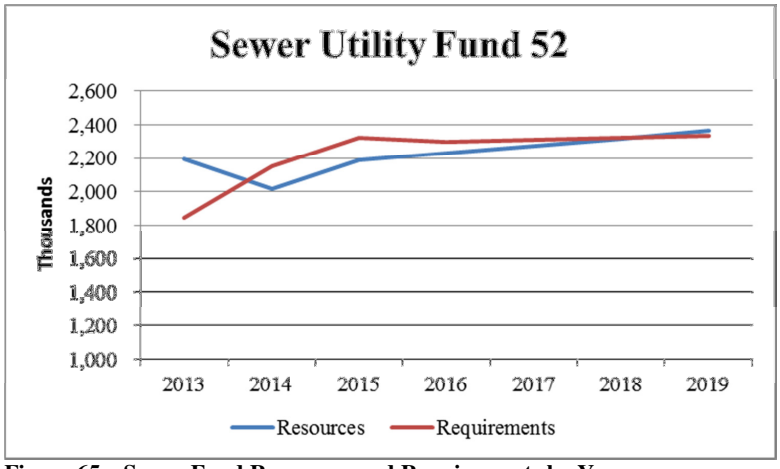


Figure 65 – Sewer Fund Resources and Requirements by Year

Wastewater Impact Fee Fund 53: Resources							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Impact Fee Revenue	492,124	365,000	365,000	368,650	372,337	376,060	379,820
Other Revenue	4,819	-	-	-	-	-	-
Transfers	-	282,836	-	-	-	-	-
Fund Operating Revenues	**496,943**	**647,836**	**365,000**	**368,650**	**372,337**	**376,060**	**379,820**
% Change From Prior Period	**92%**	**30%**	**-44%**	**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	124,411	332,068	-	-	-	-	-
Developer Reimbursements	168,665	140,000	-	-	-	-	-
Depreciation	91,049	-	-	-	-	-	-
Total Fund Requirements	**384,125**	**472,068**	**-**	**-**	**-**	**-**	**-**
% Change From Prior Period	**347%**	**23%**	**-100%**	**0%**	**0%**	**0%**	**0%**

Table 66 – Wastewater Impact Fee Fund Resources and Requirements

Resources for the wastewater impact fee fund are expected to remain constant in 2015.

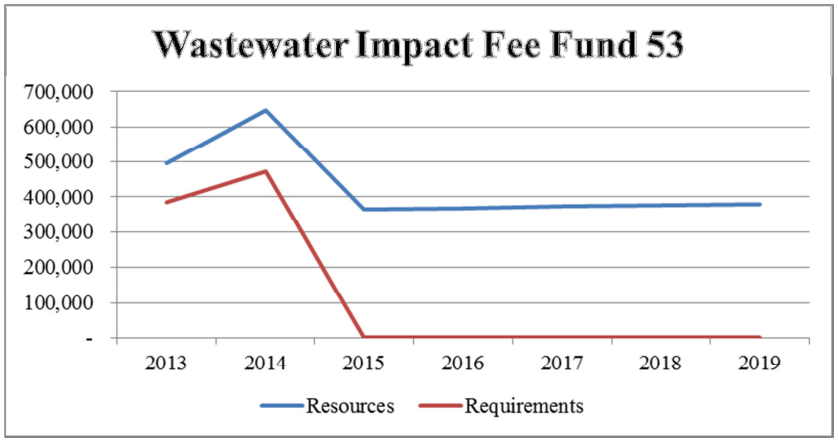


Figure 66 – Wastewater Impact Fee Fund Resources and Requirements by Year

Storm Drain Utility Fund 54: Resources							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Charges for Services	385,521	361,000	400,000	404,000	408,040	412,120	416,242
Other Revenue	1,386	-	195,554	2,500,000	492,378	391,658	1,147,038
Fund Operating Revenues	**386,908**	**361,000**	**595,554**	**2,904,000**	**900,418**	**803,778**	**1,563,280**
% Change From Prior Period	**49%**	**-7%**	**65%**	**388%**	**-69%**	**-11%**	**94%**

Storm Drain Fund 54: Requirements							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Personnel	-	1,667	75,167	74,167	74,167	74,167	74,167
Materials, Supplies, and Services	12,713	44,283	45,397	45,084	45,188	45,297	45,412
Capital Outlay	-	25,000	-	292,827	298,683	304,657	310,750
Depreciation	409,510	-	-	-	-	-	-
Transfers	-	(47,607)	(47,713)	(47,795)	(47,852)	(47,885)	(47,885)
Administrative Charge	256,984	209,377	287,085	292,827	298,683	304,657	310,750
Total Fund Requirements	**679,206**	**232,720**	**359,936**	**657,109**	**668,869**	**680,893**	**693,194**
% Change From Prior Period	**0%**	**-66%**	**55%**	**83%**	**2%**	**2%**	**2%**

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 2015. This is due to an increase in the number of customers. Requirements are also expected to increase with the addition of a utility worked as well as the administrative charge increases slightly from 2015-2019.

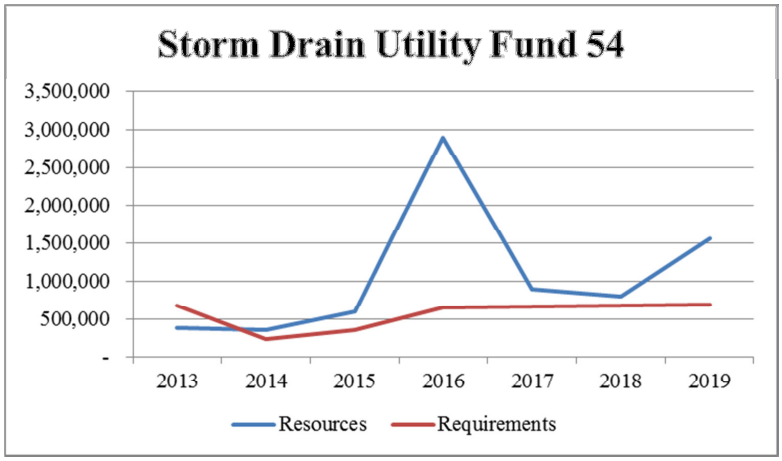


Figure 67 – Storm Drain Fund Resources and Requirements by Year

Storm Drain Capital Projects Fund 31: Resources							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Impact Fees	253,786	259,062	250,000	250,000	250,000	250,000	250,000
Interest Revenue	7,111	5,000	5,000	5,000	5,000	5,000	5,000
Vehicle Equipment Rent	-	19,200	-	-	-	-	-
Total Resources	**260,897**	**283,262**	**255,000**	**255,000**	**255,000**	**255,000**	**255,000**
% Change From Prior Period	**10%**	**9%**	**-10%**	**0%**	**0%**	**0%**	**0%**

Storm Drain Capital Projects Fund 31: Requirements							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Capital Outlay	12,203	913,973	496,048	144,530	40,203	-	747,200
% Change From Prior Period	**-27%**	**7390%**	**-46%**	**-71%**	**-72%**	**-100%**	**0%**

Table 68 – Storm Drain Capital Projects Fund Resources and Requirements

Resources for the storm water fund are expected to be constant in 2015 because impact fee revenue is expected to stay the same from 2013.

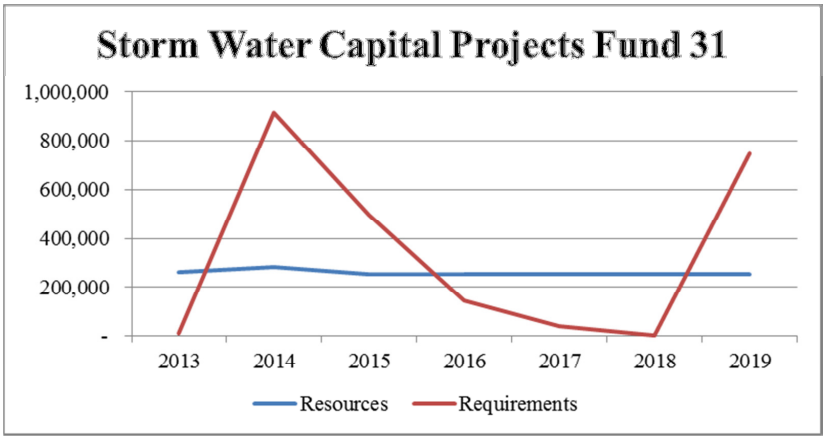


Figure 68 – Storm Drain Capital Projects Fund Resources and Requirements by Year

Garbage Utility Fund 55: Resources							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Charges for Services	897,809	851,768	851,785	860,303	868,906	877,595	886,371
% Change From Prior Period	**32%**	**-5%**	**0%**	**1%**	**1%**	**1%**	**1%**

Garbage Utility Fund 55: Requirements							
Major Object	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
	Actual	**Adj Budget**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
Personnel	-	-	-	-	-	-	-
Materials, Supplies, and Services	787,098	719,510	733,369	747,507	761,929	776,642	791,650
Administrative Charge	35,008	35,008	50,293	51,299	52,325	53,371	54,439
Total Fund Requirements	**822,106**	**754,518**	**783,662**	**798,806**	**814,254**	**830,013**	**846,089**
% Change From Prior Period	**27%**	**-8%**	**4%**	**2%**	**2%**	**2%**	**2%**

Table 69 – Garbage Utility Fund Resources and Requirements

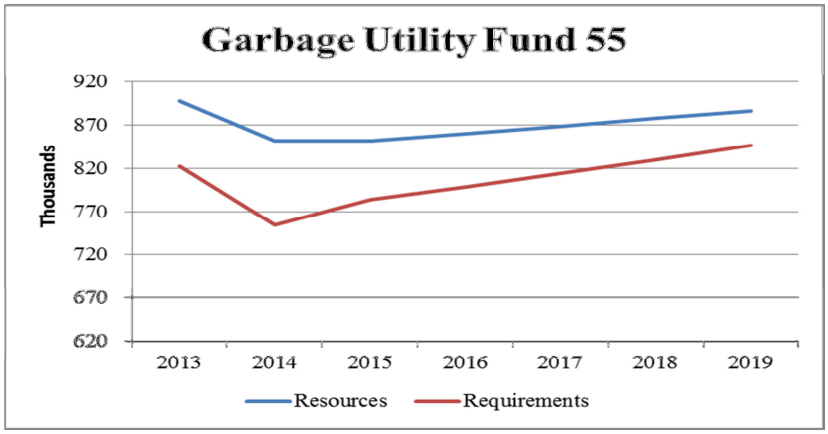


Figure 68 – Garbage Utility Fund Resources and Requirements by Year

POLICIES AND OBJECTIVES

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

Field Code Changed

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.

POLICIES AND OBJECTIVES

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 "social service" programs fall into this category as it is expected that one group will subsidize another.
    b. Collecting fees is not cost-effective or will significantly impact the efficient delivery of the service.
    c. There is no intent to limit the use of (or entitlement to) the service. Again, most "social service" programs fit into this category as well as public safety (police and fire) emergency response services. Historically, access to neighborhood and community parks would also fit into this category.

d. The service is non-recurring, generally delivered on a "peak demand" or emergency basis, cannot reasonably be planned for on an individual basis, and is not readily available from a private sector source. Many public safety services also fall into this category.
e. Collecting fees would discourage compliance with regulatory requirements and adherence is primarily self-identified, and as such, failure to comply would 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 social service programs and economic development activities.

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

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

High-Range Cost Recovery Activities (80% to 100%)
1. Classes (Adult & Youth)
2. Adult athletics (volleyball, basketball, softball, baseball)
3. Facility rentals

Mid-Range Cost Recovery Activities (50% to 80%)
4. Special events (5k run, other City-sponsored special events)
5. Minor league baseball
6. Youth basketball

Low-Range Cost Recovery Activities (0 to 50%)
7. Youth services
8. Senior services

d. For cost recovery activities of less than 100%, there should be a differential in rates between residents and non-residents when administratively feasible.

e. Charges will be assessed for use of ball fields, special-use areas, and recreation equipment for activities not sponsored or co-sponsored by the City. Such charges will generally conform to the fee guidelines described above.
f. A vendor charge of at least 10 % of gross income will be assessed from individuals or organizations using City facilities for money-making activities.
g. 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.

VENTURE FUND

The City Council may authorize a sum of money to encourage innovation and to realize opportunities not anticipated in the regular program budgets. The current budget does not include any funding currently for this purpose. When funds are authorized, the City Manager is to administer the money awarding it to programs or projects within the municipal structure (the money is not to be made available to outside groups or agencies). Generally, employees are to propose expenditures that could save the City money or improve the delivery of services. The City Manager will evaluate the proposal based on the likelihood of a positive return on the "investment," the availability of matching money from the department, and the advantage of immediate action. Employees may receive up to 10 % or up to $500 of the savings or revenue brought in from the proposal on a one-time basis.

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.

POLICIES AND OBJECTIVES

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.

POLICIES AND OBJECTIVES

CAPITAL IMPROVEMENT MANAGEMENT

A. The public Capital Improvement Plan (CIP) will include the following:
   1. Public improvement projects that cost more than $10,000.
   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 statue, 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 statue 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 <u>not</u> allowed by this policy. The City of Saratoga Springs shall <u>not</u> 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 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.

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.

POLICIES AND OBJECTIVES

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.

POLICIES AND OBJECTIVES

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 ~~declared surplus~~. 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.~~once~~ ~~in a newspaper of general circulation or the City newsletter and~~ 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.

BENCHMARKING

Philosophy. The city has been participating in the Utah Bechmarking 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.

POLICIES AND OBJECTIVES

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.
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 five 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.

GLOSSARY

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.

GLOSSARY

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 inconformity 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.

C.Y. - Cubic Yard

D

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DERIVATIVES: (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

D.I.P. - Ductile Iron Pipe

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

GLOSSARY

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.

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.

GLOSSARY

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 – PoIy (vinyl chloride) Pipe

Q

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

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.

GLOSSARY

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.

GLOSSARY

[i] 3/17/2014, http://quickfacts.census.gov/qfd/states/49/4967825.html