

AMERICAN FORK CITY
COUNCIL MEETING MINUTES
JUNE 4, 2015

WORK SESSION

ATTACHMENTS (2)

The purpose of City Work Sessions is to prepare the City Council for upcoming agenda items on future City Council Meetings. The Work Session is not an action item meeting. No one attending the meeting should rely on any discussion or any perceived consensus as action or authorization. These come only from the City Council Meeting.

The American Fork City Council met in a work session on Thursday, June 4, 2015, in the American Fork City Offices, 51 East Main Street, commencing at 3:30 p.m. Those present included Mayor Pro-Tem Councilman Clark Taylor and Councilmembers Carlton Bowen, Brad Frost, Rob Shelton, and Jeff Shorter. Mayor Hadfield was excused. In his absence Mayor Pro-Tem Councilman Clark Taylor conducted the meeting.

Staff present: Associate Planner Wendelin Knobloch
City Administrator Craig Whitehead
City Attorney Kasey Wright
City Planner Adam Olsen
City Recorder Richard Colborn
Finance Director Cathy Jensen
Fire Chief Kriss Garcia
Library Director Colleen Eggett
Lt. Sam Liddiard
Parks & Recreation Director Derric Rykert
Public Relations/Economic Development Director Audra Sorensen
Public Works Director Dale Goodman
Technology Director George Schade

Also present: Darrell Child and Barbara Christiansen

DISCUSSION OF PROPERTY AND LIABILITY INSURANCE FOR FISCAL YEAR 2016 –
Darrell Child

Mayor Pro-Tem Taylor turned time to Darrell Child from Olympus Insurance.

Mr. Child explained that every year Olympus Insurance methodically reviewed the basic risks of the City operations. This year the City had a major loss regarding the bubble at the pool. The overall risk partners that were in place had a good long history of providing stable and broad based coverages. He distributed an insurance proposal for fiscal year 2016. He noted that the things that the City did particularly at the department level to prevent claims paid dividends when it came renewal time. The carriers that cover the City were all top rated. He discussed the major coverage areas.

- All property risk was with Affiliated FM which was the largest property insurer in the world. Affiliated FM had been very responsive with the City.

- General Liability coverages along with Auto was with One Beacon
- Crime, ID Fraud, and Cyber Liability was with Travelers

He reviewed the premium rates with the Council via a rate table. The premium last year was \$382,152. The premium would go up this year to \$398,850 which was a 4.37 percent increase.

Mr. Child stated that concluded his basic recap. He asked if there were any questions.

Councilman Shorter asked about the motor vehicle records recommendation.

Richard Colborn responded that it was in process.

Councilman Frost expressed that when he thought of insurance he always thought of worse-case scenario. In the event of an earthquake did the City's insurance step in and mitigate damage to the City's facilities like waterlines, sewer lines, roads, underground tanks, etc.

Mr. Child explained that earthquake coverage was at \$50 million with a \$100,000 deductible through Affiliated FM. Affiliated FM had emergency response teams that would deploy within 48 to 72 hours in the event of a natural disaster. Streets and roads typically did not fall under regular insurance treatment. More and more entities were asking for catastrophic coverage for streets, roads, and water structures. A study could be done regarding probable maximum loss and what the cost of premium would be. As always the higher the deductible the lower the premium.

Councilman Frost asked the cost of that study.

Mr. Child answered that there would be no cost. They would work with some of the department heads to gather information.

Councilman Frost would like to see that done. Councilman Taylor agreed.

Councilman Shorter asked about higher deductibles on the automobile coverage.

Mr. Child responded that he did not think it was something that was done to capture immediate savings it was more of a philosophical move that was done to shoulder more of the original cost.

Mr. Whitehead asked what the difference would be if they went to replacement coverage. On the pool cover they were only getting 80 percent.

Mr. Child responded that scheduled replacement value was intended to make the City whole as much as possible. It was designed to be replacement at like, kind and quality as well as on a blanket basis, meaning all of the properties bundled together.

Mr. Whitehead reported that the replacement was over \$400,000 but the City was only getting about \$300,000.

Councilman Bowen asked if there were policies available that would have paid the full cost of replacement instead of the scheduled value.

Mr. Child explained that Olympus used Marshall & Swift to provide standard update values. The bubble was more of a specialty item.

Councilman Shelton asked how often that evaluation was done.

Mr. Child answered that the City's major property locations were evaluated every year.

Councilman Shorter asked when they could decide if they wanted higher deductibles.

Mr. Child stated that could be done at the time of final approval. Final approval on June 23.

Councilman Bowen asked if there was a moral hazard issue, 100 percent coverage, with regard to local government.

Mr. Child responded that there was not.

Mayor Pro-Tem Taylor thanked Mr. Child for his presentation.

DISCUSSION OF THE FISCAL YEAR ENDING JUNE 30, 2016 BUDGET – *City Staff*

Mayor Pro-Tem Councilman Taylor turned time to Mr. Whitehead.

Mr. Whitehead commented that at the last meeting there were requests for budget information. Cathy Jensen has provided some graphs and additional information. **(See ATTACHMENT 1)**

With regard to Street Maintenance Mr. Whitehead provided a spreadsheet regarding the Street Maintenance & Repair Budget Comparison FY2015 – FY2016. **(See ATTACHMENT 2)**

Mayor Pro-Tem Taylor asked what adjustments would like to be discussed.

Councilman Shelton asked about going forward if there were no other questions.

Mr. Whitehead stated that the 10-day notice of a public hearing would be published and action could take place the same night.

Mr. Colborn noted that besides the City Budget public hearing one was needed for the Local Building Authority and for the RDA.

Councilman Bowen asked if there had to be a period of time between the public hearing and voting on its adoption.

Mr. Colborn answered that they could be on the same night.

Councilman Bowen stated that he had two items of input. It looked like the amount of the General Fund increase was \$1.38 million. He proposed taking the \$1.38 million increase and putting it in the Capital Improvement Streets Fund.

Councilman Shelton stated that before he could get behind that he needed to know where that money would be pulled from.

Councilman Bowen responded that there were pages in the budget that specified the \$6.5 million increase from this year over last year. It was that amount. On the expenditure side it just showed it was coming from the General Fund. It was hard to drill in without a line item listing of what that was going to. It looked to him like the General Fund was increasing by \$1.38 million and then they were spending \$1.38 million. He was proposing that excess be spent all on actual street improvements.

Councilman Shelton asked what the City was not going to be able to afford.

Councilman Bowen expressed that if they wanted to talk about it at that level he needed information from Craig Whitehead and Cathy Jensen regarding the line by line of that \$1.38 million above last year and where it was going.

Mayor Pro-Tem Taylor stated that everyone budgeted in a different way but to him there were ramifications to moving and changing what was already allocated.

Councilman Bowen would love to have that discussion if he could have that information provided to him, specifically the \$1.38 million increase in the General Fund over last year. For the two years that he had been in office there has been a surplus that had been higher each year. He proposed that they turn that on its head and say up front that they were going to spend the money on roads. Even if that \$1.38 million was already budgeted, experience had shown they would get more than \$1.38 million in surplus over the next year.

Councilman Shelton asked Councilman Bowen what he thought that might be.

Councilman Bowen responded that would be a question for Mr. Whitehead. He did not know what the budget amendment for this year was going to be.

Mr. Whitehead stated that Ms. Jensen was still working on that. It was always an unknown. The City budgeted conservatively and that was why it usually ended up with a surplus. According to the bonding agencies a City needed to be very conservative as to how they budget and keep a prudent amount of surplus.

Councilman Bowen added that not having additional debt helped.

Councilman Shelton noted that pages 19-21 had line items that showed where those funds were coming from.

Councilman Bowen stated that it did not show by line item where the surplus was coming from. What he needed from Staff was the \$6.5 million that was above last year, where was it going in each of the categories. Then they could have the discussion.

Mr. Whitehead asked Councilman Bowen if he was talking every line item in the budget; supplies for every department.

Councilman Bowen answered that he was not. They were talking by departments. What Councilman Shelton was just talking about were pages 19-21 where it broke out operational expenses, personnel costs, and other costs.

Ms. Jensen did not break out variances for each current departmental budget and projected department budget.

Councilman Bowen explained that his question was that there was a column that showed last year's budgeted amount for those very high level categories, personnel and operations, and they needed to be more specific than those high level categories to have this discussion. What was the department's budget increase from last year to this year? He knew that some of it was personnel and some of it was payment into the retirement fund, but based on the graph provided he knew that was not all of it. It was a small percentage of it.

Councilman Shelton asked if Councilman Bowen had taken time to talk with Staff individually about that at all. He wanted to make sure he got the answers he needed. He hoped that in the last week and a half he did some homework.

Councilman Bowen responded that he did his part from looking at the information that they had. He requested additional information. He reviewed the additional information that Staff provided. Based on the information that he was able to gather, the proposal that he was making was that they modify the \$1.38 million expenditure amount to just go toward street improvements.

Mr. Whitehead commented that was a poor way to budget and cut-back management. It was kind of a recipe for mediocrity. The way the City's budget was constructed every year it could change. Cutting that out would have an impact differently by department. If \$1.38 million were taken out, what services would be cut. It came down to a targeted and not a blanket cut.

Councilman Bowen felt it was not a cut it was an increase.

Mayor Pro-Tem Taylor explained that \$1.38 million increase was already budgeted accordingly. To go back and make an arbitrary chop, it was hard to budget that way.

What Councilman Bowen was saying was that he had asked for more detailed information and he had not been able to get it.

Mr. Whitehead expressed that what had been asked for had been provided. The budget was a very detailed document by department.

Councilman Bowen stated that what he had asked for was what specifically the \$1.38 million increase went toward. He had not seen that.

Councilman Shelton expressed that there were some expenses that just had to be paid; debt service, employee wages, and there were things in each department. He understood that what Councilman Bowen was looking for was what the \$1.38 million was going for.

Mr. Whitehead explained that some projections were from experience. They looked at every line item. Hundreds of thousands of dollars from department requests were cut out.

Mayor Pro-Tem Taylor stated that he would not arbitrarily budget. He would rather say he was looking for \$1.38 million that was recognized in the General Fund. He did not care what was increased from last year. He was going to go back through the budget and he was going to look at everybody's. He was going to find \$1.38 million there and say what maybe was not needed. He did not think there was a quick way to find that increase. He did not necessarily know why there was a need to do that. Sitting down with the department head and asking the question of why a certain item was needed would be a more accomplished way and a proactive way of to get to the extra \$1.38 million. Digging that out seemed to be a better exercise than continued going over this and not finding it.

Councilman Bowen wanted to have that discussion but he needed the information. He did not know the exact amount of the budget amendment but asked for a ballpark amount.

Councilman Shorter asked if any of the departments got all that they asked for.

Mr. Whitehead answered that they did not.

Councilman Frost thought this was a big deal and he understood that the budget set priorities for the entire year. These were protected sacred funds from hard-working people that paid taxes. As Mayor Pro-Tem Taylor suggested, he had done that. When an audit process was gone through as he had many times in his business, they not only audited numbers but they audited procedures, budgeting process, and things that like. He started digging into the process. With Derek Rykert he drilled down on the review process and came to the understanding that when a truck, for instance, was asked for it was needed for a various number of reasons. He went to Chief Garcia and had personal talks with him about his budget. If that had not been done, he expressed to Councilman Bowen that needed to be done so he could feel good about the budget and where it was headed.

Councilman Frost continued that broad-based statements did not work and accomplished nothing. So much could get done on a one-on-one basis.

Councilman Shelton commented that over the last two years the cost of employee pension portion had gone up 50 percent or about \$300,000. In rough numbers the City's sales tax increase was just over \$300,000. While it was said they had extra sales tax, there were also added expenses.

Mayor Pro-Tem Taylor did not think anyone was against the suggestion of that money going for roads it was getting to that point and understanding where that was coming from.

Councilman Frost stated that specifics were needed for him to understand.

Councilman Bowen responded that was his point with the surplus. Where were they getting the money from? They had surplus from year to year. He encouraged the Council to target upfront a certain amount. As the money came in during the year that money would be earmarked for roads.

Mayor Pro-Tem Taylor referred to family budgets noting that it was difficult to make an across the board cut. Other things were in the mix that were known happenings for this year that were not in last year's budget. One could not go in and say because there was a decrease in income I will do a blanket cut. That would not work. He did not think there was a simple way to get where Councilman Bowen wanted to be.

Councilman Bowen thought this was a good discussion to have. On the other hand, if there was an increase, the increase could be targeted to be saved throughout the year and not living from that.

Councilman Shelton believed that was the analogy that they were all looking for. He wanted to know what the budgeted costs they were going to refuse, to be able to save that money, to put more toward roads.

Councilman Bowen noted that some of that increase was going to go towards mandatory things like increased pension payments and/or higher utility fees but clearly not all of that increase would go toward those things. He suggested, as he had done before, that they set up a Streets Enterprise Fund. Those funding sources could be the B&C Funds as a starting point. The City was paying \$80,000 less in debt service. As the City's debt continued to go down that could be an ongoing funding source. It could be money from street savings or other things. Savings never seemed to materialize to a point where the City Council chose how to spend that money.

Councilman Bowen continued that one way was to go item by item through the budget. He did not think the Council was the experts but their role was to provide general guidance to the City Administrator and the staff and to say that these were their priorities now help the Council fund this. He suggested that they target at least some of the increase to streets.

Councilman Shelton commented that they were different on processes. He sat down with each department head and asked them what they would do if they had a three percent decrease in their budget. What would you cut? But, in two years working with Councilman Bowen on budgets he had never come in and get a single item and say, this was what could be cut. The City had significant increases in expenditures. They needed to look at how they were going to reduce those costs. He was glad that Councilman Bowen thought that they were experts, this then was the experts' budget being refined.

Councilman Shelton continued that this year they asked the City employees to increase their health insurance portion to 10 percent. The Council was trying to off-set that with a 3 percent

merit increase. He suggested that they could back that down to a 2 percent increase and that would save the City around \$70,000. That could be put into the Road Accrual Fund. In talking with Parks staff he understood a little better their need for a new truck.

Councilman Bowen added that there was also \$80,000 from lower debt service and proposed that be spent in the Street Improvement Fund.

Councilman Shelton asked what was going to be cut. That was going to be his first question every time.

Councilman Bowen clarified that Councilman Shelton said that he had never given him examples of specifics. In the minutes in the last year and a half and there had been multiple times that he voted against stuff because that money or a portion of that money was not allocated.

Councilman Shelton expressed that he was talking about budgeted money.

Councilman Bowen responded that that this was part of the budget as they approved \$70,000 to \$250,000 throughout the year that was the surplus that they would be voting on in a couple of weeks. He asked again for that amount.

Councilman Bowen commented that when he first came into office it was thought that he was out to do away with the Library and everything else. His point was that they were talking about increases not cuts. Increases in costs were also talked about. He suggested taking a percent of that.

Councilman Shelton explained that the staff has provided a document. It has been well looked at.

Councilman Bowen stated that it did not incorporate the number one priorities that the Council set.

Councilman Shelton responded that was his opinion. He continued that out of this document Councilman Bowen would need to find cuts to be able to help convince him of what was the bigger priority.

Councilman Bowen wanted to have that discussion with the Council but he could not do it with high-level categories of operating expenses, personnel budgets, and other.

Mr. Whitehead explained that the minute the budget was presented to Councilman Bowen he asked what questions he had and if any other information was needed. Staff has provided everything he had asked for. If all of the detail and spreadsheets wanted to be reviewed, they were available.

Mr. Whitehead continued that he did not want to look at blanket, across the board cuts. You don't say to everyone, vut back 10 percent or this or that had to be cut.

Councilman Bowen expressed that he was not talking cut backs. He was talking about a percentage of an increase.

Mr. Whitehead added that every budget had nuances to it. One had to look at targeted cuts. What could you cut? There was a balanced budget document. To realize a transfer of money into streets it had to be taken from somewhere. So it was a cut.

Councilman Bowen stated it was what was not going to be funded. He was asking the same question from 180°. What was funded from the increase? No one has been able to tell him of the \$1.38 million increase in the General Fund what it went to.

Cathy Jensen stated that it was a zero-based budget. Increases were not always available to use. There were off-setting revenues.

Councilman Bowen explained that was why he was focusing in on the General Fund as he recognized that part of the \$6.5 million increase was about a \$2.5 million road grant and some of it was change in accounting, mandated by the state, on City water expenses. He recognized that those components were part of that \$6.5 million increase. There was \$1.38 million that they were spending more than last year.

Mayor Pro-Tem Taylor reported that the budgeting process in his home was different that it was in the City.

Councilman Bowen wanted to have that discussion. It seemed as though everything was sacred.

Mayor Pro-Tem Taylor suggested to Councilman Bowen that he sit down with the department heads as others had done and then come back to the Council with specifics.

Councilman Bowen responded that as a starting point, in order to have those conversations with the department heads, he needed to know what the increase was from last year's budget. He asked for that previously. He appreciated Cathy Jensen for what was provided.

Councilman Shelton asked that when he received the information and it wasn't what he wanted, why wasn't Ms. Jensen informed at that time? Whatever was presented needed to be done so in a way to persuade people or it would not go anywhere. It would take three Councilmembers.

Councilman Bowen responded that he was very aware of that fact. It did not always take three Councilmembers; to defeat a bond didn't.

Councilman Shelton stated that he was laying out a road map that if Councilman Bowen wanted his vote, he was saying what he needed to support that.

Mayor Pro-Tem Taylor commented that if Councilman Bowen wanted information and he needed to go get it.

Councilman Bowen stated that he would ask for the third time that Cathy and Craig provide him within the next week a list of the increase.

Mr. Whitehead answered that it was in the budget.

Councilman Bowen, as an example, stated there were currently five ambulances and the request was for two more. He had not said to cut back because he talked with Chief Garcia and he was convinced there was a need there. Their budget was pretty flat unlike Administration and several other budgets that were significantly up.

Councilman Shorter suggested that he go to Administration and ask why their budget was up.

Councilman Bowen answered that he was able to have that discussion because in the budget it showed there were two ambulances slated to be purchased. What he was asking for that was being said was there, was not there, how much of those two ambulances were being funded from the increase and how much from what would have been their budget last year.

Mr. Whitehead responded none out of the budget last year. That would probably be surplus funds that off-set the capital stuff. They used \$2 million in surplus.

Councilman Bowen was glad to hear they had \$2 million in surplus. He would like to see some of that surplus go toward street improvements. For those two ambulances that was coming from surplus, was that coming General Fund money or money from revenues that the Fire Department brought in. For him to have a meaningful discussion he needed to know from last year's budget to this year's upcoming budget, specifically, what was up. Someone said utilities were up. How much for each department? That would be useful information because then they could have a meaningful discussion.

Mayor Pro-Tem Taylor answered that it was in the budget.

Councilman Shelton felt they needed to come to a solidified process as deadlines were approaching and they had to have a 10-day notice prior to a public hearing. The deadline for adoption was June 22. There was one week to come and give staff direction to get this done. He was willing to give Councilman Bowen until Tuesday to come back with hard facts.

Councilman Bowen stated that for the past month and a half and for the past couple of weeks, he appreciated the information Cathy Jensen provided but it just wasn't exactly what he had asked for repeatedly. He did not expect that he would get the information that he was asking for between now and Tuesday. He said again that he had been putting forth the effort. Another key piece of information that he had been asking for multiple times for the past month and a half and that was what was the expected budget amendment amount.

Councilman Bowen continued and asked of the \$6.5 million, line by line, how much came from the \$6.5 million.

Mr. Whitehead answered that every line item would need to be researched to try to find an increase. Changes by department had been provided.

Mayor Pro-Tem Taylor felt it was of no use. That was an idiotic way to budget. They had to look at the priorities in the City. Maybe it was unforeseen or a planned increase.

Councilman Bowen thought that maybe the case and they should have that discussion.

Mayor Pro-Tem Taylor stated that the increase was not the issue because what was wanted was the absolute, most unneeded places where there may be surplus that could be put towards streets. The City budget ebbed and flowed in terms of need.

Councilman Shelton expressed that at this point he thought they were at a standstill.

Councilman Bowen stated that they had different budget perspectives.

Councilman Shelton asked Councilman Bowen if he needed time between now and Tuesday to do some work and bring that back.

Councilman Bowen said that went back to Mr. Whitehead if he could have the information.

Councilman Shelton suggested that Councilman Bowen and Mr. Whitehead get together and try and work that out. He was happy to take time on Tuesday for that. If they were at a standstill and it was not going to do any good it was time to move forward with the budget process.

Councilman Bowen stated that he was skeptical that he would get the information.

Mr. Whitehead took exception to that noting that he had offered to Councilman Bowen to review it time and time again.

Councilman Bowen stated that he had just asked for something specific and he was told it would take a lot of time to get it.

Mr. Whitehead answered that he did not say he could not get it for him he said it would take time.

Ms. Jensen asked Councilman Bowen if it would help if she provided the budget requests submitted from the departments.

Councilman Bowen answered that two things would be really helpful.

1. The amount of the budget amendment

Ms. Jensen reported that right now it was estimated that they would be using \$124,000 of fund balance. Last year they had a total of \$2.2 million in fund balance. If there was not fund balance this year they would not be able to use it next year.

Councilman Bowen appreciated that but that was not his question.

Ms. Jensen stated that they were looking at about \$218,000 as of right now.

Councilman Shelton asked Councilman Bowen if would be able to meet tomorrow to communicate one on one and then get back together on Tuesday. What was the next step?

Mayor Pro-Tem Taylor felt it all hinged on Councilman Bowen. They all wanted to be considerate that he get the information he was looking for. Before anything ever happened he had a concern that Councilman Bowen would not get the information he wanted because it did not serve his purpose. They were willing to go over this again at the next meeting. This was frustrating. No one, Staff, public, fellow Council persons, had ever been able to answer Councilman Bowen's questions or provide him the information he wanted.

Councilman Bowen answered that they had. He asked for information all the time.

Kasey Wright suggested that to be clear, provide it in writing.

Councilman Shelton stated that anyone could make excuses but not everyone would make an effort. His soccer coach drilled that into his head. Obviously with a communication error here because the information could not be provided that Councilman Bowen wanted or needed in the format that he needed to be able to make a decision, so he was saying get everyone in the same room and hash it out. On Tuesday he asked if it would be worth it to get together at 6:15 p.m.

Councilman Bowen stated that they should just move forward with the budget process because he did not expect to have the information.

Mr. Whitehead expressed that Councilman Bowen kept making that charge and it really bothered him like they were not providing it.

There was discussion with everyone all at once.

Councilman Shelton asked if they were going to have another work session or move ahead on the budget process. Did they want to go with a 2 percent merit increase and put the 1 percent into the road accrual fund? It would mean about \$70,000.

Councilman Frost would talk with department heads to see how it might affect them.

- Dale Goodman reported that in his budget probably 2/3's of his people were funded from enterprise funds. It would be an effect on everyone.
- Chief Garcia expressed that his concern was this was a merit increase and he agreed with the fact that they reward performance on 3 percent was pretty doable. Some could get a 4 percent and some a 2 percent increase. With a 2 percent it was more difficult.
- Derek Rykert stated that employees were one of the City's most valuable resources. The Council and Administration has invested in improving morale. He did not know what he would decrease to still allow for a 3 percent merit increase.

Councilman Shorter asked what was provided last year.

Mr. Whitehead answered that it was 3 percent.

Councilman Shorter thought that for the little bit they were saving that it was better for morale purposes to leave the 3 percent alone.

Mayor Pro-Tem Taylor was not in favor of making a cut there. He added that there were employees that deserved zero and some that deserved 5-7 percent. Somehow they needed to help employees understand that those were merit increases.

Mr. Whitehead agreed with that 100 percent. They were doing that. They tried to be efficient everywhere they could. Leadership agreed with that philosophy.

All agreed that the three percent merit increase should remain.

Councilman Bowen asked the Recorder if the final budget to be passed could be modified.

Mr. Colborn answered that it could.

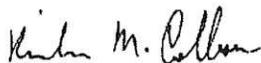
Councilman Shorter felt they needed to move forward.

It was decided that the budget public hearings and adoption would be on Thursday, June 18, 2015 starting at 6:00 p.m. There would be no work session.

- 6:00 p.m. Public Hearing – Building Authority Budget
- 6:05 p.m. Special Session - Building Authority Budget Adoption
- 6:10 p.m. Public Hearing – RDA Budget
- 6:15 p.m. Special Session – RDA Budget Adoption
- 6:30 p.m. Public Hearing – City Budget
- 6:45 p.m. Special Session – Adopt Budget Resolution

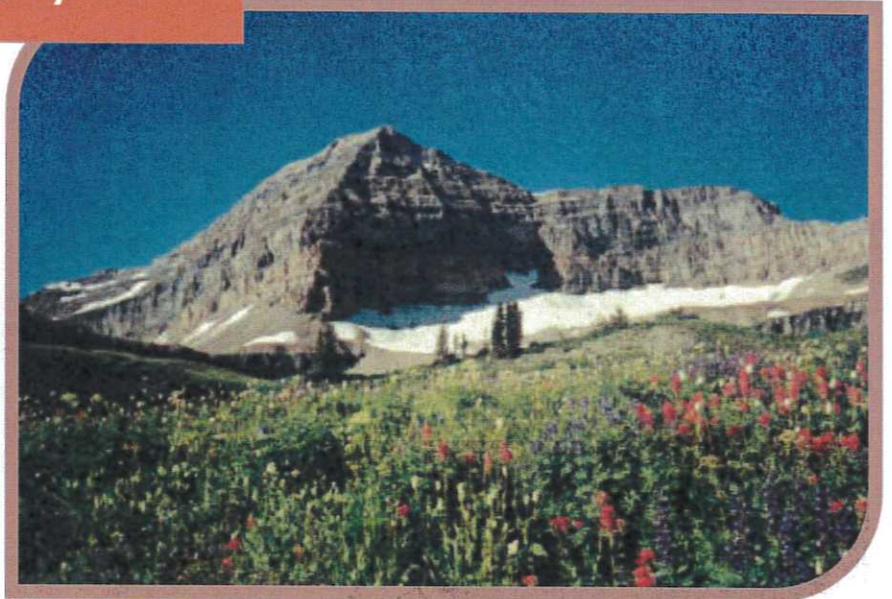
ADJOURNMENT

The work session adjourned at 5:25 p.m.



Richard M. Colborn
City Recorder

American Fork City

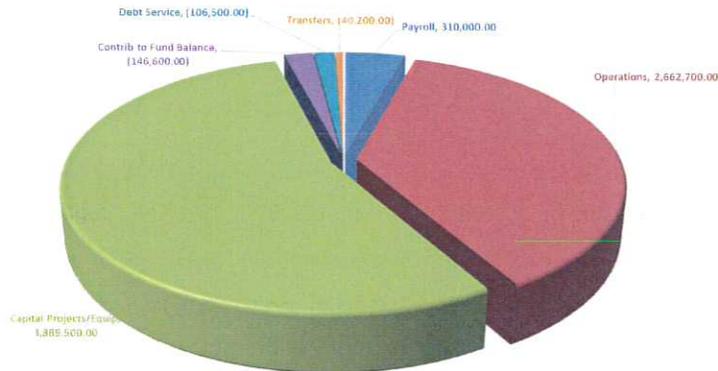


2015-2016 Budget Changes in Budget FYE 2015 to 2016



Below you will find the changes in Budget, comparing FYE 2015 and 2016, both in graphical form and in tabular form.

Changes in Budget 2015 to 2016



	General Fund	Special Revenue	PARC Tax	Celebration	Debt Service	Capital Projects	Water	Sewer	Storm	Secondary	Broadband	Fitness	Perpetual Care	RDA	Building Authority	Total Change
Payroll	181,200	-	-	-	-	-	13,200	13,400	62,400	19,900	10,100	9,800	-	-	-	310,000
Operations	767,700	-	640,000	2,800	-	(50,000)	235,600	171,100	53,100	263,000	103,200	55,900	-	420,300	-	2,662,700
Capital Projects/Equip	-	-	-	-	-	2,972,000	614,400	172,500	20,000	110,600	-	-	-	-	-	3,889,500
Contrib to Fund Balance	-	-	-	-	-	-	-	(123,000)	-	-	(82,800)	-	59,200	-	-	(146,600)
Debt Service	-	-	-	-	(82,900)	(56,100)	(800)	-	-	(16,700)	-	-	-	50,000	-	(106,500)
Transfers	434,200	-	-	-	-	1,200	27,200	42,000	18,700	-	-	-	(500,000)	(63,500)	-	(40,200)
Total	\$ 1,383,100	\$ -	\$ 640,000	\$ 2,800	\$ (82,900)	\$ 2,867,100	\$ 889,600	\$ 276,000	\$ 154,200	\$ 376,800	\$ 30,500	\$ 65,700	\$ (440,800)	\$ 406,800	\$ -	\$ -6,568,900



American Fork City
 Combined Funds
 FYE June 30, 2016

REVENUES:

General Fund	\$ 23,489,700	\$ 22,106,600	\$ 1,383,100
Special Revenue Fund	4,300	4,300	-
PARC Tax	640,000	-	640,000
Capital Imp and Equipment	7,665,200	4,798,100	2,867,100
Celebration Fund	148,700	145,900	2,800
Debt Service	2,298,600	2,381,500	(82,900)
Water and Sewer Fund	18,085,100	16,388,500	1,696,600
Broadband System	1,467,100	1,436,600	30,500
Fitness Center	2,124,700	2,059,000	65,700
Perpetual Care	73,900	514,700	(440,800)
Building Authority	200	200	-
Redevelopment Agency	2,653,800	2,247,000	406,800
Total	\$ 58,651,300	\$ 52,082,400	\$ 6,568,900

EXPENDITURES:

General Fund	\$ 23,489,700	\$ 22,106,600	\$ 1,383,100
Special Revenue Fund	4,300	4,300	-
PARC Tax	640,000	-	640,000
Capital Imp and Equipment	7,665,200	4,798,100	2,867,100
Celebration Fund	148,700	145,900	2,800
Debt Service	2,298,600	2,381,500	(82,900)
Water and Sewer Fund	18,085,100	16,388,500	1,696,600
Broadband System	1,467,100	1,436,600	30,500
Fitness Center	2,124,700	2,059,000	65,700
Perpetual Care	73,900	514,700	(440,800)
Building Authority	200	200	-
Redevelopment Agency	2,653,800	2,247,000	406,800
Total	\$ 58,651,300	\$ 52,082,400	\$ 6,568,900

NET INCOME (LOSS)	\$ -	\$ -	\$ -
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ATTACHMENT 1 TO THE 06-04-2015 CC WS MINUTES – PAGE 4 OF 4



Below is a list of some of the items that affected the 2016 budget; this list is not intended to be comprehensive.

Fund	Description	Amount
All	Fluctuations in Wage	
	Year End Accrual(Days of FY1 that lapse into FY2)	
	Merit Increases (3%)	
	Employee Tax and Benefits associated with Merit	
	Decrease in Health Care Expense (employees paying 10%)	
General Fund	Utility Expense Recognized in Buildings and Grounds Budget	\$225,800
	Technology and Transparency Expenses in Data Processing Budget	\$89,000
	Library Grant Expenditures (Offset by Grant Revenue)	\$69,000
	Cemetery-Perpetual Care Loan Payments (offset by sale of lots)	\$62,600
	Administration-Relocation of Employee Expenses	\$101,100
	Arts Grant Now Funded through PARC Taxes	(\$39,800)
	Recognition of Senior Citizen Revenues and Expenditures in checking	\$74,500
	Fire/Ambulance Professional Fees for Physicals, Doctor, etc.	\$26,000
	Administration-Communications and PR Budget	\$64,300
Water and Sewer	Unfunded Liability (Book-only entry, not a cash transaction)	\$542,300
Broadband	Unfunded Liability (Book-only entry, not a cash transaction)	\$86,500
PARC Tax	New funding Revenue/Expenditures	\$640,000

For more information, please contact Cathy Jensen, Finance/Budget Officer or Craig Whitehead, City Administrator.

ATTACHMENT 2 TO THE 06-04-2015 CC WS MINUTES – PAGE 1 OF 1

Street Maintenance & Repair Budget Comparison FY2015 - FY2016

FY 2015 - Streets	Dept.	Expenditures	General Fund	B & C Funds	Road Accrual	Impact Fees	Grant	RDA / EDA
E. Side-Relocation of Main St. Inters.	RDA	\$ 100,000						\$ 100,000
N. Valley - Quality Drive Road	RDA	\$ 96,000						\$ 96,000
N. Valley - Pavement Repairs	RDA	\$ 50,000						\$ 50,000
West Side - 130 N. Pacific Paving	RDA	\$ 150,000						\$ 150,000
TOTAL		\$ 396,000						\$ 396,000
300 West (Main to 200 S.)	Streets	\$ 1,030,000			\$ 530,000	\$ 500,000		
100 North Overlay	Streets	\$ 225,000			\$ 225,000			
900 East/700 North Project	Streets	\$ 240,000			\$ 40,000	\$ 200,000		
HA5 Project - street rehabilitation	Streets	\$ 170,000		\$ 70,000	\$ 100,000			
980 North River Crossing	Streets	\$ 330,000	\$ 330,000					
Art Dye Roundabout	Streets	\$ 660,000	\$ 660,000					
TOTAL		\$ 2,655,000	\$ 990,000	\$ 70,000	\$ 895,000	\$ 700,000		\$ -
TOTAL FY2015 STREETS		\$ 3,051,000	\$ 990,000	\$ 70,000	\$ 895,000	\$ 700,000		\$ 396,000

FY2016 - Streets	Dept.	Expenditures	General Fund	B & C Funds	Road Accrual	Impact Fees	Grant	RDA / EDA
No. Business Park Pavement Overlay	RDA	\$ 500,000						\$ 500,000
West Side RDA Pavement Overlay	RDA	\$ 150,000						\$ 150,000
No. Business Park Quality Drive	RDA	\$ 100,000						\$ 100,000
No. Business Park 620 South	RDA	\$ 100,000						\$ 100,000
No. Business Park 600 East Pavement	RDA	\$ 100,000						\$ 100,000
EDA Road Projects	EDA	\$ 500,000						\$ 500,000
TOTAL		\$ 1,450,000						\$ 1,450,000
980 North (200 E. to 450 E.)	Streets	\$ 1,148,200			\$ 1,148,200			
1120 N. Mitchell Hollow Paving	Streets	\$ 800,000				\$ 800,000		
1120 N. 70 E.	Streets	\$ 200,000			\$ 200,000			
HA5 Project - Street Rehabilitation	Streets	\$ 150,000		\$ 150,000				
900 West Phase II Project	Streets	\$ 2,548,000					\$ 2,548,000	
TOTAL		\$ 4,846,200		\$ 150,000	\$ 1,348,200	\$ 800,000	\$ 2,548,000	\$ -
TOTAL FY2016 STREETS - CAPITAL		\$ 6,296,200	\$ -	\$ 150,000	\$ 1,348,200	\$ 800,000	\$ 2,548,000	\$ 1,450,000

Change FY2016 from FY2015	\$ 3,245,200	\$ (990,000)	\$ 80,000	\$ 453,200	\$ 100,000	\$ 2,548,000	\$ 1,054,000
Change Without 900 West Project	\$ 697,200						

Operating Budget - Streets

Streets Division	FY 2016	FY 2015
Road Fund Expenses	\$ 354,200	\$ 410,200
FY 2016 Change	\$ (56,000)	

STREET CONSTRUCTION & IMPROVEMENT AND OPERATING BUDGET

	FY 2016	FY 2015
Total Capital & Operating Budget	\$ 6,650,400	\$ 3,461,200
FY 2016 Change	\$ 3,189,200	
TOTAL Change Without 900 West Project	\$ 641,200	