

**COTTONWOOD HEIGHTS (A CITY), UTAH
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2014**



Cottonwood Heights, Utah
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2014
With
Independent Auditor's Report

Prepared by

Cottonwood Heights Finance

Steve Fawcett, CGFM, Director of Finance
David Muir, Treasurer/Financial Reporting Manager

**COTTONWOOD HEIGHTS, UTAH
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2014**

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COTTONWOOD HEIGHTS
INTRODUCTORY SECTION



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Cottonwood Heights
Utah**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

COTTONWOOD HEIGHTS
INTRODUCTORY SECTION



Mayor
Kelvyn Cullimore
City Council
Michael Shelton
Scott Bracken
Mike Peterson
Tee Tyler
City Manager
John Park

December 2, 2014

To the Honorable Mayor, City Council and
Citizens of Cottonwood Heights

Overview

It is our great pleasure to present the Comprehensive Annual Financial Report (CAFR) for the City of Cottonwood Heights (the City) for the fiscal year ended June 30, 2014.

Utah State law requires that all local governments publish, within six months of the close of each fiscal year, the complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of Cottonwood Heights for the fiscal year ended June 30, 2014.

This report consists of management’s representations concerning the finances of Cottonwood Heights. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of Cottonwood Heights has established a comprehensive internal control framework that is designed both to protect the government’s assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of Cottonwood Height’s financial statements in conformity with generally accepted accounting principles. Since the cost of internal controls should not outweigh their benefits, Cottonwood Heights’ framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects. Larson & Company, PC, a firm of certified public accountants, has audited Cottonwood Heights’ financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of Cottonwood Heights for the fiscal year ended June 30, 2014 are free from material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement, assessing the accounting principles used and significant estimates made by

COTTONWOOD HEIGHTS INTRODUCTORY SECTION

management, and evaluating the overall financial statement presentation. The independent auditor concluded that based upon the audit, there was a reasonable basis for rendering an unqualified opinion that Cottonwood Heights' financial statements for the fiscal year ended June 30, 2014, are fairly presented in conformity with generally accepted accounting principles. The independent auditor's report is presented as the first component of the financial section of this report.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

State statutes detail the functions performed by municipalities. Cottonwood Heights is a political subdivision of the State of Utah, a municipal corporation and body politic with perpetual existence; unless disincorporated.

Profile of Cottonwood Heights

Cottonwood Heights was incorporated on January 14, 2005 out of the southeastern area of unincorporated Salt Lake County. The 2010 census reported a population of 33,433 residents in Cottonwood Heights which encompasses 8.86 square miles. It is known as the ***City between the Canyons*** because it is located at the foot of the Wasatch Mountain Range between Big Cottonwood and Little Cottonwood Canyons.

These two canyons are home to Salt Lake Valley's four major ski resorts, Alta, Brighton, Solitude and Snowbird. Each of these ski resorts has an international clientele and reputation.



The quality of life in Cottonwood Heights is very high with many cultural and recreational activities available within the city or in near proximity. Cottonwood Heights values highly its reputation as a well-maintained residential and business community. The preservation of quality of life is of utmost importance to residents and business owners. The City is proud of the stunning scenic background provided by the Wasatch Mountains and residents place a high value on the natural element of the area; hillsides, streams, natural open spaces and parks. The residents occupy a variety of residential dwellings in harmony with thriving commercial areas. In 2007 Money Magazine selected Cottonwood Heights as one of the 100 best places to live in the United States.

Cottonwood Heights is home to many corporate headquarters. The city offers more Class A office space than any other city in Utah, except Salt Lake City. Office campuses include Union Park, Old Mill Corporate Center, Cottonwood Corporate Center and the Corporate Campus of Regence Blue Cross Blue Shield. These business parks provide important centers of employment to many Cottonwood Heights residents.

COTTONWOOD HEIGHTS INTRODUCTORY SECTION



As the gateway to the valley’s major ski resorts and with easy access to valley wide transportation systems, Cottonwood Heights welcomes many visitors. The City strives to attract businesses that will serve the needs of the residents, promote the attractive image and appearance of the community, support and increase the general income and prosperity of the City, strengthen existing business centers and complement the City’s location as the gateway to the canyons.

Citizens voted to operate Cottonwood Heights from its inception under the “Council – Manager” form of government. Under this form of government the citizens elect a council member from each of four districts and a Mayor is elected at-large from the entire city. The Mayor and Council select a City Manager who acts as the Chief Executive Officer of the City. Policy-making and legislative authority are vested in the Mayor and Council, execution and administration of policies and ordinances is the responsibility of the City Manager. The Mayor and Council serve part time. The City Manager serves full time.

Local economy

Some may think of Cottonwood Heights as an affluent ‘bedroom community’ of Salt Lake City with limited businesses and commercial presence. However, as mentioned previously, the city actually has the most high rise Class A office space (1,931,458 square feet of space-see table below) in the valley, second only to the capital city of Salt Lake City, which is considerably larger than Cottonwood Heights. Added together with other high rises and office buildings, the city has become one of the most sought after places for small and large business to reside. The corporate offices of Café Rio, Extra Space Storage, JetBlue Airways, Overstock.com, Instructure, Master Control and San Disk (Fusion-IO) to name a few are located in the city.

**COTTONWOOD HEIGHTS
INTRODUCTORY SECTION**

Cottonwood Heights has a notable amount of office space, of varying qualities and sizes. The majority of the office space is concentrated in three office parks in the city: Cottonwood Corporate, Old Mill Corporate Center and the Union Park office complex. These three areas house all of the city’s Class A space and 72 percent of the total office space. The Class B and C office space is dispersed through the city along major transportation corridors including Fort Union Boulevard, 7000 South, Highland Drive and 1300 East.

As of June 30, 2014			
	Class A	Class B	Class C
Total SF	1,931,458	497,065	90,958
% of Total SF	76.7%	19.7%	3.6%
Average Building SF	137,961	17,140	3,790
Number of Properties	14	29	24
Average Vacancy	9.5%	14.7%	2.9%
Average Lease(\$/SF)	\$25.27	\$18.78	\$13.98
Source: City Community and Economic Development department			

Long-term planning

Cottonwood heights serves as a sub-regional market to the Greater Salt Lake Metropolitan area, providing millions square feet of Class A office space, access to world-class outdoor recreational amenities, and well-established residential neighborhoods. Besides the high concentration of office parks, the city also is home to limited manufacturing users as well as retail businesses ranging from small shops to regional shopping destinations.

Cottonwood Heights is largely built out and therefore much of the future development options will occur in redevelopment areas along the Fort Union Boulevard corridor and areas of reuse, such as the Wasatch Boulevard gravel pit which will ultimately offer between 150 and 200 acres for development.

Fort Union and Wasatch boulevards are both major components of the city and are being master planned with future (and updated) housing, shops, work places, attractions, schools, civic facilities, parks and greenbelts interwoven with neighborhood streets that connect within these areas and to other centers of the city by clean, efficient and affordable means of transportation as a sustainable proposal to spur economic growth and long term viability.

Fort Union Boulevard is a focal point both figuratively and geographically for Cottonwood Heights’. It is the major east-west arterial going through the city. It features a mix of retail, restaurants, service and professional offices and residential properties. Fort Union Boulevard is a regional high value artery that serves as a gateway to Big & Little Cottonwood Canyons and area resort attractions. This corridor has, since the inception of the city, been identified in the General Plan as a gateway to the canyon, a future Utah Transit Authority transit corridor and a

COTTONWOOD HEIGHTS INTRODUCTORY SECTION

place where the city can set itself apart from the rest of the Wasatch Front. The corridor possesses a wide array of uses, including neighborhood and general commercial, residential in varying densities, and offices.

The Wasatch Boulevard/Gravel Pit Area, one of the City's major gateways, is a crucial and keystone property in Cottonwood Heights. The gravel pit area is the largest undeveloped site in the city. It is estimated that quarry operations will cease in approximately 10-15 years. Therefore, the city is actively involved with property owners to master plan the site for the eventual development. At a conceivable 150 - 200 developable acres, the site presents notable opportunities to fill service and amenities as well as land use needs that are not being currently met in the city. This landmark property and proposed study are not only vital to Cottonwood Heights, but are regionally valuable due to its critical location at the mouth of Big Cottonwood Canyon and its related facilities: Wasatch Boulevard, the Bonneville Shoreline Trail, and the Fort Union Corridor. The opportunities presented by this highly visible property will prove invaluable to future generations of local residents and property owners, regional recreational users, and destination travelers who come to this area to play, to shop and to live. Development opportunities on site could include full-service hotels, high-density housing, destination retail and Class A offices.

Major Initiatives

The city culminated a multi-year process of looking for a place to build a City hall by locating and assembling eight parcels of land (seven of which were occupied), located at the corner of 2300 East and Bengal Boulevard (7600 South). A municipal Sales Tax Revenue Bond was sought after the land was purchased. The City applied for a \$14,500,000 maximum value bond, and received a AA- rating from Standard and Poors rating agency. This rating is very favorable for a city the size of Cottonwood Heights. The bonds were marketed and sold in late June, 2014, but actual funding occurred July 2, 2014. It is anticipated that the municipal center will house City hall, police and public works and will be completed in the late spring or early summer of 2016.

Upon invitation from the Salt Lake County Clerk, the City agreed to conduct local municipal elections in 2013 by mail instead of traditional polling places. Voter turnout in November, 2013 of over 40 percent placed Cottonwood heights near the top of the list of cities with the best voter participation as a result of this vote by mail program.

Services Provided

As a local general purpose government, Cottonwood Heights provides a full range of municipal services including police and fire protection, construction and maintenance of streets and other infrastructure, planning and zoning, community and economic development, recreational and cultural activities, justice court, and animal services.

In addition to the services provided directly by City taxes and fees which include **General Government** (legislative, city management, finance, treasurer, city recorder, emergency management, information technology), **Public Safety** (police and ordinance enforcement), **Highways and Public Improvements** (public works), **Community and Economic**

COTTONWOOD HEIGHTS INTRODUCTORY SECTION

Development (planning and zoning, economic development, engineering, business licensing); Cottonwood Heights contracts with several other entities within the Salt Lake County area to provide certain services to our residents and businesses. They are:

- ❖ The Cottonwood Heights Parks and Recreation Service Area was created in June, 1967, and is legally separate and distinct from the City. They operate a recreation center, recreation programs, and several parks within the city, including such amenities as swimming pools, an ice skating rink, a skate park, baseball diamonds, tennis courts, soccer fields, playgrounds, trails and social gathering places.

The City contracts with the service area to provide parks and landscape maintenance for three city parks and sixteen other roadway islands, trails, trailheads and walkways, monument signs, planters, and other small city owned properties. We also partner with them to conduct many city events, such as the Butlerville Days summer celebration.

- ❖ The Salt Lake County Public Works Department is a department within Salt Lake County government.

The City contracts with Salt Lake County Public Works to provide, through contract roadway sign maintenance, school zone flashing beacons, street light maintenance, traffic signal maintenance, and other small projects as requested.

- ❖ Terracare Associates, LLC is a private contractor providing public works type services for governments in Colorado, California and Utah.

The City contracts with Terracare Associates, LLC for Public Works services. The general scope of services includes oversight of all service delivery, including compliance with quality assurance, quality control, performance measurements, customer satisfaction, technical standards and performance standards, ADA compliance, pavement management services including overlay, slurry seal, chip seal, and other remedies such as pot hole patching , crack sealing, hand sealing, mechanical patching and level course, and non-routine roadway sweeping, snow management services, traffic sign maintenance, pavement striping services and storm drain maintenance.

- ❖ The Unified Fire Authority (UFA) is a political subdivision organized under an interlocal agreement in the State of Utah, directed by an eleven member board, made up of elected officials from Salt Lake County and various cities within the Authority. They provide fire-fighting and rescue services, and emergency medical services as well as wild land firefighting and prevention, hazmat, heavy rescue, bomb/arson, and USAR (Utah Task Force One) services throughout Salt Lake County. These services are provided to the City through contract as a member city of the authority.

The City contracts with UFA to provide fire-fighting, rescue, and emergency medical services out of stations 110 (1790 E. Fort Union Blvd.) and 116 (8303 S. Wasatch Blvd.). They also provide all other offered services as the need arises.

- ❖ The Salt Lake City Public Utilities Department is a department within Salt Lake City, (located to the north of Cottonwood Heights) and provides water treatment and distribution services in our area.

The City contracts with Salt Lake City Public Utilities to provide repair and maintenance services on fire hydrants located in the city. Within Cottonwood Heights, fire hydrants are owned by the City and not the UFA or Salt Lake City Public Utilities.

- ❖ The City of Holladay, our neighbors to the north of Cottonwood Heights, operates a justice court.

COTTONWOOD HEIGHTS INTRODUCTORY SECTION

The City contracts with Holladay to provide traffic and misdemeanor justice court services, prosecutorial services, and indigent defense services as required by law, as well as a small claims court. Justice courts in Utah are not considered courts of record, so as is necessary, the state district court system will also provide services on behalf of the City.

Additionally, Cottonwood Heights contracts with private professional entities to provide certain related legal services to our residents and businesses.

- ❖ The City contracts with the law firm of Callister, Nebeker, & McCullough for legal services. W. Shane Topham, attorney from the firm functions as the City's sworn Attorney.

- ❖ The City contracts with the engineering firm of Gilson Engineering, Inc. for engineering services in connection with building and other real property development and public works.

Brad Gilson serves as the city engineer. Specifically, the scope of services includes development review, bond calculations and inspection, site inspection, geology, administrative services (correspondence and record keeping for excavating permits, bonding, bond administration, site inspection dispatch, issuance of road cut permits, and other miscellaneous city activities as assigned by the city), transportation, roadway planning and design, drainage planning and design, storm water quality management, and emergencies (cooperate with city's efforts to issue engineering permits on an expedited basis occasioned by disasters such as earthquakes and fires), barricade, material testing, surveying, addressing, reporting, advice and consultation, public meetings, and issues affecting the city's Big Cottonwood Trail.

- ❖ The City contracts with the engineering firm of Sunrise Engineering, Inc. for building services in connection with building and other real property development.

Jody Hilton serves as the city building official. Specifically, the scope of services includes plan examination, building inspection, building services coordination, issuance of compliance and stop work orders, fire, health department and local utilities coordination. They are a resource to the city and its boards and committees with respect to building services, public meetings, and miscellaneous building services. They are requested to review business license applications for verification that the use is appropriate to the type and construction of the building in which the business is to be located, inspect or investigate reports of unsafe structures believed to be dangerous or a nuisance, help with emergencies (cooperate with city's efforts to issue emergency permits on an expedited basis occasioned by disasters such as earthquakes and fires), and emergency safety inspections of key public facilities within 12 hours after any disaster or other emergency that may have compromised the structural integrity, safety or functionality of any public or other facility needed to provide public shelter, services, utilities or the like.

Municipal Type Services Not Provided by Cottonwood Heights

There are some services that are typically provided by a municipality that Cottonwood Heights does not provide. These services are provided directly to the citizens of Cottonwood Heights by other taxing authorities. They are:

- ❖ Salt Lake City Public Utilities Department.

They provide water treatment and distribution services to most areas of the city.

- ❖ Jordan Valley Water Conservancy District.

COTTONWOOD HEIGHTS INTRODUCTORY SECTION

- They provide water distribution services to some areas of the city not served by the Salt Lake City Public Utilities Department.
- ❖ Cottonwood Improvement District.

They provide wastewater collection services to an area that includes the entire city boundary.
- ❖ Wasatch Front Waste & Recycling District (Sanitation).

They provide refuse removal services to all areas of the city.
- ❖ Cottonwood Heights Parks and Recreation Service Area.

They provide a recreation facility, ball fields / park recreational opportunities along with indoor and outdoor swimming pools, etc. to members of the special service area; most of whom are Cottonwood Heights' residents.
- ❖ Salt Lake County Library System

They provide full service library facilities.
- ❖ Valley Emergency Communications Center

They provide dispatch services for both the City Police department and Unified Fire Authority who provides services to Cottonwood Heights.

Relevant financial policies

The goal the City hopes to achieve through the implementation of these policies is to demonstrate to citizens and other interested parties that the City takes seriously the responsibility to carefully account for public funds, to wisely manage finances and to plan adequate funding of services desired by our citizens. The watchwords of our financial management include integrity, prudence, stewardship, planning, accountability, and full disclosure.

Operating Budget Policies

- The budget for each governmental fund will be balanced, which means appropriations will not exceed estimated expendable revenue, exclusive of one-time expenditures or capital improvement transfers.
- The City will cover current expenditures with current revenues. The City will avoid budgetary procedures that cover current expenditures at the expense of meeting future years' expenditures.
- The budget will provide for adequate maintenance of capital facilities and for the orderly replacement of equipment.
- The City will maintain a checks and balances system of verifying budget balances prior to making spending commitments.
- The City will prepare monthly reports comparing actual revenues and expenditures to budgeted amounts.
- Where possible the City will integrate performance measurement and productivity indicators within the budget.

Capital Projects Budget Policies

- The City will develop and administer a five year plan for capital projects and informally update it annually or track compliance to plan annually.

COTTONWOOD HEIGHTS INTRODUCTORY SECTION

- The City will enact an annual capital budget calculated to meet the multi-year Capital Improvement Plan.
- The City will coordinate development of the capital project budget with the operating budget. Future operating costs associated with new capital projects will be projected and included in operating budgets.
- The City will prioritize maintenance of all assets at a level adequate to protect the City's capital investment and to minimize future maintenance and replacement costs.
- The estimated cost and potential funding sources for each capital project proposal will be identified before it is submitted to the Mayor and City Council for approval.
- The City will identify the least costly financing method for all new capital projects, within the requirements of any outside funding sources, if applicable.

Debt Management Policies

- The City will confine long-term borrowing to capital projects and purchases of equipment.
- When the City finances capital projects by issuing bonds, it will pay back the bonds within a period not to exceed the expected useful life of the asset acquired.
- The City will not use long-term debt for current operations.
- The City will meet all debt service obligations when due.
- The City will retire any tax and revenue anticipation debt annually.
- The City will comply with the Tax Compliance Policies for tax-exempt governmental bonds.

Revenue Estimation Policies

- The City budget official will estimate annual revenues by an objective, analytical process.
- The City will not include revenue in the budget that cannot be verified with documentation of its source and amount.

Fund Balance Policy

- In order to maintain and protect the long term financial capacity of the City, total fund balance in the General Fund will be maintained to achieve a balance of 6 percent of total General Fund expenditures.

Accounting, Auditing, and Financial Reporting Policies

- The accounting system will report financial information on a basis consistent with Generally Accepted Accounting Principles.
- Regular monthly and annual financial reports will present a summary of financial activity to the City Council and citizens.
- The City will contract with an independent certified public accounting firm to perform an annual audit; and will publicly issue their opinion on the City's financial statements, after preliminary presentation to the City Audit Committee.

During the current year the City is in compliance with all of its financial policies.

COTTONWOOD HEIGHTS INTRODUCTORY SECTION

Awards and acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to an entity for its Comprehensive Annual Financial Report (CAFR) for a fiscal year period. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable program requirements.

This is the third year the City will complete and submit the CAFR to the GFOA to determine its eligibility for the Certificate of Achievement for Excellence in Financial Reporting. The FY2012 CAFR was the first year the City was a recipient of this award. The award was presented for FY 2013 to David Muir, City Treasurer/Financial Reporting Manager recognizing him as being primarily responsible for preparing an award-winning CAFR. It is valid for a period of one year only. We believe that our current CAFR meets the Certificate of Achievement for Excellence in Financial Reporting requirements.

For the second consecutive year, Cottonwood Heights received the Government Finance Officers Association of the United States and Canada (GFOA) Award for Outstanding Achievement in Popular Annual Financial Reporting to Cottonwood Heights for its Popular Annual Financial Report for the fiscal year ended June 30, 2013. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

For the eighth consecutive year, Cottonwood Heights received the *Distinguished Budget Presentation Award* from the Government Finance Officers Association and Steve Fawcett received the *Certificate of Recognition for Budget Preparation* for the third consecutive year. In order to receive this award, the City's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report could not have been accomplished without the accounting and financial reporting expertise and dedicated service of David Muir, City Treasurer and Financial Reporting Manager of the Finance Department. We appreciate Larson & Company, PC, Certified Public Accountants, for the assistance and guidance they have given us. We also thank the members of the City Council and the Mayor for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

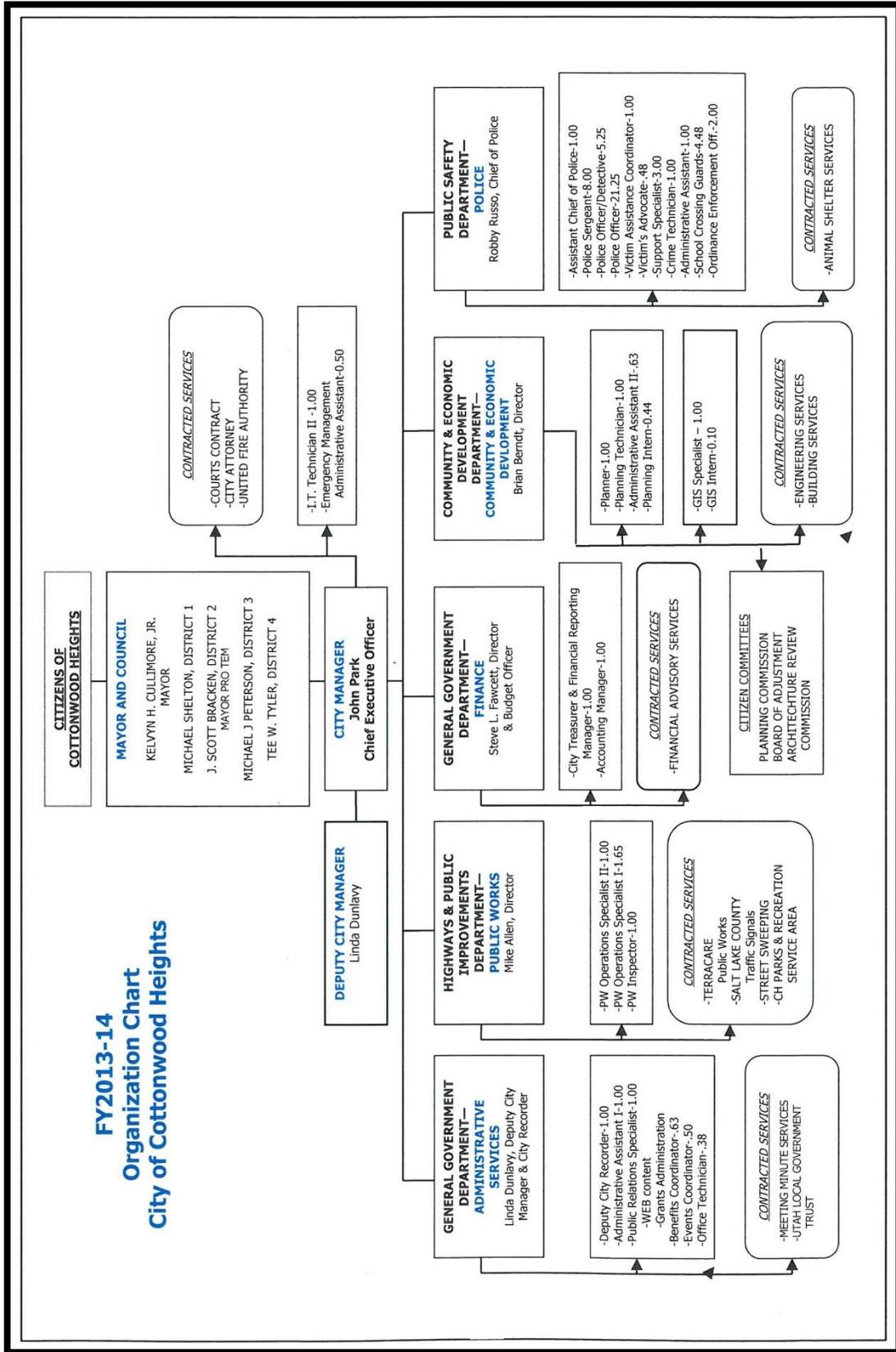


Steve Fawcett
Finance Director



John Park
City Manager.

COTTONWOOD HEIGHTS INTRODUCTORY SECTION





INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Council
Cottonwood Heights, Utah

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Cottonwood Heights (the City), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Cottonwood Heights, as of June 30, 2014, and the respective changes in financial position, the budgetary comparison for the general fund, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 14–30 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who

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considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

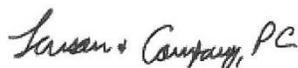
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Cottonwood Heights' basic financial statements. The introductory section, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Capital Projects Fund is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Capital Projects Fund is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2014, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Larson & Company, PC
Spanish Fork, Utah
December 16, 2014

COTTONWOOD HEIGHTS MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Cottonwood Heights (the City), we offer readers this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2014. It is also intended to assist the reader in focusing on significant financial issues. These include identifying changes in the City's financial position (its ability to address the next and subsequent year's challenges), identifying any material deviations from the approved budget, and identifying individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with the City's financial statements.

FINANCIAL HIGHLIGHTS

- The City's fund balances of \$4,973,736 as shown on the balance sheet of Governmental Funds include \$2,426,952 of fund balance in the General Fund and \$2,546,784 in the Capital Projects Fund. Of those balances, \$2,407,342 of the General Fund and \$2,418,312 of the Capital Projects Fund are classified as unrestricted, totaling \$4,825,654 and may be appropriated for any future expenditure. See page 24 for complete fund balance analysis.
- In fiscal year 2014, the City's total net position from governmental activities increased by \$349,525 to \$54,712,934. Total assets increased by \$947,809, and liabilities increased by \$598,284 resulting in the net position increase of \$349,525. One primary cause for the increase in capital asset value is the purchase of land for development of the City Municipal Center, which offsets the normal annual depreciation of \$3,353,074 (see Note 3D)
- Total net position consists of:
 1. \$49,739,198 in capital assets, such as streets, bridges, land, buildings and other infrastructure, net of related debt,
 2. Unrestricted Fund Balance of \$4,825,654. "Unrestricted Funds" is a term that designates the amount of money available for the City Council to spend for future needs. The City Council has indicated their intent for assigning part of this Fund Balance for designated Capital Project use.
 3. Impact Fees of \$128,472.
 4. Nonspendable funds of \$19,609 that represents prepaid expenditures for the subsequent fiscal year.
- The City's only debt is a capital lease used to finance the public safety fleet. This financing also provides for a guaranteed buy-back of the fleet by the vendor every other year. See page 19 for additional information about the City's capital vehicle lease program.
- The General Fund balance decreased by \$249,325, or 9.32 percent of the prior year's fund balance. The Capital Projects Fund decreased by \$1,924,664 from last year's ending balance due primarily to the expenditure of \$3,916,721 to purchase land for development of the City Municipal Center. It should be noted that there was a transfer from the General Fund to the Capital Projects Fund during the year of \$875,615 which increased the fund balance in the Capital Projects Fund and decreased fund balance in the General Fund.
- The City benefits from both Operating Grants and Capital Grants. As a total of the 2014 budget, grants accounted for 26.9 percent of the total expenditures. Operating grants, comprised mostly of the City's portion of distributed gas tax revenues, are

COTTONWOOD HEIGHTS
MANAGEMENT'S DISCUSSION AND ANALYSIS

expected to continue from year to year and totaled \$1,563,158 in FY 2014, while capital grants are typically associated with one-time projects and totaled \$3,484,303 in FY 2014. Summary of grant revenues received by the City are summarized on the Statement of Activities (see page 33).

OPERATIONAL HIGHLIGHTS

- The City coordinated with the Salt Lake County Clerk's office to be a "test case" for the newly approved VOTE BY MAIL process for the 2013 municipal election. The outcome was voter turnout in excess of 40% for the municipal election. Typically voter turnout for such elections has ranged from 15-25%.
- Obtained \$4,249,968 in state and local grants, including Class C roads of \$1,088,199 and a direct legislative appropriation for \$3,050,000.
- The City Police department in its sixth year continues to have a highly skilled and trained investigative division that has reported successfully clearing 82 percent of all aggravated felony crimes occurring within the city and as a department responds to over 20,000 calls for service. Average response time for priority 1, 911 calls, was just over five minutes.
- In addition to numerous street and sidewalk improvement projects, the City completed 236,280 square feet of road improvement projects, including asphalt overlays, chip seals and slurry seal treatments. Additionally, the City eliminated trip hazards, replaced concrete curbs, gutters and sidewalks with citizen participation, installed ADA ramps, and completed many cross gutter improvements.
- In partnership with Midvale City, the City substantially completed the \$1,000,000 Union Park Avenue access management and landscaping project.
- Two major businesses (Instructure and MasterControl) expanded operations in Cottonwood Heights through incentives and a partnership with the Economic Development Corporation of Utah.
- Completed two studies addressing the future of the Fort Union Boulevard corridor.
- The City has continued to promote successful community events enjoyed by residents of the city, including Butlerville Days, Easter Egg Hunt and various events in conjunction with the Cottonwood Heights Parks and Recreation Service Area, such as Bark in the Park and Movies in the Park.
- During this fiscal year, the City produced "The Music Man"; the community's fourth theatre production. Arts grant revenues and ticket sales completely paid for production costs, thereby providing the arts council with funding for other arts events such as "Write for the Heights", "Winter Song Fest", and photography contest. The Arts Council also started a Cottonwood Heights orchestra during the year.
- The City has started a direct mail publication newsletter to the citizens of Cottonwood Heights to improve communications with the citizens of the city, along with development of other social media including Twitter & Facebook.
- Implemented a business development program, economic development banner program, business outreach program through networking luncheons, business spotlight program, various business assistance publications and streamlined the business licensing process.

COTTONWOOD HEIGHTS MANAGEMENT'S DISCUSSION AND ANALYSIS

- Recipient for seven consecutive years of the Distinguished Budget Presentation Award from the Government Finance Officers Association for excellence in budgeting. This award is the highest form of recognition in governmental budgeting.
- Recipient of the Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended June 30, 2013. This certificate is the highest form of recognition in governmental accounting and financial reporting for completion of the comprehensive annual financial report. This was the second year the City compiled a CAFR and submitted it for examination.
- Recipient of the Award for Outstanding Achievement in Popular Annual Financial Reporting for the fiscal year ended June 30, 2013. This award is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. This is the second year the City has received this award.
- The City successfully acquired eight parcels of land comprising 4.7 acres at a cost of \$3,916,721, located at the northwest corner of 2300 East and Bengal Boulevard (7600 South), for the City's first city owned municipal center.
- The City received a very favorable AA- bond rating from Standard and Poors for the \$14,500,000 municipal sales tax revenue bond, which will be used to finance the municipal center project.
- Beginning November 1, 2013, the City changed providers of public works services. Since incorporation, the City had contracted with SL County Public Works to provide such services as snow removal, road repair and infrastructure maintenance. The change was to a private company, Terracare Associates, based in Colorado. It is believed to be the first attempt by any city in Utah to privatize these types of services. The motivation to do so was to save money, improve services and anticipate changes in delivery of such services by SL County in the near future that would result in a higher cost model. While the reasoning behind the change was sound, the implementation was nothing short of disastrous with poor service by Terracare in the initial snow events of the 2013-14 winter season. However, lessons were learned and necessary changes made such that snow removal services by the Terracare crews improved dramatically by the end of the season. It was a rough start and the model is still being proven and refined with the contract continuing for three more years.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Cottonwood Heights' basic financial statements which consist of four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements and 4) supplementary information.

Government-wide financial statements (defined)

The government-wide financial statements are designed to provide readers with a broad overview of Cottonwood Heights' finances, in a manner similar to a private-sector business.

- *The statement of net position* presents information on all of Cottonwood Heights' assets and liabilities, with the difference between the two reported as *net position*.

COTTONWOOD HEIGHTS MANAGEMENT'S DISCUSSION AND ANALYSIS

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Cottonwood Heights is improving or deteriorating. However, the reader will also need to consider other non-financial factors.

- ***The statement of activities*** presents information showing how the City's net position changed during the fiscal year reported. All changes in net position are reported as soon as the underlying event occurs, regardless of the timing of related cash flows. Thus all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The government-wide financial statements distinguish functions of Cottonwood Heights that are principally supported by taxes and intergovernmental revenues (**governmental activities**) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (**business-type activities**). ***Cottonwood Heights currently has no business-type activities.***

Fund financial statements (defined)

A statement of revenue, expenditures and changes in fund balance by fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. Cottonwood Heights also uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of a city are divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Cottonwood Heights currently has two major governmental funds (as determined by generally accepted accounting principles), the General Fund and the Capital Projects Fund. The City also has one proprietary fund, the Employee Benefit Fund (an internal service fund). ***Cottonwood Heights currently has no Fiduciary Funds.***

- ***Governmental funds*** – These funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. These fund statements focus on how money flows into and out of these funds and the balances left at year-end that are available for future appropriation. These funds are reported using a modified accrual accounting method, which measures cash and other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps users determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation included with the fund financial statements.
- ***Proprietary funds*** – Cottonwood Heights maintains one proprietary fund, the Employee Benefit Fund (an internal service fund). This fund is an accounting device used to accumulate funding for and allocate costs for accrued paid time off (PTO) among the City's various functions. This fund provides the resources needed to pay

COTTONWOOD HEIGHTS
MANAGEMENT'S DISCUSSION AND ANALYSIS

out accrued vested PTO benefits without negatively impacting budgets in the year a payout occurs.

Notes to the financial statements

The notes provide additional information that is essential to an understanding of the information provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 43-60 of this report.

CITY'S GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Cottonwood Heights, assets exceeded liabilities by \$54,712,934 at the close of fiscal year ended June 30, 2014.

Cottonwood Heights was incorporated on January 14, 2005 and completed nine and one half fiscal years of activity on June 30, 2014. The last nine years are the only 12 month periods with which to compare the current financial position and results of activities.

The table below provides a comparison of the City's net position for each of the last nine years. As of June 30, 2014, assets exceed liabilities by \$54,712,934. This represents an increase of \$349,525 in total net position when compared to the City's net position on June 30, 2013.

Total assets increased by \$947,809. This increase reflects approximately \$1,267,521 lower current and other assets, combined with a \$2,215,329 net increase in capital assets. Included in this activity was the purchase of land for the new City municipal center. Total liabilities increased by \$598,284.

COTTONWOOD HEIGHTS
MANAGEMENT'S DISCUSSION AND ANALYSIS

**Cottonwood Heights
Net Position
As of June 30th**

Governmental Activities

	2014	2013	2012	2011	2010	2009	2008	2007	2006
Current and other assets	7,547,692	8,815,212	9,252,872	10,733,280	11,381,551	11,515,031	12,125,491	11,592,480	7,925,989
Capital assets	50,573,515	48,358,186	50,663,924	50,381,615	45,496,093	46,658,405	45,776,089	45,037,315	45,516,630
Total assets	58,121,207	57,173,398	59,916,796	61,114,895	56,877,644	58,173,436	57,901,580	56,629,795	53,442,618
Current and other liabilities	1,650,050	689,061	1,475,503	870,373	1,296,763	1,500,322	1,786,048	2,053,933	708,547
Long-term liabilities outstanding	1,151,899	1,458,533	978,426	1,208,919	836,113	977,413	46,769	2,280,164	2,410,976
Total liabilities	2,801,949	2,147,594	2,453,929	2,079,292	2,132,876	2,477,735	1,832,817	4,334,097	3,119,523
Deferred uncollected property taxes	151,865	173,500	383,534	362,991	293,982				
Deferred property tax revenue	454,459	488,895	486,101	421,674	419,856				
Total deferred inflows of resources	606,324	662,395	869,635	784,665	713,838				
Net position:									
Net investment in capital assets	49,739,198	47,215,683	49,934,834	49,425,939	44,831,195	45,831,420	45,776,089	45,027,267	45,496,011
Restricted	148,081	100,102	165,949	101,949	203,271	222,737	223,950	253,555	183,275
Unrestricted	4,825,654	7,047,623	6,492,450	8,723,050	8,996,464	9,641,544	10,068,724	7,014,876	4,643,809
Total net position	54,712,934	54,363,409	56,593,233	58,250,938	54,030,930	55,695,701	56,068,763	52,295,698	50,323,095

The largest portion of Cottonwood Heights' net position, \$49,739,198, reflects investment in capital assets (e.g., land, roads and infrastructure assets) net of related debt (if any). The City uses these capital assets to provide services to the citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of any related debt, it should be noted that the resources needed to repay any debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate liabilities.

As of June 30, 2014, the City has only one capital lease for the purchase of police vehicles with a current principal amount due of \$834,317. Cottonwood Heights regularly deploys public safety vehicles with a two year lease, which includes a guaranteed buy-back with the original dealership. Each two years there is an original down payment and one additional payment in one year. At the end of the two year lease purchase, the dealer re-purchases the vehicles for a previously agreed amount, usually clearing the remaining balance in full. Other than this capital vehicle lease purchase obligation and the Proprietary Fund accrual for earned Personal Time Off, the City has no other long term debt. This year the City paid \$308,185 as a payment for the vehicle lease. Further details about the City's long-term debt can be found in the Notes to the Financial Statements, note 3F on page 56.

In addition to the net capital assets mentioned above, the City has nonspendable, restricted and unrestricted assets. The City's nonspendable assets include prepaid expenses \$19,609 made in fiscal year 2014 for the benefit of fiscal year 2015. Additionally, the \$128,472 in Impact Fees collected from development projects are restricted for the purpose they were collected. The remaining balance is unrestricted net position totaling \$4,825,654 and may be used to meet the City's ongoing obligations and objectives by fund type.

**COTTONWOOD HEIGHTS
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The City's government-wide financial statements can be found on pages 32-33 of this report.

Governmental activities analysis

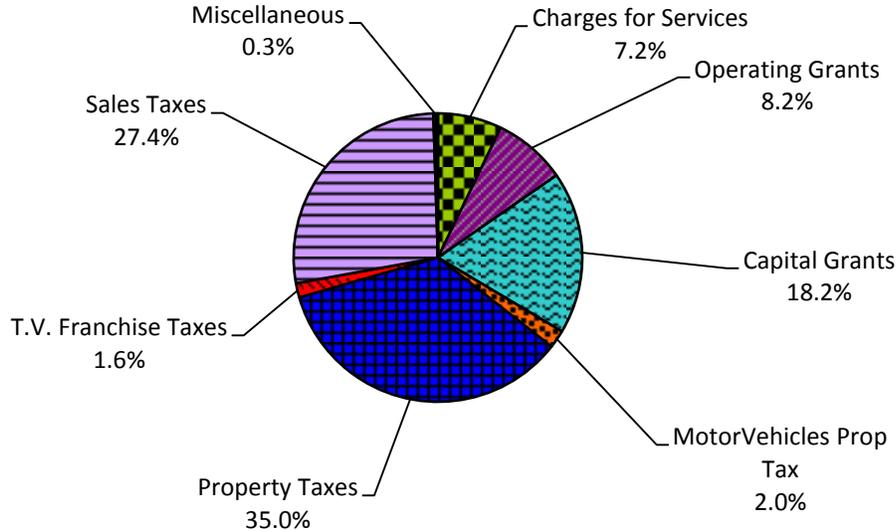
As reported above, governmental activities increased the City's net position by \$349,525 resulting in total net position of \$54,712,934. The table below provides a yearly comparative analysis of revenues and summary departmental expenses for all governmental activities and the net change in position. This information is the annual information presented in the Statement of Activities in the basic financial statements.

Cottonwood Heights Changes in Net Position										
Governmental Activities										
	FY 2014	FY 2013	FY 2012	FY 2011	FY 2010	FY 2009	FY 2008	FY 2007	FY 2006	FY 2005 (½ Yr)
Revenues:										
Program revenues:										
Charges for services	1,370,453	1,276,583	1,178,211	1,303,792	1,139,154	906,778	1,008,286	933,977	962,497	273,390
Operating grants/contrib	1,563,158	1,611,020	1,504,103	1,638,949	1,500,970	1,465,430	1,475,184	1,362,266	1,289,841	627,685
Capital grants/contrib	3,484,303	231,783	25,185	312,815	565,786	1,025,779	941,105	33,579	2,532,080	4,661
Total program revenues	6,417,914	3,119,386	2,707,499	3,255,556	3,205,911	3,397,987	3,424,575	2,329,822	4,784,418	905,736
General revenues:										
Property taxes	7,075,483	7,345,159	6,994,192	6,926,106	6,812,942	6,914,705	6,980,872	6,935,453	2,858,039	874,799
Sales & hotel taxes	5,231,303	5,030,007	4,749,551	4,558,144	4,634,999	4,847,677	5,414,341	5,567,486	4,748,086	2,012,660
Other taxes		43,515	43,515	46,230	35,236	33,563	39,738	29,926	23,601	-
Franchise taxes	303,918	296,450	278,444	267,999	256,667	250,660	235,671	214,766	187,077	74,426
Unrestricted invest earn	37,394	36,859	53,935	46,773	59,298	187,488	515,432	456,134	233,637	8,131
Other - Intergov	-	-	-	4,481,899	-	-	1,500	6,248	500,000	48,379,116
Other - Gain (Loss) on sale of assets	12,000	-	(91,970)	(41,942)	-	-	(736)	-	-	-
Other - Miscellaneous	48,200	55,735	41,145	(440,952)	29,816	53,944	4,589	7,503	405	694
Total general revenues	12,708,298	12,764,210	12,068,812	15,844,257	11,828,959	12,288,036	13,191,407	13,217,517	8,550,846	51,349,826
Total revenues	19,126,212	15,883,597	14,776,311	19,099,813	15,034,869	15,686,023	16,615,982	15,547,339	13,335,264	52,255,562
Expenses:										
General government	2,902,400	2,863,918	2,699,564	2,084,427	2,331,589	2,140,589	1,972,270	3,421,036	1,328,701	669,212
Public safety	8,932,299	8,760,565	8,360,970	7,685,600	8,073,608	8,015,001	6,780,298	6,339,016	5,730,383	1,763,029
Highways-public imprv	5,957,314	5,773,855	4,728,329	4,485,274	5,707,937	5,309,932	3,469,794	3,197,851	3,309,743	1,377,478
Comm & econ dev	970,886	695,759	626,956	602,502	524,665	566,802	620,300	616,335	821,760	212,593
Interest long-term debt	13,788	19,324	18,197	22,003	26,840	26,761	254	498	47,805	7,028
Intergovernmental										
Expenditure	-	-	-	-	35,000	-	-	-	-	-
Total expenses	18,776,687	18,113,421	16,434,017	14,879,806	16,699,639	16,059,085	12,842,916	13,574,736	11,238,391	4,029,340
Change in net position	349,525	(2,229,824)	(1,657,706)	4,220,007	(1,664,770)	(373,062)	3,773,066	1,972,603	2,096,873	48,226,222
Net position - beginning	54,363,409	56,593,233	58,250,938	54,030,930	55,695,701	56,068,763	52,295,698	50,323,095	48,226,222	-
Net position - ending	54,712,934	54,363,409	56,593,233	58,250,938	54,030,930	55,695,701	56,068,763	52,295,698	50,323,095	48,226,222

As can be seen from this pie chart, the majority of funding for City programs does not come from program revenues, but is made up from allocated general revenues such as Property Tax and Sales Tax revenues. Below is a graphic of all revenue sources collected by the City during the fiscal 2014 year.

COTTONWOOD HEIGHTS
MANAGEMENT'S DISCUSSION AND ANALYSIS

All Revenues by Source - Governmental Activities

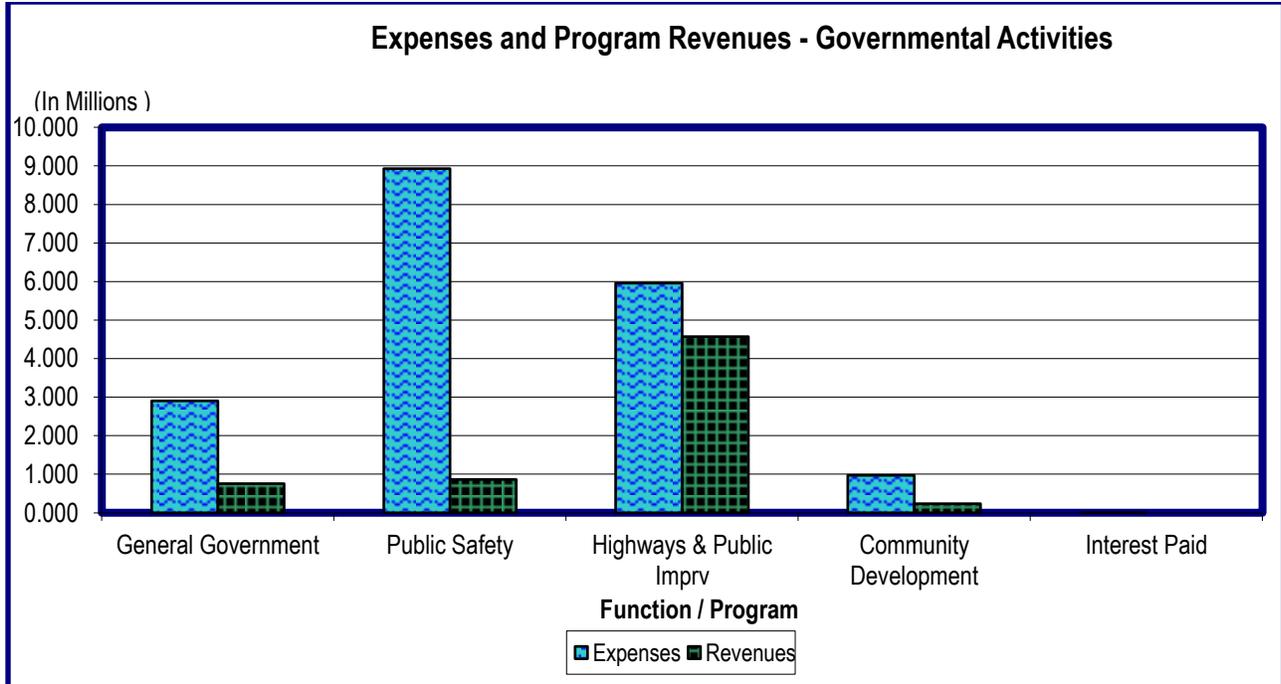


Current year revenue sources were from:

\$7,075,483	Property Tax (including motor vehicle fees) revenues (37.0%),
\$5,231,303	Sales and Transient Room Taxes (27.4%),
\$ 303,918	Cable TV Franchise tax (1.6%),
\$1,563,158	Operational Grants (8.2%) (Class C road funds (66% of category), E911 Emergency telephone fee, State Liquor tax and CDBG funds) (Note: These operational grants have remained relatively constant year to year and represent identifiable sources of revenue that are anticipated to continue to be available for the foreseeable future.
\$1,370,453	Charges for Service (Licenses, Permits and Court fines) (7.2%).
\$3,484,303	Capital Grants for trail & park improvements and additional Impact Fees (18.2%) These grants are specific and awarded based on merit of applications submitted. These grants are project specific and have little effect on the basic operational functions of the City.
\$ 37,394	Investment interest earnings and miscellaneous (0.2%)
\$ 60,550	Miscellaneous Revenues (0.3%)

The following is a graphic presentation of the City's program revenues and corresponding expenses, including calculated annual depreciation on capital assets. (Note: See Statement of Activities on page 33 for detail data.)

COTTONWOOD HEIGHTS
MANAGEMENT'S DISCUSSION AND ANALYSIS



General Government – The General Government revenue is from charges for services (business licensing and permits & inspections). Expenses are for general governmental operations and overhead from various activities including Legislative, Judicial, Executive and Administrative.

Public Safety – Public Safety revenues include \$276,640 of E-911 Emergency telephone fees and \$536,531 City share of court fines (revenue from citations). Expenses are for Police, Fire, Animal Services and related public safety functions. (Note: Related Court expenses are \$377,550, netting only \$158,981 in revenues, which is equal to only 3.1 percent of the Police expenses.)

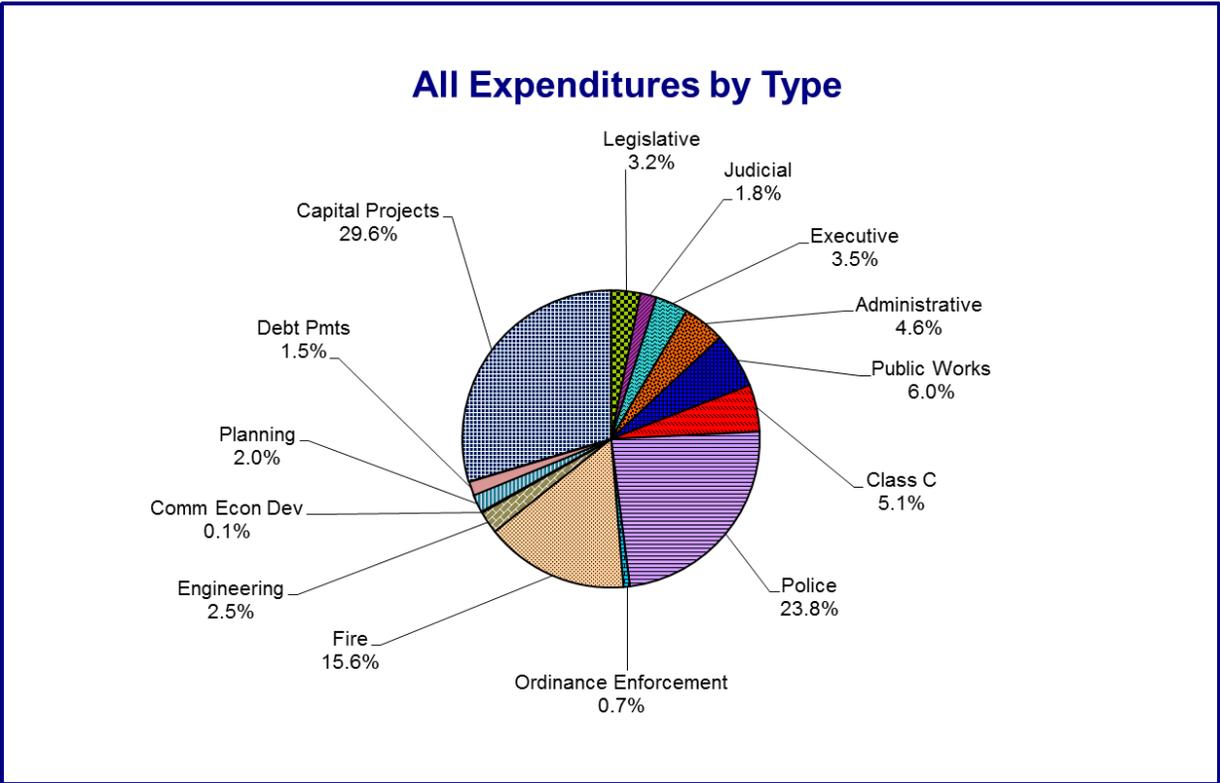
Highway & Public Improvements - Approximately 46.4 percent of the expenses shown for Highways & Public Improvements is attributable to current period depreciation of the City's infrastructure assets. The balance is for road, sidewalk, bridge and other infrastructure improvements, including the purchase of land for the Municipal Center. The revenue for Highway & Public Improvements is primarily from Class C Road Funds allocated to the City from the state assessed tax on gasoline sales and receipt of grant contributions of \$3,050,000 from the State of Utah.

Community Development – Revenues come from additional charges for services related to planning and zoning functions and expenses are also directly related to these services.

Interest Paid - \$13,788 interest expense on capital leases was paid or accrued, but does not show on the graph due to scaling.

The following pie chart further details Cottonwood Heights' expenses at a detailed activity level. This chart does not include annual depreciation on capital assets. (See Governmental Funds statement on page 36 for expenses without depreciation.)

COTTONWOOD HEIGHTS
MANAGEMENT'S DISCUSSION AND ANALYSIS



General Government - includes the activities of Legislative (\$675,591), Judicial (\$377,550), Executive (\$752,309) and Administrative (\$980,272).

Public Safety - includes the activities of Police (\$5,060,688), Ordinance Enforcement (\$148,309) and Fire (\$3,326,833).

Highways and Public Improvements – includes the activities of Public Works (\$1,284,776) and Class C Roads (\$1,088,199).

Community and Economic Development - includes the activities of city Engineering (\$529,896), Economic Development (\$17,550) and Planning (\$422,626).

Capital Projects Fund - includes all Capital Improvement Projects (\$6,313,628).

COTTONWOOD HEIGHTS
MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY'S FUND FINANCIAL STATEMENTS ANALYSIS

As noted earlier, Cottonwood Heights uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and to track and control financial resources received and expended.

Governmental Funds Analysis

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for appropriation at the end of the fiscal year.

Governmental fund balance is reported in three major categories resulting in five separate direct categories: Nonspendable, Restricted, Unrestricted (which can be shown as Committed, Assigned and Unassigned). Nonspendable fund balance includes amounts that cannot be spent for legal or practical reasons. Examples include long-term notes receivable, inventory and prepaid expenditures. Restricted fund balance includes amounts restricted to specific purposes by external parties such as amounts restricted for debt service. Committed fund balance includes amounts that have been set aside by the City Council by formal action for a specific purpose prior to the end of the fiscal year being reported. Assigned fund balance includes amounts that have been set aside for intended use by designated officials, governmental body or City Council without formal action. Unassigned fund balance includes all remaining amounts.

At the end of this fiscal year, Cottonwood Heights' governmental funds reported combined ending fund balances of \$4,973,736 after nine and one half years of operation, a decrease of \$2,173,989 from the prior year. The decrease is primarily attributable to purchase of land for the City Municipal Center. Of the total fund balance of \$4,973,736, \$19,609 is non-spendable and represents prepaid expenditures for fiscal year 2015 events, \$128,472 is restricted as Impact Fees, and the remaining \$4,825,654 is unrestricted funds of which \$2,418,312 is assigned as Capital Project funds and allocated to various specific projects, and \$924,392 is assigned as a minimum 6 percent fund balance reserve requirement set by the City Council. The remaining unrestricted balance of \$1,482,950 constitutes unassigned fund balance.

- The **General Fund** is the chief operating fund of the City. As of June 30, 2014 the General Fund had a fund balance of \$2,426,952 of which \$19,609 is non-spendable, \$924,392 is assigned and \$1,482,950 was classified as unrestricted. A useful measure of liquidity is to compare the unrestricted fund balance and the total fund balance to expenditures (including transfers out) for the year. The unrestricted fund balance is 16.1 percent of total expenditures and transfers, while the total fund balance equals 16.2 percent. The City ordinance chapter 2.150.11 as adopted by the City Council requires a desired target minimum fund balance of 6.0 percent. State law requires a 5 percent minimum balance for restricted use as required by state statute. State law also requires appropriation of any fund balance in excess of the 25.0 percent maximum allowed. Currently, the calculated 6.0 percent minimum fund balance is \$924,392 (assigned, but

COTTONWOOD HEIGHTS
MANAGEMENT'S DISCUSSION AND ANALYSIS

unrestricted). The current remaining unrestricted balance of \$1,482,750 meets the State requirement of a maximum fund balance no greater than 25.0 percent.

- The other governmental fund is the **Capital Projects Fund**. This fund is specifically used to budget capital improvements. As of June 30, 2014, the fund had an unrestricted fund balance of \$2,418,312. This was a decrease of \$2,043,967 from the prior year-end and primarily due to land purchase for City Municipal Center. For specific details see supplementary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Capital Projects Fund on page 62.

The City's basic governmental funds financial statements can be found on pages 34-38 of this report.

Proprietary Funds Analysis

The focus of the City's only proprietary fund, **Employee Benefit Fund (an internal service fund)**, is to accumulate funds to pay employees for unused, but accrued paid time off (PTO) at the time of separation. This fund is designed to minimize or altogether eliminate any budgetary impact in a subsequent year when a payout is required. At the end of each fiscal year, a liability estimate is made based on individual accruals and current wage rate of each employee. The total liability is then compared with the current liability balance in the Employee Benefit Fund (an internal service fund) and any additional liability is charged to the current year's expenditures in the governmental funds.

The City's basic proprietary fund financial statements can be found on pages 39-41 of this report.

GENERAL FUND 2014 BUDGET HIGHLIGHTS

During the fiscal year the original General Fund budget was amended by \$596,135 as shown in the detail below. See also the Statement of Revenues, Expenditures and Changes in Fund Balance – Budgeted and Actual on page 36

As the fiscal year 2013 ending fund balances were calculated, they were made available for the 2014 fiscal year General Fund budget, which was then amended to capture the higher beginning fund balances from the completed fiscal year 2013 financial statements, these changes included Class C Roads fund balance increase of \$68,799 and an increase in unrestricted beginning balance appropriated funds of \$53,678 resulting in a total amendment of the beginning fund balance appropriation from the prior fiscal year of \$122,477. The final fiscal year 2014 budget, as amended, anticipated spending \$972,477 of available fund balances.

The changes in the fiscal year 2014 budget in individual departmental appropriations occurred as revenue projections were refined and additional matching departmental expenditures were refined to fulfill operational goals. The chart below outlines both revenue and expenditure changes made during the fiscal year.

Actual expenditures during this fiscal year in the General Fund departments were equal to or less than the amended budget appropriation in all departments.

**COTTONWOOD HEIGHTS
MANAGEMENT'S DISCUSSION AND ANALYSIS**

As noted above, the City's Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund can be found on page 38 of this report.

Revenue and Other Sources of Funds were amended for the following:

Increase General Sales Taxes estimate	\$ 270,000
Decrease Motor Vehicle Fee-In-Lieu of Taxes estimate	(5,000)
Increase Transient Room Tax estimate	5,000
Increase Licenses and Permits estimate	100,000
Increase State/Local Grants and Donations estimate	69,624
Decrease CDBG Grant estimate	(62,905)
Increase Class C Roads estimate	90,000
Increase Sponsorship, Ticket/Concessions/Surplus Property Sales estimate	15,939
Decrease – Impact Fee Revenue moved to Capital Improvements Fund	(45,000)
Increase Charges for Services estimate	<u>36,000</u>
Total change in budgeted Revenues	\$ 473,658
Increased use of actual FY 2013 year-end unrestricted fund balance	53,678
Increase in actual FY 2013 year-end Class C Roads fund balance	<u>68,799</u>
Net change in budgeted revenues/other sources	<u>\$ 596,135</u>

Expenditures and Other Uses of Funds were amended for the following:

All Departments:

Federal, State & Local grants	96,719
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General Government Department:

Legislative Committees / Events – adjust arts council expenditures	28,111
Emergency Management – adjust general expenditures	(20,000)

Public Safety:

Police – personnel changes	8,000
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Highways and Public Improvements

Public Works – maintenance of roads, sidewalks, and curb & gutter	155,140
Public Works – road salt	226,044

Community and Economic Development

Economic Development	5,000
Planning	16,506
Engineering, Inspection and Permitting	<u>100,000</u>

Total Change in Departmental Budgets

615,520

Transfer - to Capital Projects fund

(43,184)

Transfer - to Capital Projects fund – Class C Roads

68,799

Transfer - to Capital Projects fund – Impact Fees

(45,000)

Net change in budgeted expenditures/other uses

\$ 596,135

**COTTONWOOD HEIGHTS
MANAGEMENT'S DISCUSSION AND ANALYSIS**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets

Cottonwood Heights' investment in capital assets for its governmental activities as of June 30, 2014 amounted to \$49,739,198 (net of related debt). This investment in capital assets includes land right-of-way, roads, bridges, parkways (improvements other than buildings), storm drains, land (not road right-of-ways), equipment and vehicles, net of capital leases.

**Cottonwood Heights' Capital Assets
(Net of related debt)**

	Governmental Activities					
	<u>FY 2014</u>	<u>FY 2013</u>	<u>FY 2012</u>	<u>FY 2011</u>	<u>FY 2010</u>	<u>FY 2009</u>
Equipment	\$ 376,890	\$ 536,035	\$ 814,612	\$ 1,023,366	\$ 939,477	\$ 1,145,718
Vehicles	1,243,508	1,596,319	1,150,035	1,375,227	1,113,471	1,170,585
Buildings						
Land (non-infrastructure)	8,065,509	4,174,551	4,688,944	4,675,905	530,492	530,492
Infrastructure - Roads	9,712,252	10,716,473	12,786,504	14,644,587	15,258,919	17,152,326
Infrastructure - Bridges	594,191	627,589	660,987	694,384	727,782	711,847
Infrastructure - Parkways	6,802,833	6,901,923	6,730,582	4,323,900	3,330,603	2,402,093
Infrastructure - Storm Drains	1,061,285	1,088,250	1,115,215	927,200	878,302	828,298
Infrastructure - Land	22,717,047	22,717,047	22,717,047	22,717,047	22,717,047	22,717,047
Total (net of depreciation)	<u>50,573,515</u>	<u>48,358,186</u>	<u>50,663,924</u>	<u>50,381,615</u>	<u>45,496,093</u>	<u>46,658,405</u>
Less Capital Leases	(834,317)	(1,142,503)	(729,090)	(955,676)	(664,898)	(826,985)
Total Capital Assets (net of related debt)	<u>\$49,739,198</u>	<u>\$47,215,683</u>	<u>\$49,934,834</u>	<u>\$49,425,938</u>	<u>\$44,831,195</u>	<u>\$45,831,420</u>

Capital asset additions during this fiscal year included the following for a total increase of \$5,615,429 including Work In Progress (WIP) on several projects:

- \$ 75,257 in vehicle purchases including police and public works
- \$ 1,260,992 in infrastructure from road overlay and construction projects
- \$ 355,253 in parkway beautification and improvements includes crosswalks, cross-gutters, street lighting.
- \$ 7,205 in Equipment and Furnishings
- \$ 3,916,721 in land purchase activity for City Municipal Center site.

Additional information on assets of the City can be found in the Notes 3D Capital Assets on page 55 of this report.

Long-term debt

As of June 30, 2014 the City had \$1,151,899 in governmental long-term debt. \$317,582 of this amount is a long-term liability in the Employee Benefit Fund (an internal service fund) for earned employee paid time off accruals and is fully funded through cash on hand in the fund. \$834,317 of the long term debt is a capital lease to fund the purchase of police vehicles, which the City does every other year. The City expensed a payment in July 2013 of \$308,185. The balance of the Capital Lease for the police vehicles is due in July 2014, and the balance of the lease will be paid through the contractual repurchase of the vehicles by the car dealer. Some minor adjustments to the repurchase price may be made for mileage and vehicle condition.

COTTONWOOD HEIGHTS
MANAGEMENT'S DISCUSSION AND ANALYSIS

The City has no general obligation or other type of bonded debt.

Additional information on the outstanding debt obligations of the City can be found in the Notes 3F Long-Term Debt on pages 56-57 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND TAX RATE

- Cottonwood Heights' adopted tax rate for the 2014-15 budget year is .002386. This is the Certified Tax rate calculation defined by the State Legislature. The rate was adopted by the City as allowed without the need for a truth-in-taxation hearing. The locally assessed taxable valuation in Cottonwood Heights is estimated at \$2,697,340,984, including \$9,953,942 of new growth in valuation. The adopted tax rate should yield approximately \$6,435,856 in 2014 property tax revenue for the coming 2015 fiscal year.
- Sales tax collections in the State of Utah have strengthened slightly and will most likely continue to support the City's budget in fiscal year 2015. The original budgeted amount of Sales taxes for fiscal year 2015 is \$5,300,000. This compares to actual total sales tax revenue from prior years of \$5,203,814 in fiscal 2014. The City continues to budget sales taxes conservatively as a hedge against any future reversals in the economy.
- At the time of preparing the fiscal year 2015 budget, Class C Road Funds were believed to be stabilizing. The budget was set at \$1,090,000.
- The 2014-15 budget has been constructed with a focus on efficient and effective use of the limited resources available. No new taxes have been proposed to fund City operations and General Fund revenues and other sources are projected to increase by \$380,000, primarily due to increased sales tax collections, franchise taxes and a small amount of property tax collections.
- Capital Project Funds are allocated to specific projects that may or may not be expended in the fiscal year. Presently, \$2,429,190 of Capital Project Funds are allocated in the 2014-15 fiscal budget along with bond proceeds of \$14,496,000 and other revenue of \$311,051 and \$121,911 of General Fund contribution for a total amended Capital Project Fund budget of \$17,338,152. However, as has been the pattern in year's past, a significant portion of this amount will likely not be spent fully in any one year.
 - Projects are defined by the Capital Facilities Plan and the priority of projects determined by the City Council.
 - The ending fund balance in the Capital Projects Fund from the fiscal year 2014 is \$2,546,784, inclusive of carried forward funds for unfinished projects.
 - The City Center project is a significant project for fiscal year 2015 and accounts for \$10,553,291 of the total capital projects budget. However, the construction will run through Fiscal Year 2016 and payments from this fund will also run through that period which means some of this budgeted expenditure will carry over to fiscal year 2016.

COTTONWOOD HEIGHTS
MANAGEMENT'S DISCUSSION AND ANALYSIS

- Three other significant construction projects that are contemplated to be started during fiscal year 2015 are;
 - Fort Union Boulevard Park and Ride project, budgeted at \$1,154,635
 - Bengal Boulevard project, budgeted at \$1,263,748
 - Public Works Site and Yard improvements project, budgeted at \$2,056,500.
- To the extent any of these projects are not completed in fiscal year 2015, the funds will be carried over to Fiscal Year 2016.
- The City continues to budget and provide significant city services to the public without utilizing revenue resources that all other Cities in the state of Utah that are equal to or greater in size than Cottonwood Heights have implemented, such as – Telecommunications (3.5%) and Energy Use taxes (6.0%). It is likely in the coming years that Cottonwood Heights will be required to implement some or all of these taxes.
- Health insurance premiums continue to escalate. The City, through brokerage services negotiated the best rates available for our user population. The City in addition to offering a traditional health care plan offers a Qualified High Deductible Health Plan, along with a Health Savings Account (HSA) in an effort to reduce the escalating increases in health insurance premiums.
- As mandated by the Utah State Legislature, through passage of the 2014-15 Utah State Retirement System (URS) rate schedule, the City will increase the percentage of (URS) contributions from 17.29 percent to 18.47 percent for the Tier 1 DB System non-contributory retirement system: Local Government Public Employees, and no rate change to the 32.20 percent for the Tier 1 DB System non-contributory retirement system: Other Division B with 2.5% COLA Public Safety Employees. These changes represent a 1.18 and 0.00 rate increase; which results in a 6.82 percent and 0.00 percent increase in the budgeted cost of Tier 1 URS contributions. The City does contribute through the URS on behalf of employees who had previously retired from a government position prior to employment with Cottonwood Heights (so called post-retired employees) prior to July 1, 2010. The City will continue to provide through a 401k the same percentage contributions for those City employees as defined by their individual contracts: 11.86 percent for post retired from the public employees system and 25.49 percent for post retired from the public safety employees system.
- The Tier 2 Hybrid retirement system: Local Government Public Employees or the Tier 2 Defined Contribution system: Local Government Public Employees will see rates change from 15.58 percent to 16.72 percent and the rates change from 21.60 percent to 21.72 percent for the Tier 2 Hybrid retirement system: Other Division B with 2.5% COLA Public Safety Employees or the Tier 2 Defined Contribution system: Other Division B with 2.5% COLA Public Safety Employees. These changes represent a 1.14 and 0.12 percentage point increase, which results in a 7.32 percent and 0.56 percent increase in the budgeted costs of the Tier 2 URS contributions. The stated rates include all required employer contributions, including 401k contributions.
 - All new hires, after July 1, 2011 who were not previously employed with a participating employer and therefore a participant in the Tier 1 system will be enrolled in the Tier 2 retirement system.

COTTONWOOD HEIGHTS
MANAGEMENT'S DISCUSSION AND ANALYSIS

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Cottonwood Heights' finances. Questions concerning any information provided in this report or a request for additional financial information should be addressed to: Cottonwood Heights, attn: David Muir, City Treasurer/
Financial Reporting Manager, 1265 Fort Union Blvd, #250, Cottonwood Heights, UT 84047.

BASIC FINANCIAL STATEMENTS

COTTONWOOD HEIGHTS
FINANCIAL SECTION

Cottonwood Heights, Utah
Statement of Net Position
June 30, 2014

	<u>Primary Government Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 5,769,231
Receivables (net of allowances)	1,630,379
Prepays	19,609
Restricted Cash and cash equivalents	128,472
Capital assets not being depreciated:	
Land and rights of way	30,782,556
Capital assets, net of accumulated depreciation:	
Improvements other than buildings	376,890
Vehicles	1,243,508
Infrastructure	18,170,561
Total assets	\$ 58,121,207
 LIABILITIES	
Accounts payable and other current liabilities	\$ 1,376,173
Accrued liabilities	166,760
Nonspendable collections	107,117
Non-current liabilities:	
Due within one year	834,317
Due in more than one year	317,582
Total liabilities	2,801,949
 DEFERRED INFLOWS OF RESOURCES	
Deferred uncollected property tax revenue	151,864
Deferred property tax revenue	454,459
Total deferred inflows of resources	606,324
 NET POSITION	
Invested in capital assets, net of related debt	49,739,198
Restricted for:	
Class C Roads	
Impact Fees	128,472
Other-Prepays	19,609
Unrestricted	4,825,654
Total net position	\$ 54,712,934

The notes to the financial statements are an integral part of this statement.

COTTONWOOD HEIGHTS
FINANCIAL SECTION

Cottonwood Heights, Utah
Statement of Activities
For the Year Ended June 30, 2014

Function / Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Primary Government Governmental Activities Total
Primary Government						
Governmental activities						
General government	\$ 2,902,400	\$ 601,337	\$ 151,737	\$ -	(2,149,326)	
Public safety	8,932,299	536,531	323,222		(8,072,546)	
Highways and public improvements	5,957,314	-	1,088,199	3,484,303	(1,384,812)	
Community and economic development	970,886	232,585	-	-	(738,301)	
Interest on long-term debt	13,788	-	-	-	(13,788)	
Total governmental activities	\$ 18,776,687	\$ 1,370,453	\$ 1,563,158	\$ 3,484,303	(12,358,773)	
General revenues:						
Property Tax					6,684,948	
Sales Tax					5,231,303	
Motor Vehicle Fee-In-Lieu					390,535	
Franchise Tax					303,918	
Unrestricted investment earnings					37,394	
Gain on Sale of Capital Assets					12,000	
Miscellaneous					48,200	
Total general revenue and transfers					12,708,298	
Changes in net assets					349,525	
Net position - beginning					54,363,409	
Net position - ending					\$ 54,712,934	

The notes to the financial statements are an integral part of this statement.

COTTONWOOD HEIGHTS
FINANCIAL SECTION

Cottonwood Heights, Utah
Balance Sheet
Governmental Funds
June 30, 2014

	General Fund	Capital Projects Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 3,348,337	\$ 2,103,312	\$ 5,451,649
Accounts receivables (net):	1,315,379	315,000	1,630,379
Prepays	19,609		19,609
Restricted cash and cash equivalents		128,472	128,472
Total assets	\$ 4,683,326	\$ 2,546,784	\$ 7,230,110
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 1,376,173	\$ -	\$ 1,376,173
Accrued liabilities	166,760		166,760
Nonspendable collections	107,117		107,117
Total liabilities	1,650,050		1,650,050
 DEFERRED INFLOWS OF RESOURCES			
Deferred uncollected property tax revenue	151,864		151,864
Deferred property tax revenue	454,459		454,459
Total deferred inflows of resources	606,324		606,324
 Fund balances:			
Nonspendable:			
Prepays	19,609		19,609
Restricted for:			
Impact Fees		128,472	128,472
Unrestricted:			
Assigned:			
Capital Improvement		2,418,312	2,418,312
General Fund 6%	924,392		924,392
Unassigned:			
General Fund	1,482,950		1,482,950
Total fund balances	2,426,952	2,546,784	4,973,736
Total liabilities, deferred inflows of resources and fund balances	\$ 4,683,326	\$ 2,546,784	\$ 7,230,110

The notes to the financial statements are an integral part of this statement.

COTTONWOOD HEIGHTS
FINANCIAL SECTION

Cottonwood Heights, Utah
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2014

Total fund balances - governmental fund types: \$ 4,973,736

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources 50,573,515

Capital asset related debt (834,317)

Net position of governmental activities \$ 54,712,934

The notes to the financial statements are an integral part of this statement.

**COTTONWOOD HEIGHTS
FINANCIAL SECTION**

**Cottonwood Heights, Utah
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2014**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
REVENUES			
Taxes:			
Property	\$ 6,684,948	\$ -	\$ 6,684,948
Sales	5,203,814		5,203,814
E-911 Emergency Fees	276,640		276,640
Motor Vehicle Fee-in-lieu	390,535		390,535
Franchise - Cable TV	303,918		303,918
Transient Room	27,489		27,489
Licenses and Permits	601,337		601,337
Intergovernmental:			
Federal Grant	40,011		40,011
State Grants	53,859	3,050,000	3,103,859
State Class C Roads	1,088,199		1,088,199
State Liquor Fund Allotment	46,582		46,582
Local Grants	57,867	315,000	372,867
Impact Fees		119,303	119,303
Charges for Services	232,585		232,585
Fines and Forfeitures	536,531		536,531
Investment Earnings	8,348	29,046	37,394
Miscellaneous	48,200		48,200
Total revenues	<u>15,600,863</u>	<u>3,513,349</u>	<u>19,114,212</u>
EXPENDITURES			
Current:			
General Government	2,778,517		2,778,517
Public Safety	8,463,443		8,463,443
Highways and Public Improvements	2,370,106	780,662	3,150,768
Community and Economic Development	970,072		970,072
Debt Service:			
Principal	308,185		308,185
Interest	13,788		13,788
Capital Outlay:			
General Government	7,205	3,916,721	3,923,926
Public Safety	72,388		72,388
Highways and Public Improvements	2,869	1,616,245	1,619,114
Capital Lease - Public Safety	-		
Total expenditures	<u>14,986,573</u>	<u>6,313,628</u>	<u>21,300,201</u>
Excess (deficiency) of revenues over (under) expenditures	<u>614,290</u>	<u>(2,800,279)</u>	<u>(2,185,989)</u>
OTHER FINANCING SOURCES (USES)			
Sources:			
Proceeds from Capital Leases			
Transfers from General Fund		875,615	875,615
Sale of Capital Assets	12,000		12,000
(Uses):			
Transfer of Class C Road to CIP	(68,799)		(68,799)
Transfers to Capital Improvement Fund	(806,816)		(806,816)
Total other financing sources (uses)	<u>(863,615)</u>	<u>875,615</u>	<u>12,000</u>
Net change in fund balances	<u>(249,325)</u>	<u>(1,924,664)</u>	<u>(2,173,989)</u>
Fund balance - beginning of year	<u>2,676,277</u>	<u>4,471,448</u>	<u>7,147,725</u>
Fund balance - end of year	<u><u>\$ 2,426,952</u></u>	<u><u>\$ 2,546,784</u></u>	<u><u>\$ 4,973,736</u></u>

The notes to the financial statements are an integral part of this statement.

**COTTONWOOD HEIGHTS
FINANCIAL SECTION**

**Cottonwood Heights, Utah
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2014**

Net changes in fund balances - total governmental funds \$ (2,173,989)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlays	5,615,429
Depreciation	(3,353,074)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations):

Asset deletions	(38,425)
Asset donation of land to school district	(25,763)
Depreciation deletions	17,163

Proceeds from capital leases provide current financial resources to governmental funds by issuing debt which increases long-term liabilities in the Statement of Net Position. Repayments of capital lease principal are expenditures in the governmental fund, but reduce liabilities in the Statement of Net Position:

Principal payments on capital lease	308,185
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Change in net position of governmental activities	<u>\$ 349,525</u>
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The notes to the financial statements are an integral part of this statement.

**COTTONWOOD HEIGHTS
FINANCIAL SECTION**

**Cottonwood Heights, Utah
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Fund
For the Year Ended June 30, 2014**

	Budgeted Amounts		Fund Actuals (Budgetary Basis) (See Notes)	Variance with Final Budget
	Adopted Budget	Final Budget		
REVENUES				
Taxes:				
Property	\$ 6,620,048	\$ 6,620,048	\$ 6,684,948	\$ 64,900
Sales	4,900,000	5,170,000	5,203,814	33,814
E-911 Emergency Fees	320,000	320,000	276,640	(43,360)
Motor Vehicle Fee-in-lieu	395,000	390,000	390,535	535
Franchise - Cable TV	295,000	295,000	303,918	8,918
Transient Room	20,000	25,000	27,489	2,489
Licenses and Permits	579,500	704,500	730,990	26,490
Intergovernmental:				
Federal Grant	154,055	106,700	40,011	(66,689)
State Grants		35,178	53,859	18,681
State Class C Roads	1,000,000	1,090,000	1,088,199	(1,801)
State Liquor Fund Allotment	43,500	43,500	46,582	3,082
Local Grants		16,978	57,867	40,889
Impact Fees	45,000			
Charges for Services	65,500	76,500	102,932	26,432
Fines and Forfeitures	530,000	530,000	536,531	6,531
Investment Earnings	20,000	20,000	8,348	(11,652)
Miscellaneous	35,953	53,810	48,200	(5,610)
Total revenues	15,023,556	15,497,214	15,600,863	103,649
EXPENDITURES				
Current:				
General Government	3,029,873	2,992,876	2,785,722	(207,154)
Public Safety	8,618,073	8,676,900	8,535,831	(141,069)
Highways and Public Improvements	2,100,767	2,571,951	2,372,975	(198,976)
Community and Economic Development	902,920	1,025,426	970,072	(55,354)
Debt Service:				
Principal	308,186	308,186	308,185	(1)
Interest	18,737	18,737	13,788	(4,949)
Total expenditures	14,978,556	15,594,076	14,986,573	(607,503)
Excess (deficiency) of revenues over (under) expenditures	45,000	(96,862)	614,290	711,152
OTHER FINANCING SOURCES (USES)				
Sources:				
Proceeds from Capital Leases				
Sale of Capital Assets			12,000	12,000
(Uses):				
Transfer of Class C Road to CIP		(68,799)	(68,799)	
Transfers to Capital Improvement Fund	(895,000)	(806,816)	(806,816)	
Total other financing sources (uses)	(895,000)	(875,615)	(863,615)	12,000
Net change in fund balances	(850,000)	(972,477)	(249,325)	723,152
Fund balance - beginning of year			2,676,277	
Fund balance - end of year	\$ -	\$ -	\$ 2,426,952	\$ -

The notes to the financial statements are an integral part of this statement.

COTTONWOOD HEIGHTS
FINANCIAL SECTION

Cottonwood Heights, Utah
Statement of Net Position
Proprietary Fund
For the Year Ended June 30, 2014

	Governmental Activities - Employee Benefit Fund
ASSETS	
Cash and cash equivalents	\$ 317,582
Total assets	<u>317,582</u>
LIABILITIES	
Non-current liabilities	
Accrued PTO benefits payable	317,582
Total liabilities	<u>317,582</u>
NET POSITION	
Unrestricted	-
Total net position	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

**COTTONWOOD HEIGHTS
FINANCIAL SECTION**

**Cottonwood Heights, Utah
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2014**

	Governmental Activities - Employee Benefit Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Refund of previous interfund services provided	\$ (46)
Net cash provided by operating activities	(46)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest and dividends received	1,597
Net cash provided by investing activities	1,597
Net increase in cash and cash equivalents	1,551
Cash and cash equivalents July 1, 2012	316,031
Cash and cash equivalents June 30, 2013	\$ 317,582
Reconciliation of operating income to net cash provided (used) by operating activities	
Operating Income	
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Increase in accrued PTO benefits payable	
Net cash provided by operating activities	\$ -

The notes to the financial statements are an integral part of this statement.

COTTONWOOD HEIGHTS
FINANCIAL SECTION

Cottonwood Heights, Utah
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Fund
For the Year Ended June 30, 2014

	<u>Governmental Activities - Employee Benefit Fund</u>
OPERATING REVENUES	
Refund of previous interfund services provided	\$ (46)
Total operating revenues	<u>(46)</u>
OPERATING EXPENSES	
General Government - employee PTO benefits	<u>1,551</u>
Total operating expenses	<u>1,551</u>
Operating income	<u>(1,597)</u>
NON-OPERATING REVENUES	
Investment Earnings	<u>1,597</u>
Total non-operating revenues	<u>\$ 1,597</u>
Change in net position	<u>-</u>
Total net position - beginning	<u>-</u>
Total net position - ending	<u><u>\$ -</u></u>

The notes to the financial statements are an integral part of this statement.

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NOTES TO THE FINANCIAL STATEMENTS

COTTONWOOD HEIGHTS
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Cottonwood Heights (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accounting and reporting framework and the more significant accounting policies for the City are discussed in subsequent subsections of this Note.

1A - FINANCIAL REPORTING ENTITY

Cottonwood Heights (the City), incorporated in 2005, is a political subdivision of the State of Utah. The City is governed by a City Council comprised of an elected mayor who serves as Chairman of the City Council and four elected City Council members. The City has determined that there are no separately administered organizations that are controlled by or are dependent upon the City. Control or dependence is determined on the basis of financial interdependence, selection of governing authority, designation of management ability to significantly influence operations and accountability for fiscal matters. Using these criteria no potential component units are included in the City's financial statements.

The accounting policies of Cottonwood Heights, Utah, conform to generally accepted accounting principles applicable to governmental units. The following is a summary of the more significant of such policies.

The City's financial reporting entity comprises the following:

Primary Government:	Cottonwood Heights
Component Units:	None

1B - BASIS OF PRESENTATION

Government-wide Financial Statements:

Government-wide Statement of Net Position and Statement of Activities display information on all non-fiduciary activities of the reporting government as a whole. Most effects of any inter-fund activities have been eliminated from these statements.

The government-wide statements for the primary government are separated based on the predominance of the type of revenues that support them. Governmental activities are normally supported by taxes and intergovernmental revenues, while business type activities would receive a significant portion of revenues from fees and charges for services.

The statement of activities is presented to show the extent that program revenues of a given activity support direct expenditures of the function. Direct expenses are those that can clearly be associated with a particular activity or program. Program revenues include: (1) charges to customers or privileges provided by a given function and (2) grants and contributions that are

COTTONWOOD HEIGHTS
NOTES TO THE FINANCIAL STATEMENTS

restricted to meeting operational or capital requirements of a particular function. Other revenue sources that are not reported as program revenues are reported instead as general revenues.

Fund Financial Statements:

Financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditure/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. All funds of Cottonwood Heights are considered to be major funds.

Cottonwood Heights has the funds described below:

Governmental Funds:

General Fund

The General Fund is the primary operating fund of the City and always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Capital Project Fund

The Capital Project Fund is used to account for resources restricted for the acquisition or construction of specific capital projects or items. The reporting entity includes only one Capital Project Fund and it is used to account for the acquisition of capital assets.

Proprietary Funds:

Employee Benefit Fund (an internal service fund)

This fund is used to account for liabilities created from accrued paid time off (PTO) of each city employee. Each year a calculation is made to determine the vested payouts that could occur in future years. This amount is charged to the current year in order to eliminate any large unforeseen payout that could disrupt the individual departmental budgets in subsequent years when a payout occurs.

1C - MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

The government-wide Statement of Net Position and the Statement of Activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

COTTONWOOD HEIGHTS
NOTES TO THE FINANCIAL STATEMENTS

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. Proprietary funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or non-current) associated with their activities are reported. Proprietary fund equity is classified as net position. The City employee benefit fund (an internal service fund) is reported on this basis.
- c. Fiduciary funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them. The City has no Fiduciary funds at this time.

Basis of Accounting

The government-wide Statement of Net Position and Statement of Activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City includes in available revenue only revenue that will be collected in cash within one year following the close of the fiscal year, and in the case of property tax revenue, only revenue that will be collected within 60 days of the close of the fiscal year. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond and capital lease principal payments which are reported when due.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

COTTONWOOD HEIGHTS
NOTES TO THE FINANCIAL STATEMENTS

1D - ASSETS, LIABILITIES, AND NET POSITION (EQUITY)

Deposits and Investments

For the purpose of the Statement of Net Position, “cash, including time deposits” includes all demand, savings accounts, and certificates of deposits of the City. For the purpose of the proprietary fund Statement of Cash Flows, “cash and cash equivalents” include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less.

Investments are carried at fair value. Fair value is based on quoted market price. Additional cash and investment disclosures are presented in Notes 2B and 3A.

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds.” Short-term interfund loans are reported as “interfund receivables and payables.” Long-term interfund loans (non-current portion) are reported as “advances from and to other funds.” Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. See Note 3G for details of interfund transactions, including receivables and payables at year-end. The City has no interfund receivables or payables.

Receivables and Payables

In the government-wide statements and the fund financial statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales tax, franchise tax, property tax, court fines and road cut permits. Interest and investment earnings are recorded when earned and considered both measurable and available.

Payables are composed of contract payments for public works, permitting and inspections, engineering and the city attorney.

Capital Assets

The accounting treatment for property, plant, and equipment depends on whether the assets are reported in the government-wide or fund financial statements.

Government-wide Statements

In the government-wide financial statements assets are accounted for as capital assets. All assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated assets which are recorded at their estimated fair value at the date of donation. Estimated historical cost was used to value the majority of the infrastructure assets transferred from Salt Lake County primarily during the period ending June 30, 2005. The City has chosen to capitalize assets costing \$10,000 or more.

COTTONWOOD HEIGHTS
NOTES TO THE FINANCIAL STATEMENTS

All long-term debt to be repaid from governmental resources is reported as a liability in the government-wide statements.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principle and interest reported as expenditures.

Compensated Absences

It is the City's policy to permit employees to accumulate a limited amount of earned but unused PTO benefits. The liability for earned compensated absences is recorded as long-term debt in the government-wide statements. There is no recorded liability for compensated absences in the governmental funds because the Employee Benefit Fund (an internal service fund) has been paid for the incurred compensated absence expenditures on an annual basis.

Equity Classifications

Government-wide Statements

Equity is classified as net position and displayed in four components:

- a. Net investment in capital assets—Consists of capital assets net of accumulated depreciation and related debt.
- b. Nonspendable—Consists of prepaid expenditures for the subsequent fiscal year.
- c. Restricted—Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- d. Unrestricted—All other net position that do not meet the definition of “nonspendable”, “restricted” or “net investment in capital assets”.

Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is reported in three major categories, comprising five separate definitions: Nonspendable, Restricted and Unrestricted (which can be shown as Committed, Assigned and Unassigned). See Note 3H for additional disclosure on the City's fund balances. Each category is defined as follows:

- a) Nonspendable – Prepaid expenditures and other similar assets (a) not in spendable form, or (b) legally or contractually required to be maintained intact.
- b) Restricted – Assets constrained by externally imposed legal restrictions, by law through constitutional provisions or enabling legislation, or restrictions set by creditors, grantors or contributors.
- c) Committed – Formally designated by City Council through ordinance for specific purposes, prior to the end of the fiscal year being reported, that cannot be used for another purpose unless the City Council formally changes the use through a superseding ordinance.

COTTONWOOD HEIGHTS
NOTES TO THE FINANCIAL STATEMENTS

- d) Assigned – Amounts constrained by the City Council or for a specific purpose normally through the appropriations process establishing and amending budgets. Funds in Capital Projects fund or other permanent funds are by their nature assigned to the purpose for which the resources are collected, without extra ordinary formal action.
- e) Unassigned – All other general funds not classified in any other classification that may be used for any governmental purpose.

When both restricted and unrestricted fund balance is available for use, it is the City’s policy to use restricted fund balance first, then committed funds, followed by assigned and then unassigned.

Fund balance is committed by the City Council passage of budget resolutions. Assigned balances are determined by management authorized to manage the funds of the City by the City Council.

1E - REVENUES, EXPENDITURES, AND EXPENSES

Revenue

Property taxes, franchise taxes, licenses, shared revenue, and interest are susceptible to accrual. Sales taxes collected and held by the state at year end on behalf of the City are also recognized as revenue. Other receipts and taxes become measurable and available when cash is received by the City and are recognized as revenue at that time.

Entitlements are recorded at the time of receipt or earlier if the “susceptible to accrual” criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Property taxes are based on the assessments against property owners. Tax levies on such assessed values are certified to the County Treasurer prior to the commencement of the fiscal year. Property taxes become a lien on January 1 and are levied on the first Monday in August. Taxes are due and payable on November 1, and are delinquent after November 30 of each year. Property taxes are collected by the Salt Lake County Treasurer and remitted to the City shortly after collections occur.

Sales taxes are collected by the Utah State Tax Commission and are remitted to the City monthly approximately two months after the period in which the taxes are collected by local businesses if all filings are made timely.

Expenditures/Expenses

In the government-wide financial statements, expenditures are classified by function for governmental activities.

COTTONWOOD HEIGHTS
NOTES TO THE FINANCIAL STATEMENTS

In the fund financial statements, expenditures are classified as follows:

Governmental Funds—By Character:

- Current (further classified by function and object)
- Debt Service
- Capital Outlay
- Intergovernmental

In the fund financial statements, governmental funds report expenditures of financial resources.

Interfund Transfers

Permanent reallocation of resources between funds of the reporting entity is classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

By its nature as a local government unit, the City is subject to various federal, state, and local laws and contractual obligations. An analysis of the City’s compliance with significant laws and regulations and demonstration of its stewardship over City resources follows.

2A - FUND ACCOUNTING REQUIREMENTS

The City complies with all state and local laws and regulations requiring the use of funds separate from the General Fund. The legally required separate funds used by the City include the following:

<u>Fund</u>	<u>Required By</u>
None	

2B - CASH DEPOSITS AND INVESTMENTS

Deposits and investments for Cottonwood Heights are governed by the Utah Money Management Act (*Utah Code Annotated*, Title 51, Chapter 7, “the Act”) and by rules of the Utah Money Management Council (“the Council”). Following are discussions of Cottonwood Heights’ exposure to various risks related to its cash management activities.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, Cottonwood Heights’ deposits may not be recovered. The City’s policy for managing custodial credit risk is to adhere to the Money Management Act. The Act requires all deposits of Cottonwood Heights to be in a qualified depository, defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

COTTONWOOD HEIGHTS
NOTES TO THE FINANCIAL STATEMENTS

Credit Risk

Credit risk is the risk that the counterparty to an investment will not fulfill its obligations. The City’s policy for limiting the credit risk of investments is to comply with the Utah Money Management Act.

Cottonwood Heights is authorized to invest in the Utah Public Treasurer’s Investment Fund (PTIF), an external pooled investment fund managed by the Utah State Treasurer and subject to the Act and Council requirements. The PTIF is not registered with the SEC as an investment company, and deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah. The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of the PTIF are allocated based upon the participants’ average daily balances. A copy of the Public Treasurers Investment Fund is available for viewing on the Utah State Treasurer’s website at <http://www.treasurer.state.ut.us>.

As of June 30, 2014, the City had the following investments and maturities:

Investment Type	Total Fair Value	Investment Maturities (in years)			
		Less than 1	1 to 5	6 to 10	More than 10
State of Utah PTIF	\$ 5,898,864	\$ 5,898,864	\$ -	\$ -	\$ -
Total	\$ 5,898,864	\$ 5,898,864	\$ -	\$ -	\$ -

Investment Rate Risk

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. Cottonwood Heights manages its exposure to declines in fair value by investment only in the PTIF and by adhering to the Utah Money Management Act.

2C - REVENUE RESTRICTIONS

The City has various restrictions placed over certain revenue from state sources. The primary restricted revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
B & C Road Funds	Eligible B & C Roads
Federal Grant	Energy Efficiency Grant
Awarded Asset Seizures	Further Enforcement Actions

For the period ended June 30, 2014, the City complied, in all material respects, with these revenue restrictions.

2D - DEBT RESTRICTIONS AND COVENANTS

General Obligation Debt

No long-term General Obligation debt shall be created by any city unless the proposition to create such debt shall have been submitted to a vote of qualified electors. Cities shall not contract

COTTONWOOD HEIGHTS
NOTES TO THE FINANCIAL STATEMENTS

for debt in an amount exceeding four percent of the fair market value of taxable property in their jurisdictions. For the period ended June 30, 2014, the City had no outstanding General Obligation debt.

Other Long-term Debt

Cities may incur indebtedness for the purpose of supplying such city water, sewer, or electricity when such public works are owned and controlled by the municipality. The additional indebtedness shall not exceed four percent for first and second class cities and eight percent for third class cities of the fair market value of taxable property in their jurisdictions. The City has no such debt at this time.

2E - FUND EQUITY RESTRICTIONS

General Fund Balance Restrictions

Utah Code 10-6-116(4) requires that only the “fund balance in excess of 5 percent of total revenues of the general fund may be utilized for budget purposes.” The remaining 5 percent must be maintained as a minimum fund balance. The maximum in the general fund may not exceed 25 percent of the total actual revenue of the general fund (10-6-116(2)). The City Council has adopted a City code [chapter 2.150.020.11] directing that a minimum 5 percent fund balance, as required by law, with a desired target minimum of 6 percent. Currently the City’s adjusted fund balance is under the maximum allowed by state law.

2F - BUDGETARY BASIS OF ACCOUNTING

In the governmental fund statements the accounting basis and the budgetary basis are the same. The Statement (Schedule) of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual presented for the general fund and the capital projects fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

Budgets are legally required for governmental funds. Annual budgets are prepared and adopted by the City Council on or before June 22 for the fiscal year commencing the following July 1, in accordance with Utah State law. The operating budget includes proposed expenditures and proposed sources of financing for such expenditures. Prior to June 22nd a public hearing is conducted to obtain taxpayer input. Budgets are adopted by ordinance in total for each department. Management can move budgeted amounts within a department or decrease appropriations. The City Council can increase appropriations after having a public hearing. During the year ended June 30, 2014 the City Council amended the original budget three times.

Budgets for the Capital Projects Fund are also prepared using the modified accrual basis of accounting and are adopted on an annual basis. Project budgets for the Capital Projects fund are prepared annually and ending balances may be re-appropriated by Council action in the following year. State law also requires a budget comparison for all funds for which an annual budget is adopted.

COTTONWOOD HEIGHTS
NOTES TO THE FINANCIAL STATEMENTS

NOTE 3 - DETAIL NOTES ON TRANSACTION CLASSES / ACCOUNTS

The following notes present detailed information to support the amounts reported in the basic financial statements for its various assets, liabilities, equity, revenues, and expenditures/ expenses.

3A - CASH DEPOSITS AND INVESTMENTS

Below is a reconciliation of the year-end balance invested in the Public Treasurers' Investment Fund and other cash and investments presented in the statement of net position:

Utah State Public Treasurers' Investment Fund balance	\$	5,866,562
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Reconciliation to Government-wide Statement of Net Position:

Investments	\$	5,866,562
Cash on Hand		13,727
Deposits		17,414
Total	\$	5,897,704

Per Statement of Net Position:

Unrestricted Cash	\$	5,769,231
Restricted Cash		128,472
Total	\$	5,897,704

3B - RESTRICTED ASSETS

The restricted assets as of June 30, 2014, are as follows:

Type of Restricted Asset	Cash/Time Deposits
<i>Governmental Activities:</i>	
Prepays	\$ 19,609
Impact Fees	128,472
Total	\$ 148,081

3C - ACCOUNTS RECEIVABLE

Accounts receivable of the governmental activities consists principally of fiscal year accruals of sales taxes, property taxes, court fines and road cuts permits receivable.

COTTONWOOD HEIGHTS
NOTES TO THE FINANCIAL STATEMENTS

Receivables details at June 30, 2014, are as follows:

	<u>Governmental Activities</u>
Delinquent Property Taxes Receivable	\$ 142,501
Uninvoiced Receivables Intergovernmental	117,595
Invoiced Receivables / Miscellaneous	24,219
Invoiced Business Licensing	(27,774)
Prior Fiscal Revenues - Sales & Transient Room / 911 Fees	1,053,288
Prior Fiscal Revenues - Capital Projects Grant	315,000
Deposits Receivable	5,550
Net Accounts Receivable	\$ 1,630,379

3D - CAPITAL ASSETS

Capital asset activity for the period ended June 30, 2014, was as follows:

	Balance at June 30, 2013	Additions	Disposals / Misc Adj	Balance at June 30, 2014
Governmental activities:				
Capital assets, not being depreciated:				
Land (non-infrastructure)	\$ 4,174,551	\$ 3,916,721	\$ (25,763)	\$ 8,065,509
Land related Infrastructure	22,717,047	-	-	22,717,047
Total assets, not being depreciated	26,891,598	3,916,721	(25,763)	30,782,556
Capital assets, being depreciated:				
Equipment	2,089,166	7,205	-	2,096,371
Vehicles	2,197,166	75,257	(19,958)	2,252,466
Infrastructure - Roads	29,848,869	1,260,992		31,109,861
Infrastructure - Bridges	905,375	-	-	905,375
Infrastructure - Parkways	8,204,319	355,253	(18,467)	8,541,104
Infrastructure - Storm Drains	1,213,493	-		1,213,493
Total capital assets, being depreciated	44,458,387	1,698,707	(38,425)	46,118,670
Accumulated Depreciation				
Equipment	(1,553,131)	(166,349)		(1,719,480)
Vehicles	(600,846)	(425,274)	17,163	(1,008,957)
Infrastructure - Roads	(19,132,396)	(2,265,213)		(21,397,609)
Infrastructure - Bridges	(277,786)	(33,398)		(311,184)
Infrastructure - Parkways	(1,302,396)	(435,875.41)		(1,738,271)
Infrastructure - Storm Drains	(125,244)	(26,965.00)		(152,209)
Total accumulated depreciation	(22,991,799)	(3,353,074)	17,163	(26,327,710)
Governmental activities, capital assets, net	\$ 48,358,186	\$ 2,262,355	\$ (47,025)	\$ 50,573,515

COTTONWOOD HEIGHTS
NOTES TO THE FINANCIAL STATEMENTS

Depreciation and Miscellaneous Adjustment expense was charged to governmental activities as follows:

Governmental Activities:

General Government	\$ 98,120
Public Safety	430,618
Highways & Public Improvements	2,806,360
Community Planning	814
Total depreciation expense and adjustment	\$ 3,335,911

Capital Assets under Capital Lease

The City has acquired public safety vehicles through capital lease. The amortization of these assets is included in depreciation expense. As of June 30, 2014 the net book values are as follows:

	Governmental Activities
Vehicles	\$ 1,458,000
Less Accumulated Depreciation	(457,500)
Net Book Value	\$ 1,000,500

3E - ACCOUNTS PAYABLE

Payables in the general fund are composed of contract payments for public works, permitting and inspections, engineering and the city attorney.

3F - LONG-TERM DEBT

Cottonwood Heights' long-term debt consists of capital leases and accrued employee benefits to be repaid from governmental activities.

As of June 30, 2014, the City had long-term debt payable from general fund resources consisting of the following:

The City has entered into a lease agreement as lessee for the purchase of Police vehicles. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of all future lease payments as of the inception date.

1.64%, (07/17/12 original amount \$1,142,503)	\$ 834,317
	\$ 834,317

COTTONWOOD HEIGHTS
NOTES TO THE FINANCIAL STATEMENTS

As of June 30, 2014 the City had proprietary fund long-term debt payable as follows:

Employee Benefit Fund (an Internal Service Fund):

Paid Time Off - Future PTO Liability	\$ 317,582
Total proprietary fund debt	317,582
Total governmental activity debt	\$ 1,151,899

Changes in Long-term Debt

The following is a summary of changes in long-term debt for the period ended June 30, 2014:

Type of Debt	June 30, 2013	Additions	Reductions	June 30, 2014	One Year
Capital leases	\$ 1,142,503	\$ -	\$ (308,185)	\$ 834,317	\$ 834,317
Emp Benefit Fund-PTO *	316,030	12,748	(11,196)	317,582	-
Total Long Term Debt	\$ 1,458,533	12,748	\$ (319,381)	\$ 1,151,899	\$ 834,317

* Annual calculation of vested paid time off available, net total by department. Reductions are due to gross payouts of accrued leave by retiring employees.

Annual Debt Service Requirements

The annual debt service requirements to maturity for governmental long-term debt principal and interest as of June 30, 2014, are as follows:

Year Ended June 30	Governmental Activities		
	Principle	Interest	Total
2015	834,317	13,684	848,000
Thereafter	-	-	-
Total	\$ 834,317	\$ 13,684	\$ 848,000

* Bi-annually, the Public Safety vehicle lease is paid by a dealer buy back, 2015 is such a year.

3G - INTERFUND TRANSACTIONS AND BALANCES

Transfers

	<u>Transfer Out</u>	<u>Transfer In</u>
General Fund	\$ 806,816	
General Fund – Class C Roads	68,799	
Capital Projects Fund		\$ 875,615

COTTONWOOD HEIGHTS
NOTES TO THE FINANCIAL STATEMENTS

NOTE 4 - OTHER INFORMATION

4A - EMPLOYEE PENSION AND OTHER BENEFIT PLANS

Pension Plans

The City contributes to the Local Governmental Tier I Noncontributory Retirement System and Public Safety Retirement System which are cost-sharing, multiple-employer defined benefit pension plans administered by the Utah Retirement Systems (Systems). The City also participates in the newly adopted Tier II system for employees who are not eligible to participate in the Tier I Noncontributory System, sometimes referred to as a Contributory Retirement System. The System provides refunds, retirement benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries in accordance with retirement statutes established and amended by the State Legislature.

The Systems are established and governed by the respective sections of Chapter 49 of the *Utah Code Annotated* 1953 as amended, which also establishes the State Retirement Office (Office) for the administration of the Utah Retirement Systems and Plans. Chapter 49 places the Systems, the Office and related plans and programs under the direction of the Utah State Retirement Board (Board) whose members are appointed by the Governor. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the Systems and Plans. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 East 200 South, Salt Lake City, Utah 84102 or by calling 1-800-365-8772.

The System does allow Tier I elected officials and a small percent of appointed officials to be exempt from participation in the Noncontributory System in lieu of other retirement options.

The City is required to contribute to the Local Government Noncontributory System 17.29 percent of the annual salaries of eligible employees. The City is also required to contribute to the Public Safety Noncontributory System 32.2 percent of the annual salaries of eligible employees. The contribution rates are the actuarially determined rates and are approved by the Board as authorized by Chapter 49. For Tier II employees the rates are 13.99 percent and 20.51 percent respectively.

The City contributions to the Local Government Noncontributory System, as confirmed by Utah Retirement Systems, for the periods ending June 30, 2014, 2013 and 2012 were respectively \$209,295, \$178,396 and \$136,503. The City contributions to the Public Safety Noncontributory System for the period end June 30, 2014, 2013 and 2012 were respectively \$437,224.33, \$435,258 and, 383,371. The contributions were equal to the required contributions for this period. The City has recorded contributions to the Contributory Tier II System for 2014, 2013 and 2012 were respectively \$12,567, \$6,388 and \$871 for regular employees and \$11,566, \$4,505 and \$1,741 for Public Safety employees. Additionally, the City is required to contribute for Post Retired Ineligible employees an amount equal to the current amortization rate. The amount contributed for the period ending June 30, 2014, was \$8,921.

COTTONWOOD HEIGHTS
NOTES TO THE FINANCIAL STATEMENTS

The City has also elected to be exempt from the Federal Social Security System for all employees and assures that they participate in a qualifying retirement plan. In lieu of contributions to the Social Security System the City contributes to various deferred compensation plans explained below.

Deferred Compensation Plans

The assets held by these deferred plans are not available to the City or its general creditors.

401(k) Plan

The City sponsors a deferred compensation plan under Internal Revenue Code Section 401(k) for City employees. The Utah State Retirement Board administers this Plan. Employees who have elected to be exempt from either the regular Noncontributory System or Public Safety System may elect to have their equivalent City contribution contributed into this plan.

Employer contributions that substitute for contributions to the Non-contributory pension for the periods ended June 30, 2014, 2013 and 2012 were \$40,004, \$58,802 and \$53,237 respectively.

Employer contributions that substitute for contributions to the Public Safety Non-Contributory pension for the periods ended June 30, 2014, 2013 and 2012 were \$196,782, \$210,714 and \$191,766 respectively.

Employer contributions for Tier 2 employees, where the required contributions by the employer result in 401k contributions for these employees is \$7,438 for regular employees and \$1,145 for public safety employees, for the period ending June 30, 2014.

Employer contributions that substitute for medical coverage for the periods ended June 30, 2014, 2013 and 2012 were \$36,054, \$42,882 and \$36,729. These contributions are made in lieu of the City paying medical premium costs for employees that elect to forgo medical coverage through the City's group policy. These employees are required to provide proof of alternative insurance coverage.

Employer contributions that substitute for social security contributions for the periods ended June 30, 2014, 2013 and 2012 were \$170,015, \$156,737 and \$147,610 respectively.

457 Plans

The City sponsors 457 Deferred Compensation Plans in accordance with Internal Revenue Code Section 457 for all city employees. These plans are administered both by the Utah State Retirement Board and the International City/County Management Association Retirement Corporation (ICMA-RC). The employees of the City participate in the 457 deferred compensation plan through payroll deduction.

GASB No. 32 considers 457 plans as Trust Funds for individuals. Therefore no contribution information is provided.

COTTONWOOD HEIGHTS
NOTES TO THE FINANCIAL STATEMENTS

4B - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has purchased comprehensive general liability insurance through the Utah Local Governments Trust. The City pays premiums to the Trust for its general insurance coverage, automobile liability, and personal injury protection. The Trust is self-sustaining through member premiums. The City is subject to a minimal deductible for claims.

4C – SUBSEQUENT EVENTS

Subsequent events were evaluated through December 16, 2014, which is the date that the financial statements were available to be issued.

The City, on July 2, 2014, sold Municipal Sales Tax Revenue Bonds resulting in a purchase price of bonds totaling \$14,620,827 to fund the future construction of the City's Municipal Center.

SUPPLEMENTARY INFORMATION

COTTONWOOD HEIGHTS
SUPPLEMENTARY INFORMATION

Cottonwood Heights, Utah
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Capital Projects Fund
For the Year Ended June 30, 2014

	Budgeted Amounts		Fund Actuals (Budgetary Basis) (See Notes)	Variance with Final Budget
	Adopted Budget	Final Budget		
REVENUES				
State Grant	\$ -	\$ 3,050,000	\$ 3,050,000	\$ -
Local Grant		315,000	315,000	-
Impact Fees - Current Collections		45,000	119,303	74,303
Investment earnings	35,000	35,000	29,046	(5,954)
Total revenues	35,000	3,445,000	3,513,349	68,349
EXPENDITURES				
Current:				
Highways and Public Improvements	4,583,822	23,272,063	6,313,628	(16,958,435)
Total expenditures	4,583,822	23,272,063	6,313,628	(16,958,435)
Excess (deficiency) of revenues over (under) expenditures	4,548,822	19,827,063	2,800,279	(17,026,784)
OTHER FINANCING SOURCES (USES)				
Sources/(Uses):				
Beginning Fund Bal Appropriated	3,653,822	4,442,279		(4,442,279)
Beginning Impact Fee Bal Appropriated		9,169		(9,169)
Transfers from General Fund	895,000	806,816	806,816	
Transfers from General Fund - Class C		68,799	68,799	
Total other financing sources (uses)	4,548,822	5,327,063	875,615	(4,451,448)
Net change in fund balances			(1,924,664)	
Fund balance - beginning of year			4,471,448	
Fund balance - end of year	\$ -	\$ -	\$ 2,546,784	\$ -

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COTTONWOOD HEIGHTS
STATISTICAL SECTION

STATISTICAL SECTION
(Unaudited)

This section of Cottonwood Heights' Comprehensive Annual Financial Report (CAFR) provides detailed information as a context for understanding what the information in the financial statements, note disclosures, and supplementary information says about the City's overall financial health.

The five divisions of the Statistical Section are as follows:

- **Financial Trends:** Included schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.
- **Revenue Capacity:** Included schedules contain information to help the reader assess the City's most significant local revenue sources, property tax, sales tax, and enterprise fund revenues.
- **Debt Capacity:** Included schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the government's ability to issue additional debt in the future.
- **Demographic and Economic Information:** Included schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.
- **Operating information:** Included schedules contain data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the audited financial statements of Cottonwood Heights for the relevant year.

**COTTONWOOD HEIGHTS
STATISTICAL SECTION**

FINANCIAL TRENDS: CHART-1
Cottonwood Heights
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005 (1/2)
Governmental activities										
Investment in capital assets	\$ 49,739,199	\$ 47,215,683	\$ 49,934,834	\$ 49,425,939	\$ 44,831,195	\$ 45,831,420	\$ 45,776,089	\$ 41,891,706	\$ 42,360,450	\$ 44,315,013
Restricted	148,081	100,102	165,949	221,078	203,271	222,737	223,950	253,555	183,225	171,627
Unrestricted	4,825,654	7,047,623	6,492,449	8,603,921	9,017,951	9,688,305	10,068,724	7,014,875	4,643,809	604,021
Total governmental activities net position	\$ 54,712,934	\$ 54,363,409	\$ 56,593,232	\$ 58,250,938	\$ 54,052,417	\$ 55,722,462	\$ 56,068,763	\$ 49,160,136	\$ 47,187,484	\$ 45,090,661
Business-type activities										
Investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	-	-	-	-	-	-	-	-
Total business-type activities net position	\$ -									
Primary government										
Investment in capital assets	\$ 49,739,199	\$ 47,215,683	\$ 49,934,834	\$ 49,425,939	\$ 44,831,195	\$ 45,831,420	\$ 45,776,089	\$ 41,891,706	\$ 42,360,450	\$ 44,315,013
Restricted	148,081	100,102	165,949	221,078	203,271	222,737	223,950	253,555	183,225	171,627
Unrestricted	4,825,654	7,047,623	6,492,449	8,603,921	9,017,951	9,688,305	10,068,724	7,014,875	4,643,809	604,021
Total primary government net position	\$ 54,712,934	\$ 54,363,409	\$ 56,593,232	\$ 58,250,938	\$ 54,052,417	\$ 55,722,462	\$ 56,068,763	\$ 49,160,136	\$ 47,187,484	\$ 45,090,661

Note: Cottonwood Heights city incorporated in January 2005
The City has no Business-type activities

**COTTONWOOD HEIGHTS
STATISTICAL SECTION**

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005 (1/2)
FINANCIAL TRENDS: CHART-2										
Cottonwood Heights										
Changes in Net Position										
Last Ten Fiscal Years										
(accrual basis of accounting)										
Expenses										
Governmental Activities										
General Government	\$ 2,902,400	\$ 2,863,918	\$ 2,699,564	\$ 2,094,427	\$ 2,331,569	\$ 2,140,589	\$ 1,972,270	\$ 3,421,036	\$ 1,328,701	\$ 669,212
Public Safety	8,932,299	8,760,565	8,360,970	7,685,600	8,073,608	8,015,001	6,780,298	6,339,016	5,730,383	1,763,029
Highways and Streets	5,957,314	5,773,855	4,728,329	4,485,274	5,707,937	5,309,932	3,469,794	3,197,851	3,309,743	1,377,478
Community and Economic Development	970,886	695,759	626,956	602,502	524,665	566,802	620,300	616,335	821,760	212,583
Interest on long term debt	13,788	19,324	18,197	22,003	26,840	26,761	254	498	47,805	7,028
Intergovernmental	-	-	-	-	35,000	-	-	-	-	-
Total Governmental Activities	<u>\$ 18,776,687</u>	<u>\$ 18,113,421</u>	<u>\$ 16,434,016</u>	<u>\$ 14,889,806</u>	<u>\$ 16,699,639</u>	<u>\$ 16,059,086</u>	<u>\$ 12,842,917</u>	<u>\$ 13,574,736</u>	<u>\$ 11,238,392</u>	<u>\$ 4,029,340</u>
Business-type activities										
n/a	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Business-type Activities	<u>\$ -</u>	<u>\$ -</u>								
Total Expenses	<u>\$ 18,776,687</u>	<u>\$ 18,113,421</u>	<u>\$ 16,434,016</u>	<u>\$ 14,889,806</u>	<u>\$ 16,699,639</u>	<u>\$ 16,059,086</u>	<u>\$ 12,842,917</u>	<u>\$ 13,574,736</u>	<u>\$ 11,238,392</u>	<u>\$ 4,029,340</u>
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	\$ 601,337	\$ 502,581	\$ 445,692	\$ 555,469	\$ 449,598	\$ 469,151	\$ 558,751	\$ 553,676	\$ 553,207	\$ 251,268
Public Safety	536,531	528,676	552,220	546,834	538,124	273,251	235,611	158,498	206,721	22,122
Highways and Streets	-	-	-	-	-	-	-	-	-	-
Community and Economic Development	232,585	245,326	180,299	203,093	151,433	164,376	213,924	221,802	202,569	-
Interest on long term debt	-	-	-	-	-	-	-	-	-	-
Intergovernmental	1,563,158	1,611,019	1,504,103	1,638,949	1,502,366	1,465,430	1,475,184	1,362,266	1,289,841	627,685
Operating Grants and Contributions	3,484,303	231,783	25,185	312,815	564,390	1,025,779	941,105	33,579	2,532,080	4,661
Total Governmental Activities	<u>\$ 6,417,914</u>	<u>\$ 3,119,387</u>	<u>\$ 2,707,500</u>	<u>\$ 3,257,160</u>	<u>\$ 3,205,911</u>	<u>\$ 3,397,987</u>	<u>\$ 3,424,575</u>	<u>\$ 2,329,822</u>	<u>\$ 4,784,419</u>	<u>\$ 905,736</u>
Business-type Activity										
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
n/a	-	-	-	-	-	-	-	-	-	-
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Total Business-type Activity	<u>\$ -</u>	<u>\$ -</u>								
Total Program Revenues	<u>\$ 6,417,914</u>	<u>\$ 3,119,387</u>	<u>\$ 2,707,500</u>	<u>\$ 3,257,160</u>	<u>\$ 3,205,911</u>	<u>\$ 3,397,987</u>	<u>\$ 3,424,575</u>	<u>\$ 2,329,822</u>	<u>\$ 4,784,419</u>	<u>\$ 905,736</u>

**COTTONWOOD HEIGHTS
STATISTICAL SECTION**

**FINANCIAL TRENDS: CHART-2
Cottonwood Heights
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)**

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005 (1/2)
<i>(schedule continued)</i>										
Net (Expense)/Revenue	\$ (12,358,773)	\$ (14,994,034)	\$ (13,726,516)	\$ (11,632,646)	\$ (13,493,728)	\$ (12,661,099)	\$ (9,418,342)	\$ (11,244,914)	\$ (6,453,973)	\$ (3,123,604)
Governmental Activities	-	-	-	-	-	-	-	-	-	-
Business-type Activity	\$ (12,358,773)	\$ (14,994,034)	\$ (13,726,516)	\$ (11,632,646)	\$ (13,493,728)	\$ (12,661,099)	\$ (9,418,342)	\$ (11,244,914)	\$ (6,453,973)	\$ (3,123,604)
Total Net Expense										
General Revenues	\$ 6,684,948	\$ 6,954,277	\$ 6,594,176	\$ 6,499,957	\$ 6,344,286	\$ 6,408,994	\$ 6,475,442	\$ 6,399,642	\$ 2,858,039	\$ 874,799
Governmental Activities:	5,231,303	5,030,007	4,749,551	4,558,144	4,634,998	4,847,677	5,414,341	5,567,486	4,748,086	2,012,680
Property Taxes	390,535	390,882	400,016	426,149	468,657	505,711	505,430	535,812	-	-
Sales Taxes	303,918	296,450	278,444	267,999	256,667	250,660	235,671	214,766	187,077	74,426
Motor Vehicle Fee-In-Lieu	**	**	43,515	46,230	35,236	33,563	39,738	29,926	23,601	-
Franchise Taxes							1,500	6,248	500,000	
State Liquor Fund Allotment							515,432	456,134	233,638	
Unrestricted investment earnings	37,394	36,859	53,935	46,773	59,298	187,488	(736)	-	-	8,131
Gain (Loss) on sale of Capital Assets	12,000	-	(91,970)	(43,546)	-	-	-	-	-	-
Miscellaneous	48,200	55,735	41,145	55,709	29,816	53,944	4,589	7,503	405	694
Transfers in/out	-	-	-	-	-	-	-	-	-	-
Special Item	-	-	-	3,985,238	-	-	-	-	-	45,243,555
Total general revenues, transfers, and special item	\$ 12,708,298	\$ 12,764,210	\$ 12,068,812	\$ 15,842,653	\$ 11,828,958	\$ 12,288,037	\$ 13,191,407	\$ 13,217,517	\$ 8,550,846	\$ 48,214,265
Business-type Activity:										
n/a	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Business-type activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total primary government	\$ 12,708,298	\$ 12,764,210	\$ 12,068,812	\$ 15,842,653	\$ 11,828,958	\$ 12,288,037	\$ 13,191,407	\$ 13,217,517	\$ 8,550,846	\$ 48,214,265
Change in Net Position	\$ 349,525	\$ (2,229,824)	\$ (1,657,704)	\$ 4,210,007	\$ (1,664,770)	\$ (373,062)	\$ 3,773,065	\$ 1,972,603	\$ 2,096,873	\$ 45,090,661
Governmental Activities	-	-	-	-	-	-	-	-	-	-
Business-type Activity	\$ 349,525	\$ (2,229,824)	\$ (1,657,704)	\$ 4,210,007	\$ (1,664,770)	\$ (373,062)	\$ 3,773,065	\$ 1,972,603	\$ 2,096,873	\$ 45,090,661
Total Change in Net Position										

Note: Cottonwood Heights city incorporated in January 2005

The City has no Business-type activities

** State Liquor Fund Allotment - moved to Operating Grants and Contributions in FY 2013 financials under Public Safety

**COTTONWOOD HEIGHTS
STATISTICAL SECTION**

FINANCIAL TRENDS: CHART-3
Cottonwood Heights
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year										
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005 (1/2)	
General Fund											
Nonspendable	\$ 19,609	\$ 22,134	\$ 53,596	\$ 81,132	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	68,799	112,353	138,355	-	-	-	-	-	-	-
Unrestricted											
Assigned	924,392	899,412	871,757	857,894	-	-	-	-	-	-	-
Unassigned	1,482,950	1,685,932	1,708,720	1,970,113	-	-	-	-	-	-	-
Reserved	-	-	-	-	203,271	222,737	223,950	253,555	183,225	171,627	171,627
Unreserved	-	-	-	-	1,779,169	1,407,461	1,211,759	1,235,852	588,746	197,101	197,101
Total General Fund	<u>\$ 2,426,952</u>	<u>\$ 2,676,277</u>	<u>\$ 2,746,426</u>	<u>\$ 3,047,494</u>	<u>\$ 1,982,440</u>	<u>\$ 1,630,198</u>	<u>\$ 1,435,709</u>	<u>\$ 1,489,407</u>	<u>\$ 771,971</u>	<u>\$ 368,728</u>	
All other governmental funds											
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Grant				23,594							
Impact Fees	128,472	9,169									
Unrestricted											
Capital Projects	2,418,312	4,462,279	3,911,972	5,775,914	7,238,782	8,260,844	8,856,965	5,779,023	4,055,063	406,920	406,920
Unreserved - Capital Projects	-	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 2,546,784</u>	<u>\$ 4,471,448</u>	<u>\$ 3,911,972</u>	<u>\$ 5,799,508</u>	<u>\$ 7,238,782</u>	<u>\$ 8,260,844</u>	<u>\$ 8,856,965</u>	<u>\$ 5,779,023</u>	<u>\$ 4,055,063</u>	<u>\$ 406,920</u>	

Note: Cottonwood Heights city incorporated in January 2005
The city implemented the requirements of GASB Statement No. 54 Fund Balance Reporting and Governmental Fund Type Definitions for fiscal year 2011

COTTONWOOD HEIGHTS STATISTICAL SECTION

FINANCIAL TRENDS: CHART-4
Cottonwood Heights
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Fiscal Year

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005 (1/2)
REVENUES										
Property Taxes	\$ 6,684,948	\$ 6,954,277	\$ 6,594,176	\$ 6,499,957	\$ 6,344,286	\$ 6,408,994	\$ 6,475,442	\$ 6,399,642	\$ -	\$ -
Sales Taxes	5,203,814	5,011,132	4,725,926	4,531,512	4,607,702	4,819,775	5,378,470	5,528,612	4,726,645	2,087,086
E-911 Emergency Fees	276,640	321,556	294,517	294,601	299,774	232,723	200,696	110,926	-	-
Motor Vehicle Fee-in-lieu	390,535	390,882	400,016	426,149	468,657	505,711	505,430	535,812	-	-
Franchise Taxes	303,918	296,450	278,444	267,999	256,667	250,660	235,671	214,766	187,077	-
Transient Room	27,489	18,875	23,625	26,632	27,297	27,902	35,871	38,874	21,441	-
Licenses and Permits	601,337	502,581	445,692	555,469	449,598	469,151	558,751	553,676	553,207	251,268
Intergovernmental	4,651,518	1,489,464	1,253,101	1,536,378	1,650,962	2,266,270	2,225,477	1,287,514	7,171,481	1,502,484
Charges for Services	232,585	245,326	180,289	203,093	151,433	164,376	213,924	221,802	202,569	1,992
Fines and Forfeitures	536,531	528,676	552,220	546,834	538,124	273,251	235,611	158,498	206,721	20,130
Investment Earnings	37,394	36,859	53,935	46,773	59,298	187,488	515,432	456,134	233,638	8,131
Miscellaneous	48,200	55,683	41,145	55,709	29,816	53,944	4,589	7,503	405	694
Total Revenues	\$18,994,909	\$15,851,761	\$14,843,096	\$14,991,106	\$14,883,612	\$15,660,244	\$16,585,364	\$15,513,760	\$13,303,184	\$3,871,785
EXPENDITURES										
Current										
General Government	\$ 2,778,517	\$ 2,749,024	\$ 2,566,624	\$ 1,976,164	\$ 2,252,343	\$ 2,073,098	\$ 1,932,412	\$ 956,090	\$ 1,315,301	\$ 679,027
Public Safety	8,463,443	8,290,154	7,961,282	7,651,305	7,630,159	7,758,559	6,778,220	6,329,819	5,726,563	1,763,029
Highways and Public Improvements	3,150,768	2,400,004	2,009,533	1,792,562	3,179,469	2,881,406	892,995	3,530,251	1,215,242	354,279
Community and Economic Development	970,072	690,193	612,898	586,287	509,082	552,668	577,107	612,425	816,963	212,593
Debt Service										
Principal	308,185	729,090	226,586	250,000	162,087	-	10,048	10,571	10,881	767
Interest and fiscal charges	13,788	19,324	18,197	22,003	32,113	-	254	498	47,805	7,028
Refunding bond issuance costs	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	35,000	-	20,200	-	-	-
Capital Outlays (net of disposals)	5,615,428	2,411,983	3,676,584	3,254,021	1,904,433	3,648,909	3,407,241	1,666,338	151,073	116,342
Total Expenditures	\$21,300,201	\$17,289,772	\$17,071,684	\$15,532,342	\$15,704,688	\$16,914,640	\$13,518,476	\$13,105,992	\$ 9,283,828	\$3,133,065
Excess(Deficiency) of Revenues over Expendi	(2,305,292)	(1,438,011)	(2,228,588)	(541,236)	(821,075)	(1,254,397)	2,966,888	2,407,768	4,019,356	738,720
OTHER FINANCING SOURCES (USES)										
Transfers in	\$ 875,615	\$ 1,485,423	\$ 1,730,747	\$ 669,459	\$ 1,907,959	\$ 1,499,074	\$ 4,107,170	\$ 4,689,357	\$ 3,690,682	\$ 406,920
Transfers out	(875,615)	(1,485,423)	(1,730,747)	(669,459)	(1,907,959)	(1,499,074)	(4,107,170)	(4,689,357)	(3,690,682)	(406,920)
In-Kind Capital Contribution	-	1,142,555	-	-	-	826,985	-	-	-	32,267
Proceeds from Capital Leases	-	753,000	14,800	-	-	-	26,001	-	-	-
Sale of Capital Assets	12,000	31,783	25,185	167,015	50,966	25,779	31,354	33,579	32,080	4,661
Impact Fees - Current Year Collection	119,303	1,927,338	39,985	167,015	151,256	852,764	57,355	33,579	32,080	36,928
Total Other Financing Sources (Uses)	\$ 131,303	\$ 1,927,338	\$ 39,985	\$ 167,015	\$ 151,256	\$ 852,764	\$ 57,355	\$ 33,579	\$ 32,080	\$ 36,928
Net change in fund balances before special	\$(2,173,989)	\$ 489,327	\$(2,188,603)	\$(374,221)	\$(669,819)	\$(401,633)	\$ 3,024,243	\$ 2,441,347	\$ 4,051,436	\$ 775,648
Special item	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	\$(2,173,989)	\$ 489,327	\$(2,188,603)	\$(374,221)	\$(669,819)	\$(401,633)	\$ 3,024,243	\$ 2,441,347	\$ 4,051,436	\$ 775,648
Debt service as a percentage of										
Noncapital expenditures	2.05%	5.03%	1.83%	2.22%	1.41%	0.00%	0.10%	0.10%	0.64%	0.26%
Note: Cottonwood Heights city incorporated in January 2005										
Beginning Fund Balance	7,147,725	6,658,398	8,847,002	9,221,222	9,891,042	10,292,674	7,268,431	4,827,084	775,648	-
Ending Fund Balance	4,973,736	7,147,725	6,658,398	8,847,002	9,221,222	9,891,042	10,292,674	7,268,431	4,827,084	775,648

**COTTONWOOD HEIGHTS
STATISTICAL SECTION**

REVENUE CAPACITY: CHART-5
Cottonwood Heights
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	Tax Assessment Year	ASSESSED "MARKET VALUE" OF PROPERTY				Less 100% Tax-Exempt Property (2)	Less Residential Exemption	Total Assessed Taxable Value	Assessed Taxable Value as % Fully Assessed	Taxable Total Direct Rate
		Residential	Commercial (2)	Total	Total					
2014	2013	\$ 3,393,947,127	\$ 932,440,256	\$ 4,326,387,383	\$ 125,231,015	\$ 1,527,276,207	\$ 2,673,880,161	61.8%	0.2522%	
2013	2012	3,277,704,426	879,727,447	4,157,431,873	123,927,645	1,474,966,992	2,558,537,236	61.5%	0.2654%	
2012	2011	3,366,962,604	864,180,096	4,231,142,700	130,000,000	1,515,133,172	2,586,009,528	61.1%	0.2586%	
2011	2010	3,462,644,784	868,364,470	4,331,009,254	135,000,000	1,558,190,153	2,637,819,101	60.9%	0.2517%	
2010	2009	3,545,513,133	923,042,188	4,468,555,321	140,000,000	1,595,480,910	2,733,074,411	61.2%	0.2399%	
2009	2008	4,091,052,684	1,036,929,851	5,127,982,535	160,000,000	1,840,973,708	3,127,008,827	61.0%	0.2098%	
2008	2007	3,889,799,206	941,043,105	4,830,842,311	150,000,000	1,750,409,643	2,930,432,668	60.7%	0.2220%	
2007	2006	3,159,022,555	822,051,567	3,981,074,122	125,000,000	1,421,560,150	2,434,513,972	61.2%	0.2624%	
2006 (1)	2005	n/a	n/a	3,427,236,954	125,000,000	1,204,767,938	2,097,469,016	61.2%	0.2624%	
2005 (1)	2004	n/a	n/a	3,342,866,461	125,000,000	1,172,032,187	2,045,834,274	61.2%	0.2740%	

Source: Cottonwood Heights Finance Department, SL County Auditor, Utah State Tax Commission

Note: Property in the county is reassessed annually, rates change to yield same revenue as prior year unless tax increase is declared and hearings are held.

(1) Cottonwood Heights city incorporated in January 2005, prior municipal services provided by Salt Lake County Municipal

(2) Property that is 100% exempt from property taxes is estimated and included in Assessed "Market Values" - Commercial

COTTONWOOD HEIGHTS STATISTICAL SECTION

REVENUE CAPACITY: CHART-6
Cottonwood Heights
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year Ended June 30	Direct Rates				Overlapping Rates									
	Tax Year	Basic Rate	Obligation Debt Service	Total Direct (0)	Canyons School District (1)	Jordan School District (Old Debt)	Salt Lake County (countywide) (2)	Salt Lake County Library	South Salt Lake Valley Mosquito Abatement District	Central Utah Water Conservancy District	Cottonwood Improvement 'Sewer' District (3)	Cottonwood Heights Parks & Recreation Service Area (4)	Jordan Valley Water Conservancy District (5)	
2014	2013	0.2522%	-	0.2522%	0.7016%	0.1095%	0.3180%	0.0765%	0.0021%	0.0446%	0.0236%	0.1185%	0.0424%	
2013	2012	0.2654%	-	0.2654%	0.7111%	0.1307%	0.2793%	0.0627%	0.0021%	0.0455%	0.0244%	0.1203%	0.0443%	
2012	2011	0.2586%	-	0.2586%	0.6546%	0.1619%	0.2696%	0.0604%	0.0052%	0.0436%	0.0237%	0.1217%	0.0424%	
2011	2010	0.2517%	-	0.2517%	0.6540%	0.1520%	0.2593%	0.0583%	0.0050%	0.0421%	0.0229%	0.1058%	0.0410%	
2010	2009	0.2399%	-	0.2399%	0.5780%	0.1400%	0.2278%	0.0564%	0.0025%	0.0400%	0.0219%	0.1023%	0.0400%	
2009	2008	0.2098%	-	0.2098%	-	0.6150%	0.1731%	0.0492%	0.0022%	0.0286%	0.0193%	0.0901%	0.0384%	
2008	2007	0.2220%	-	0.2220%	-	0.6617%	0.1994%	0.0517%	0.0023%	0.0302%	0.0205%	0.0958%	0.0400%	
2007	2006	0.2624%	-	0.2624%	-	0.7347%	0.2371%	0.0617%	0.0027%	0.0357%	0.0244%	0.1009%	0.0363%	
2006	2005	0.2624%	-	0.2624%	-	0.8655%	0.2682%	0.0696%	0.0031%	0.0400%	0.0279%	0.1181%	0.0400%	
2005	2004	0.2740%	-	0.2740%	-	0.8856%	0.2816%	0.0733%	0.0033%	0.0353%	0.0289%	0.1219%	0.0392%	

Source: Utah State Tax Commission - Property Tax Division

Note: Property in the county is reassessed annually, rates change to yield same revenue as prior year unless tax increase is declared and hearings are held.

(0) Cottonwood Heights city incorporated in January 2005, prior municipal services provided by Salt Lake County Municipal

(1) Local School District - Transitioned from Jordan School District to Canyons School District July 1, 2009

(2) Salt Lake County - includes Health, Recreation, Flood and general countywide operations

(3) Cottonwood Improvement 'Sewer' District serves approximately 98% of Cottonwood Heights, SL Suburban District serves the remaining 2%

(4) Cottonwood Heights Parks & Recreation Service Area overlaps approximately 71% of the city boundary.

(5) Jordan Valley Water Conservancy District overlaps approximately 8% of the city's boundary.

**COTTONWOOD HEIGHTS
STATISTICAL SECTION**

**REVENUE CAPACITY: CHART-7
Cottonwood Heights
Principal Property Taxpayers
Current Year and Five Years Ago**

Taxpayer	FY 2014			FY 2009		
	2013 Taxable Assessed Value	Rank	Percentage of Total Taxable Value	2008 Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Old Mill Corporate Center (Offices)	\$ 112,656,800	1	4.21%	\$ 72,301,000	2	2.31%
NOP Cottonwood (Cottonwood Corporate Center)	97,355,600	2	3.64%	85,775,900	1	2.74%
RBCSU Realty, Inc. / Regence BlueCross/BlueShield	38,825,491	3	1.45%	46,796,879	3	1.50%
Fourels Investment Co. (Shopping area)	36,636,000	4	1.37%	41,750,900	4	1.34%
Pinnacle Highland Apartments	30,859,015	5	1.15%	30,019,055	6	0.96%
Santa Fe Apartments, LLC.	24,956,085	6	0.93%	22,546,920	7	0.72%
James Campbell Company, LLC. (Shopping area)	21,845,610	7	0.82%	30,586,210	5	0.98%
Fusion IO, Inc.	21,301,133	8	0.80%	-	-	-
JSP Farms I, LLC	17,746,740	9	0.66%	-	-	-
Reef Union Park	17,531,500	10	0.66%	-	-	-
Cottonwood Estates Development				18,436,800	8	0.59%
Park I Partners LLC (Apartments)				16,364,300	9	0.52%
880 East Canyon/2012 Royal				14,211,725	10	0.45%
	<u>\$ 419,713,974</u>		<u>15.70%</u>	<u>\$ 306,488,689</u>		<u>9.80%</u>
Total City Taxable Assessed Value	\$ 2,673,880,161			\$ 3,127,008,827		

Source: Salt Lake County Auditor

COTTONWOOD HEIGHTS
STATISTICAL SECTION

REVENUE CAPACITY: CHART-8
Cottonwood Heights
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year		Collected within the Fiscal Year of the Levy		Total Delinquent Collections in Subsequent Years Classified in Tax YR		Total Collections to Date		Total Year-end Assessed Taxable Value		Assessed Taxable % of Assessed Market Value	Total Direct Rate	Original Budget Used to Set Tax Rate
	Amount Collected	Percentage of Levy	Amount Collected	Percentage of Levy	Amount Collected	Percentage of Levy	Amount Collected	Percentage of Levy	Assessed Taxable Value	Assessed Taxable Value			
2014	\$ 6,778,261	96.7%	\$ 6,553,243	96.7%	\$ 100,607	98.2%	\$ 6,653,850	98.2%	\$ 2,673,880,161	61.8%	0.2386%	\$ 6,435,856	
2013	6,778,261	96.7%	6,554,349	96.7%	150,965	98.9%	6,705,314	98.9%	2,558,537,236	61.5%	0.2522%	6,431,714	
2012	6,681,842	96.1%	6,420,677	96.1%	206,854	99.2%	6,627,531	99.2%	2,586,009,528	61.1%	0.2586%	6,437,173	
2011	6,618,763	96.3%	6,374,612	96.3%	194,516	99.3%	6,569,129	99.3%	2,637,819,101	60.9%	0.2517%	6,445,912	
2010	6,522,478	95.3%	6,216,140	95.3%	229,243	98.8%	6,445,383	98.8%	2,733,074,411	61.2%	0.2399%	6,423,917	
2009	6,570,859	95.5%	6,272,729	95.5%	264,352	99.5%	6,537,081	99.5%	3,127,008,827	61.0%	0.2098%	6,412,498	
2008	6,540,141	96.9%	6,339,067	96.9%	153,527	99.3%	6,492,594	99.3%	2,930,638,091	60.7%	0.2220%	6,363,928	
2007	6,399,901	97.8%	6,258,487	97.8%	117,670	99.6%	6,376,157	99.6%	2,434,513,972	61.2%	0.2624%	6,288,245	
2006 (1,2)	3,581,808	97.3%	3,485,526	97.3%	83,090	99.6%	3,568,616	99.6%	2,097,469,016	61.2%	0.2624%	5,503,759	
2005 (1)									2,045,834,274	61.2%	0.2740%	5,605,586	

Source: Cottonwood Heights Finance Department, SL County Auditor, Utah State Tax Commission
Note: Cottonwood Heights city incorporated in January 2005, prior municipal services provided by Salt Lake County Municipal

(1) City direct Property Tax collections first occurred in 2006-07 fiscal year. (Salt Lake County data estimated)
(2) City entitled to approximately 1/2 of Property Tax collections in 2006-07 fiscal year.

COTTONWOOD HEIGHTS
STATISTICAL SECTION

DEBT CAPACITY: CHART-9
Cottonwood Heights
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	General		Special Assessment Bonds (1)	General		Total Outstanding Debt	Percentage of Personal Income (2)		State Committee	
	Obligation Bonds (1)	Capital Leases		Obligation Bonds	Business Type Activities		Income (2)	Population (3)	Calculated	Debt Per Capita
2014	\$ -	\$ 834,317	\$ -	\$ -	\$ 834,317	0.065%	34,017	\$	24.53	
2013	-	1,142,503	-	-	1,142,503	0.097%	34,017		33.59	
2012	-	729,090	-	-	729,090	0.064%	34,068		21.40	
2011	-	955,676	-	-	955,676	0.082%	33,433		28.58	
2010	-	664,898	-	-	664,898	0.052%	35,407		18.78	
2009	-	826,985	-	-	826,985	0.066%	35,351		23.39	
2008	-	-	-	-	-	0.000%	34,954		-	
2007	-	10,048	-	-	10,048	0.001%	35,932		0.28	
2006	-	20,619	-	-	20,619	0.002%	35,835		0.58	
2005	-	31,500	-	-	31,500	0.003%	36,033		0.87	

Note: Cottonwood Heights city incorporated in January 2005, prior municipal services provided by Salt Lake County Municipal
The City has no Business-type activities

- (1) Presented net of original issuance discounts and premiums
- (2) Personal income is disclosed on Chart 14
- (3) Utah State Population Committee, US Census

COTTONWOOD HEIGHTS
STATISTICAL SECTION

DEBT CAPACITY: CHART-10
Cottonwood Heights
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds (1)	Less: Amounts Available in Debt Service Funds (2)	Total	Percentage of Estimated Actual Taxable Value of Property (3)		Per Capita (4)
				\$	\$	
2014	-	\$ -	-	-	\$ -	-
2013	-	-	-	-	-	-
2012	-	-	-	-	-	-
2011	-	-	-	-	-	-
2010	-	-	-	-	-	-
2009	-	-	-	-	-	-
2008	-	-	-	-	-	-
2007	-	-	-	-	-	-
2006	-	-	-	-	-	-
2005	-	-	-	-	-	-

Note: Cottonwood Heights city incorporated in January 2005, prior municipal services provided by Salt Lake County Municipal Details regarding the city's outstanding debt can be found in the notes to the financial statements
Cottonwood Heights has never had any bonded debt.

- (1) This is the general bonded debt of both governmental and business-type activities, net of original issuance discounts and premiums
- (2) This is the amount restricted for general obligation debt service principal payments
- (3) See the Schedule of Assessed Value and the Estimated Actual Value of Taxable Property on Chart 5 for property value data.
- (4) Population data can be found on the Schedule of Demographic and Economic Statistics on Chart 14

COTTONWOOD HEIGHTS
STATISTICAL SECTION

DEBT CAPACITY: CHART-11
Cottonwood Heights
Direct and Overlapping Governmental Activities General Obligation Debt
As of June 30, 2014

Overlapping Government Unit	General Obligation Debt Outstanding	Estimated Percentage Applicable	Amount Applicable to Cottonwood Heights
(Debt repaid with property taxes)			
Central Utah Water Conservancy District	\$ 259,970,000	3.65%	\$ 9,477,052
Jordan School District (old debt)	102,967,400	17.24%	17,752,301
Canyons School District	140,900,000	16.82%	23,696,731
Salt Lake County - General & Library	239,818,491	3.65%	8,742,441
South Salt Lake Valley Mosquito District	-	5.45%	-
Cottonwood Improvement 'Sewer' District	-	44.12%	-
Cottonwood Heights Parks & Recreation Service Area	6,350,000	100.00%	6,350,000
Jordan Valley Water Conservancy District	233,744,204	0.14%	319,851
Subtotal, overlapping general obligation debt	<u>983,750,095</u>		<u>66,338,375</u>
City direct general obligation debt	-	100.00%	-
Total direct and overlapping general obligation debt	<u>\$ 983,750,095</u>		<u>\$ 66,338,375</u>

Sources: Salt Lake County - Comprehensive Annual Financial Report for 2013, and other entities CAFR.

Note: Overlapping governments are those that coincide, at least in part, with geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of Cottonwood Heights. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

**COTTONWOOD HEIGHTS
STATISTICAL SECTION**

DEBT CAPACITY: CHART-12
Cottonwood Heights
Legal Debt Margin Information
June 30, 2014

	Fiscal Years									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Debt Constitutional Limit										
General (4% Fair Cash Value)	\$ 168,046,255	\$ 161,340,169	\$ 164,045,708	\$ 167,840,370	\$ 173,142,213	\$ 198,719,301	\$ 187,241,909	\$ 154,242,965	\$ -	\$ -
Sewer, Water (4% Fair Cash Value)	168,046,255	161,340,169	164,045,708	167,840,370	173,142,213	198,719,301	187,241,909	154,242,965		
Total 8% Debt Constitutional Limit	336,092,509	322,680,338	328,091,416	335,680,740	346,284,426	397,438,603	374,483,819	308,485,930		
Total Net Debt Applicable to Limit	-	-	-	-	-	-	-	-		
Legal Debt Margin	\$ 336,092,509	\$ 322,680,338	\$ 328,091,416	\$ 335,680,740	\$ 346,284,426	\$ 397,438,603	\$ 374,483,819	\$ 308,485,930	\$ -	\$ -
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		0.000%

	Legal Debt Margin Calculations									
	Tax Years									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Assessed Valuation:										
Reasonable Fair Cash Value	\$ 4,201,156,368	\$ 4,033,504,228	\$ 4,101,142,700	\$ 4,196,009,254	\$ 4,328,555,321	\$ 4,967,982,535	\$ 4,681,047,733	\$ 3,856,074,122	\$ -	\$ -
Debt Limit (8% of reasonable Fair Cash Value)	336,092,509	322,680,338	328,091,416	335,680,740	346,284,426	397,438,603	374,483,819	308,485,930		
Debt Applicable to Limit:										
General Obligation Bonds	-	-	-	-	-	-	-	-		
Less: Amount Set Aside for Repayment of										
General Obligation Debt	-	-	-	-	-	-	-	-		
Total Net Debt Applicable to Limit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Debt Margin	\$ 336,092,509	\$ 322,680,338	\$ 328,091,416	\$ 335,680,740	\$ 346,284,426	\$ 397,438,603	\$ 374,483,819	\$ 308,485,930	\$ -	\$ -

Source: Finance Department
 Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements
 Cottonwood Heights has never had any bonded debt, Incorporated 2005
 Currently water and sewer services are provided by other special service districts

COTTONWOOD HEIGHTS
STATISTICAL SECTION

DEBT CAPACITY: CHART-13
Cottonwood Heights
Pledged-Revenue Coverage
June 30, 2014

Fiscal Year	Special Assessment Bonds				
	Special Assessment Collections	Principal	Interest	Debt Service	Coverage
2014	\$ -	\$ -	\$ -	\$ -	-
2013	-	-	-	-	-
2012	-	-	-	-	-
2011	-	-	-	-	-
2010	-	-	-	-	-
2009	-	-	-	-	-
2008	-	-	-	-	-
2007	-	-	-	-	-
2006	-	-	-	-	-
2005	-	-	-	-	-

Note: The City has no issued Special Assessment Bonds
Cottonwood Heights incorporated 2005

COTTONWOOD HEIGHTS
STATISTICAL SECTION

DEMOGRAPHIC AND ECONOMIC: CHART-14
Cottonwood Heights
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	State Committee Calculated Population (1)	Median Age (1)	Per Capita Income (1,3)	Personal Income (in '000)	Education		K-12 School Enrollment (2)	Metro SLC, UT Unemployment Rate (3)
					Avg Years of Formal Schooling (2)			
2014	34,017	37.30	\$ 37,472	\$ 1,274,685	14.6		4,596	3.5%
2013	34,017	37.20	34,601	1,177,022	14.6		4,502	5.0%
2012	34,068	37.10	33,559	1,143,288	14.6		4,845	6.0%
2011	33,433	37.00	34,902	1,166,879	14.6		5,133	7.6%
2010	35,407	36.90	36,421	1,289,558	14.5		5,416	7.1%
2009	35,351	36.80 *	35,621	1,259,238	14.5		5,588	5.9%
2008	34,954	36.70 *	32,395	1,132,335	14.5		6,160	3.4%
2007	35,932	36.60 *	32,500	1,167,790	14.5 *		6,123	2.8%
2006	35,835	36.50 *	32,983	1,181,946	14.5 *		6,133	3.4%
2005	36,033	36.40 *	29,321	1,056,524	14.4 *		6,265	4.9%
2004	36,200	36.30 *	27,597	999,011	14.4 *		6,590	5.2%

Note: Cottonwood Heights city incorporated in January 2005, prior municipal services provided by Salt Lake County Municipal * Estimated from US Census reports.

- (1) Utah State Population Committee, US Census
- (2) Local School District Census
- (3) Bureau of Labor Statistics - June FY

COTTONWOOD HEIGHTS STATISTICAL SECTION

DEMOGRAPHIC AND ECONOMIC: CHART-15 Cottonwood Heights Principal Employers in City Boundaries Current Year and Eight Years Ago

		2014			2006			
Rank	Employer	Employees	Rank	Percentage of Total Employment	Employer	Employees	Rank	Percentage of Total Employment
1	Jet Blue Airways Corporation	2,000-2,999	1	14.04%	Jet Blue Airways Corporation	*	1	*
3	Overstock.Com Inc.	500-999	3	3.99%	Overstock.Com Inc.	*	3	*
3	Regence BlueCross BlueShield of Utah	500-999	3	3.99%	Regence BlueCross BlueShield of Utah	*	3	*
4	Canyons School District	290-644	4	2.44%	Jordan School District (pre-Canyons)	*	4	*
5	San Disk (Fusion Multisystems Inc.)	250-499	5	1.99%				
5	Instructure, Inc	250-499	5	1.99%				
10	Abeo Management Corp	100-249	10	0.89%	Professional Management Group (pre-ABEO)	*	10	*
10	Canyon Culinary Inc (Porcupine Grill)	100-249	10	0.89%	Canyon Culinary Inc (Porcupine Grill)	*	10	*
10	Cottonwood Heights Parks & Recreation Service Area	100-249	10	0.89%	Cottonwood Heights Parks & Recreation Service Area	*	10	*
10	Extra Space Management Inc	100-249	10	0.89%	Extra Space Management Inc	*	10	*
10	Gastronomy, Inc	100-249	10	0.89%	Gastronomy, Inc	*	10	*
10	The Home Depot USA Inc	100-249	10	0.89%	The Home Depot USA Inc	*	10	*
10	KR Acquisitions 1 LLC ET AL (Kern River Gas)	100-249	10	0.89%	KR Acquisitions 1 LLC ET AL (Kern River Gas)	*	10	*
10	Kroger Group Cooperative Inc (Smiths Food)	100-249	10	0.89%	Kroger Group Cooperative Inc (Smiths Food)	*	10	*
10	Mastercontrol Inc	100-249	10	0.89%	Mastercontrol Inc	*	10	*
10	Mountain Land Rehabilitation, Inc	100-249	10	0.89%				
10	Navitaire Inc	100-249	10	0.89%	Navitaire Inc	*	10	*
10	Savage Industries Inc	100-249	10	0.89%	Savage Industries Inc	*	10	*
10	Security National Mortgage	100-249	10	0.89%				
10	Target Corporation	100-249	10	0.89%	Target Corporation	*	10	*
10	Whole Foods Market	100-249	10	0.89%				
Top Ten Principal Employers		5,040 - 9,875		41.82%				
All Reported Employers in City		12,084 - 26,025						

Source: Utah Department of Workforce Services
Cottonwood Heights incorporated in 2005, Fiscal Year 2006 is first complete year
* 2006 Data unavailable; Majority of 2013 employers were operational in 2006, No other top ten employers expected.
Cottonwood Heights does not maintain employer - employee data

COTTONWOOD HEIGHTS
STATISTICAL SECTION

OPERATING INFORMATION: CHART-16
Cottonwood Heights
Full-time Equivalent Employees by Function
Last Ten Fiscal Years

Function	Full-time Equivalent Employees as of June 30									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005 (1/2)
General Government	16.23	16.64	16.11	15.11	15.52	14.77	15.10	13.23	11.00	10.12
Public Safety										
Police										
Sworn Officers	36.50	36.50	36.25	35.25	34.50	33.00	2.00	-	-	-
Non-Sworn	11.46	10.96	10.20	10.00	8.75	8.75	-	-	-	-
Ordinance Enforcement	2.00	2.00	2.00	2.00	2.00	2.00	3.00			
Highways and streets										
Maintenance	4.65	4.65	4.00	4.20	2.00	2.00	1.00	1.00	-	-
Community & Economic Development	5.17	4.54	4.54	4.00	3.15	4.50	4.50	4.50	5.00	3.00
Total	76.01	75.29	73.10	70.56	65.92	65.02	25.60	18.73	16.00	13.12

Source: City Finance / Budget department
Cottonwood Heights was incorporated January 14, 2005

COTTONWOOD HEIGHTS STATISTICAL SECTION

OPERATING INFORMATION: CHART-17
Cottonwood Heights
Operating Indicators by Function
Last Ten Years

	Fiscal year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005 (1/2)
Public Safety										
Police:										
CHPD-Total calls for service	21,666	25,614	25,379	22,316	23,860	22,050	7,323	-	-	-
Homicide, Armed Robbery, Assaults w/Weapons	34	26	30	12	**	**	**	-	-	-
Clearance Rates	82%		90%	92%						
Assault, Burglary, Larceny, Vehicle Thefts & Rapt	983	1020	995	966	**	**	**	-	-	-
Clearance Rates	20%		73%	55%						
CHPD-Number of arrests	1,185	1,329	1,270	1,015	990	933	22	-	-	-
CHPD-Number of DUI arrests	127	308	307	135	178	255	88	-	-	-
CHPD-Avg. Priority 1 calls response times	5:09	4:28	4:40	4:51	4:47	4:47	5:23	6:47	6:40	-
SLCoSheriff-Avg. Priority 1 calls response times										
Ordinance Enforcement:										
Animal involved calls for service	1,171	1,373	1,362	1,188	**	**	**	**	**	**
Ordinance violation citations issued	118	127	92	108	**	**	**	**	**	**
Fire:										
Number of fire calls	822	881	946	959	923	882	1,054	1,068	1,013	975
Number of medical calls	2,477	2,224	2,520	2,363	2,281	1,997	2,242	2,153	2,375	2,104
Public Works										
Number of closed excavation permits issued	72	223	229	274	429	177	236	225	167	15
Square feet of chip seal applied	237,650	556,500	476,050	651,489	1,159,335	-	889,561	680,531	-	-
Square feet of slurry seal / reclaimer applied	759,310	1,696,665	411,865	1,052,379	-	654,972	3,586,922	2,159,871	-	-
Square feet of overlay completed	236,280	541,755	477,367	524,549	275,298	315,201	454,810	664,727	-	-
Community and Economic Development										
Number of business licenses renewed	1,421	1,291	1,269	1,388	1,425	1,441	1,337	1,263	**	**
Number of new business licenses issued	180	154	167	163	154	214	269	260	**	**
Building permits issued	486	408	382	372	389	384	406	560	545	**
Number of building inspections	1,234	1,102	1,149	1,149	**	**	**	**	**	**
Square footage of new office space	160,000	-	232,000	-	-	-	-	-	-	-
Total square footage of office space	2,445,842	2,285,842	2,298,481	2,053,842	**	**	**	**	**	**

Source: Various City departments
**not available

**COTTONWOOD HEIGHTS
STATISTICAL SECTION**

OPERATING INFORMATION: CHART-18
Cottonwood Heights
Capital Asset Statistics by Function
Last Ten Years

Function	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005 (1/2)
General Government										
Number of general governmental buildings (leased)	1	1	1	1	1	1	1	1	1	1
Number of storage buildings (owned/leased)	0/4	0/4	1/1	1/1	1/1	1/1	1/1	1/0	1/0	-
Public Safety										
Number of Police stations (leased)	1	1	1	1	1	1	-	-	-	-
Number of Police substations (County owned) (1)	-	-	-	-	-	-	1	1	1	1
Number of Fire stations (1)	2	2	2	2	2	2	2	2	2	2
Fire Hydrants	1080	1,080	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123
Library (1)	1	1	1	1	1	1	1	1	1	1
Public Works										
Number of Public Works buildings / Yards	0/1	0/1	0/1	0/1	0/1	0/1	0/1	-	-	-
Number of Street Lights	1,090	870	868	868	868	868	868	868	868	868
Number of Lane Miles of Road	250	250	250	250	250	250	250	250	250	250
Number of Intersections with Traffic Signals	32	32	32	32	32	32	32	32	32	32
Miles of Storm drains	71.9	45.1	45.1	45.1	45.1	45.1	45.1	45.1	45.1	45.1
Number of closed excavation permits issued	75	226	229	274	429	177	236	225	167	15
Recreations and Parks										
Number of full service Recreation Facilities (1)	1	1	1	1	1	1	1	1	1	1
Acres of City owned Parks	18.96	18.96	18.96	9.53	9.53	2.14	1.63	1.63	1.63	-
Acres of non-City owned Parks (1)	117.25	117.25	117.25	117.25	117.25	117.25	117.25	117.25	117.25	117.25

Source: City Finance / Budget department
Cottonwood Heights was incorporated January 14, 2005
(1) Owned by Salt Lake County or a Special District



2014-15
MONTHLY
FINANCIAL REPORT

AS OF
November 30, 2014

Prepared by: Finance

December 16, 2014
Cottonwood Heights

The Honorable Mayor and Members of the City Council:

The monthly financial report for the 2014-2015 fiscal year, month ending November 30, 2014 is presented for your review and comment. A new financial report has been added this month for the Community Development and Renewal Agency (CDRA) fund, see page 10.

General Fund – Revenue

Real Property Taxes - Deferred calendar year 2014 revenues have been posted into fiscal 2015 along with significant annual property tax collections occurring through the end of December.

Sales Tax Collections – Collections for the city occur two months behind the merchant’s collection and three months of distribution for fiscal year 2015 have been received. Currently collections are 101.73 percent of the prior year.

E911 Emergency Fees – The City continues to receive a part of the E911 revenues generated on telephones within the City boundaries.

Fee-In-Lieu of Property Taxes – Deferred calendar year 2014 revenues have been posted into fiscal 2015 along with any current monthly revenues.

Franchise Taxes (Cable TV) – This revenue source reports and pays on a quarterly basis. This revenue continues to increase slightly year over year.

Transient Room Tax Collections – This tax collection is reported by entities on the same schedule as general sales tax reporting.

Licenses and Permits –Business Licensing’ activity is on target. Building permits have started this year on target. Road Cuts revenues are billed monthly along with over the counter payments. Animal licensing collections are entering their seventh year.

Intergovernmental Revenues – Class C road funds are paid bi-monthly. Liquor Funds are distributed once a year in December. Other Federal Grants (CDBG) are reimbursed to the City as expenses are submitted for funding.

Charges for Service – Zoning revenues are on target for the year. Billings for annual inspections of short term rentals as part of their annual business licensing have been correctly reflected as current July revenue.

Fines and Forfeitures – Primary revenues from tickets processed through Holladay Justice court are reconciled and collected quarterly.

Miscellaneous/Interest – The interest earnings on our PTIF account with the State Treasurer is split among General Fund and Capital Projects Fund and other designated fund balances. Total earnings in all funds in the PTIF for the fiscal year are \$12,851 and are mostly credited to Capital Projects Fund balance.

General Fund – Expenditures

General Government – All department expenditures are within budgeted amounts. Some departments have large annual expenditures during the first period of the year.

Public Safety - The Public Safety department includes police, fire and ordinance enforcement. The police department is within budget year to date. The fire department is billed quarterly and reflects payments for services through December 30th. Ordinance Enforcement is within budget.

Highways & Public Improvements – Public Works expenditures are within budget. Impact Fee Programs include both Storm Water and Transportation fee projects. The Class C Road program budget is primarily for street sweeping and the Terracare Associates roads contract.

Community and Economic Development - All department expenditures are within budget.

Debt Service - The City has a capital lease for leased public safety vehicles. Interest on this debt is accrued to the fiscal year in which it was earned.

General Fund - Other Financing Sources and Uses

Unrestricted General Fund Balance Appropriated – This amended budgeted balance has been budgeted at \$604,608 from fiscal year 2014 fund balance.

Appropriated Beg Balances – Class C Road funds’ carried forward from the prior year is estimated at zero.

Transfers - Transfers to the Capital Projects fund are budgeted and primarily expended at year-end when available funds are known. There is \$121,911 of budgeted transfer to Capital Projects.

General Fund – Fund Balance

Fund Balance - The Beginning Balance of Unrestricted funds for fiscal year 2015 is currently estimated at \$2,407,142. Of this amount, the Unrestricted Assigned General Fund Balance is a 6.0 percent reserve of \$924,392. Of the remaining funds, \$604,680 has been appropriated in the current amended budget and \$121,911 has been budgeted as a transfer to Capital Improvement Fund.

Capital Projects – Revenue

Revenue - Interest calculations are based on the PTIF earnings rate at the State of Utah Treasurer’s Pool account for the City. Impact fees are collected on new development permits as they are issued. There is also a budgeted CDBG grant.

Capital Projects - Expenditures

General Government –This budget includes \$17,338,152 for projects and engineering. Various projects are itemized as line items in this report.

Capital Projects – Other Financing Sources / Uses

Transfers from General Fund – There is an amended budgeted transfer from the General Fund for \$121,911. Transfers in the fiscal year will be made when annual revenues and expenditures are known and available funds are known at year end.

Reimbursements – Sales Tax Revenue Bonds – These funds come from the Sale Tax Revenue Bonds issued July 2, 2014. Reimbursements of amounts spent in fiscal year 2014 have been reimbursed in fiscal year 2015. Future expenditures that are to be covered by bond proceeds, will be reimbursed as requests are submitted.

Fund Balance Appropriations – Restricted Impact Funds of \$121,911 for both Storm Water and Transportation impact fees have been appropriated. The unrestricted fund balance has been amended to \$2,300,718 and is most of the prior year’s ending fund balance. All prior budgeted capital projects amounts that were unspent in fiscal year 2014 have been reviewed and re-appropriated through budget amendments in 2015.

Employee Benefits Fund – an Internal Service Fund

The purpose of this fund is to pay as you go with regards to employee’s accrued benefits. This report shows the total balance in the PTO liability account from the prior fiscal year-end. The year-end calculated amount of the potential future

liability of lump sum payouts is funded each year. By doing so the City should never find itself with an unexpected or unfunded employee benefit liability. This was funded \$1,597.01 in FY 2014 based on actual accrued employee PTO (Personal Time Off) and is budgeted to receive an additional \$104,371 funding at year-end. Current funded liability balance is \$317,628.

Community Development and Renewal Agency

The purpose of this fund is to account for activity of the Interlocal Agreement between the City and the Canyon Centre Community Development Project Area.

Community Events & Activity Summary

This report is a compilation of various activities that are tracked to collect data by project or activity. The amounts shown are as of the date of the report.

Sincerely,

A handwritten signature in cursive script that reads "Steve Fawcett". The signature is written in black ink and is positioned above the printed name.

Steve Fawcett
Finance Director
Cottonwood Heights
"City between the Canyons"

COTTONWOOD HEIGHTS
11 - GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDING NOVEMBER 30, 2014

REVENUES	ADOPTED BUDGET	AMENDED BUDGET	CURRENT MONTH ACTUAL	YTD ACTUAL	OUTSTANDING CURRENT YTD ENCUMBRANCE	BUDGET VARIANCE POS (NEG)	YTD ACTUAL % OF AMENDED BUDGET
TAXES							
REAL PROPERTY TAXES	\$ 6,589,477	\$ 6,589,477	\$ 2,151,966	\$ 2,542,144	\$ -	\$ (4,047,333)	39%
GENERAL SALES AND USE TAXES	5,300,000	5,300,000	477,169	1,331,519	-	(3,968,481)	25%
E911 EMERGENCY TELEPHONE FEES	265,000	265,000	24,233	70,762	-	(194,238)	27%
FEE-IN-LIEU OF PROPERTY TAXES	390,000	390,000	32,242	313,710	-	(76,290)	80%
FRANCHISE TAXES - CABLE TV	331,700	331,700	74,139	74,139	-	(257,561)	22%
INNKeeper TAX	25,000	25,000	2,155	3,788	-	(21,212)	15%
TOTAL TAXES	12,901,177	12,901,177	2,761,905	4,336,062	-	(8,565,115)	34%
LICENSES AND PERMITS							
BUSINESS LICENSES AND PERMITS	220,000	220,000	7,877	87,402	-	(132,599)	40%
BUILDINGS, STRUCTURES AND EQUIPMENT	405,600	405,600	15,320	142,075	-	(263,525)	35%
ROAD CUT FEES	35,000	35,000	1,425	9,350	-	(25,650)	27%
ANIMAL LICENSES	10,000	10,000	680	4,924	-	(5,076)	49%
TOTAL LICENSES AND PERMITS	670,600	670,600	25,302	243,750	-	(426,850)	36%
INTERGOVERNMENTAL REVENUE							
FEDERAL GRANTS	-	-	-	-	-	-	0%
JUSTICE ASSISTANCE GRANT	-	-	-	-	-	-	0%
BVP - Bullet Proof Vest Program	-	-	-	-	-	-	0%
CRIME VICTIM ASSISTANCE GRANT	20,000	20,000	-	1,600	-	(20,000)	0%
STATE GRANTS	-	2,000	-	-	-	(400)	80%
STATE CLICK IT TICKET	-	-	-	12,894	-	-	0%
HIGHWAY SAFETY DUI OT GRANT	-	3,599	-	-	-	9,295	358%
JUV ALC ENF - EZ GRANT	-	-	-	-	-	-	0%
CLASS C ROADS	1,090,000	1,090,000	229,271	527,315	-	(562,685)	48%
LIQUOR FUND ALLOTMENT	45,000	45,000	-	-	-	(45,000)	0%
LOCAL GRANTS	-	3,887	2,750	6,637	-	2,750	0%
MISC LOCAL GRANTS	-	-	-	-	-	-	0%
ULGT GRANT	-	-	-	-	-	-	0%
TOTAL INTERGOVERNMENTAL REVENUE	1,155,000	1,164,486	232,021	548,446	-	(616,041)	47%
CHARGES FOR SERVICE							
ZONING AND SUB-DIVISION FEES	60,000	60,000	8,045	53,987	-	(6,014)	90%
SALE OF MAPS AND PUBLICATIONS	-	-	-	36	-	36	0%
VARIOUS OTHER FEES	5,500	5,500	-	3,100	-	(2,400)	56%
TOTAL CHARGES FOR SERVICE	65,500	65,500	8,045	57,123	-	(8,378)	87%
FINES AND FORFEITURES							
COURTS FINES	535,000	535,000	618	115,432	-	(419,568)	22%
FORFEITURES	-	-	-	8,251	-	8,251	0%
TOTAL FINES AND FORFEITURES	535,000	535,000	618	123,683	-	(411,317)	23%

FOR ADMINISTRATION USE ONLY
41.7% OF THE FISCAL YEAR HAS ELAPSED
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COTTONWOOD HEIGHTS
11 - GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDING NOVEMBER 30, 2014

DESCRIPTION	ADOPTED BUDGET	AMENDED BUDGET	CURRENT MONTH ACTUAL	YTD ACTUAL	OUTSTANDING CURRENT YTD ENCUMBRANCE	BUDGET VARIANCE POS (NEG)	YTD ACTUAL % OF AMENDED BUDGET
MISCELLANEOUS REVENUE							
INTEREST REVENUES	14,000	14,000	219	(1,933)	-	(15,933)	-14%
MISCELLANEOUS REVENUES	35,853	37,353	60	61,171	-	23,818	164%
SALE OF SURPLUS ASSETS	-	-	-	15,286	-	15,286	0%
POLICE RECORDS REVENUES	15,000	15,000	638	3,755	-	(11,245)	25%
EVENT REVENUES	14,401	28,543	-	22,263	-	(6,280)	78%
TOTAL MISCELLANEOUS REVENUE	<u>79,254</u>	<u>94,896</u>	<u>917</u>	<u>100,542</u>	<u>-</u>	<u>5,646</u>	<u>106%</u>
TOTAL REVENUES	<u>\$ 15,406,531</u>	<u>\$ 15,431,659</u>	<u>\$ 3,028,808</u>	<u>\$ 5,409,605</u>	<u>\$ -</u>	<u>\$ (10,022,054)</u>	<u>35%</u>
EXPENDITURES							
GENERAL GOVERNMENT							
LEGISLATIVE							
MAYOR & CITY COUNCIL	540,108	540,108	27,629	290,228	\$ -	\$ 249,880	54%
PLANNING COMMISSION	6,000	6,000	111	432	-	5,568	7%
LEGISLATIVE COMMITTEES & SPECIAL BODIES	144,000	186,848	6,466	99,421	-	87,427	53%
TOTAL LEGISLATIVE	<u>690,108</u>	<u>732,956</u>	<u>34,206</u>	<u>390,081</u>	<u>-</u>	<u>342,875</u>	<u>53%</u>
JUDICIAL							
COURTS & CITY PROSECUTOR & DEFENDER	365,000	365,000	-	74,938	-	290,062	21%
LIQUOR TAX FUNDS	35,000	35,000	-	-	-	35,000	0%
TOTAL JUDICIAL	<u>400,000</u>	<u>400,000</u>	<u>-</u>	<u>74,938</u>	<u>-</u>	<u>325,062</u>	<u>19%</u>
EXECUTIVE AND CENTRAL STAFF							
CITY MANAGER & GENERAL GOVERNMENT	716,590	716,590	33,781	270,855	-	445,735	38%
CITY MANAGER - EMERGENCY MANAGEMENT	30,600	34,488	-	2,955	-	31,533	9%
INFORMATION TECHNOLOGY	137,100	172,100	4,498	50,606	-	121,494	0%
TOTAL EXECUTIVE & CENTRAL STAFF	<u>884,290</u>	<u>923,178</u>	<u>38,279</u>	<u>324,415</u>	<u>-</u>	<u>598,762</u>	<u>35%</u>
ADMINISTRATIVE AGENCIES							
FINANCE	377,381	377,381	27,687	156,574	-	220,807	41%
ATTORNEY	227,482	227,482	(14,938)	102,908	-	124,574	45%
ADMINISTRATIVE SERVICES/RECORDER	462,367	462,367	39,202	202,897	-	259,470	44%
ELECTIONS	-	-	-	-	-	-	0%
TOTAL ADMINISTRATIVE AGENCIES	<u>1,067,230</u>	<u>1,067,230</u>	<u>51,951</u>	<u>462,380</u>	<u>-</u>	<u>604,851</u>	<u>43%</u>
TOTAL GENERAL GOVERNMENT	<u>3,041,628</u>	<u>3,123,364</u>	<u>124,436</u>	<u>1,251,814</u>	<u>-</u>	<u>1,871,550</u>	<u>40%</u>
PUBLIC SAFETY							
POLICE	5,249,542	5,270,942	352,136	2,215,737	31,493	3,023,712	42%
FIRE	3,466,008	3,466,008	23,056	1,740,828	-	1,725,180	50%
ORDINANCE ENFORCEMENT	153,882	153,882	11,284	63,605	-	90,278	41%
TOTAL PUBLIC SAFETY	<u>8,869,433</u>	<u>8,890,832</u>	<u>386,475</u>	<u>4,020,170</u>	<u>31,493</u>	<u>4,839,170</u>	<u>45%</u>

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41.7% OF THE FISCAL YEAR HAS ELAPSED

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COTTONWOOD HEIGHTS
11 - GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDING NOVEMBER 30, 2014

DESCRIPTION	ADOPTED BUDGET	AMENDED BUDGET	CURRENT MONTH ACTUAL	YTD ACTUAL	OUTSTANDING CURRENT YTD ENCUMBRANCE	BUDGET VARIANCE POS (NEG)	YTD ACTUAL % OF AMENDED BUDGET
HIGHWAYS AND PUBLIC IMPROVEMENTS							
PUBLIC WORKS (NON-CLASS C)	1,444,425	1,394,425	108,567	540,101	-	854,324	39%
IMPACT FEE PROGRAM	-	-	-	-	-	-	0%
CLASS C ROAD PROGRAM	1,090,000	1,090,000	77,156	240,223	-	849,777	22%
TOTAL HIGHWAYS AND PUBLIC IMPROVEMENT	2,534,425	2,484,425	185,723	780,324	-	1,704,101	31%
COMMUNITY AND ECONOMIC DEVELOPMENT							
COMMUNITY AND ECONOMIC DEVELOPMENT	70,000	70,000	6,259	23,479	-	46,521	34%
PLANNING	445,632	445,632	32,713	188,960	-	256,672	42%
ENGINEERING	560,000	560,000	37,105	137,381	-	422,619	25%
TOTAL COMMUNITY & ECONOMIC DEVELOPMENT	1,075,632	1,075,632	76,076	349,819	-	725,813	33%
DEBT SERVICE							
INTEREST AND PRINCIPAL	356,476	356,476	-	11,682	-	344,794	3%
TOTAL DEBT SERVICE	356,476	356,476	-	11,682	-	344,794	3%
TOTAL EXPENDITURES	\$ 15,877,593	\$ 15,930,728	\$ 772,710	\$ 6,413,809	\$ 31,493	\$ 9,485,427	40%
EXCESS (DEFIC) OF REVENUES OVER EXPENDITURES	\$ (471,062)	\$ (499,069)	\$ 2,256,098	\$ (1,004,204)	\$ (31,493)	\$ (536,627)	
OTHER FINANCING SOURCES							
UNRESTRICTED GENERAL FUND BEG BAL APPROPRIATED	471,063	604,680	-	604,680	-	-	100%
RESTRICTED CLASS C ROADS BEG BAL (estimated)	-	-	-	-	-	-	0%
TOTAL OTHER FINANCING SOURCES	471,063	604,680	-	604,680	-	-	100%
Subtotal Available Revenues & Sources	0	105,611	2,256,098	(399,523)	(31,493)	(536,627)	
CAPITAL LEASE - PUBLIC SAFETY	-	-	-	1,486,565	-	1,486,565	0%
TRANSFER TO CAPITAL IMPROVEMENT FUND - Class C RoE	-	-	-	-	-	-	0%
TRANSFER TO CAPITAL IMPROVEMENT FUND	-	121,911	-	-	-	(121,911)	0%
TOTAL OTHER FINANCING USES	-	121,911	-	1,486,565	-	1,364,654	0%
CURRENT CHANGE IN FUND BALANCE	0	(16,300)	2,256,098	(1,886,088)	(31,493)	(1,901,280)	
UNRESTRICTED GENERAL FUND BALANCE - unappropriated	-	-	-	-	-	-	0%
UNRESTRICTED ASSIGNED GENERAL FUND 6%	899,412	924,392	-	-	-	(924,392)	0%
FUND BALANCE - "EXPECTED"	\$ 899,412	\$ 908,092	\$ 2,256,098	\$ (1,886,088)	\$ (31,493)	\$ (2,825,672)	-208%
Fund Balance Expected:							
Unrestricted Assigned General Fund 6 %	\$ 899,412	\$ 924,392	\$ 2,256,098	\$ (1,886,088)	\$ (31,493)	\$ (924,392)	100%
Unrestricted Unassigned General Fund (Current Estimate)	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ (1,901,280)	

Coltonwood Heights
45 - Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Period Ending November 30, 2014

DESCRIPTION	ADOPTED BUDGET	AMENDED BUDGET	CURRENT MONTH ACTUAL	YTD ACTUAL	OUTSTANDING CURRENT YTD ENCUMBRANCE	BUDGET VARIANCE POS (NEG)	YTD ACTUAL % OF AMENDED BUDGET
REVENUES							
FEDERAL GRANT - CDBG	\$ 121,051	\$ 121,051	\$ -	\$ -	\$ -	\$ (121,051)	0%
STATE GRANT	-	-	-	-	-	-	0%
LOCAL GRANT REVENUE	-	-	-	-	-	-	0%
IMPACT FEES - CURRENT YEAR COLLECTIONS	50,000	50,000	3,913	13,451	-	36,549	0%
INTEREST REVENUES	30,000	30,000	2,465	12,735	-	(17,265)	42%
PRIVATE HOA CONTRIBUTION	-	90,000	-	-	-	(90,000)	0%
TOTAL REVENUES	201,051	291,051	6,378	26,187	-	(191,767)	9%
EXPENDITURES							
CAPITAL PLAN EXPENDITURES							
PAVEMENT MGMT - ROAD CONSTRUCTION	966,926	966,926	2,115	521,930	-	444,996	54%
ADA RAMPS	121,051	161,051	-	-	-	161,051	0%
INTERSECTION IMPROVEMENTS	-	314,848	1,579	11,091	-	303,757	4%
TRAFFIC CALMING	-	-	-	-	-	-	0%
STORM DRAIN IMPROVEMENTS	25,000	-	-	-	-	-	0%
CROSS GUTTER REPLACEMENT	-	40,000	304	304	-	39,696	1%
SIDEWALK REPLACEMENT	-	50,000	1,267	15,101	-	34,899	30%
PUBLIC WORKS SITE	1,956,500	2,056,500	-	1,703	-	2,054,798	0%
BENGAL BLVD	1,351,470	1,263,748	-	8,651	-	1,255,096	1%
SAFE SIDEWALKS (7200 South)	-	40,000	-	39,752	-	248	99%
CIP - SUSTAINABILITY PLAN	-	-	-	-	-	-	0%
HAZARD MITIGATION	-	75,000	15,203	44,611	-	30,389	59%
1700 E RECONSTRUCTION	-	171,016	6,303	65,347	-	105,670	38%
UNION PK LANDSCAPE/ACMgmt	-	94,338	-	105,326	-	(10,988)	112%
FT UNION PARK & RIDE	925,000	1,154,635	604,931	807,710	-	346,925	70%
GOLDEN HILLS PARK	-	-	-	-	-	-	0%
TRAFFIC ADAPTIVE	-	126,800	-	-	-	126,800	0%
PIPPEN DR STORM DRAIN	-	-	-	-	-	-	0%
HIGHLAND DR ACCESS RAMP	-	25,000	-	-	-	25,000	0%
3000 EAST WALL CONSTRUCTION	-	129,000	28,749	157,721	-	(28,721)	0%
BROWN SANFORD INV & ASSESSMENT	30,000	30,000	-	-	-	30,000	0%
PROSPECTOR STREET LIGHTS	-	25,000	-	-	-	25,000	0%
TONI CIRCLE SCHOOL ZONE	-	35,000	-	2,235	-	32,765	6%
PINE CREEK LAINE EXT	-	26,000	-	26,514	-	(514)	102%
MISCELLANEOUS SMALL PROJECTS	-	-	-	-	-	-	0%
CITY MUNICIPAL CENTER	10,460,959	10,553,291	94,348	238,649	-	10,314,642	2%
TOTAL EXPENDITURES	15,836,906	17,338,152	754,798	2,046,645	-	15,291,507	12%
OTHER FINANCING SOURCES (USES)							
TRANSFERS FROM GENERAL FUND	-	121,911	-	-	-	121,911	0%
TRANSFERS FROM GENERAL FUND - Class C	-	-	-	-	-	-	0%
RESTRICTED IMPACT FUNDS	-	128,472	-	-	-	128,472	100%
REIMBURSEMENTS - SALES TAX REVENUE BOND	-	14,496,000	-	3,937,833	-	10,558,167	0%
UNRESTRICTED ASSIGNED CIP FUND - appropriated	15,635,855	2,300,718	-	-	-	2,300,718	0%
TOTAL OTHER FINANCING SOURCES	15,635,855	17,047,101	-	3,937,833	-	13,109,269	23%
Fund Balance Expected:							
CIP Fund Balance remaining	\$ (0)	\$ 117,594	\$ (748,420)	\$ 1,917,374	\$ -	\$ 1,799,780	0%
41.7% OF THE FISCAL YEAR HAS ELAPSED							

Cottonwood Heights
65-Employee Benefits Fund (an Internal Service Fund)
Statement of Revenues, Expenditures November 30, 2014

DESCRIPTION	ADOPTED BUDGET	AMENDED BUDGET	CURRENT MONTH ACTUAL	YTD ACTUAL	OUTSTANDING CURRENT YTD ENCUMBRANCE	BUDGET VARIANCE POS (NEG)	YTD ACTUAL % OF AMENDED BUDGET
OPERATING REVENUES							
CHARGES FOR EMPLOYEE BENEFITS	\$ 104,371	\$ 104,371	\$ -	\$ -	\$ -	\$ (104,371)	0%
	104,371	104,371	-	-	-	(104,371)	0%
OPERATING EXPENSES							
EMPLOYEE BENEFIT ACCRUALS	105,271	105,271	-	-	-	105,271	0%
	105,271	105,271	-	-	-	105,271	0%
OPERATING INCOME (LOSS)	(900)	(900)	-	-	-	900	0%
NON-OPERATING REVENUES							
INTEREST REVENUES	900	900	133	641	-	(259)	71%
NON-OPERATING INCOME (LOSS)	900	900	133	641	-	(259)	
Change in Net Position	\$ -	\$ -	\$ 133	\$ 641	\$ -	\$ 641	0%

NOTE: Balance of Liability Account

NET ACCUMULATED LIABILITY - BEGINNING OF FY
ACCRUED FUTURE LIABILITY ADDED FY2015
NET ACCUMULATED LIABILITY - ENDING OF FY

**Calculations & Accruals made at year-end.

\$ 317,628
 105,271
 422,899

Cottonwood Heights
21-Special Revenue Fund - CDRA
Statement of Revenues, Expenditures November 30, 2014

DESCRIPTION	ADOPTED BUDGET	AMENDED BUDGET	CURRENT MONTH ACTUAL	YTD ACTUAL	OUTSTANDING CURRENT YTD ENCUMBRANCE	BUDGET VARIANCE POS (NEG)	YTD ACTUAL % OF AMENDED BUDGET
EXPENDITURES							
CDRA - Canyons Center	\$ -	\$ -	\$ 42,919	\$ 42,919	\$ -	\$ 42,919	0%
TOTAL EXPENDITURES	-	-	42,919	42,919	-	42,919	0%
OTHER FINANCING SOURCES (USES)							
TAX INCREMENT FROM GENERAL FUND	-	-	-	-	-	-	0%
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	0%
FUND BALANCE - "EXPECTED"	\$ -	\$ -	\$ 42,919	\$ 42,919	\$ -	\$ 42,919	0%

Activity Report
as of
November 30, 2014

Activity Number	Activity Name	Adopted Fiscal Year Budget	Changes to Fiscal Year Budget	Modified Fiscal Year Budget	YTD Expenses	YTD Reimbursements or Revenue	Remaining Budget
401	Activity-Neighborhood Watch	500.00	0.00	500.00	0.00	0.00	500.00
700	Events-Misc. City	4,750.00	0.00	4,750.00	768.33	0.00	3,981.67
702	Events-Meet the Candidates (YCC Sponsor)	500.00	0.00	500.00	0.00	0.00	500.00
703	Events-Halloween Event	750.00	0.00	750.00	744.20	0.00	5.80
704	Events-Emergency Fair	5,000.00	0.00	5,000.00	4,647.52	0.00	352.48
733	Events-CWHPRSA Hosting/Sponsor Contract	10,000.00	0.00	10,000.00	10,000.00	0.00	0.00
718	Events-CWHPRC Adult Tennis Classic Sponsorship	1,500.00	0.00	1,500.00	1,500.00	0.00	0.00
719	Events-CWHPRC Movie in the Park Sponsorship	3,000.00	0.00	3,000.00	2,000.00	0.00	1,000.00
721	Events-CWHPRC Turkey Day Run Sponsorship	5,000.00	0.00	5,000.00	0.00	0.00	5,000.00
710	Events-Youth City Council	5,000.00	0.00	5,000.00	344.70	-400.00 RV	4,655.30
711	Events-City Birthday Party	15,000.00	0.00	15,000.00	1,649.97	0.00	13,350.03
713	Events-Bark in the Park/Pooch Plunge	4,000.00	0.00	4,000.00	2,810.83	0.00	1,189.17
716	Events-Easter Egg Hunt	5,500.00	0.00	5,500.00	0.00	0.00	5,500.00
724	Events-Butterville Days and Float	52,000.00	0.00	52,000.00	69,973.57	-17,533.00 RB	-440.57
724	Events-Butterville Days Taxable Sales	0.00	0.00	0.00	0.00	-3,717.00 RV	NA
725	Events-History Committee	2,500.00	0.00	2,500.00	2,184.44	0.00	315.56
734	Events-History Markers along Big Cottonwood Trail	8,000.00	0.00	8,000.00	0.00	0.00	8,000.00
726	Events-Biking Committee	500.00	0.00	500.00	0.00	0.00	500.00
727	Events-Arts Council Play	10,000.00	0.00	10,000.00	15,079.24	0.00 RB	-5,079.24
727	Events-Arts Council Play Reimbursements/Ticket Sales	0.00	13,427.00 3	13,427.00	0.00	-13,427.00 RV	13,427.00
727	Events-Arts Council Play Taxable Sales	0.00	714.75 3	714.75	0.00	-714.75 RV	714.75
732	Events-Arts Council Non Play Activities	0.00	26,706.15 1	26,706.15	3,210.90	0.00 RV	23,495.25
204	Grants-2012-13 ZAP Grant-Arts Council	0.00	0.00	0.00	0.00	0.00	0
206	Grants-2014 On-Stage State Arts Grant	0.00	0.00	2,000.00	2,057.00	-1,600.00 RV	1,600.00
728	Events-Night Out Against Crime	0.00	0.00	0.00	0.00	0.00	0.00
729	Events-City Awards and Recognition	0.00	0.00	0.00	0.00	0.00	0.00
730	Events-Volunteer Recognition	5,500.00	0.00	5,500.00	500.00	0.00	5,000.00
731	Events-City Banner Program	5,000.00	0.00	5,000.00	0.00	0.00	5,000.00
735	Activity-Golden Hills Park Site/Development Plan	0.00	0.00	0.00	0.00	0.00	0.00
Total		144,000.00	40,847.90	186,847.90	117,470.70	-37,391.75	88,567.20

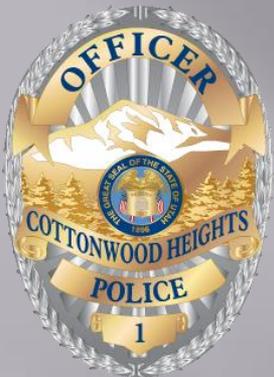
1 Budget Amendment-FY2014 carryover
2 Budget Amendment-Other
3 Budget Amendment-FY2015 budget earned revenue

Capital Projects

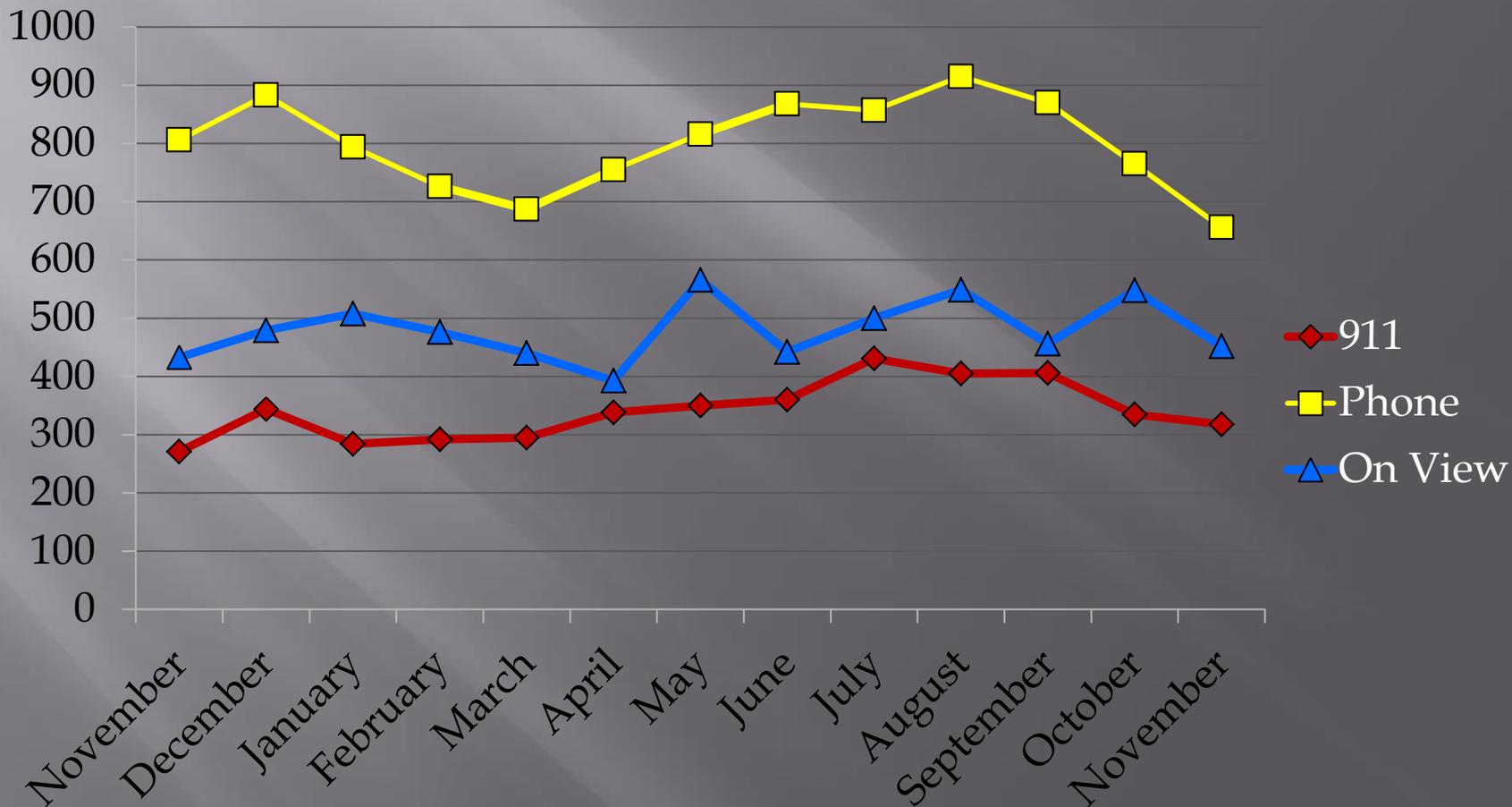
See report on Capital Projects fund 45

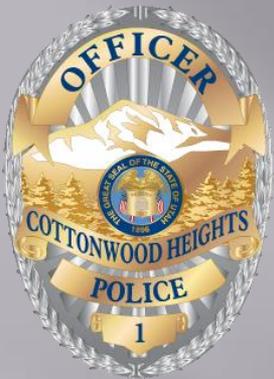
**Cottonwood Heights
Police Department
November 2014**



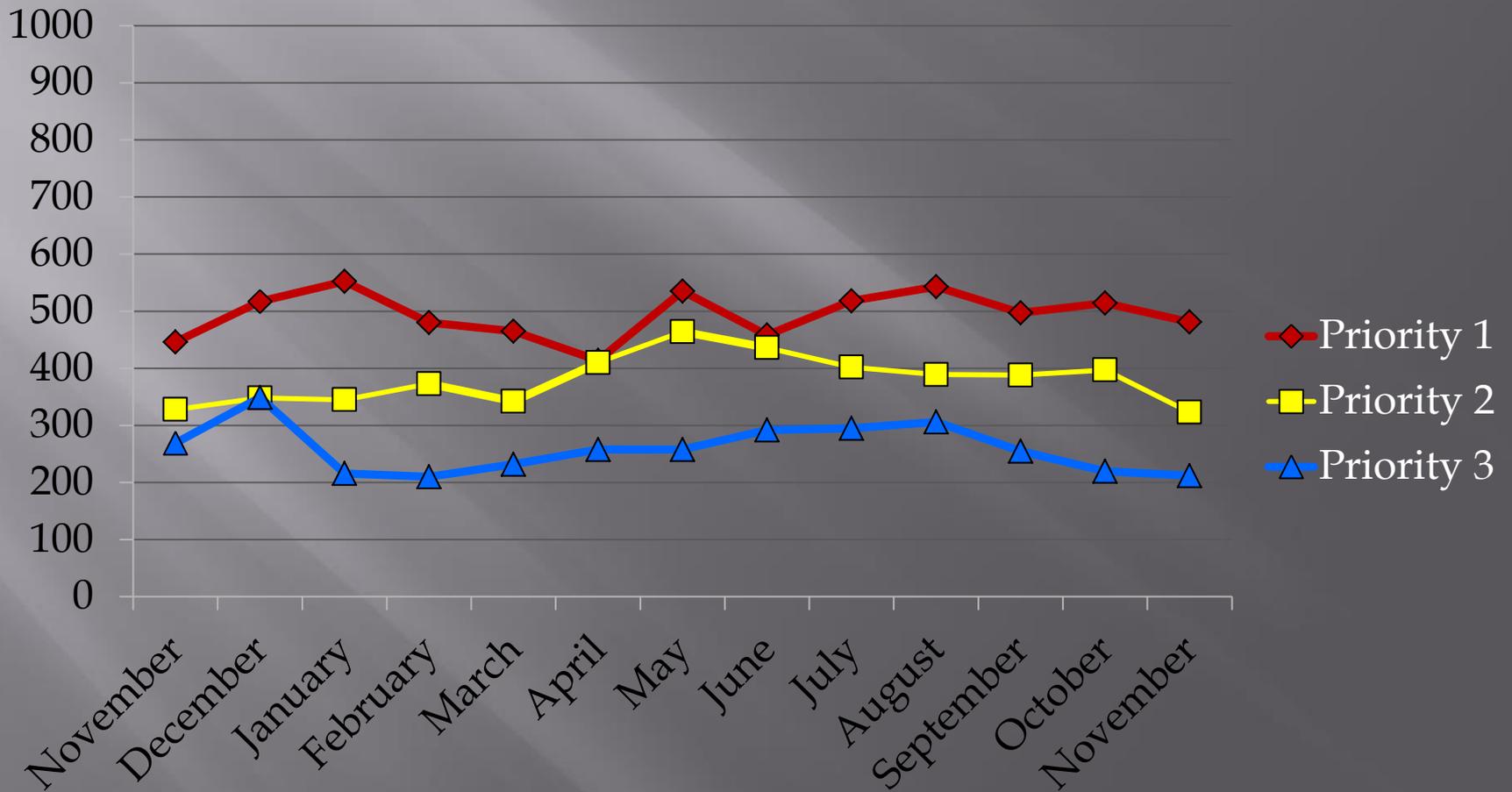


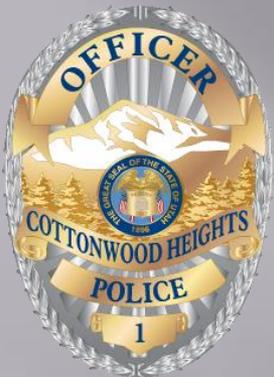
Calls For Service By Source



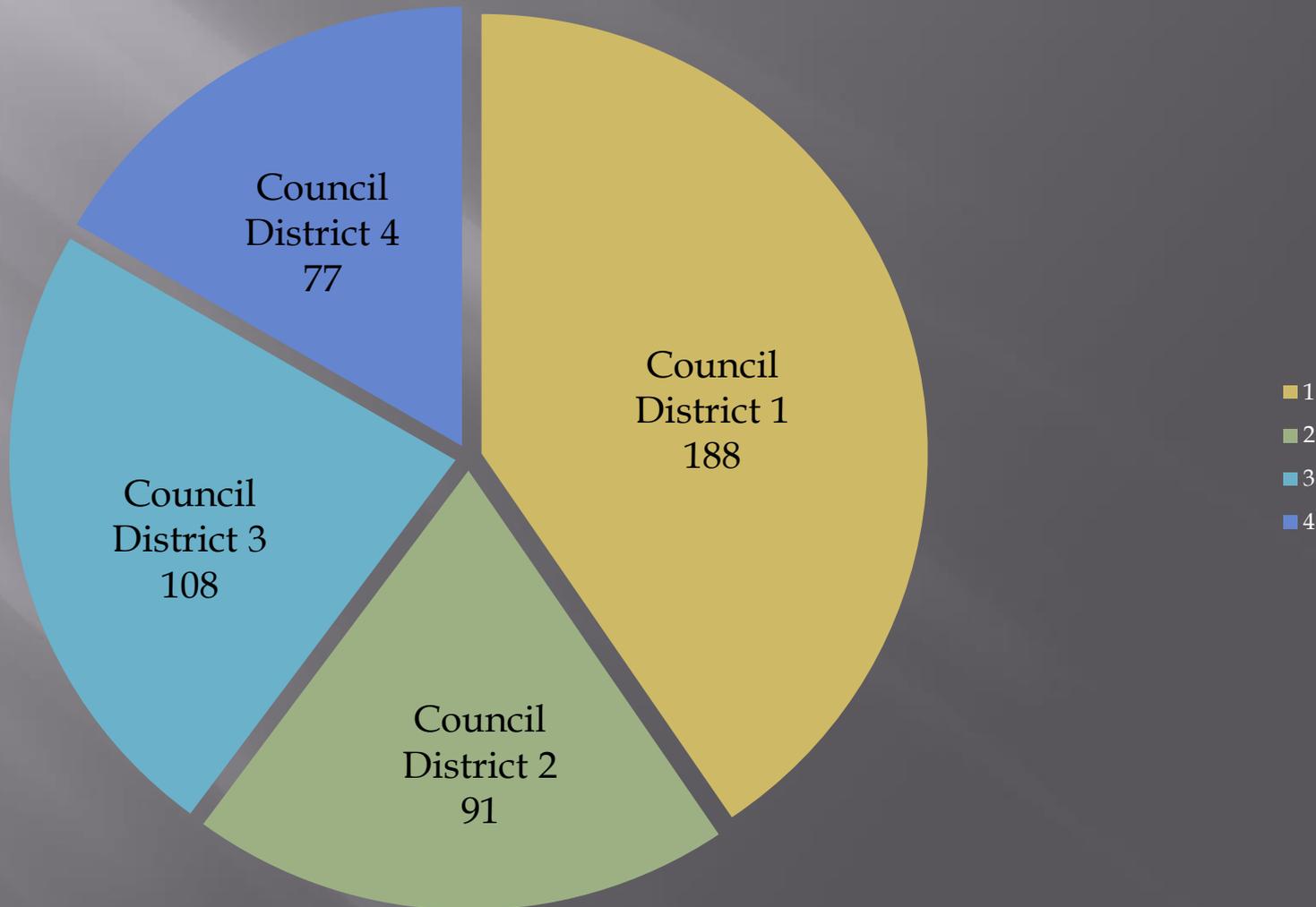


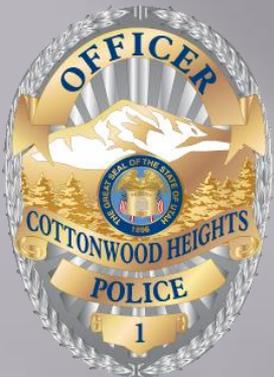
Calls for Service by Priority



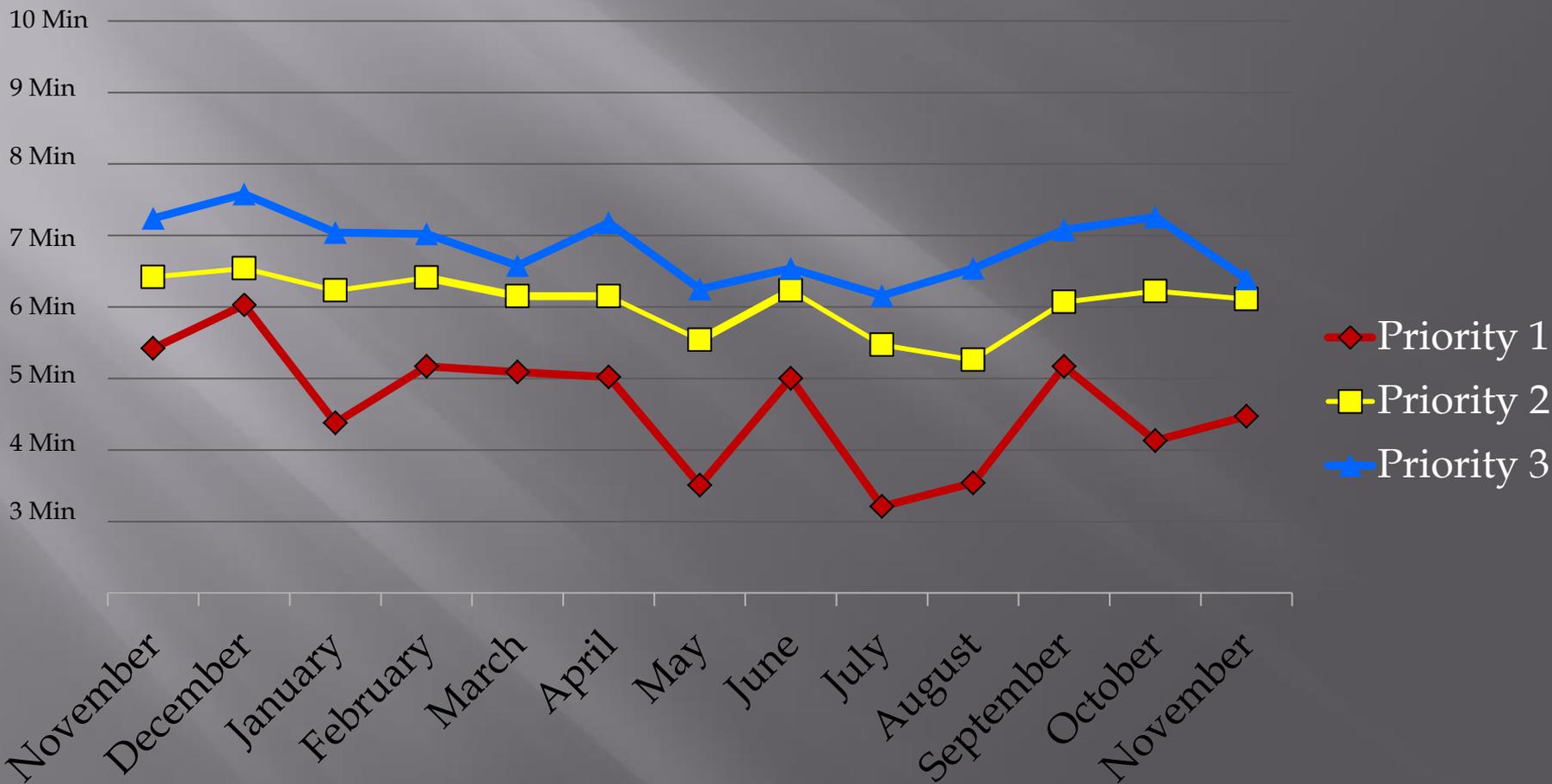


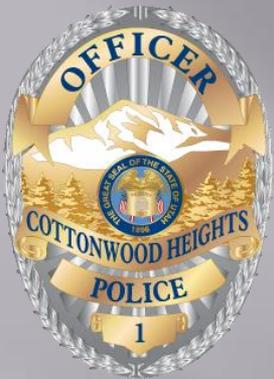
Reports by Council District





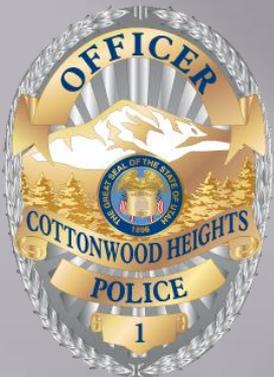
Response Times



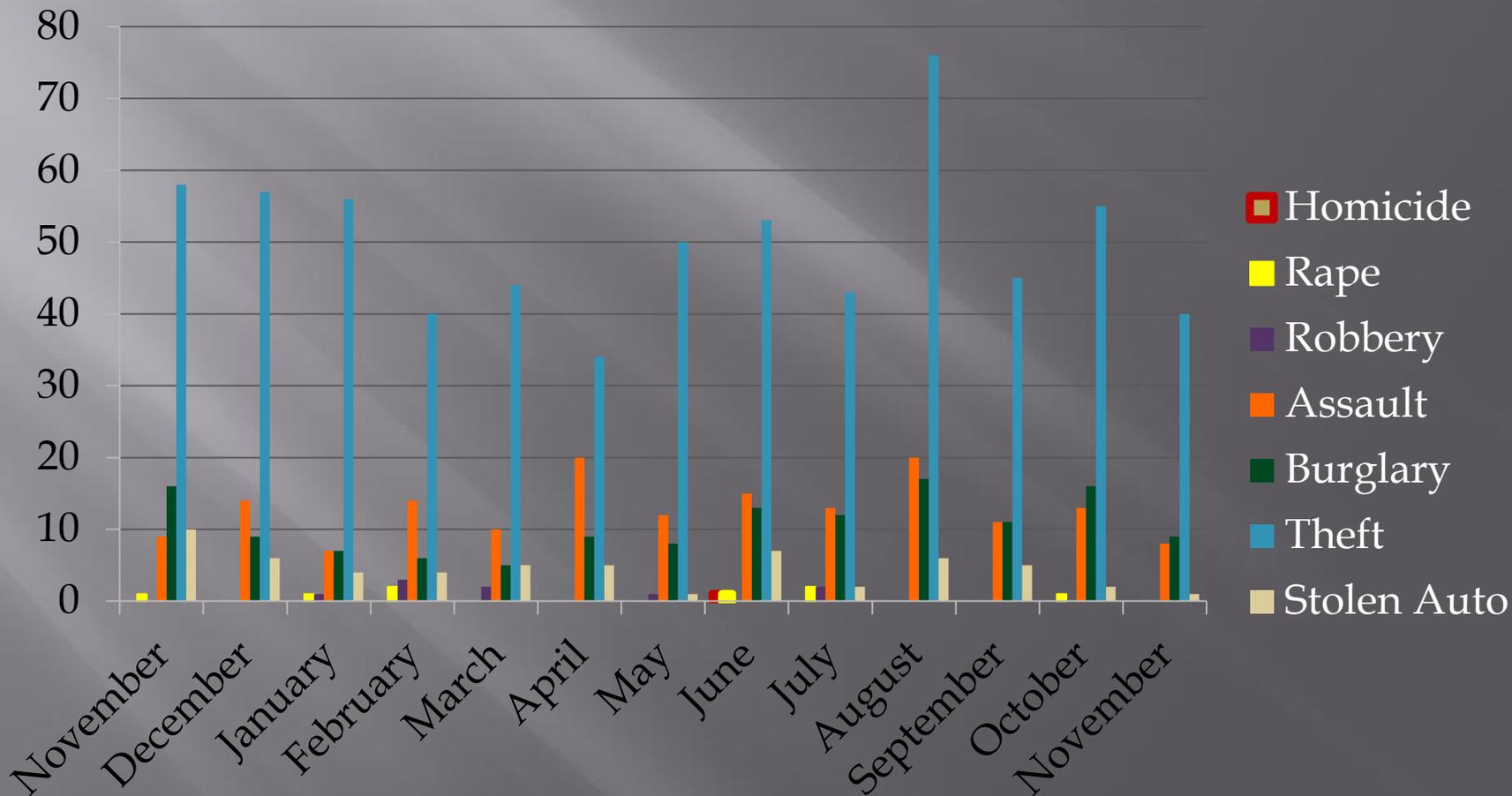


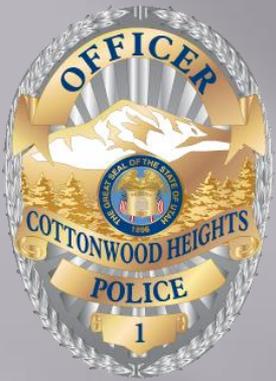
Overall UCR Crime View

	November 13	November 14
Homicide	0	0
Rape	1	0
Robbery	0	0
Assault	14	8
Burglary	9	9
Theft	57	40
Stolen Auto	6	1
Total	87	58

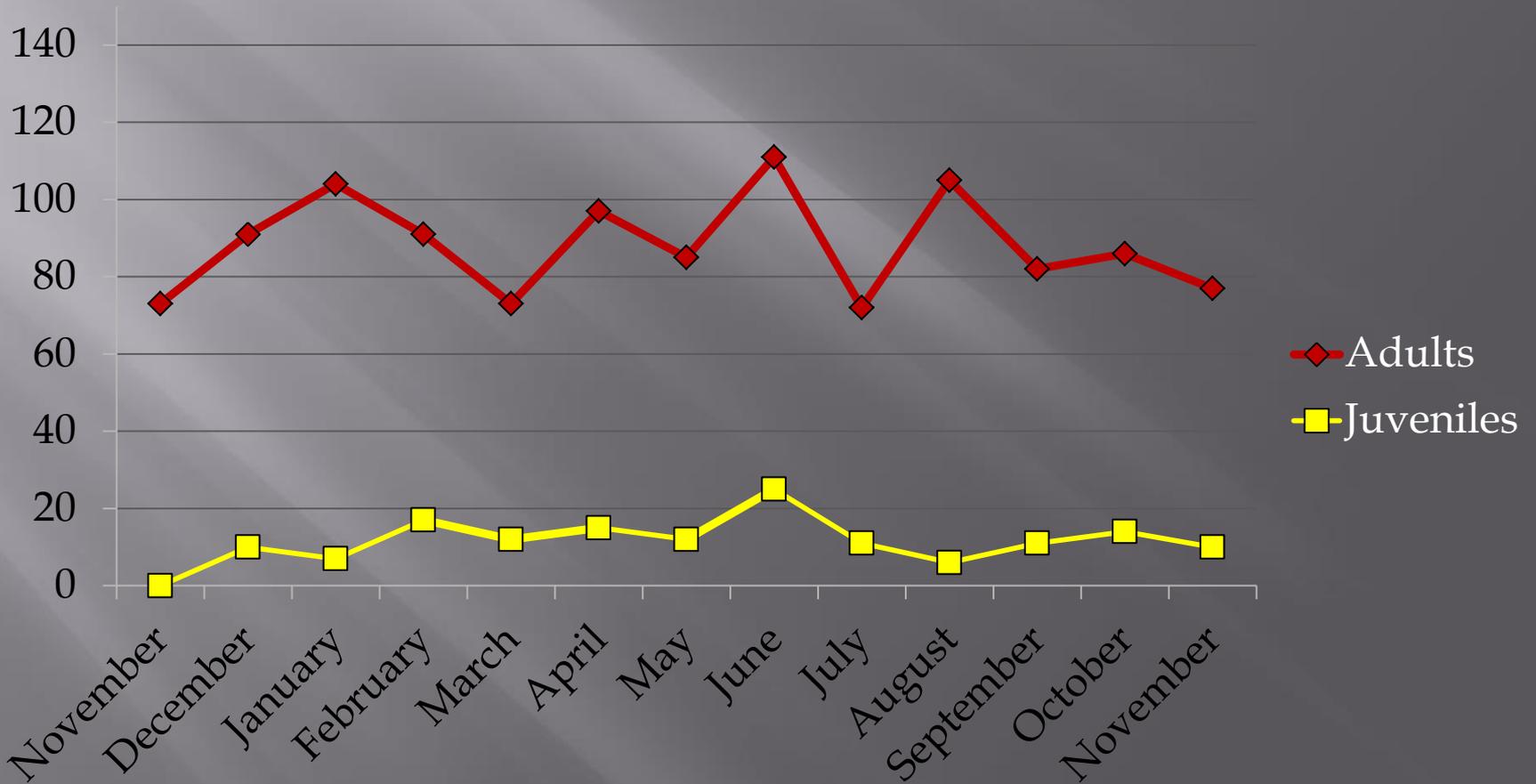


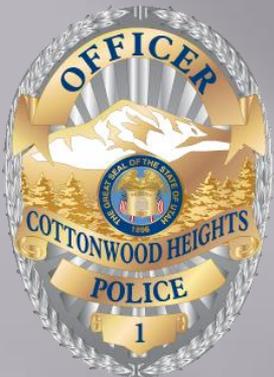
UCR Crime View





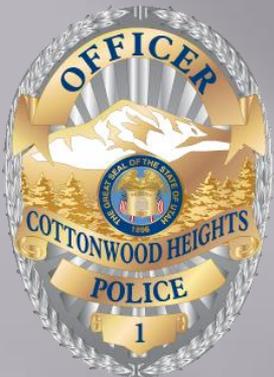
Arrests



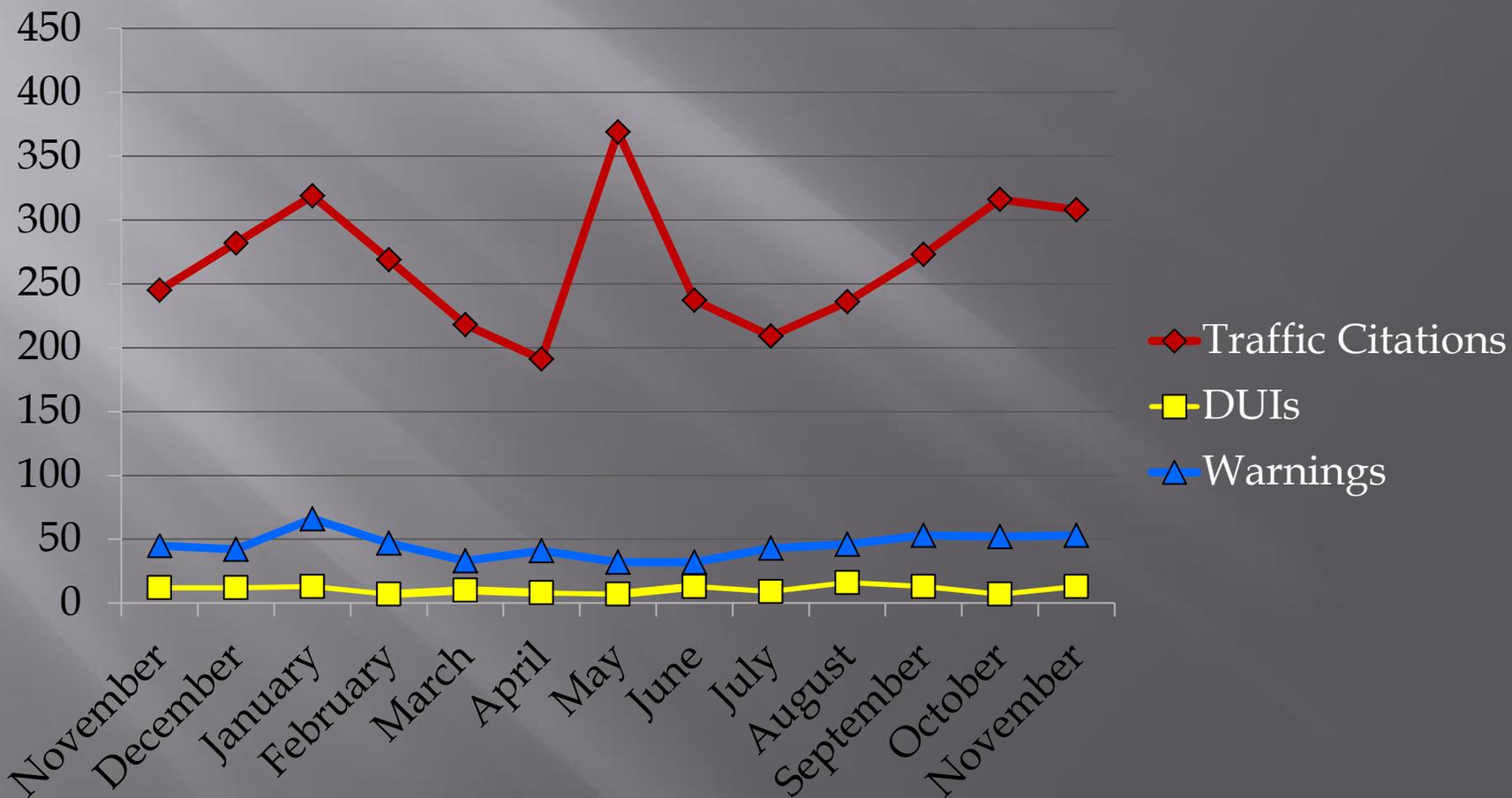


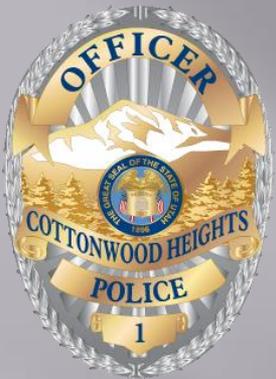
Arrests by Offense

Offense	Adult	Juvenile
Burglary	4	
Theft	18	
Other Assault	6	2
Arson		1
Forgery	1	
Vandalism	2	
Weapons Offense	1	
Sale / Manufacturing of Marijuana		2
Sale / Manufacturing of Other Drugs		1
Possession of Marijuana	2	
Possession of Other Drugs	8	
Family Offense	5	
DUI	13	
Liquor Laws	1	
Drunkenness	5	
Disorderly Conduct		1
All Other	11	3
Total	77	10

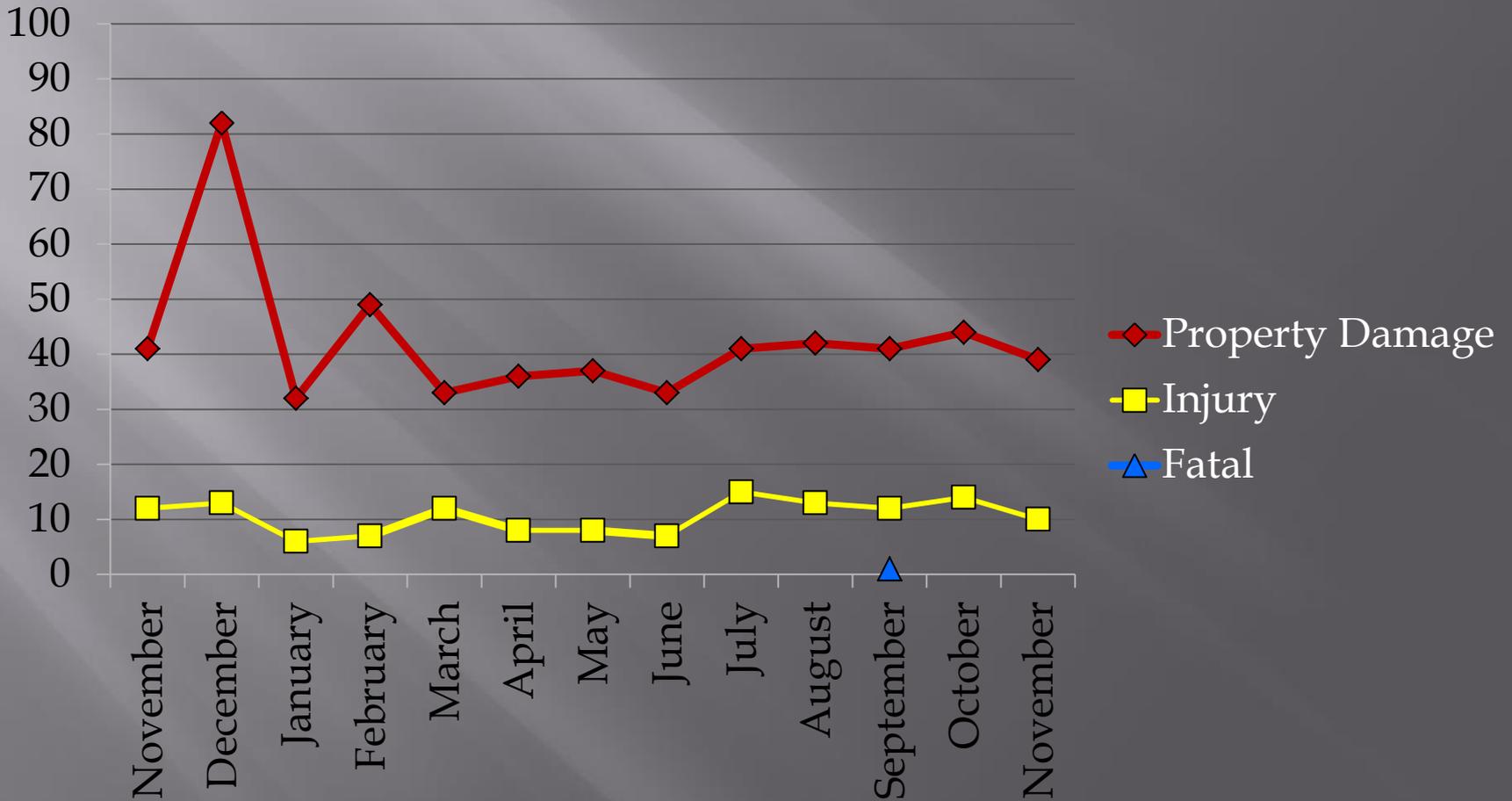


Traffic Citations & DUIs





Crashes





COTTONWOOD HEIGHTS



NOVEMBER 2014 FIRE REPORT



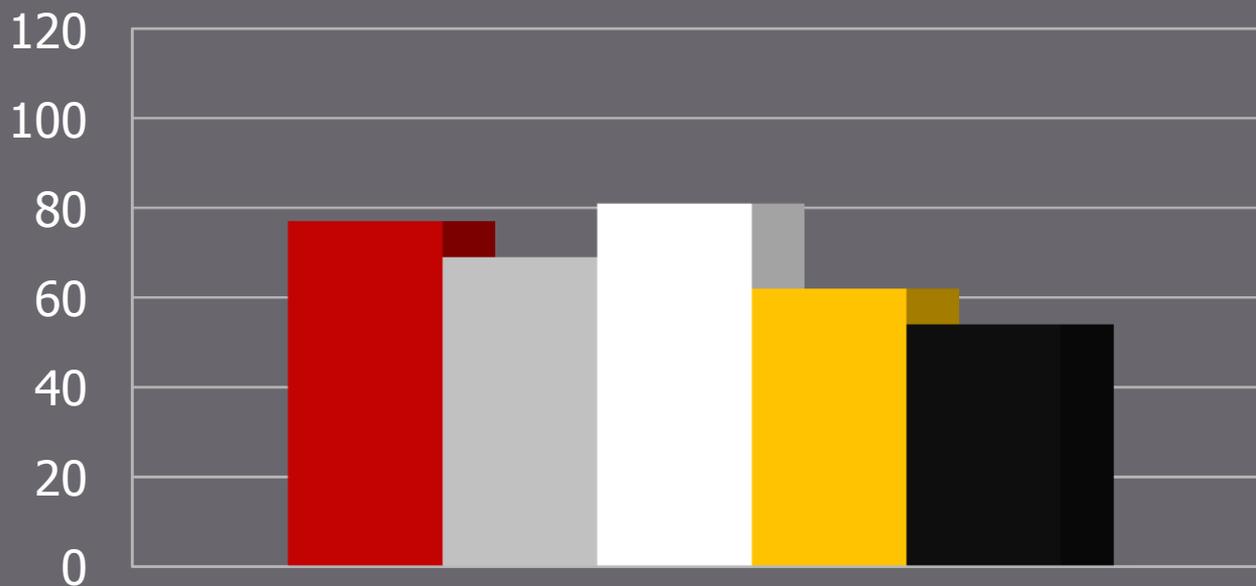
November Monthly Call Volume

	Station	Staffing	Fire	Medical	Total
1	Station 101, West Millcreek 790 East 3900 South	7*	51	282	333
2	Station 118, Taylorsville 5317 South 2700 West	5	30	157	187
3	Station 117, Taylorsville 4545 South Redwood Road	5	24	150	174
4	Station 126, Midvale 607 East 7200 South	3	47	121	168
5	Station 125, Midvale 7683 South Holden St.	3	39	125	164
6	Station 110, Cottonwood Heights 1790 South Ft. Union Blvd.	5	36	125	161
7	Station 109, Kearns 4444 West 5400 South	5	19	136	155
8	Station 104, Holladay 4626 South Holladay Blvd.	5	32	120	152
9	Station 105, Draper 780 East 12300 South	3	37	84	121
10	Station 107, Kearns 6305 South 5600 West	4	17	97	114
11	Station 106, East Millcreek 1911 East 3300 South	5	18	87	105
12	Station 111, Magna 8215 West 3500 South	5	17	83	100
13	Station 114, Draper 14324 South 550 East	3	25	74	99
14	Station 112, Olympus 3612 East Jupiter Drive	5	22	75	97
15	Station 124, East Riverton 12662 S. 1300 W.	4	19	76	95
16	Station 102, Magna 8609 West 2700 South	4	10	71	81
17	Station 121, Riverton 4146 West 12600 South	5	17	47	64
18	Station 123, Herriman 4850 West Mt. Ogden Peak Dr.	5*	14	47	61
19	Station 116, Cottonwood Heights 8303 South Wasatch Blvd.	4	18	40	58
20	Station 103, Herriman 5916 West 13100 South	3	7	38	45
21	Station 251, Eagle Mountain 1680 E Heritage Drive	3*	23	14	37
22	Station 120, Riverton 13000 South 2700 West	4*	10	24	34
23	Station 122, Draper 14903 South Deer Ridge Road	3*	11	18	29
24	Station 252, Eagle Mountain 3785 E. Pony Express Parkway	3*	12	7	19
25	Station 113, Little Cottonwood 9523 East Bypass Road	3	4	9	13
26	Station 119, Emigration 5025 East State Road 65	3	5	8	13
27	Station 108, Big Cottonwood 7688 South State Road 190	3	4	7	11
28	Station 115, Copperton 8495 West State Road 48	3	3	7	10
	*Part-time Firefighter		571	2129	2700



Fire Calls

Average: 68.6

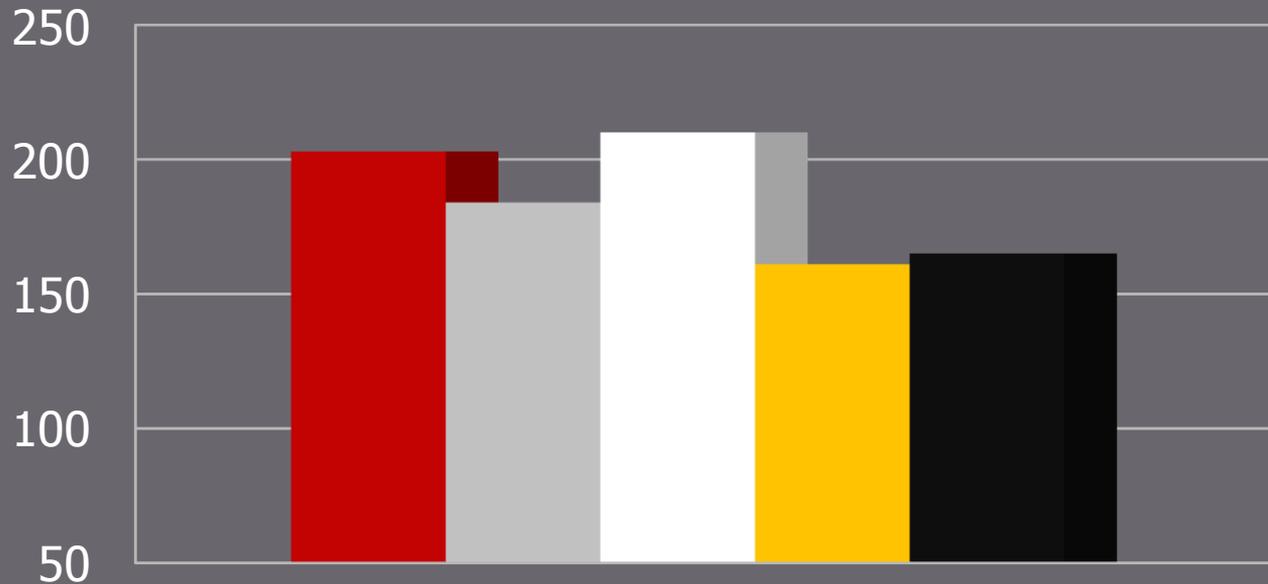


November 2010	77
November 2011	69
November 2012	81
November 2013	62
November 2014	54



Medical Calls

Average: 184.6

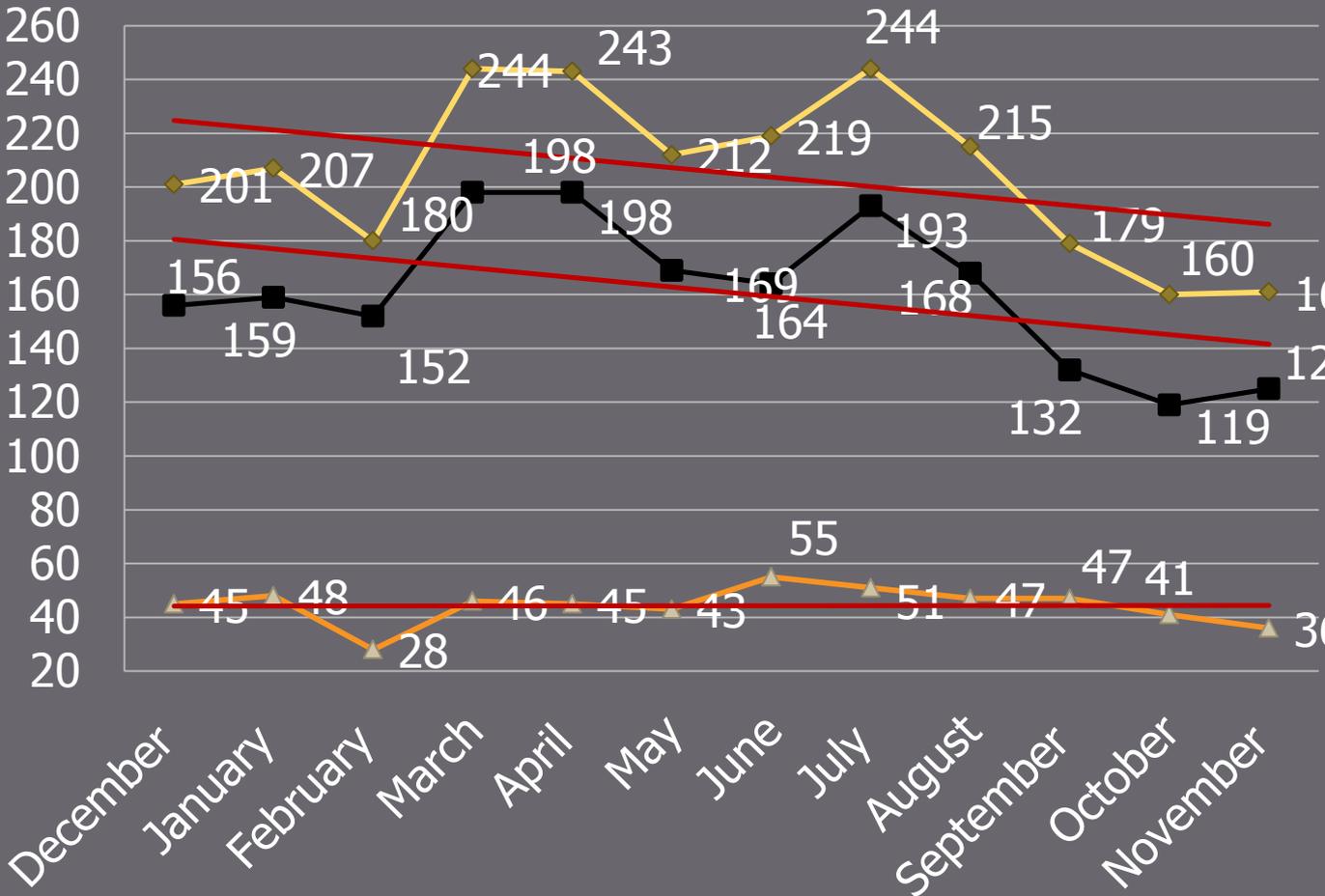


November 2010	203
November 2011	184
November 2012	210
November 2013	161
November 2014	165



Station 110

Calls By Month



12 Month Average
Total Calls: 205.41
Med Calls: 161.08
Fire Calls: 44.33

- Total
- Medicals
- Fires
- Linear (Total)
- Linear (Medicals)
- Linear (Fires)

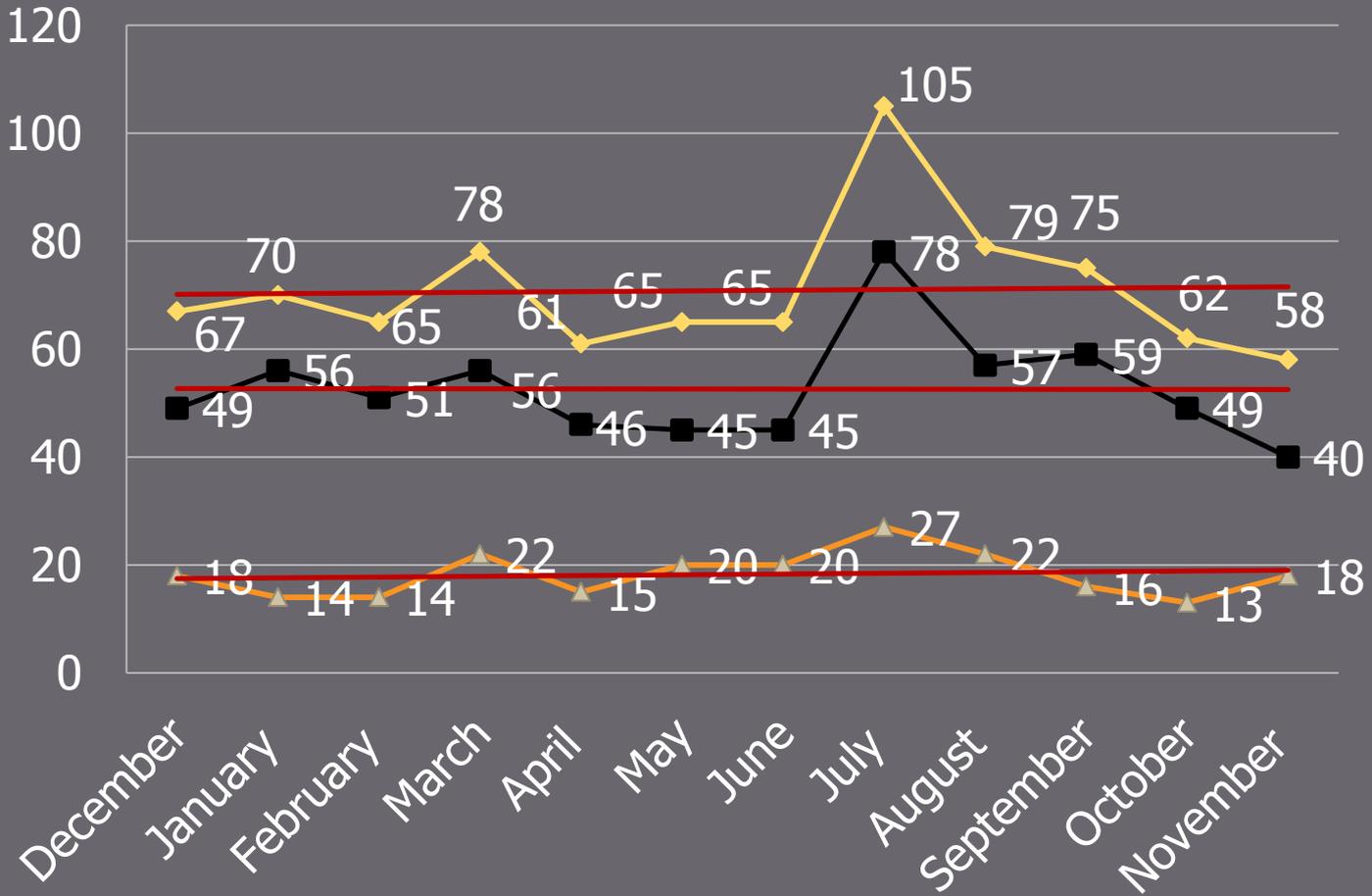


Station 116

Calls By Month

12 Month Average

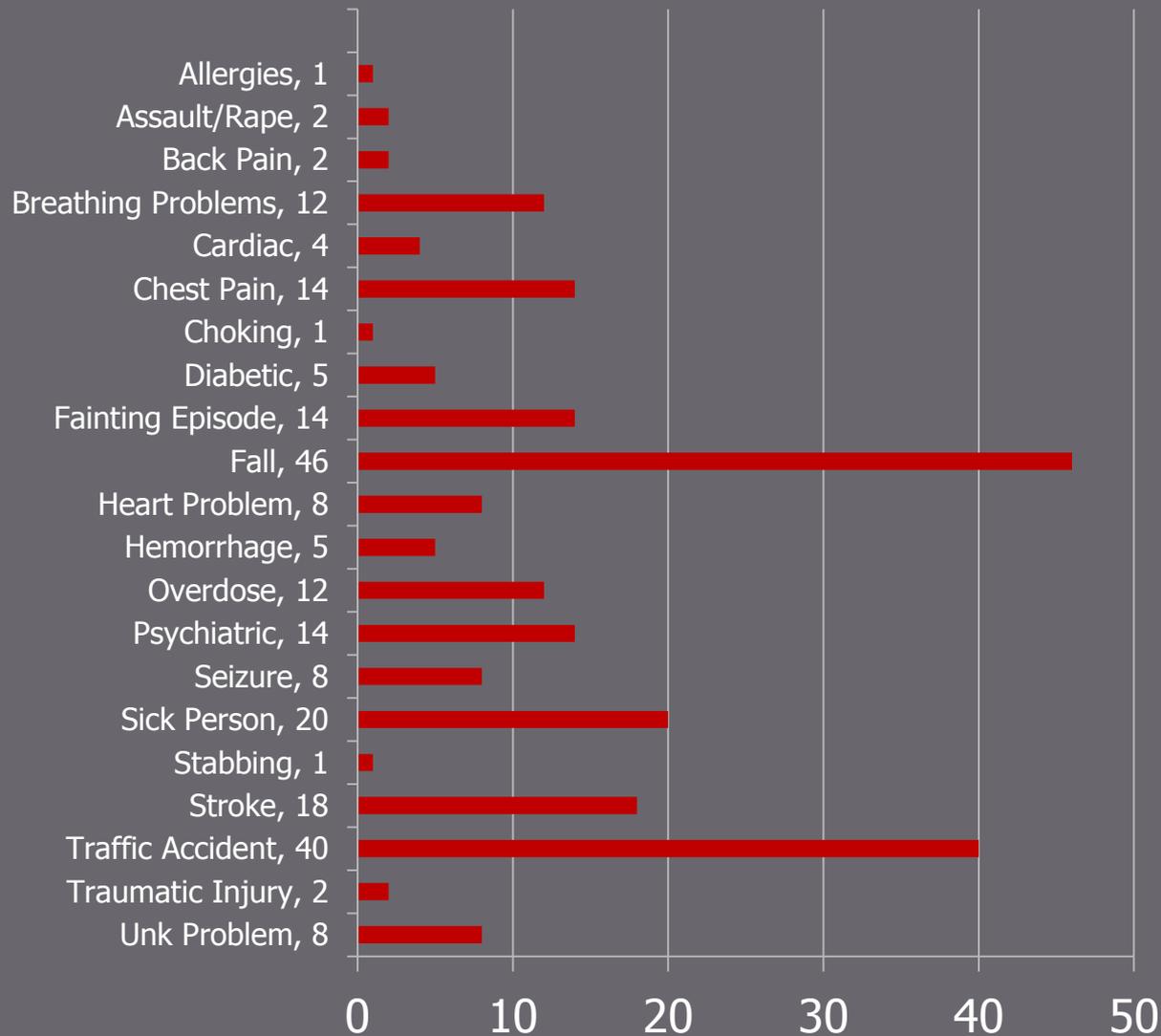
Total Calls: 70.83
 Med Calls: 52.58
 Fire Calls: 18.25



- ◆ Total
- Medicals
- ▲ Fires
- Linear (Total)
- Linear (Medicals)
- Linear (Fires)

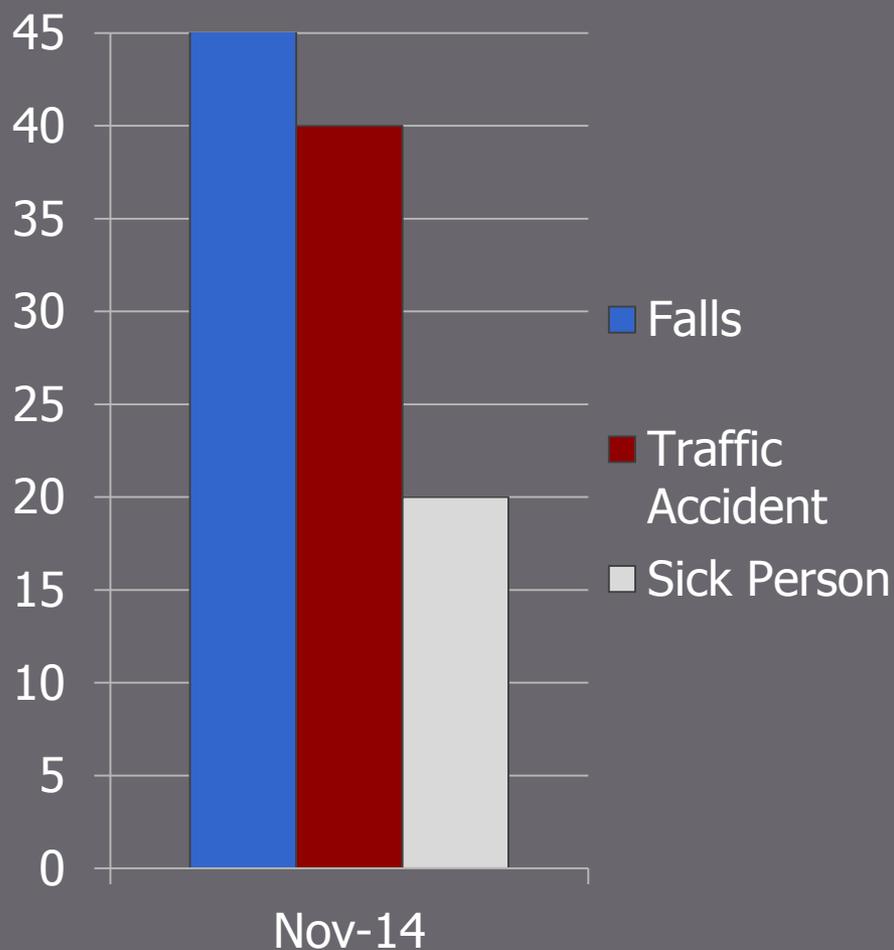
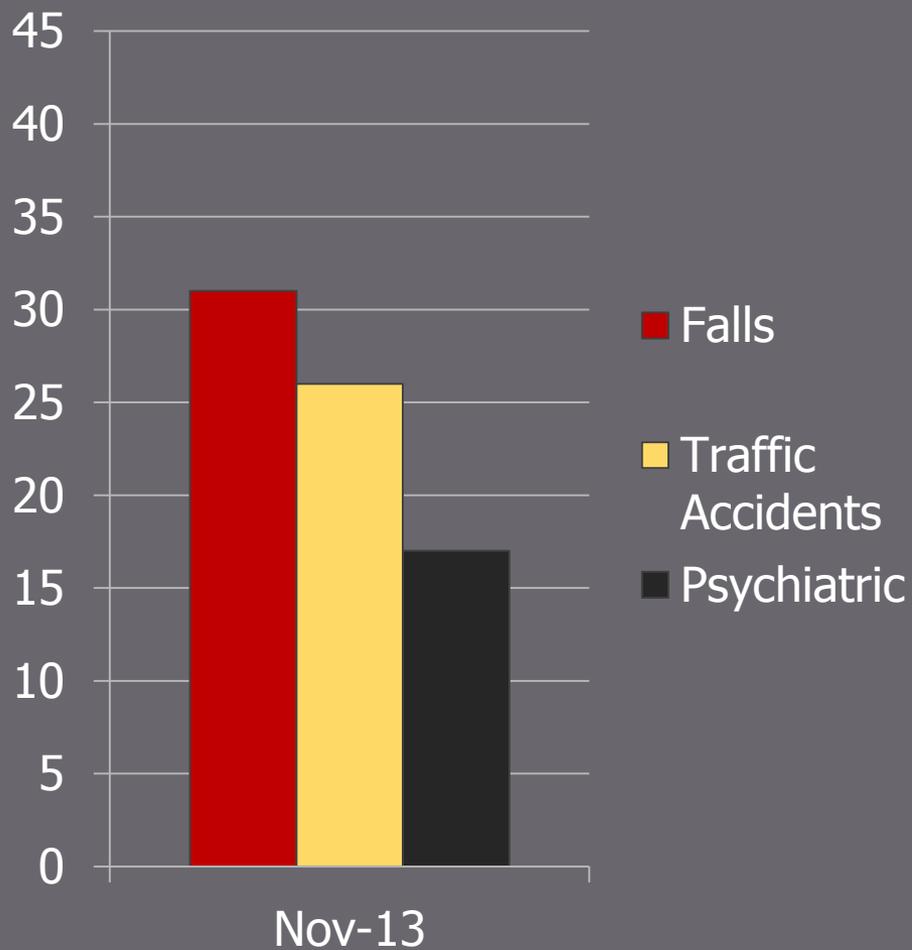


November Medical Calls



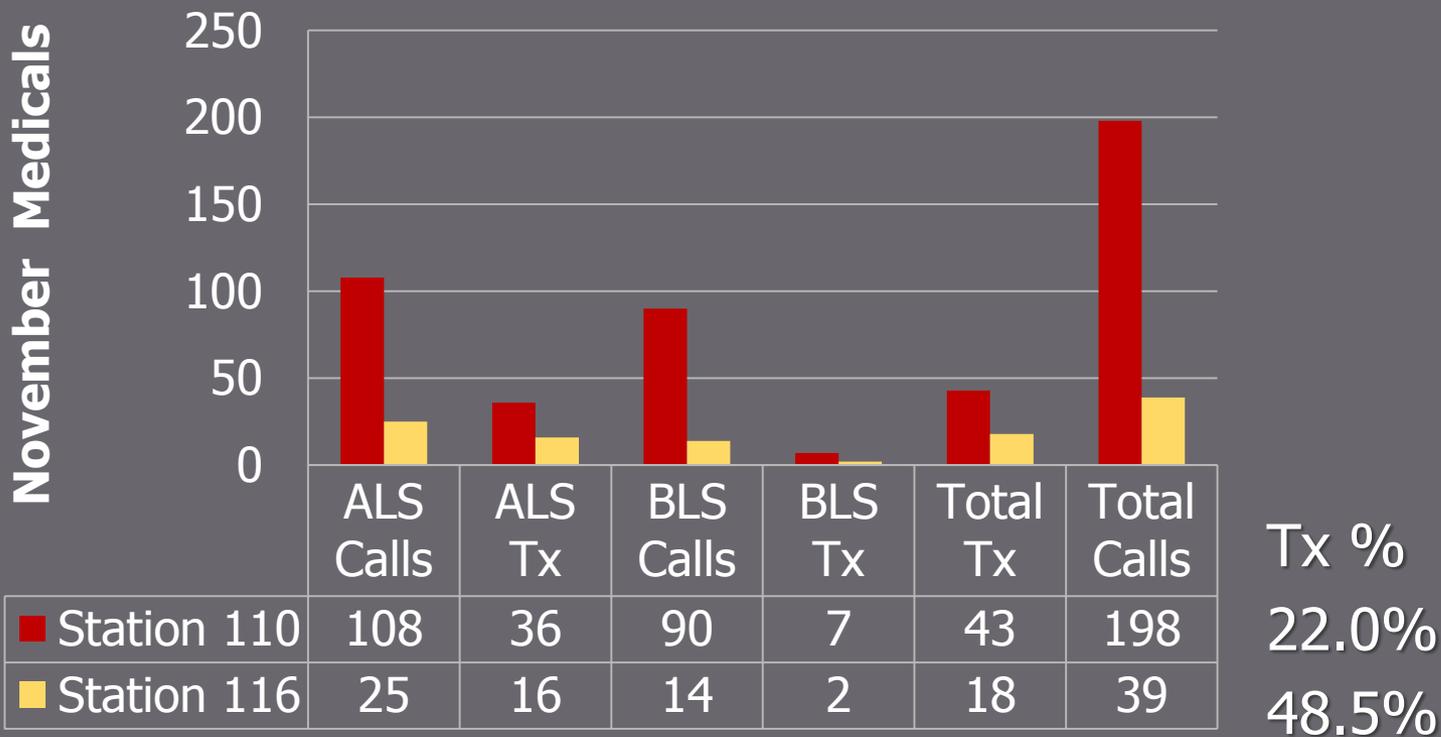


Medical Call Comparison





Ambulance Transports





Station 110 Ambulance Transports

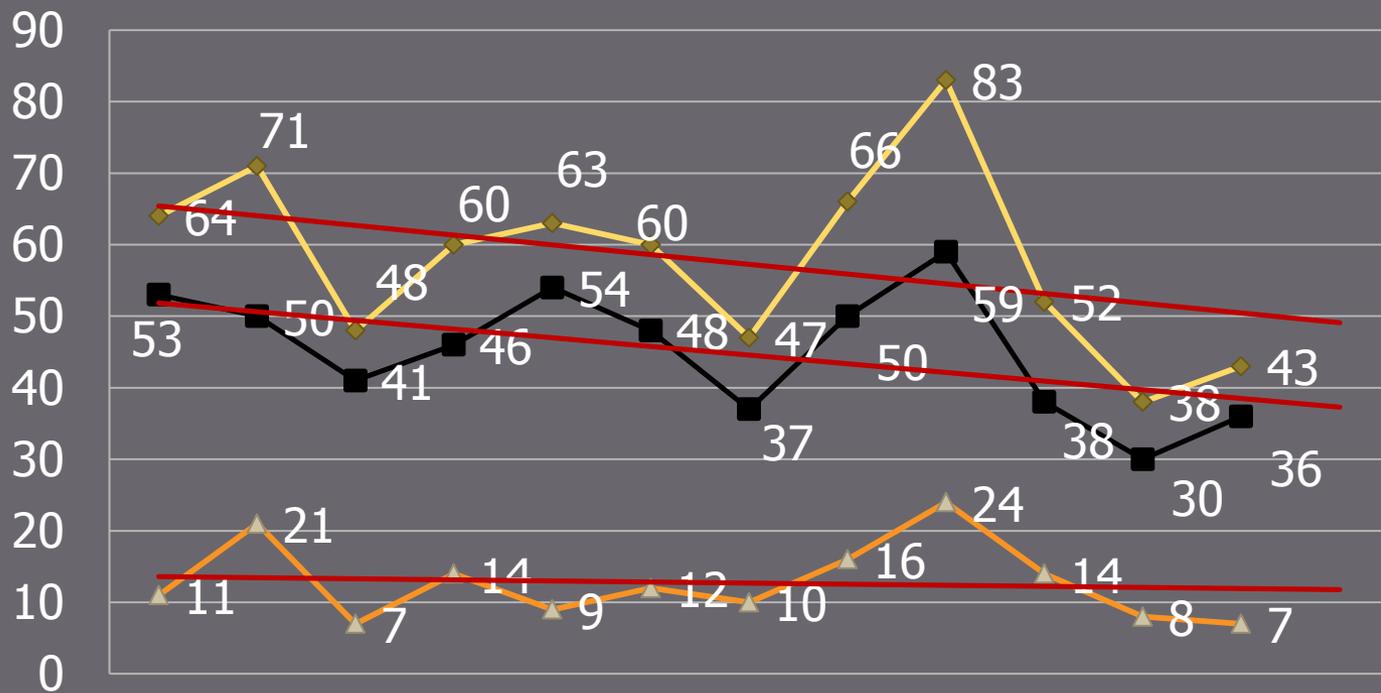
Calls By Month

12 Month Average

Total Tx: 57.91

ALS Tx: 45.16

BLS Tx: 12.75



- ◆ Total Tx
- ALS Tx
- ▲ BLS Tx
- Linear (Total Tx)
- Linear (ALS Tx)
- Linear (BLS Tx)

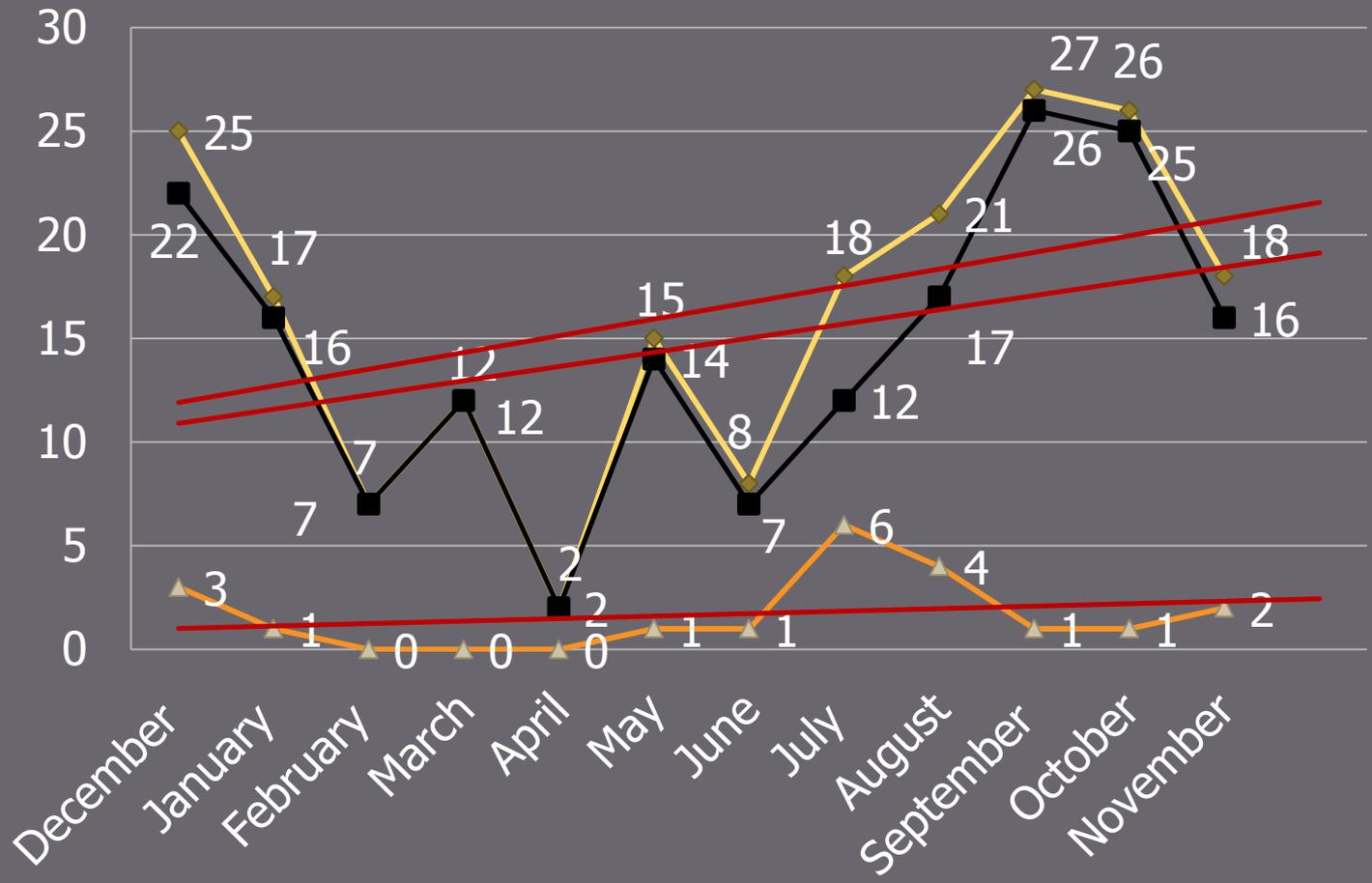
December
January
February
March
April
May
June
July
August
September
October
November



Station 116 Ambulance Transports

Calls By Month

12 Month Average
 Total Tx: 16.33
 ALS Tx: 14.66
 BLS Tx: 1.66



- ◆ Total Tx
- ALS Tx
- ▲ BLS Tx
- Linear (Total Tx)
- Linear (ALS Tx)
- Linear (BLS Tx)



Customer Service Station 110 and 116

Station 110

- 2 Station Tours for 40 People
- EMT Ride Alongs
- High-Rise Training
- Extrication Training
- LVAD Training
- Haz Mat Refresher

Station 116

- Turkey Day Run: Provided apparatus demonstrations and medical stand by
- Two off-site Talk and Demo's for 34 People
- One Station Tour for Eight People
- Avalanche Training
- Haz Mat Refresher
- ACLS Review



Safety Message

Winter Safety

Staying warm in cold weather

Before you or your children step out into cold air, remember the advice that follows with the simple acronym COLD — cover, overexertion, layers, dry:

Cover. Wear a hat or other protective covering to prevent body heat from escaping from your head, face and neck. Cover your hands with mittens instead of gloves. Mittens are more effective than gloves because mittens keep your fingers in closer contact with one another.

Overexertion. Avoid activities that would cause you to sweat a lot. The combination of wet clothing and cold weather can cause you to lose body heat more quickly.

Layers. Wear loose fitting, layered, lightweight clothing. Outer clothing made of tightly woven, water-repellent material is best for wind protection. Wool, silk or polypropylene inner layers hold body heat better than cotton does.

Dry. Stay as dry as possible. Get out of wet clothing as soon as possible. Be especially careful to keep your hands and feet dry, as it's easy for snow to get into mittens and boots.

Keeping children safe outdoors

The American Academy of Pediatrics suggests the following tips to help prevent hypothermia when children are outside in the winter:



Safety Message

Dress infants and young children in one more layer than an adult would wear in the same conditions.

Limit the amount of time children spend outside in the cold.

Have children come inside frequently to warm themselves.

Winter car safety

Whenever you're traveling during bad weather, be sure someone knows where you're headed, and at what time you're expected to arrive. That way, if you get into trouble on your way, emergency responders will know where to look for your car. It's also a good idea to keep emergency supplies in your car in case you get stranded. Supplies may include several blankets, matches, candles, a first-aid kit, dry or canned food, and a can opener. Travel with a cellphone if possible. If you're stranded, put everything you need in the car with you, huddle together and stay covered. Run the car for 10 minutes each hour to warm it up. Make sure a window is slightly open and the exhaust pipe isn't covered with snow while the engine is running.

Drinking alcohol

Take the following precautions to avoid alcohol-related risks of hypothermia.

Don't drink alcohol: If you're going to be outside in cold weather or before going to bed on cold nights



Safety Message

Cold-water safety

Water doesn't have to be extremely cold to cause hypothermia. Any water that's colder than normal body temperature causes heat loss. The following tips may increase your survival time in cold water, if you accidentally fall in.

Wear a life jacket. If you plan to ride in a watercraft, wear a life jacket. A life jacket can help you stay alive longer in cold water by enabling you to float without using energy and by providing some insulation. Keep a whistle attached to your life jacket to signal for help.

Get out of the water if possible. Get out of the water as much as possible, such as climbing onto a capsized boat or grabbing onto a floating object.

Don't attempt to swim unless you're close to safety. Unless a boat, another person or a life jacket is close by, stay put. Swimming will use up energy and may shorten survival time.



Safety Message

Position your body to minimize heat loss. Use a body position known as the heat escape lessening position (HELP) to reduce heat loss while you wait for assistance. Hold your knees to your chest to protect the trunk of your body. If you're wearing a life jacket that turns your face down in this position, bring your legs tightly together, your arms to your sides and your head back.

Huddle with others. If you've fallen into cold water with other people, keep warm by facing each other in a tight circle.

Don't remove your clothing. While you're in the water, don't remove clothing. Buckle, button and zip up your clothes. Cover your head if possible. The layer of water between your clothing and your body will help insulate you. Remove clothing only after you're safely out of the water and can take measures to get dry and warm.





Questions??

For further questions or comments please
contact Assistant Chief Mike Watson
mwatson@ufa-slco.org

Unified Fire Authority
3380 South 900 West
Salt Lake City, UT 84119
801-824-3705
www.unifiedfire.org



PUBLIC WORKS Status Report 12/16/2014

STREET AND SIDEWALK MAINTENANCE

M 10-01 Asphalt Maintenance (Terracare)

Budget: 946,000

YTD Expenditures: \$569,833.00

Object Code: 11-4415-360

Projected Completion Date: Ongoing

Update Summaries:

11/11 – Pothole patching continues as needed

12/16 – Pothole patching as needed

Capital Improvement Projects

CIP 10-01 ADA Ramp Project

Budget: 65,000

YTD Expenditures:

Object Code: 45-7002-731 Projected Completion Date: Ongoing

Update Summaries:

12/16 – This work is on hold until spring

CIP 10-03 Signal Upgrades

Budget: 0

YTD Expenditures: 0

Object Code: 45-7019-730 Projected Completion Date: Ongoing

Update Summaries:

11/11 – Maintenance work being done as needed

12/16 – Currently working with Salt Lake County and Midvale on upgrades to Union Park Ave. and 1300 east

CIP 10-04 Cross Gutter Replacement Program

Budget: 42,000

YTD Expenditures:

Object Code: 45-7012-731

Projected Completion Date: Ongoing

Update Summaries:

12/16 – This is on hold until spring

CIP Union Park Median Landscape Project

Budget: 1,200,000.00

YTD Expenditures: 735,000

Object Code: 45 7053 731

Projected Completion Date: 2013

Update Summaries:

12/16 – Replacement of curbing for access management will be done next spring

CHC.275-279 Ft. Union Park and Ride

Budget: \$925,000

YTD Expenditures: 169,705

Object Code: 45-7057-731

Project Completion Date: 2015

Update Summaries:

11/11 – The level course of asphalt is being done on Ft. Union Blvd. today; the parking lot is scheduled for tomorrow. We have a storm predicted for Thursday which may put work the on hold

12/16 – We are waiting for delivery of the street lights. Disturbed hillsides have been re-seeded.

The project is on hold for the winter.

CHC.179 1700 East sidewalk Project

Budget: \$175,531

YTD Expenditures: 0

Object Code: 45-7052-731

Project Completion: 2014

Update Summaries:

12/16 – Road striping is scheduled for tomorrow, weather permitting. Otherwise the project is complete

STORM DRAIN MAINTENANCE (SD)

SD 10-01 Storm Water Capital Facilities Plan Update

Budget: 0 YTD Expenditures: 0

Object Code: 45-7024-330 Projected Completion Date: March 2011

Update Summaries:

11/11 – Clearing of the inlet grates are being done as needed

12/16 – Nothing new to report

SD 10-02 Storm Drain Mapping and Condition

Budget: 184,089 YTD Expenditures: 8,750

Object Code: 45-7009-733 Projected Completion Date: Ongoing

Update Summaries:

12/16 – Mapping continues as new lines and manholes are found and raised to grade

CONTRACT SERVICES (CS)

CS10-01 Terracare Contract

Budget: 1,400,000 YTD Expenditures: 383,800

Object Code: 11-4415-360 Projected Completion Date: Ongoing

Update Summaries:

11/11 – Driver training continues along with truck preparations for snow removal. Spreaders are being loaded, secured and calibrated.

Plow map revisions are being done to include any changes in bus routes and adding the newly annexed Old Coventry area

12/16 – Crews are cleaning storm drain inlets, maintaining vehicles and patching potholes

CS10-02 Trip Hazard Mitigation Contract

Budget: 75,000 YTD Expenditures: 44,610

Object Code: 45 799 7099 000 Projected Completion Date: 2012

Update Summaries:

11/11 – Work continues along Bengal Blvd. and Danish Rd.

12/16 – Work on hold until spring

CS10-03 Cottonwood Heights Recreation Center Contract
Budget: YTD Expenditures: 100,860
Object Code: 45-7027-717 Projected Completion Date: Ongoing
Update Summaries:
11/11 – Fall cleanup is underway, sprinklers have been blown out and readied for winter. They are also preparing for winter snow removal
12/16 – Park maintenance continues, they also removed graffiti at the Timberline Trailhead

CS10-04 Street Sweeping Contract
Budget: 60,000 YTD Expenditures:
Object Code: 11-4415-427-415 Projected Completion Date: Ongoing
Update Summaries:
11/11 – The sweeper will be back in the city starting next Thursday
12/16 – The sweeper is working in the city now

RESEARCH AND STUDIES (RS)

No new studies are being done at this time

BEAUTIFICATION PROJECTS (RB)

RB10-01 Big Cottonwood Canyon Trail Project
Budget: 196,000 YTD Expenditures: 55,745
Object Code: 45 7015 735 Projected Completion Date: 2013
Update Summaries:
11/11 – One traffic control item is under review, more documentation is needed
12/16 – Final closeout is in process

PROGRAM IMPLEMENTATION (PI)

PI 10-01 Street Lighting Program

Budget: 0 YTD Expenditures: 0

Object Code: 45-7020-734 Projected Completion Date: June 2011

Update Summaries:

11/11 – A meeting with residents along Prospector was held last night. A lot of good feedback was attained regarding the request for new street lights. 75 letters were sent and 14 people attended with 5 responding by phone or e mail.

12/16 – Residents are working on identifying area residents willing to have a new light in front of their home.

PI 10-02 50/50 Sidewalk Replacement Program

Budget: 50,000 YTD Expenditures:

Object Code: 45-7028-717-415 Projected Completion Date: June 2011

Update Summaries:

11/11 – 25 residents have been helped so far this year. Work will continue next spring

12/16 – Work is complete until spring

PI 09-03 Traffic Calming Program

Budget: 0 YTD Expenditures:

Object Code: 45-7007-730 Projected Completion Date: June 2011

Update Summaries:

11/11 – We have contacted S.L County to install a radar speed sign on Nantucket Dr. for us.

12/16 – The speed sign on Nantucket is up, just waiting for the batteries to charge and programming

COTTONWOOD HEIGHTS

ORDINANCE No. 233

AN ORDINANCE AMENDING CHAPTERS 19.04 (DEFINITIONS) AND 19.46 (O-R-D – OFFICE, RESEARCH AND DEVELOPMENT ZONE) OF THE COTTONWOOD HEIGHTS CODE TO ADD BLOOD PLASMA FACILITIES AS A CONDITIONAL USE

WHEREAS, the “Municipal Land Use, Development, and Management Act,” UTAH CODE ANN. §10-9a-101 *et seq.*, as amended (the “Act”), provides that each municipality may enact a land use ordinance and a zoning map establishing regulations for land use and development; and

WHEREAS, pursuant to the Act, the municipality’s planning commission shall prepare and recommend to the municipality’s legislative body, following a public hearing, a proposed land use ordinance and a zoning map, or amendments thereto, that represents the planning commission’s recommendations for zoning the area within the municipality; and

WHEREAS, the Act also provides certain procedures for the municipality’s legislative body to adopt or amend the land use ordinance and zoning map for the City; and

WHEREAS, on 14 July 2005, the city council (the “*Council*”) of the city of Cottonwood Heights (the “*City*”) enacted its Ordinance No. 25 adopting a land use ordinance for the City and codifying such ordinance as Title 19 of the City’s code of ordinances (the “*Code*”); and

WHEREAS, thereafter, the City’s planning commission (the “*Planning Commission*”) formulated proposed amendments (the “*Amendments*”) to Chapter 19.04 (Definitions) and Chapter 19.46 (O-R-D--Office, Research and Development Zone) of the Code adding new section 19.04.355 defining “blood plasma facility” and amending section 19.46.030 to include blood plasma facilities as a conditional use and to provide guidelines for such conditional use in the City; and

WHEREAS, on 4 November 2014 and 3 December 2014, public hearings were held before the Planning Commission, where citizens were given the opportunity to provide written or oral comment concerning the proposed Amendments; and

WHEREAS, such public hearings before the Planning Commission were preceded by all required legal notices; and

WHEREAS, following the public hearings, the Planning Commission recommended the Amendments to the Council for adoption; and

WHEREAS, on 16 December 2014, the Council met in regular meeting to consider, among other things, amending Title 19 of the Code to include the Amendments as proposed; and

WHEREAS, after careful consideration of the recommendations of the Planning Commission, comments at the public hearing, and other relevant input, the Council has determined that it is in the best interest of the health, safety and welfare of the citizens of the City to so adopt the Amendments as proposed;

NOW, THEREFORE, BE IT ORDAINED by the city council of the city of Cottonwood Heights as follows:

Section 1. ***Adoption of Amendments.*** The Council hereby amends the Code as shown on the attached exhibit, which shows deletions to the current Code ~~struck through~~, and additions to the current Code underlined.

Section 2. ***Action of Officers.*** All actions of the officers, agents and employees of the City that are in conformity with the purpose and intent of this Ordinance No. 233 (this “*Ordinance*”), whether taken before or after the adoption hereof, are hereby ratified, confirmed and approved.

Section 3. ***Severability.*** It is hereby declared that all parts of this Ordinance are severable, and if any section, paragraph, clause or provision of this Ordinance shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of any such section, paragraph, clause or provision shall not affect the remaining sections, paragraphs, clauses or provisions of this Ordinance.

Section 4. ***Repealer.*** All ordinances or parts thereof in conflict with this Ordinance are, to the extent of such conflict, hereby repealed.

Section 5. ***Effective Date.*** This Ordinance, assigned no. 233, shall take immediate effect as soon as it shall be published or posted as required by law and deposited and recorded in the office of the City’s Recorder, or such later date as may be required by Utah statute.

PASSED AND APPROVED this 16th day of December 2014.

COTTONWOOD HEIGHTS CITY COUNCIL

By _____
Kelvyn H. Cullimore, Jr., Mayor

ATTEST:

Kory Solorio, Recorder

VOTING:

Kelvyn H. Cullimore, Jr.	Yea ___	Nay ___
Michael L. Shelton	Yea ___	Nay ___
J. Scott Bracken	Yea ___	Nay ___
Michael J. Peterson	Yea ___	Nay ___
Tee W. Tyler	Yea ___	Nay ___

DEPOSITED in the Recorder’s office this 16th day of December 2014.

POSTED this ___ day of December 2014.

**PROPOSED AMENDMENTS TO TITLE 19
CONCERNING BLOOD PLASMA FACILITIES**

Proposed Amendment to Chapter 19.04--Definitions

19.04.355 Blood plasma facility.

A building and premises used primarily for the performance of plasmapheresis, which is the procedure whereby whole blood is removed from a plasma donor by venipuncture or phlebotomy, the plasma is separated therefrom for sale or transfer, and the formed elements of the blood are returned to the donor. "Blood plasma facility" does not include blood donation centers in which primarily whole blood is extracted from donors and used, transferred or sold, such as blood donation centers sponsored by the American Red Cross.

Proposed Amendments to Chapter 19.46—O-R-D – Office, Research and Development Zone

19.46.030 Conditional uses.

Conditional uses in the O-R-D zones are as follows:

- A. Indoor and outdoor recreational facilities, provided that:
 - 1. Such uses are incidental to a permitted use;
 - 2. All accessory buildings and incidental uses shall be planned as an integral part of the office building development; and
 - 3. All such facilities comply with the building and siting restrictions as set forth in this chapter;
- B. In-service training schools for employees, provided that such use is incidental to a permitted use and its employees;
- C. Any special uses customarily incidental to the operation of other permitted uses;
- D. Quarters for a caretaker or for security;
- E. Nursery schools or day care centers;
- F. Private parks and recreational grounds;
- G. Public and quasi-public use;
- H. Radio and/or television tower;
- I. Temporary structures, as allowed by the applicable accessory regulations in chapter 19.76, "Supplementary and Qualifying Regulations";
- J. Utility stations and lines, as allowed by the applicable accessory regulations in chapter 19.76, "Supplementary and Qualifying Regulations";
- K. Public schools;
- L. Wireless telecommunication towers;
- N. Hospitals; and
 - O. Blood plasma facilities, provided that:
 - 1. All equipment, samples and products must be stored inside the building;
 - 2. Retrieval areas must be located in the rear of the building, accessible by van, and not adjacent to a public right-of-way;
 - 3. Facilities must provide and follow a management plan for handling litter, outdoor queuing, security and loitering;

4. Facilities must be at least 1,000 feet from the nearest residential, church and/or school property boundary line;

5. Facilities may be considered a permitted use if they are a clearly subordinate and ancillary part of a city-authorized medical clinic where a doctor is present at all times and other traditional medical services are conducted as the primary business purposes in at least 90% of the useable floor area;

6. Facilities shall comply with all applicable laws and regulations for safe disposal of blood products and human tissues, and shall provide and follow written protocols for such compliance;

7. Facilities shall provide appropriate certification of employees drawing blood, and shall assure that all such employees are, at minimum, licensed phlebotomists;

8. Facilities shall continuously comply with all applicable licensing and certification requirements, including those of the Salt Lake County Health Department; and

9. Parking shall be provided at the rate of two spaces for each collection station, plus one space for each person permitted to occupy the waiting area(s), plus one space for each employee in the largest working shift. Additional parking may be required for processing rooms/booths, staging and testing areas, etc. to be located in the proposed facility.

COTTONWOOD HEIGHTS

ORDINANCE NO. 234

AN ORDINANCE ENACTING SECTION 17.16.130 OF THE COTTONWOOD HEIGHTS CODE OF ORDINANCES TO PROVIDE FOR POSSIBLE PARTIAL REIMBURSEMENT OF CERTAIN STORM WATER INFRASTRUCTURE COSTS

WHEREAS, effective 14 January 2005, the city council (the “*Council*”) of the city of Cottonwood Heights (the “*City*”) adopted a code of ordinances (the “*Code*”) for the City; and

WHEREAS, following adoption of the Code, the Council determined that further regulation of storm drainage and flood control development, groundwater source protection and related matters in the City was warranted and, consequently, amended the Code on 18 November 2008 to include Title 17, entitled “Storm Drainage and Flood Control Development; Ground Water Source Protection” (“*Title 17*”); and

WHEREAS, the Council heretofore has amended Title 17 and now has determined that it may be advisable to further amend Title 17 to enact new Section 17.16.130 (“*Section 17.16.130*”) providing for possible partial reimbursement of certain storm water infrastructure costs under certain circumstances; and

WHEREAS, the Council met in regular session on 16 December 2014 to consider, among other things, enacting Section 17.16.130 as proposed; and

WHEREAS, after careful consideration of the recommendations of, *inter alia*, the City’s public works director and the City engineer, the Council has determined that it is in the best interest of the health, safety and welfare of the citizens of the City to enact Section 17.16.130 as proposed;

NOW, THEREFORE, BE IT ORDAINED by the city council of the city of Cottonwood Heights as follows:

Section 1. ***Enactment of Section 17.16.130.*** The Council hereby approves, adopts and enacts Section 17.16.130 in the form attached hereto, and hereby codifies the same as Section 17.16.130 of the Code; provided, however, that the city attorney, with such assistance as he may require from other city officers and staff, is authorized and directed without further council action to make such additional formatting and technical corrections to Section 17.16.030 as he may consider to be appropriate in connection with inclusion of Section 17.16.030 in the Code.

Section 2. ***Action of Officers.*** All actions of the officers, agents and employees of the City that are in conformity with the purpose and intent of this ordinance (this “*Ordinance*”), whether taken before or after the adoption hereof, are hereby ratified, confirmed and approved.

Section 3. ***Severability.*** It is hereby declared that all parts of this Ordinance are severable, and if any section, paragraph, clause or provision of this Ordinance shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of any such section, paragraph, clause or provision shall not affect the remaining sections, paragraphs, clauses or provisions of this Ordinance.

Section 4. ***Repealer.*** All ordinances or parts thereof in conflict with this Ordinance are, to the extent of such conflict, hereby repealed.

Section 5. ***Effective Date.*** This Ordinance, assigned no. 234, shall take immediate effect as soon as it shall be published or posted as required by law and deposited and recorded in the office of the City's recorder, or such later date as may be required by Utah statute.

PASSED AND APPROVED this 16th day of December 2014.

COTTONWOOD HEIGHTS CITY COUNCIL

By _____
Kelvyn H. Cullimore, Jr., Mayor

ATTEST:

Kory Solorio, Recorder

VOTING:

Kelvyn H. Cullimore, Jr.	Yea	___	Nay	___
Michael L. Shelton	Yea	___	Nay	___
J. Scott Bracken	Yea	___	Nay	___
Michael J. Peterson	Yea	___	Nay	___
Tee W. Tyler	Yea	___	Nay	___

DEPOSITED in the Recorder's office this 16th day of December 2014.

POSTED this ___ day of December 2014.

COTTONWOOD HEIGHTS

RESOLUTION No. 2014-79

A RESOLUTION APPROVING ENTRY INTO AMENDMENT NO. 2 TO AGREEMENT FOR PUBLIC WORKS SERVICES WITH TERRACARE ASSOCIATES, LLC

WHEREAS, in or about October 2013, the city of Cottonwood Heights (“*City*”) entered into an “Agreement for Public Works Services” (the “*Agreement*”) with TerraCare Associates, LLC (“*Contractor*”) whereunder Contractor agreed to provide public works services to City on the terms and conditions specified in the Agreement; and

WHEREAS, on or about 8 July 2014, the parties amended the Agreement as specified in that certain “First Amendment to Agreement for Public Works Services”; and

WHEREAS, the parties now desire to further amend the Agreement as specified in that certain “Second Amendment to Agreement for Public Works Services” (the “*Second Amendment*”); and

WHEREAS, City’s city council (the “*Council*”) met in regular session on 16 December 2014 to consider, among other things, approving City’s entry into the Second Amendment; and

WHEREAS, the Council has reviewed the form of the Second Amendment, a photocopy of which is annexed hereto; and

WHEREAS, after careful consideration, the Council has determined that it is in the best interests of the health, safety and welfare of City’s residents to approve City’s entry into the Second Amendment as proposed;

NOW, THEREFORE, BE IT RESOLVED by the city council of Cottonwood Heights that the attached Second Amendment with Contractor is hereby approved, and that City’s mayor and recorder are authorized and directed to execute and deliver the Second Amendment on behalf of City.

This Resolution, assigned no. 2014-79, shall take effect immediately upon passage.

PASSED AND APPROVED this 16th day of December 2014.

COTTONWOOD HEIGHTS CITY COUNCIL

By _____
Kelvyn H. Cullimore, Jr., Mayor

ATTEST:

Kory Solorio, Recorder

VOTING:

Kelvyn H. Cullimore, Jr.	Yea	___	Nay	___
Michael L. Shelton	Yea	___	Nay	___
J. Scott Bracken	Yea	___	Nay	___
Michael J. Peterson	Yea	___	Nay	___
Tee W. Tyler	Yea	___	Nay	___

DEPOSITED in the office of the City Recorder this 16th day of December 2014.

RECORDED this ___ day of December 2014.

Second Amendment to Agreement for Public Works Services

THIS SECOND AMENDMENT TO AGREEMENT FOR PUBLIC WORKS SERVICES (this "*Amendment*") is made and entered into effective 16 December 2014 between the city of **COTTONWOOD HEIGHTS**, a Utah municipality whose address is 1265 East Fort Union Blvd., Suite 250, Cottonwood Heights, UT 84047 ("*City*"), and **TERRACARE ASSOCIATES, LLC**, a Colorado limited liability company whose address is 9742 Titan Park Circle, Littleton, CO 80125 ("*Contractor*"). City and Contractor are each referred to herein as a "*Party*" and are collectively referred to as the "*Parties*."

RECITALS:

A. Effective __ October 2013, the Parties entered into an "Agreement for Public Works Services" (the "*Agreement*") whereunder Contractor agreed to provide, and City agreed to purchase, snow management and other public works services on the terms and conditions specified in the Agreement.

B. In June 2014, the Parties entered into a "First Amendment to Agreement for Public Works Services" (the "*First Amendment*") amending certain provisions of the Agreement.

C. The Parties now desire to further amend the Agreement as provided herein.

AGREEMENT:

NOW, THEREFORE, in consideration of the premises, the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

Section 1. **Defined Terms.** Except as otherwise specified in this Amendment, all capitalized "defined terms" in this Amendment shall have the same meanings as in the Agreement, as previously amended by the First Amendment.

Section 2. **Amendment to Services.** The Agreement provides that Contractor will provide snow management services to City in conformance to the performance standards specified in the Agreement. During the 2013-14 snow season, Contractor deployed ten of its own plow trucks ("*Contractor Trucks*") and additional subcontracted plow trucks ("*Subcontractor Trucks*"). City desires to hereafter increase the snow management services by assuring that up to 18 plow trucks ("*Trucks*") are immediately available to deploy when needed, consisting of 14 Contractor Trucks and at least four Subcontractor Trucks. Consequently, the Parties hereby amend the Agreement as follows:

(a) Contractor hereafter shall have available 14 Contractor Trucks and at least four Subcontractor Trucks for immediate deployment as needed for snow management under the Agreement.

(b) The cost of the 11th Contractor Truck (i.e., the first truck above the former deployment of ten Contractor Trucks) shall be included in the cost for the first ten Contractor Trucks under the Agreement.

(c) The cost of the 12th, 13th and 14th Contractor Trucks (i.e., the final three Trucks above the revised deployment hereunder of 11 Contractor Trucks) for snow management shall be an Enhanced Service charged at \$153 per hour for each hour of use of each of such Trucks up to 310 hours per Truck, and then \$65 per hour for each hour of use of a Truck above 310 hours.

(d) Invoices for the cost of the Subcontractor Trucks comprising the 15th - 18th Trucks available for immediate deployment for snow management shall be an Enhanced Service and shall be submitted by Contractor to City for direct payment to the Subcontractor(s). Submission of an invoice to City for payment shall constitute Contractor's warranty that Contractor has reviewed the invoice; that the services specified therein were actually rendered in a good, workmanlike manner; and that the subject charges are fair and reasonable and are passed through to City without markup or sharing by Contractor.

Section 3. **No Other Modification**. Except as specifically amended by this Amendment, the Agreement as previously modified by the First Amendment is unmodified and remains in full force and effect between the parties.

DATED effective the day, month and year first above written.

CONTRACTOR:

TERRACARE ASSOCIATES, LLC, a Colorado corporation qualified to do business in Utah

By: _____
Name: _____
Title: _____

CITY:

COTTONWOOD HEIGHTS, a Utah municipality

ATTEST:

By: _____
Kory Solorio, Recorder

By: _____
Kelvyn H. Cullimore, Jr., Mayor

COTTONWOOD HEIGHTS

RESOLUTION No. 2014-80

A RESOLUTION APPROVING AN AGREEMENT WITH SALT LAKE COUNTY FOR TIER II ZAP FUNDING (COTTONWOOD HEIGHTS ARTS COUNCIL, 2014-2015)

WHEREAS, Salt Lake County (the “*County*”) has imposed a sales and use tax pursuant to UTAH CODE ANN. §59-12-701, *et seq.*, and has enacted an ordinance (Chapter 3.07, SALT LAKE COUNTY CODE OF ORDINANCES) and policies governing distribution of the revenues collected by such tax, which commonly are referred to as the “Zoo, Arts & Parks Funds” (“*Funds*”); and

WHEREAS, the Cottonwood Heights Arts Council (the “*Arts Council*”), an agency of the city of Cottonwood Heights (the “*City*”), has applied for and is qualified to receive a portion of the Funds pursuant to the governing statutes, ordinances and policies; and

WHEREAS, for that purpose, the County and the City desire to enter into the agreement that is attached as an exhibit hereto (the “*Agreement*”) for the purpose of effecting such grant of Funds to the Arts Council; and

WHEREAS, the City’s city council (the “*Council*”) met in regular session on 16 December 2014 to consider, among other things, approving the City’s entry into the Agreement; and

WHEREAS, the Council has reviewed the form of the Agreement; and

WHEREAS, after careful consideration, the Council has determined that it is in the best interests of the health, safety and welfare of the citizens of the City to approve the City’s entry into the Agreement as proposed;

NOW, THEREFORE, BE IT RESOLVED by the city council of Cottonwood Heights that the Agreement is hereby approved, and that the City’s mayor and recorder are authorized and directed to execute and deliver the Agreement on behalf of the City.

This Resolution, assigned no. 2014-80, shall take effect immediately upon passage.

PASSED AND APPROVED this 16th day of December 2014.

COTTONWOOD HEIGHTS CITY COUNCIL

By _____
Kelvyn H. Cullimore, Jr., Mayor

ATTEST:

Kory Solorio, Recorder

VOTING:

Kelvyn H. Cullimore, Jr.	Yea	___	Nay	___
Michael L. Shelton	Yea	___	Nay	___
J. Scott Bracken	Yea	___	Nay	___
Michael J. Peterson	Yea	___	Nay	___
Tee W. Tyler	Yea	___	Nay	___

DEPOSITED in the office of the City Recorder this 16th day of December 2014.

RECORDED this ___ day of December 2014.

SALT LAKE COUNTY
Standard Form Contract No. 14-02166, Approved 04-Nov-2014, Expires 31-Aug-2015
TIER II
ZOO, ARTS AND PARKS FUNDING AGREEMENT
between
SALT LAKE COUNTY
and
City of Cottonwood Heights/ Cottonwood Heights Arts Council

THIS AGREEMENT is made and entered into this _____ day of _____, 2014 by and between SALT LAKE COUNTY, a body corporate and politic of the State of Utah ("COUNTY"), and **City of Cottonwood Heights/ Cottonwood Heights Arts Council** either a Utah non-profit organization or an agency of a municipality, whose mailing address is **1265 East Fort Union Blvd, Suite 250, Cottonwood Heights, UT 84047** ("RECIPIENT").

WHEREAS, the COUNTY has imposed a local sales and use tax, pursuant to Utah Code Ann. §§ 59-12-701, et seq., and has enacted an ordinance, Chapter 3.07, Salt Lake County Code of Ordinances, 2005, as well as policies governing distribution of the revenues collected by this tax, which revenues are referred to as the "Zoo, Arts & Parks Funds" ("Funds").

WHEREAS, RECIPIENT has applied for and is qualified to receive a portion of the Funds pursuant to the statute, ordinance, and policies.

NOW, THEREFORE, in consideration of the mutual promises, covenants, terms and conditions contained in this Agreement, and the payment of the amount of Funds as specified, the parties agree as follows:

1. SCOPE OF AGREEMENT:

In exchange for receipt of the Funds specified in Paragraph 3 below, RECIPIENT agrees to the following uses and limitations of uses for the Funds:

- A. Funds shall be expended within Salt Lake County as set forth with greater specificity in RECIPIENT'S application (Exhibit 1) and, if applicable, COUNTY'S additional requirements letter (Exhibit 3), incorporated herein by reference, and as further defined and set forth herein and pursuant to Utah Code Ann. §§ 59-12-701, et seq.; Chapter 3.07 Salt Lake County Code of Ordinances, 2005; and those policies, applications and standards established by Salt Lake County to administer the distribution of the Funds.
- B. Funds may not be expended for the following non-qualifying expenditures: capital construction expenses, acquisition of real property or any interest in real property, depreciation or amortization of any asset including real property, improvement to real property, payments into an endowment corpus, expenditures outside of Salt Lake County, fund-raising expenditures related to capital or endowment campaign, repayment of loans or interest thereon, grants or re-grants, scholarships, interest payments, direct political lobbying, expenditures not directly related to

RECIPIENT's primary purpose, non-deductible tax penalties, bad debt expense, and any operating expenses that are utilized in calculating federal unrelated business income tax.

- C. RECIPIENT agrees to submit an Evaluation report detailing how Funds were expended.
- D. RECIPIENT agrees to acknowledge the Zoo, Arts and Parks program ("ZAP Program") in writing and orally, including acknowledging the ZAP Program at every event in which Funds have been utilized. RECIPIENT further agrees to use its best efforts to use the official Zoo, Arts & Parks logo on written material such as playbills, brochures, appropriate advertisements, flyers, banners, websites and newsletters. RECIPIENT may use other acknowledgments as appropriate, such as announcements from the stage, in media releases, on supertitles, on pre-event videos, etc. If RECIPIENT has a website, the Zoo, Arts and Parks logo shall be displayed on the donor/sponsor page or other prominent page of the website.
- E. RECIPIENT shall provide COUNTY with a copy of programs or other printed material acknowledging the COUNTY and the ZAP Program with the Evaluation report.
- F. RECIPIENT agrees to provide COUNTY with press releases and other public relations material designed to promote RECIPIENT'S programs and projects. Submission by email is preferred at PRZAP@slco.org.
- G. RECIPIENT agrees that if it produces a free or reduced-admission-fee program, the terms of admission shall be extended to all citizens of the State of Utah and shall not be restricted to citizens of Salt Lake County. RECIPIENT further agrees to inform the COUNTY'S Representative, named below, of such an event in a timely manner.
- H. RECIPIENT agrees to use the www.nowplayingutah.com (NPU) website to promote its events. This arts and cultural calendar has been created by the ZAP Program, Utah Division of Arts and Museums and Visit Salt Lake in order to benefit Utah's arts and cultural community and individuals interested in attending arts and cultural events. RECIPIENT must supply its publicity materials to NPU in a timely manner. RECIPIENT must also use its best efforts to promote the NPU website to its constituents, patrons, audiences, etc. This includes linking to NPU from RECIPIENT'S website. RECIPIENT also agrees to list artist profiles on NPU.
- I. RECIPIENT agrees to provide tickets to any non-fundraising event, without charge and within reason, as requested by COUNTY'S Representative to enable the Tier II Advisory Board to better review and evaluate RECIPIENT'S organization and programs. RECIPIENT is encouraged to extend the Tier II Advisory Board an invitation to at least one event per year without charge.
- J. In compliance with County Ethics Code 2.07.207 and as outlined in the ZAP Event Attendance Program available on the COUNTY's website, RECIPIENT may make one performance or event per year available to elected or appointed officials

through said Representative for the purpose of enabling the official to better evaluate and review the organization, programming and attendance at the event.

- K. It is understood and agreed that no Funds or proceeds from Funds will be made available to any public officer or employee or in violation of the Public Employees Ethics Act, Utah Code Ann. §§ 67-16-1, et. seq.
- L. COUNTY may sponsor an event that highlights the ZAP Program and showcases the recipients of ZAP funding. If the COUNTY sponsors such an event and RECIPIENT is invited to participate, RECIPIENT will use its best efforts to reasonably participate as requested.
- M. The RECIPIENT agrees that, although it may not be a "public body" as defined by the Utah Open and Public Meeting statute, Utah Code Ann. §§ 52-4-101, et. seq., because RECIPIENT receives public funds, it will use its best efforts to adhere to the spirit of the statute by making its board meetings open to the public.
- N. COUNTY is preparing an online training for all recipients. When this training becomes available RECIPIENT agrees that at least one representative from the organization will complete the training on an annual basis.

2. PUBLIC FUNDS AND PUBLIC MONIES:

- A. Definitions: "Public funds" and "public monies" mean monies, funds, and accounts, regardless of the source from which they are derived, that are owned, held, or administered by the State or any of its boards, commissions, institutions, departments, divisions, agencies, bureaus, laboratories, or other similar instrumentalities, or any county, city, school district, political subdivision, or other public body. The terms also include monies, funds or accounts that have been transferred by any of the aforementioned public entities to a private contract provider for public programs or services. Said funds shall maintain the nature of "public funds" while in RECIPIENT'S possession.
- B. RECIPIENT'S Obligation: RECIPIENT of "public funds" and "public monies" pursuant to this and other contracts related hereto, expressly understands that it, its officers, and employees are obligated to receive, keep safe, transfer, disburse and use these "public funds" and "public monies" as authorized by law and this Agreement for ZAP qualifying activities in Salt Lake County. RECIPIENT understands that it, its officers, and employees may be criminally liable under Utah Code Ann. § 76-8-402, for misuse of public funds or monies. RECIPIENT expressly understands that COUNTY may monitor the expenditure of public funds by RECIPIENT.
- C. COUNTY reserves the right to audit the use of Funds and the accounting of the use of Funds received by RECIPIENT under this Agreement. If an audit is requested by the COUNTY, RECIPIENT shall cooperate fully with COUNTY and its representatives in the performance of the audit.

- D. RECIPIENT expressly understands that COUNTY may withhold funds or require repayment of funds from RECIPIENT for contract noncompliance, failure to comply with directives regarding the use of public funds, or for misuse of public funds or monies.

3. CONTRIBUTION:

Payment of Funds to RECIPIENT and the amounts thereof shall be determined and paid as set forth in Chapter 3.07, Salt Lake County Ordinances, 2005; and the COUNTY'S Policy #1031. Payment of Funds to RECIPIENT for the ZAP fiscal year **2014** shall be approximately **\$8,000** of the funds designated for Tier II qualifying organizations. This amount is based on 2014 ZAP revenue projections and the Tier II Advisory Board's recommendation as approved by the Salt Lake County Council. Actual amount distributed to RECIPIENT may be decreased if 2014 ZAP revenues differ from those projected. The COUNTY recognizes that if a RECIPIENT is awarded less funding than requested, the project as described in the application may be scaled back commensurately. Funds may be distributed in several payments. Any past due balances owed to a county facility or agency may first be deducted before any distribution of FUNDS made to RECIPIENT

4. EFFECTIVE DATE:

This agreement shall be for a term of one (1) year, beginning on the date of the first distribution of Funds to RECIPIENT, and shall not be renewable. It is understood that the Funds received by RECIPIENT under this Agreement will be expended and accounted for within either RECIPIENT'S fiscal year or the time period indicated in its 2014 application. All covenants made by RECIPIENT will survive the expiration or termination date of this Agreement if, at that time, any Funds paid to RECIPIENT under this Agreement remain unexpended, and such covenants shall continue to bind RECIPIENT until all such Funds are expended or returned to COUNTY.

If all Funds received under this Agreement are not expended during RECIPIENT'S fiscal year or time period indicated in its 2014 application, RECIPIENT agrees to account for the Funds in the succeeding fiscal year pursuant the terms and conditions of this Agreement.

All covenants made by RECIPIENT shall survive the expiration date of this Agreement if any Funds paid to RECIPIENT under this Agreement remain unexpended and shall continue to bind RECIPIENT until all such Funds are expended.

5. MAINTENANCE AND AVAILABILITY OF RECORDS:

RECIPIENT agrees to maintain detailed and accurate records of the use of all Funds that it receives under this Agreement. RECIPIENT further agrees to retain said records and make them available for review by COUNTY from time to time upon the COUNTY'S request. Said records shall be maintained by RECIPIENT for a period of five (5) years from the date of their creation. All records shall be maintained in a professional manner and form. The parties hereby stipulate that ownership of all records that are the subject of this paragraph shall rest with RECIPIENT. However, to the extent that such records are deemed by competent legal authority to be records of the COUNTY, COUNTY agrees that its review and/or disclosure of said records shall be governed according to the COUNTY'S rights and responsibilities under the Utah Government Records Access and Management Act, Utah Code Ann. §§ 63G-2-101 et. seq. If said records disclose that RECIPIENT is in violation of this Agreement, the COUNTY may make such use and disclosure of said

records as it deems appropriate to protect its rights under this Agreement and to protect the public's interest in the proper expenditure of public funds.

6. ASSIGNMENT AND TRANSFER OF FUNDS:

It is understood and agreed that RECIPIENT shall not assign or transfer its rights or receipt of Funds under this Agreement, any interest therein, or claim hereunder. The Funds provided under this Agreement shall be used exclusively and solely by RECIPIENT for the purposes set forth in this Agreement.

7. INDEPENDENT ENTITY:

It is understood and agreed that RECIPIENT'S status in relation to COUNTY is that of an independent entity. RECIPIENT'S acts, made through any of RECIPIENT'S officers, agents or employees are made without any suggestion, direction, or management whatsoever by the COUNTY, the COUNTY'S Representative, or any other of COUNTY'S officers, agents or employees. The parties stipulate that the Funds provided RECIPIENT under this Agreement do not give COUNTY any authority whatsoever over the manner and method by which RECIPIENT carries out its purposes. To the extent that any actions taken by RECIPIENT violate the understanding between the parties, as expressed in RECIPIENT'S application for Funds and in this Agreement, COUNTY shall have the rights provided under this Agreement to withdraw funding and demand reimbursement of Funds previously expended by RECIPIENT.

8. INDEMNIFICATION:

RECIPIENT agrees to indemnify, defend and save harmless the COUNTY, its officers, agents and employees, from and against any and all claims, damages, losses and expenses, including attorney's fees and legal costs, arising out of any and all of RECIPIENT'S, or its officers', agents', or employees' negligent or wrongful acts or failures to act which occur during the term of the Agreement, or, if Funds are not fully expended during the term of this Agreement, during the period of time in which RECIPIENT expends Funds made available under this Agreement.

To the extent permitted by law, COUNTY agrees to indemnify, defend and save harmless the RECIPIENT, its officers, agents and employees from and against any and all claims, damages, losses and expenses, including attorney's fees and costs, directly arising out of the negligent or wrongful acts or failure to act by COUNTY, its officers, agents, or employees during COUNTY'S performance of the Agreement.

COUNTY is a body corporate and politic of the State of Utah, subject to the Utah Governmental Immunity Act ("Act"), Utah Code Ann. §§ 63G-7-101, et seq. (1953, as amended). The parties agree that COUNTY shall only be liable within the parameters of the Governmental Immunity Act. Nothing contained in this Agreement shall be construed in any way, to modify the limits of liability set forth in that Act or the basis for liability as established in the Act.

If RECIPIENT is a governmental entity in the State of Utah, subject to the Act, the parties agree that RECIPIENT shall only be liable within the parameters of the Governmental Immunity Act and that nothing contained in this Agreement shall be construed in any way, to modify the limits of liability set forth in that Act or the basis for liability as established in the Act.

9. INSURANCE:

RECIPIENT shall maintain such insurance as is appropriate and in accordance with industry standards and recommendations for the events, programs and operations it conducts.

10. NO OFFICER OR EMPLOYEE INTEREST:

It is understood and agreed that no officer or employee of the COUNTY has or shall have any pecuniary interest, direct or indirect, in this Agreement or the Funds distributed.

11. TERMINATION:

The COUNTY may terminate this Agreement as a result of the failure of RECIPIENT to fulfill its obligations under this Agreement. The COUNTY shall provide written notice of termination of this Agreement by delivering to RECIPIENT a Notice of Termination specifying the basis for the termination. Upon RECIPIENT's receipt of a Notice of Termination, RECIPIENT shall have 30 days in which to cure the basis for termination set forth in such Notice of Termination. If RECIPIENT fails to cure such basis for termination within such 30 day period, COUNTY may terminate this Agreement. Upon termination of this agreement, RECIPIENT shall immediately deliver to the COUNTY all unused Funds previously paid to RECIPIENT under this Agreement.

The COUNTY may terminate this agreement for the following non-inclusive reasons:

- A. RECIPIENT no longer qualifies for receipt of funding as a Tier II organization under the COUNTY'S ZAP Program,
- B. RECIPIENT was determined to be qualified based upon the submission of erroneous information, and may require RECIPIENT to return all Funds paid to RECIPIENT based upon the erroneous information.
- C. RECIPIENT fails the minimum financial health test and its financial health plan is not accepted by the COUNTY.
- D. RECIPIENT fails to supply adequate financial health reports (if required by this Agreement),
- E. If the financial health of RECIPIENT is in such jeopardy that organizational dissolution is inevitable.
- F. The rights and remedies of the COUNTY are in addition to any other rights and remedies provided by law or under this Agreement.

12. ETHICAL STANDARDS:

RECIPIENT represents that it has not: (a) provided an illegal gift or payoff to any County officer or employee, or former County officer or employee, or to any relative or business entity of a County officer or employee, or relative or business entity of a former County officer or employee; (b) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees of bona fide commercial agencies established for the

purpose of securing business; (c) breached any of the ethical standards set forth in State statute or Salt Lake County's Ethics Code, Chapter 2.07, Salt Lake County Code of Ordinances, 2005; or (d) knowingly influenced, and hereby promises that it will not knowingly influence, any County officer or employee or former County officer or employee to breach any of the ethical standards set forth in State statute or Salt Lake County ordinances.

13. COUNTY REPRESENTATIVE:

COUNTY hereby appoints the Program Director of the COUNTY'S ZAP Program as COUNTY Representative to assist in the administration of this Agreement and the Funding provided by this Agreement. Said Representative shall ensure performance of this Agreement by RECIPIENT and assist RECIPIENT in obtaining information and access to COUNTY or other government offices, if necessary for RECIPIENT'S performance of this Agreement, and if such assistance is requested by RECIPIENT. Additionally, said Representative shall monitor and evaluate the performance of this Agreement by RECIPIENT, but shall not assume any supervisory or management role over RECIPIENT or any of RECIPIENT'S officers, agents or employees during RECIPIENT'S ordinary course of business or in RECIPIENT'S expenditure of funds provided by this Agreement, other than to enforce COUNTY'S rights and responsibilities under this Agreement.

14. COMPLIANCE WITH LAWS:

RECIPIENT agrees that it, its officers, agents and employees will comply with all laws, federal, state or local, which apply to its operations and in particular those laws created to protect the rights of individuals, including, but not limited to, those laws requiring access for persons with disabilities as well as the laws governing non-discrimination against all protected groups and persons in admissions and hiring.

15. ADDITIONAL DOCUMENTS:

The following documents shall be submitted by RECIPIENT to the COUNTY prior to any funds being disbursed to RECIPIENT by the COUNTY, and are incorporated into this Agreement by reference, being made a part hereof as exhibits:

- A. Application Form – (Exhibit 1)
- B. Additional Requirements Letter, if applicable – (Exhibit 2)

16. INTERPRETATION:

The entire agreement among the parties shall consist of this Agreement and the documents set forth above in paragraph 15. All documents are complementary and the provisions of each document shall be equally binding upon the parties. In the event of an inconsistency between any of the provisions of said documents, the inconsistency shall be resolved by giving precedence first to this Agreement, and then to the other documents in the order set forth in paragraph 15 above. Further, this Agreement shall be interpreted to be consistent with Title 59, Chapter 12, Part 7, U.C.A., (1953, as amended); and Chapter 3.07, Salt Lake County Code of Ordinances, 2005, as amended; and County Policy #1031.

17. ENTIRE AGREEMENT:

This Agreement contains the entire agreement between the parties, and no statement, promises or inducements made by either party or agents for either party that are not

contained in this written agreement shall be binding or valid. This Agreement may not be enlarged, modified or altered, except in writing, signed by the parties. Moreover, as a standard form contract approved by the District Attorney's Office, any alteration without the approval of the District Attorney's Office shall render the agreement void and without effect.

18. SURVIVAL:

All covenants made by RECIPIENT shall survive the expiration date of this Agreement if any Funds paid to RECIPIENT under this Agreement remain unexpended and shall continue to bind RECIPIENT until all such Funds are expended.

19. GOVERNING LAWS:

It is understood and agreed by the parties hereto that this Agreement shall be governed by the laws of the State of Utah and Salt Lake County, both as to interpretation and performance.

20. WARRANT OF AUTHORITY:

Any person signing this Agreement warrants his or her authority to do so and bind RECIPIENT. RECIPIENT understands that COUNTY may require RECIPIENT to return all Funds paid to RECIPIENT based upon a breach of the warrant of authority.

[Intentionally Left Blank – Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year recited above.

SALT LAKE COUNTY

By: _____
Mayor Ben McAdams or Designee

**City of Cottonwood Heights/
Cottonwood Heights Arts Council**
RECIPIENT

By: _____

Name: _____

Title: _____

Approved as to Form:

/s/Stephen M. Barnes
Stephen M. Barnes
Deputy District Attorney

Date: 11-04-2014

17.16.130 Reimbursement agreements.

A. Purpose and policy.

1. Purpose. The purpose of this section is to require contribution toward storm water drainage system development costs by those benefiting therefrom and to establish a method of fairly allocating proportionate costs of public improvements, including project improvements and system improvements associated with real estate development.

2. Policy. The city's policy is that, as a condition of development approval, each developer should pay a reasonable share of the costs of public storm water drainage improvements that are roughly proportionate to the impact of the development. Such proportionate share shall be determined in a fair and equitable manner. This policy may be implemented through the use of fees, dedication of real property, dedication of improvements, reimbursements, or any other lawful method.

B. Definitions. In this section, the words set forth below shall have the following meanings:

1. “*Applicant*” means a developer who has submitted an application requesting the city to enter into a reimbursement agreement under this section.

2. “*CFP*” means the city’s capital facilities plan from time to time.

3. “*Eligible public improvements*” means:

(a) Storm water drainage system improvements that meet all of the following criteria:

(i) They are required as a condition of development approval;

(ii) They are anticipated to serve future development;

(iii) They are off-site or will create additional or excess capacity beyond the proportionate share necessary to serve the proposed development at the city’s adopted level of service standards; and
(iv) They either are included in the CFP; are approved in writing by the city engineer in advance of development; or are approved by the city council, all in accordance with the city's ordinances, rules, regulations, engineering standards and specifications.

(b) “*Eligible public improvements*” may include “*system improvements*” but shall not include “*project improvements*,” both as defined in this section, except to the extent that the project improvements are extended off-site and/or are oversized to create additional or excess capacity beyond the proportionate share necessary to service the proposed development at the city’s level of service standards.

4. “*Project improvements*” means on-site storm water drainage system improvements that are planned and designed to provide service for a development and that are necessary for the use and convenience of the occupants or users of the development. The determination of what constitutes “*project improvements*” will vary somewhat depending on the specific facts and circumstances presented by the nature, size and scope of any particular development. “*Project improvements*” are not “*system improvements*,” as defined in this section.

5. “*Public improvements*” and “*public facilities*” mean public storm water drainage system improvements and facilities.

5. “*Reimbursement of cost allocations*” means costs that are allocated to and paid by property owners or developers of properties that are deemed benefited properties and are subject to a reimbursement agreement.

6. “*System improvements*” means:

(a) Existing public facilities that are designed to provide services within the city to the community at large; or

(b) Future public facilities identified in the CFP or otherwise pre-approved by the city engineer or the city council in writing and that are intended to provide services within the city to the community at large; and

(c) Are not project improvements.

C. Responsibilities for improvement costs.

1. As a condition of development approval, a developer shall install public improvements which are reasonably necessary to fully serve the proposed development at adopted level of service standards. Where required by the city engineer to connect to existing public improvements with adequate capacity, accommodate future development, or accommodate the CFP, the developer shall also be required to install off site or oversized public improvements reasonably necessary to extend, expand or improve the city's storm water drainage system infrastructure beyond that which is necessary to serve or benefit the particular development.

2. All design costs, construction costs, installation costs, and the costs of acquiring and dedicating real property and easements shall be paid by the developer, at the developer's sole expense.

D. Reimbursement for system improvements.

1. Authorized. The developer may request a reimbursement agreement for eligible public improvements. City approval of a reimbursement agreement shall be subject to availability of funds, city's prioritization of public improvement projects, and the prospect for an appropriate level of financial contribution by future developments to be served by such public improvement, all as determined by the city council in its discretion. Any reimbursement agreement is subject to city council approval.

2. Impact Fees. Reimbursement for a public improvement may be made from the impact fees collected and deposited in the city's storm water impact fee account. The eligible costs for the improvement shall not exceed the costs upon which the impact fees were established.

3. Expiration. The reimbursement for system improvements may continue until such time as the cumulative reimbursement amount reaches an amount equal to the maximum reimbursement for said system improvements. No reimbursement shall be due or payable in excess of the amount of storm water impact fees available, after higher priority projects in the CFP have been adequately funded.

E. Reimbursement agreement.

1. Request For Agreement. Any developer who intends to construct eligible public improvements may submit an application requesting that the city enter into a reimbursement agreement with the applicant for eligible public improvements constructed and installed. Reimbursement will be available only pursuant to a fully executed and effective reimbursement agreement approved by the city council in its discretion.

2. Evaluation of Agreement. The city shall evaluate reimbursement agreements on a case by case basis, and develop a fair and equitable method of allocating the proportionate share of the cost to all the properties creating the need for or benefiting from the available public improvements. It is anticipated that each situation will have its own unique features and characteristics, and therefore each reimbursement agreement may use one or more allocation methods, as appropriate and determined by the city, in determining the proportionate share of the costs to be borne by the properties which receive benefit from or create the need for the eligible public improvements.

3. Contents of Agreement. The reimbursement agreement shall contain, at a minimum, the following provisions:

- (a) Identification of the eligible public improvements that the applicant agrees to construct;
- (b) Estimated cost of the eligible public improvements, including acquisition of property and/or easements;
- (c) Maximum reimbursement to be made available to the applicant;
- (d) Except for system improvements, identification of benefited properties to which costs of the eligible public improvements will be allocated;

- (e) Except for system improvements, allocation of costs and method of assessment which may include, but is not limited to, frontage, zone, area, lot, impervious area, number of connections, or any other fair and equitable criteria;
- (f) Requirements for documentation, acceptable to the city attorney, verifying actual costs of eligible public improvements;
- (g) Waiver and a covenant not to sue, which provision shall be in a form acceptable to the city attorney;
- (h) No interest shall be paid on any amounts due under the agreement;
- (i) Acknowledgement that the city's liability for any reimbursement of cost allocations or other payments for actual or perceived benefits conferred on other private properties by the public improvements in question shall be limited to payments actually received and collected by the city from those benefitted properties.
- (j) Requirements for modification of the agreement by written amendment, executed by the parties to the agreement; and
- (k) The reimbursement agreement shall not confer a benefit upon any third party; shall not be assigned, transferred or conveyed without the express approval of the city; and shall be in a form approved by the city attorney.

4. Maximum Reimbursement.

- (a) The maximum amount of reimbursement shall be established by the city in its reasonable discretion, and may be less than that requested by the applicant.
- (b) No interest shall be included in the amount of the reimbursement, and no interest shall be paid to the developer by the city or any other person on amounts becoming due.
- (c) In no event shall reimbursement exceed the developer's actual out-of-pocket cost of eligible public improvements.
- (d) The maximum reimbursement shall be as set forth in the reimbursement agreement or an amendment thereof, unless additional reimbursement is approved by the city manager according to this subsection 4.
- (e) Upon verification by the city engineer of the actual cost of satisfactorily completed eligible public improvements, the city engineer shall recommend a reimbursement amount to the city manager for those eligible public improvements that are system improvements. The city manager may:
 - (i) Approve reimbursement of the verified actual costs up to the amount of the maximum reimbursement set forth in the reimbursement agreement;
 - (ii) Approve reimbursement of the verified actual costs up to ten percent over the maximum reimbursement set forth in the reimbursement agreement, provided that the actual costs are determined by the city engineer to be reasonable; or
 - (iii) Recommend to the city council approval or denial of an amendment to the reimbursement agreement increasing the maximum reimbursement.

5. Collection From Benefitted Properties. Reimbursement of cost allocations may only be collected from benefitted properties that are identified in a fully executed and effective reimbursement agreement. The appropriate amount shall be requested upon development of the identified benefitted property, meaning upon recording of a subdivision plat or issuance of a building permit for the benefitted property, whichever occurs first. The city's liability for any reimbursement of cost allocations or other payments for actual or perceived benefits conferred on other private properties by the public improvements in question shall be limited to payments actually received and collected by the city from those benefitted properties.

6. Release From Liability For Payment. The city shall, in all cases, be immune and not liable for any payments to the developer if a city reimbursement ordinance or reimbursement agreement is determined by a court to be illegal, unconstitutional, or otherwise unenforceable for any reason.

F. Expiration. Except reimbursement for system improvements as set forth in subsection D, above, of this section, reimbursement agreements and public reimbursements shall expire a maximum of ten years after the effective date of the agreement, or at such time as the cumulative reimbursement amount reaches the maximum reimbursement, whichever event occurs first. No reimbursement shall be due or payable after said ten year period.

G. Cost Allocation for Non-System Improvements.

1. In determining the appropriate reimbursement cost allocation for eligible public improvements that are not system improvements, the city manager or designee shall consider the reasonable cost of the improvements, including construction and land costs, and other out-of-pocket expenses directly related to the completion of the improvement. The city manager may also consider the expected useful life of the improvement, the necessity of the improvement for development of the benefited parcels, prior contributions by property owners, the proportionate benefit received by each parcel compared to the benefit received by all parcels served by the public improvements, the intensity of use of the improvements by each parcel served, and any other factors that the city manager deems fair and appropriate.

2. In no event shall the cumulative total of all reimbursement cost allocations exceed the maximum amount of reimbursement set forth in the reimbursement agreement or the actual cost of the eligible public improvements.

H. Administrative Review. If the developer of a benefited property disagrees with the reimbursement cost allocation to which the benefited property is subject, the developer may challenge the method or amount of the reimbursement cost allocation by submitting notice of such challenge to the city manager. If the developer chooses to pay the reimbursement cost allocation in order to proceed with development, notice shall be given to the city manager, at the time of payment, that the payment is made under protest and that the developer challenges the reimbursement cost allocation. Failure to submit notice to the city manager as required by this section shall constitute a waiver of the developer's right to challenge the reimbursement cost allocation. The city manager shall render a decision on the challenge, typically within 30 calendar days of receipt of such notice. The city manager's decision shall be final.