



## **AGENDA – City Council Meeting**

Mayor Jim Miller

Mayor Pro Tempore Stephen Willden

Council Member Christopher Carn

Council Member Michael McOmber

Council Member Ryan Poduska

Council Member Chris Porter

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### **CITY OF SARATOGA SPRINGS**

**Tuesday, December 6, 2022, 6:00 pm**

City of Saratoga Springs Council Chambers

1307 North Commerce Drive, Suite 200, Saratoga Springs, UT 84045

#### **POLICY MEETING**

1. Call to Order.
2. Roll Call.
3. Invocation / Reverence.
4. Pledge of Allegiance.
5. Public Input – This time has been set aside for the public to express ideas, concerns, and comments for subject matter not listed on this agenda.

#### **REPORTS:**

1. Mayor.
2. City Council.
3. Administration: Ongoing Item Review.
4. City Council Goals Update.
5. Department Reports: Public Works/Engineering; Community Development. Planning – Possible Code Amendments Regarding Camping.

#### **CONSENT ITEMS:**

*Routine items on the Consent Agenda not requiring public discussion by the City Council or which have been discussed previously may be adopted by one motion. A Council member may request to remove an item from the consent agenda for discussion and consideration.*

1. Planning Commission Appointment, Douglas Willden; Resolution R22-72 (12-6-22).
2. Acceptance of 2022 Audit.
3. Fraud Risk Assessment; Resolution R22-73 (12-6-22).
4. Garbage Rate Schedule Amendment; Resolution R22-74 (12-6-22).
5. Street Light and Secondary Water Rate Schedule Amendment; Ordinance 22-49 (12-6-22).
6. City Council 2023 Annual Meeting Schedule; Resolution R22-75 (12-6-22).
7. City Council Meeting Minutes: November 15, 2022, November 22, 2022.

#### **BUSINESS ITEMS:**

1. River Walk at Saratoga Springs Development Agreement, Stephanie Gricius Applicant, ~210 East Brookshire Drive (Southeast of Devonshire Park); Ordinance 22-50 (12-6-22).  
(Continued from November 15, 2022).
2. Rider's Station General Plan Land Use Map Amendment from Community Commercial to Medium Density Residential, Rezone from Community Commercial to MF-10, and Development Agreement,

URE Fund1 – Rider’s Station, LLC/Greg Cronin Applicant, ~1193 W. Fairfield Road; Ordinance 22-51 (12-6-22).

3. Code Amendment: Title 19.20 Internal Accessory Dwelling Unit (IADU) Map Review Process, City-Initiated, City-Wide; Ordinance 22-52 (12-6-22).
4. Code Amendment: Titles 19.02, 19.04, and 19.05 Accessory Structures, City-Initiated, City-Wide; Ordinance 22-53 (12-6-22).
5. Code Amendment: Title 19.05 and Title 19.18 Regulations, City-Initiated, City-Wide; Ordinance 22-54 (12-6-22).
6. Code Amendment: Title 10.10.02, 10.10.03, and 10.11 Nuisance, City-Initiated, City-Wide; Ordinance 22-55 (12-6-22).
7. Code Amendment: Title 19.09.10 Required Minimum Parking Commercial Kennel, Joanna Graham Kimley-Horn & Associates Applicant, City-Wide; Ordinance 22-56 (12-6-22).
8. Code Amendment: Title 19.02 and 19.18 Trailer Signs, City-Initiated, City-Wide; Ordinance 22-57 (12-6-22).

### **CLOSED SESSION:**

Motion to enter into closed session for any of the following: purchase, exchange, or lease of real property; discussion regarding deployment of security personnel, devices, or systems; pending or reasonably imminent litigation; the character, professional competence, or the physical or mental health of an individual.

### **ADJOURNMENT**

Date Posted: November 30, 2022

Cindy LoPiccolo, MMC, City Recorder  
City of Saratoga Springs, State of Utah

Meetings are streamed live at <https://www.youtube.com/c/CityofSaratogaSprings>  
Questions and comments to staff and/or Council may be submitted to  
[comments@saratogaspringscity.com](mailto:comments@saratogaspringscity.com)

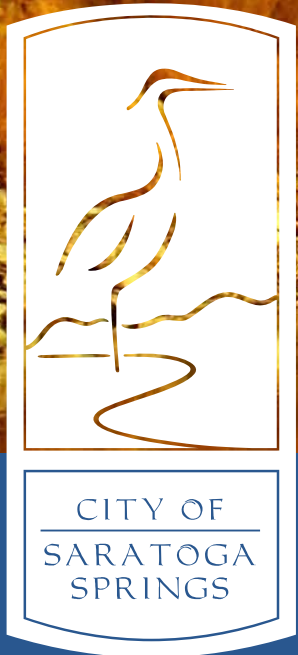
In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify the City Recorder at 801.766.9793 at least two days prior to the meeting.

One or more council members may participate by electronic telecommunication means such as phone, internet, etc. so that they may participate in and be counted as present for all meeting purposes, including the determination that a quorum is present.

Supporting materials are available for inspection on the Saratoga Springs City website at [www.saratogaspringscity.com](http://www.saratogaspringscity.com).

The order of the agenda items are subject to change by the Mayor.





# Public Works-Engineering Department

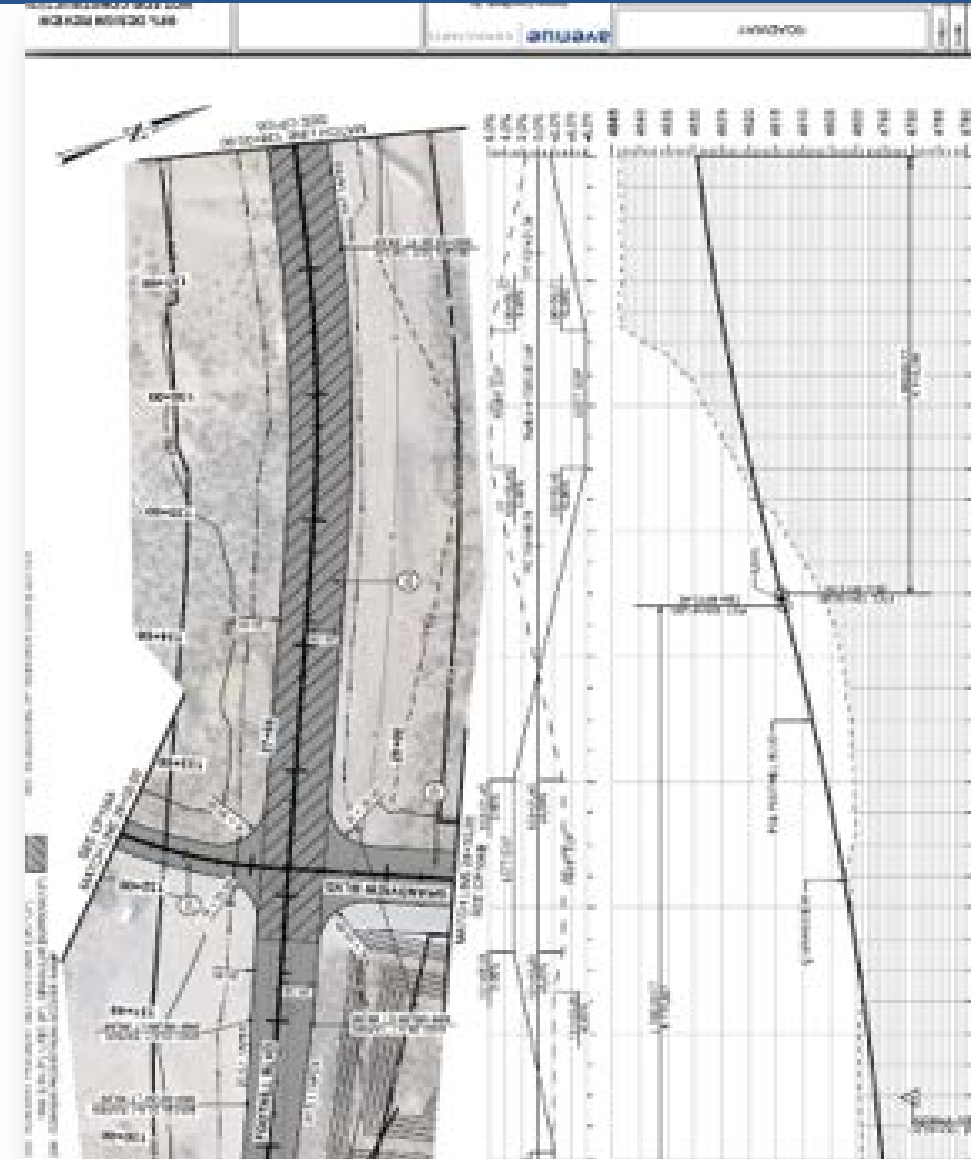
## 2022 Q4 Update



# Engineering

## 2022 Highlights

- Updated Drinking Water and Pressure Irrigation IFFP/IFA
- Worked with Crossing Guard and PW Dept to create an improved safety design for the school crossing at 400 N / Foothill Blvd intersection
- Reviewed 155 project submittals in the first 4 months of FY2023 including working with Home Depot and several accelerated review time requests
- Identified sewer capacity needs at Posey Lift station and worked with PW Dept and project stakeholders to identify solutions







# Engineering

## Goals for 2023

- Update the Engineering Standards and Specifications
- Improve roadway signing throughout the City including school crossing zones and mid-block trail crossings
- Improve the percent of reviews completed within 2 weeks
- Oversee roadway design and construction on the Saratoga Rd and 145 N roadway widening MAG funded project

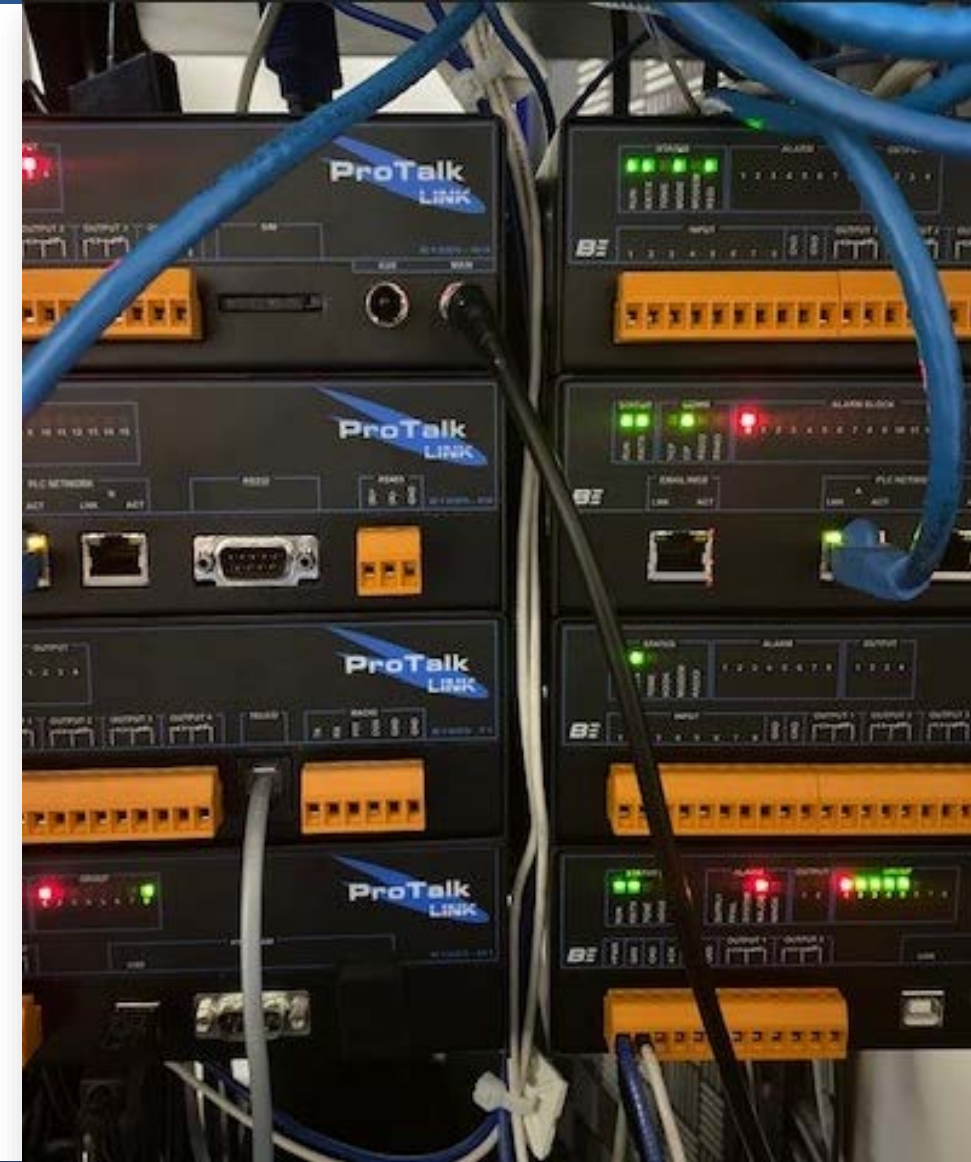




# Electrical Division

## 2022 Highlights

- Replaced SCADA workstations with new server, new web based remote access enabled
- Lift 7 has been rehabilitated with all new drives and control system
- New Recreation trailer service has been installed and building powered up. Fiber/Ethernet has also been installed
- New electrical service for Tank 5 has been installed
- New redundant power for Mt Saratoga Relay station
- New SCADA technician has been recently hired and training/familiarization with system is underway





# Electrical Division

## 2023 Goals

- Reconfigure several SCADA subsystems to implement process view and visual separation of waste water, drinking water, and pressurized irrigation elements
- Continue SCADA system alarm and functional audit, and continuous improvement tasks
- Continue preventive maintenance and street lighting tasks
- Complete Jacobs Ranch well service upgrade if service equipment arrives in time
- Rehabilitate drinking water well 2, pressurized irrigation well 2, and pressurized irrigation well 3 drives







# Water Division

## 2022 Highlights

- Connected Well 1 to the irrigation system
- Sustained pressurized irrigation system through the entire season
- Completed emergency repairs on Jacobs Ranch well
- Was able to keep up with work orders even with staff shortages
- Received perfect score with dam safety





# Water Division

## 2023 Goals

- Hire and train 3 new employees
- Install perimeter fencing at drinking water well #6 and #2
- Install New Motor Drive for Drinking Water Well #2
- Document all facility and well repairs in city works
- Install Flow meter in Booster #1







# Sewer Division

## 2022 Highlights

- Upgraded the Motor Drives and installed new Air Conditioning Unit at Lift Station #7
- Hired and Trained 2 new employees
- Completed all scheduled maintenance at the City's 8 lift stations on schedule
- Filled 2 out of 3 vacancies







# Sewer Division

## 2023 Goals

- Install new air conditioner unit at sewer lift station #2
- Install Air scrubbers at lift stations # 1 and # 2
- Hire and train new employees to fill existing vacancies
- Keep hard to get inventory in stock, pre-order long lead items
- Clean all city maintained oil-water separators





# Parks Division

## 2022 Highlights

- Maintain turf during drought and irrigation cut backs. Implemented a 40% reduction, achieved a 50% overall reduction .
- Implemented tree replacement program in September, 41 trees replaced
- Install xeriscaping and shrub bed improvements at City Hall by removing and replacing dead plants, clean up planting beds, and adding mulch.
- Automatic filter install at Shay and new drain system at Shay
- Tree City USA program and award





# Parks Division

## 2023 Goals

- WeatherTRAK installation at Talus Parks and other remaining sites.
- Install of Conex canopy and organize - stock irrigation storage
- Installation of water hose connections on each infield for spot watering for quick access and maintenance of infields at Patriot Park
- Automatic filter cleaning system installed at Harvest Park
- Hydrometer install at Neptune and Triton Park.
- Start maintenance for Mount Saratoga/Dog Park, and new section of the Marina, Golden Hills Park, Canton Ridge Park.







# Public Improvements Division

## 2022 Highlights

- Successful implementation of the new online Right of Way Encroachment permit process.
- Completion and opening of the New Pony Express Extension Project between Redwood Rd and Saratoga Rd.
- Completion of Secondary Pond 20 and the Debris Basin on Lake Mountain.
- Construction of the first Secondary Pond, Culinary Tank, and Dual Booster Station for Zone 4.
- Completion and commissioning of Sanitary Sewer Lift Station 9.





# Public Improvements Division

## 2023 Goals

- Complete the City Works Project Status Dashboard that auto-tracks all stages of the development process.
- Successfully hire, train, and implement of new Public Improvements team members.
- Coordinate and update bonding, punchlist, and warranty status with Dashboards to deliver formal punchlist 60 days to expiration.
- Oversee and coordinate construction of the Foothill Boulevard Extension Project.







# Streets & Storm Drain Division

## 2022 Highlights

- Successful completion of 2023 Streets Pavement Maintenance Projects.
- Completed mastic seal maintenance for entire northern half of City's Parks and Trails system.
- Installation of multiple Rectangular Rapid Flashing Beacons throughout the City.
- Completed in-house deforestation of Well 6 property for final grade and fencing improvements.
- Completed in-house removal and replacement Manhole Collar project.
- Completed all Engineering-requested sign installation modifications with 5 business days.





# Streets & Storm Drain Division

## 2023 Goals

- Prepare, bid, and complete City-wide Roadway Striping Project.
- Develop Manhole Collar Replacement Program, and complete phase 1 of the replacement program.
- Complete Asphalt Pavement Maintenance for all City-owned parking and trail facilities (Water/Parks/Admin/Fire/Police).
- Identify opportunities for Storm Drain Outfall Improvements and begin implantation.
- Audit and complete necessary striping and signage modification/improvements for all City School Zones.







# Fleet Division

## 2022 Highlights

- Automated Tracking of City Vehicle Registration Renewal Program Implemented - (159 City Vehicles)
- Automated Tracking of City Vehicle Emissions Test Certificate Program Implemented
- Automated Tracking of City Vehicle PM Lubrication / Oil Change Reporting Program Implemented
- MP Web Cell Phone App - (City Vehicle Maintenance Inspection Program) - Updated and Launched
- Automated Tracking of City Vehicle OEM Factory Recall Notices Program Implemented







# Fleet Division

## 2023 Goals

- Fleet Services Maintenance Repair Shop Implemented - (In-house Service Technician Hired)
- Implement Fleet Vehicle Inspection Program - (Each City Vehicle Mechanically Inspected Twice a Year)
- Establish a Fleet Maintenance Fund with GL Cost Centers for Billing to each Department
- Complete and Reconcile a Fleet Vehicle and Asset Physical Inventory Count every 2 Years
- Implement Fleet Vehicle Centralized Maintenance Software System for Vehicle Life Cycle Cost History and Analysis







# Community Development Department City Council Quarterly Report December 6, 2022

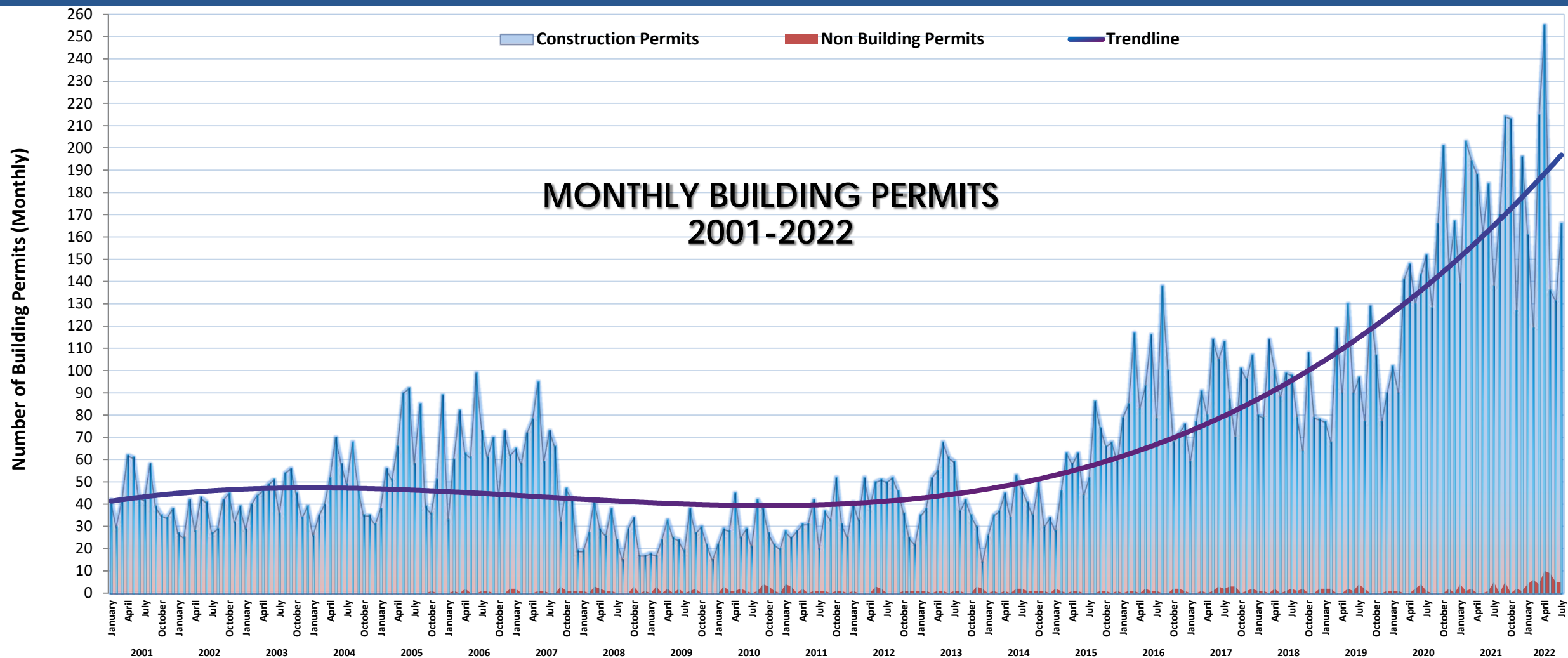


# Department Highlights

1. Building Permits – Total 2022 numbers are down from 2021, but still up from where we were in 2020
2. Building Inspections – Inspections per month are at the highest they have been.
3. Planning Applications – Highest amount over 5 year period, complexity of apps is high
4. Review Improvements – Emphasis on communication, priority on commercial, continued goal to meet deadlines
5. General Plan Update – Approved by the Council on September 6<sup>th</sup>
6. Downtown Strategic Plan – Proposals received, but need to review further, may re-issue a request after consultations with SLR
7. Public Involvement Events – Breakfast with Planners on October 27<sup>th</sup>, next event in March  
Builders Roundtable held November 15<sup>th</sup>, planned annually



# Building Division





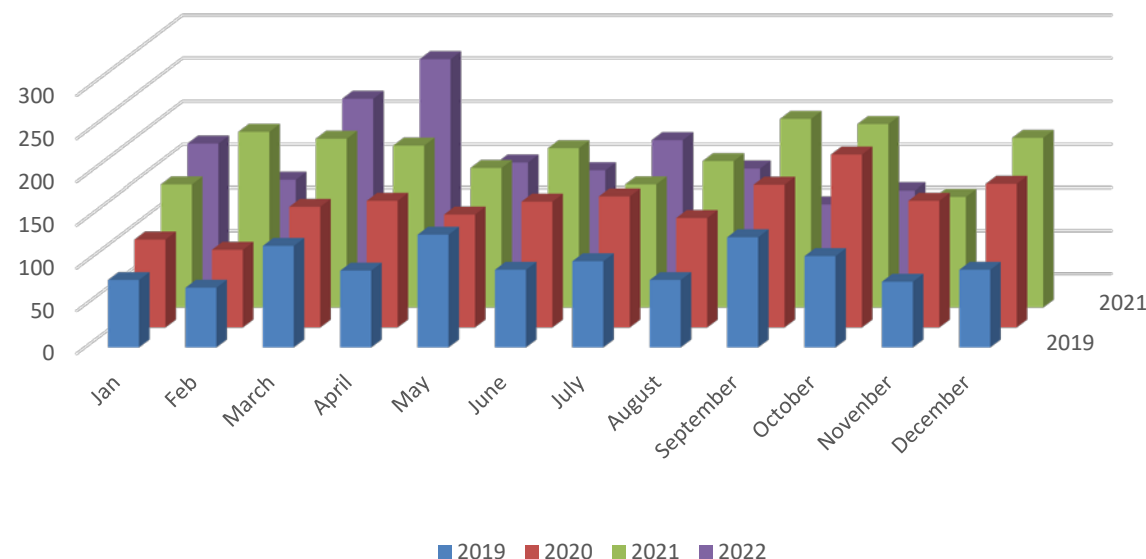


# Building Division

## Permits Issued 2019-2022

- Total Building Permit Numbers 2022
  - Permit numbers in 2022 are down from 2021, but we are still up from where we were in 2020.
  - Permit applications and permits issued during the coronavirus pandemic continued to increase at accelerated rates.
  - We are running at about a level that looks to be consistent with last years average of last year which was 150 % of the avg. of the previous 4 years.
  - Building Department completed the switch to a complete paperless application and permitting at the beginning of the pandemic and it is working out real well for us and the contractors.

Permits YTD 10-2022



PERMITS ISSUED PER MONTH

2020	103	91	141	148	132	147	153	128	166	201	148	167	1725
2021	143	204	196	188	162	185	143	170	219	213	129	197	2149
2022	167	125	219	265	145	136	171	138	97	113	144*		1720*

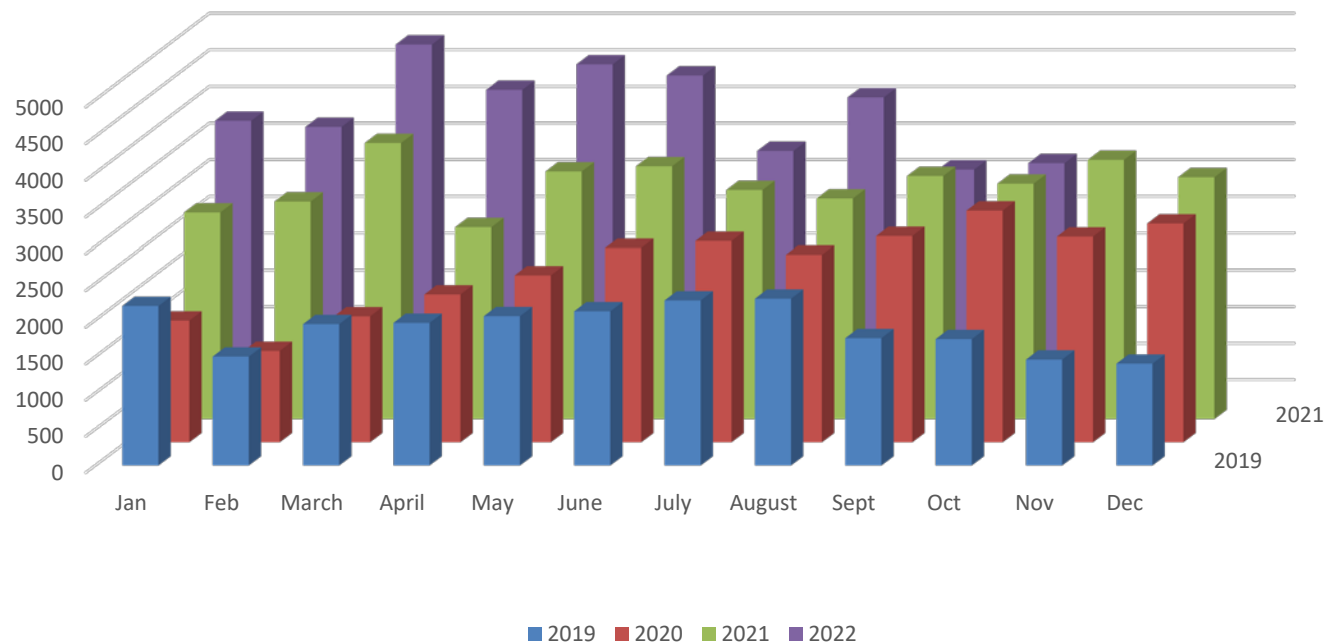


# Building Division

## Inspections Per Month 2019-2022

- 2022 inspections per month are highest they have been, at an average of 3,897 month.
- The International Code Council recommends that an inspector be assigned between 10-15 inspection per 10 hr. work day in order to maintain a high quality of inspection quality.
- So far in 2022 we are averaging around 25 inspections per day per inspector
- We are currently supplementing our inspection staff with contract inspectors from two different companies. We have three new inspectors in training planning to start this month that we will be working to get trained, certified and qualified to move out into the field.

Inspections YTD 10-2022



**Avg. 2020=2343 Avg. 2021=3212 Avg. 2022=3897**

2020	1674	1260	1732	2031	2290	2661	2756	2569	2823	3168	2814	2992	28770
2021	2822	2971	3771	2622	3382	3453	3129	3013	3320	3215	3540	3303	38541
2022	3754	3670	4795	4176	4524	4372	3342	4073	3087	3175	2499*		41467*



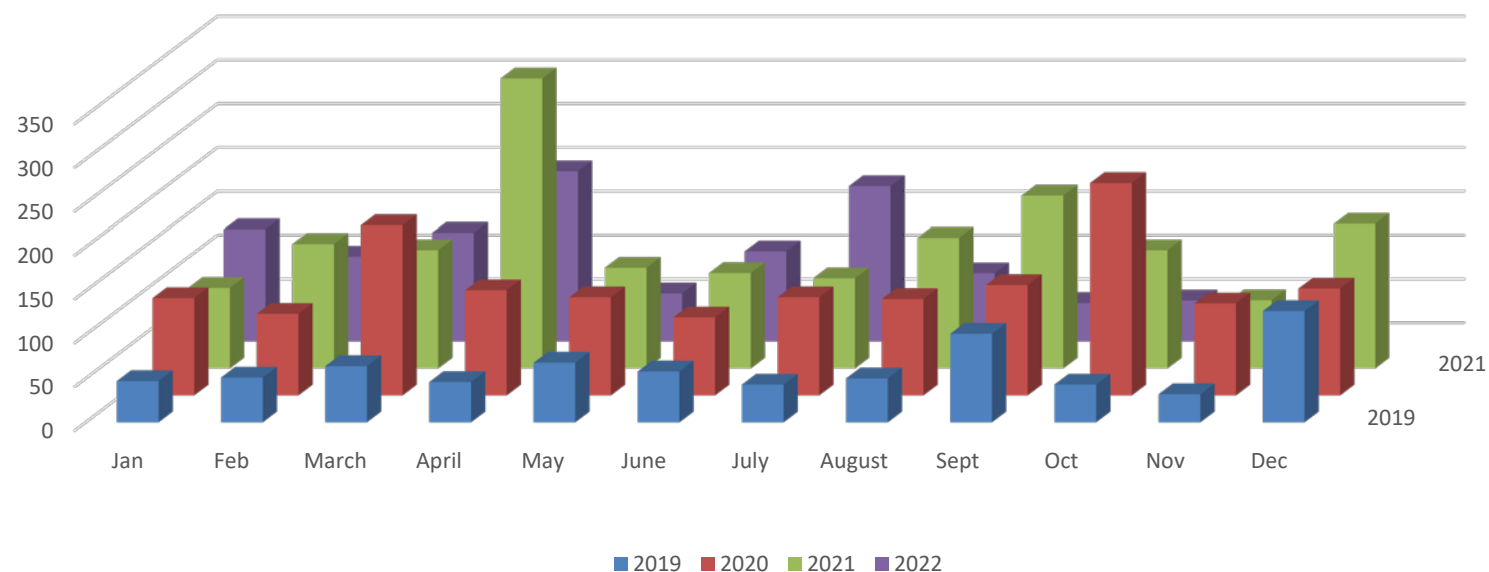
# Building Division

## Residential Units Issued 2019-2022

**RESIDENTIAL UNITS IN  
2020, 2021 & 2022  
CONTINUE AT RECORD  
HIGH RATES**

**APRIL 2021 NUMBER  
INCLUDE THE PERMITS  
ISSUED FOR THE  
ASCEND APARTMENTS**

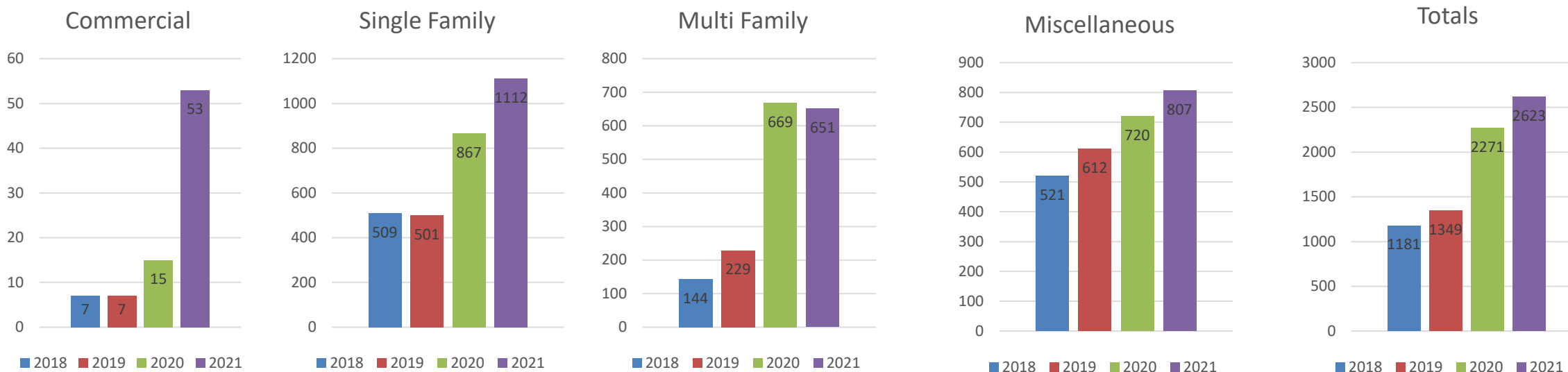
Residential Units YTD 10-2022





# Building Division

## 4-Year Comparison Increase in Building Permits Issued



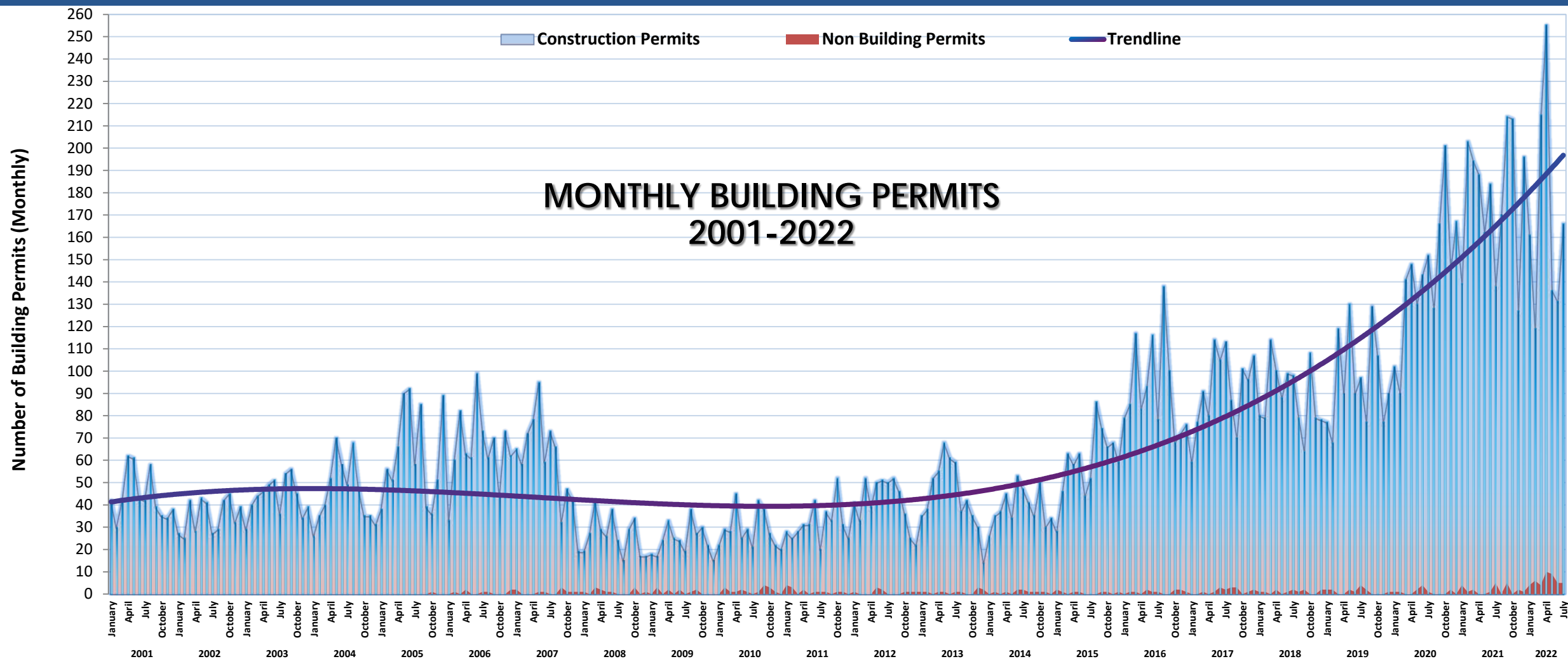
**15% increase over 2020**

**122% increase over 2018**





# Building Division

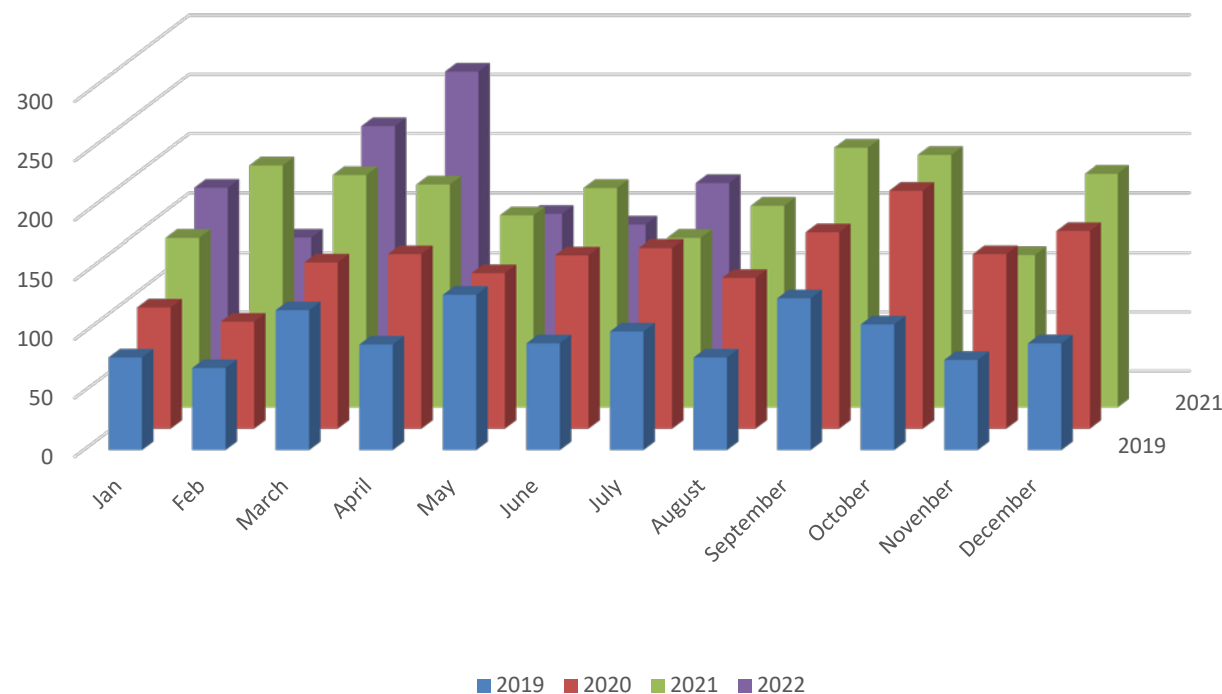




# Building Division

## Permits Issued 2019-2022

- Total Building Permit Numbers 2022
  - The number of permits issued in each month of 2021 and 2022 have been the highest for each corresponding month since before 2007
  - Permit applications and permits issued during the coronavirus pandemic continued to increase at accelerated rates.
  - We are running at about a level that looks to be consistent with last years average of last year which was 150 % of the avg. of the previous 4 years.
  - Building Department completed the switch to a complete paperless application and permitting at the beginning of the pandemic and it is working out real well for us and the contractors.

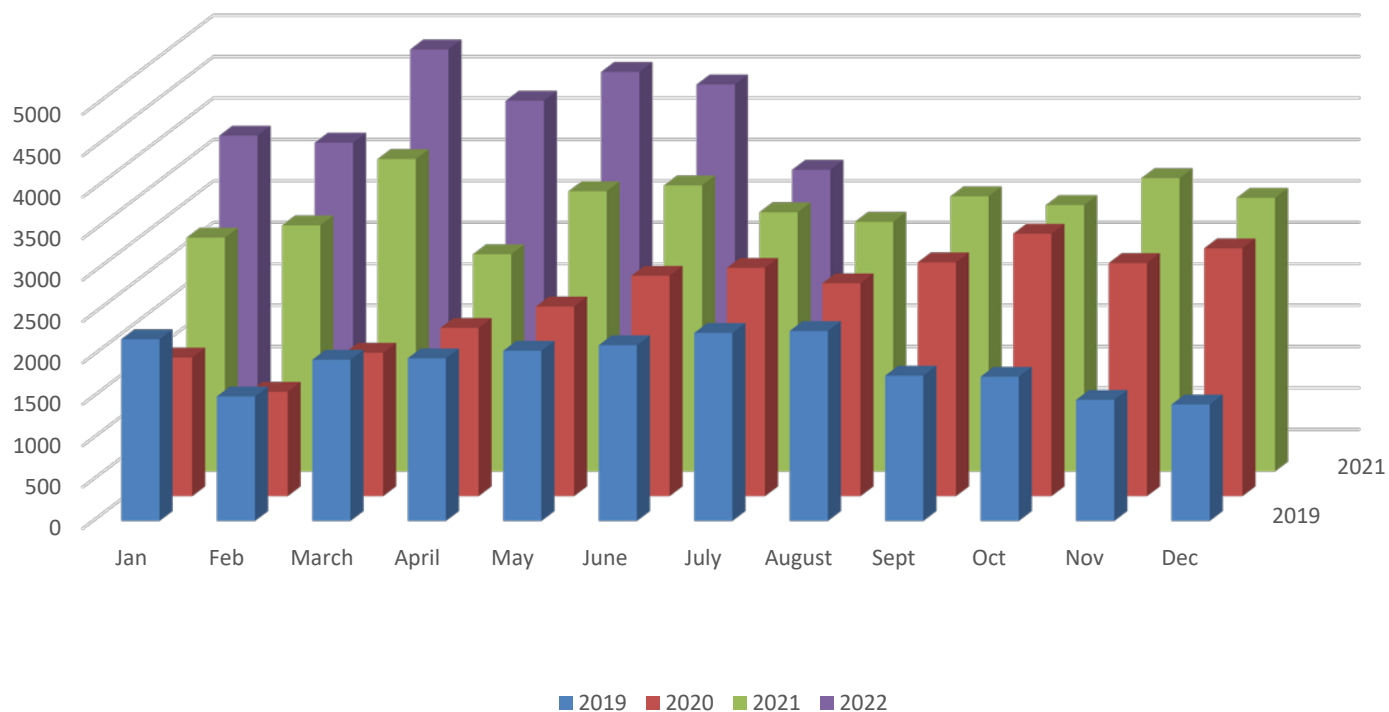




# Building Division

## Inspections Per Month 2019-2022

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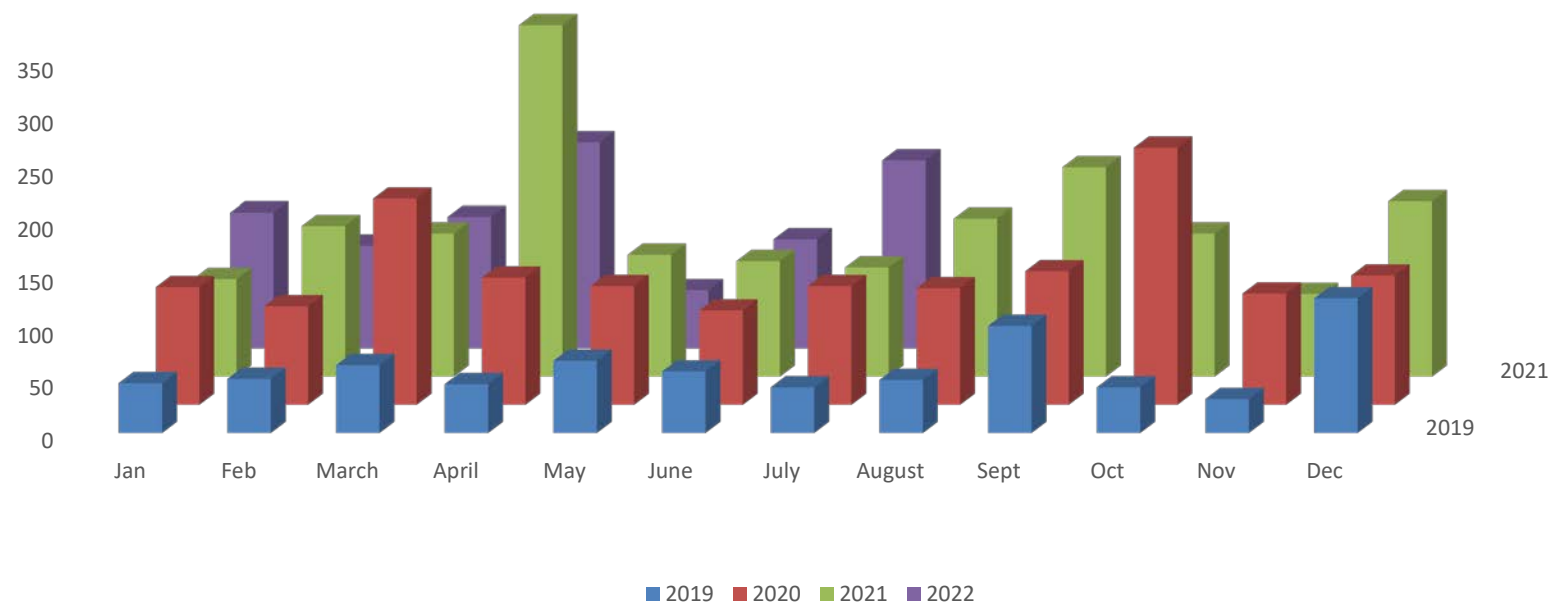


# Building Division

## Residential Units Issued 2019-2022

**RESIDENTIAL UNITS IN  
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CONTINUE AT RECORD  
HIGH RATES**

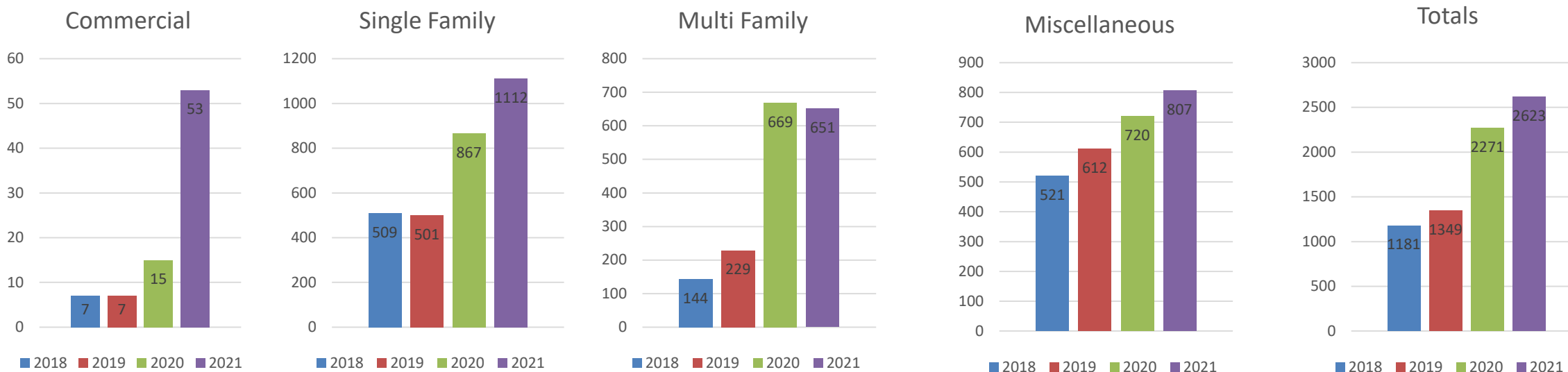
**APRIL 2021 NUMBER  
INCLUDE THE PERMITS  
ISSUED FOR THE  
ASCEND APARTMENTS**





# Building Division

## 4-Year Comparison Increase in Building Permits Issued



**15% increase over 2020**

**122% increase over 2018**



# Planning Division

## 2022 Year to Date Highlights

### Code Amendments:

- Various Title 19 amendments
- HC zone creation
- OW zone discontinuation
- IADU code amendments
- Gateway Overlay
- Mixed Waterfront Pending Ordinance
- Car wash spacing and water usage
- Nuisance Code updates, Title 10

### Residential:

- Wander CP major amendment
- Saratoga Dignity Care
- Canton Ridge East preliminary plat
- Brixton Park Phase A
- The Viviano CP/VP
- Wander VP 3
- Wildflower CP major amendment
- Pelican Point (Teguayo redo) just came in
- Various Residential Plats

### Rezoning:

- Rezone of City properties to I/C
- Stevenett rezone
- Canyon Hollow Summer Village rezone
- Fox Hollow N4 adjust zone boundaries
- Cliff Lake
- Utah County Property A to I/C
- Saratoga Commons

### Commercial:

- Northshore Commerce Site Plan
- UFCU Site Plan
- Market Street Village Plat:
  - Olive Garden, Zaos, Apollo Burger, Dutch Brothers, Handel's Ice Cream, Jimmy Johns, Cookie Cutters
- The Crossing:
  - Chik-Fil-A, Chili's, Jersey Mikes
- Empire Flooring Site Plan
- Steele Ridge Plaza Plat
- Saratoga Springs Commercial Lot 404 Site Plan
- Holiday Oil Site Plan
- Bout Time Site Plan
- Tagg N Go Site Plan
- Blohm Building Site Plan
- Home Depot Site Plan

### Annexations:

- Rushton West
- Saratoga Commons
- Annexation Policy Plan Update
- Western properties – in process

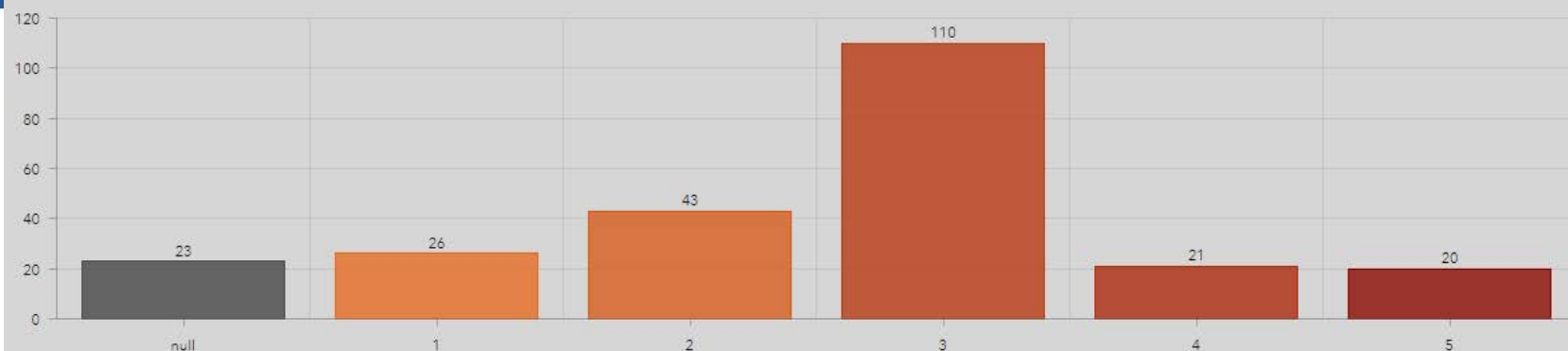
### General Plan

- Update process and adopted Sept 6<sup>th</sup>

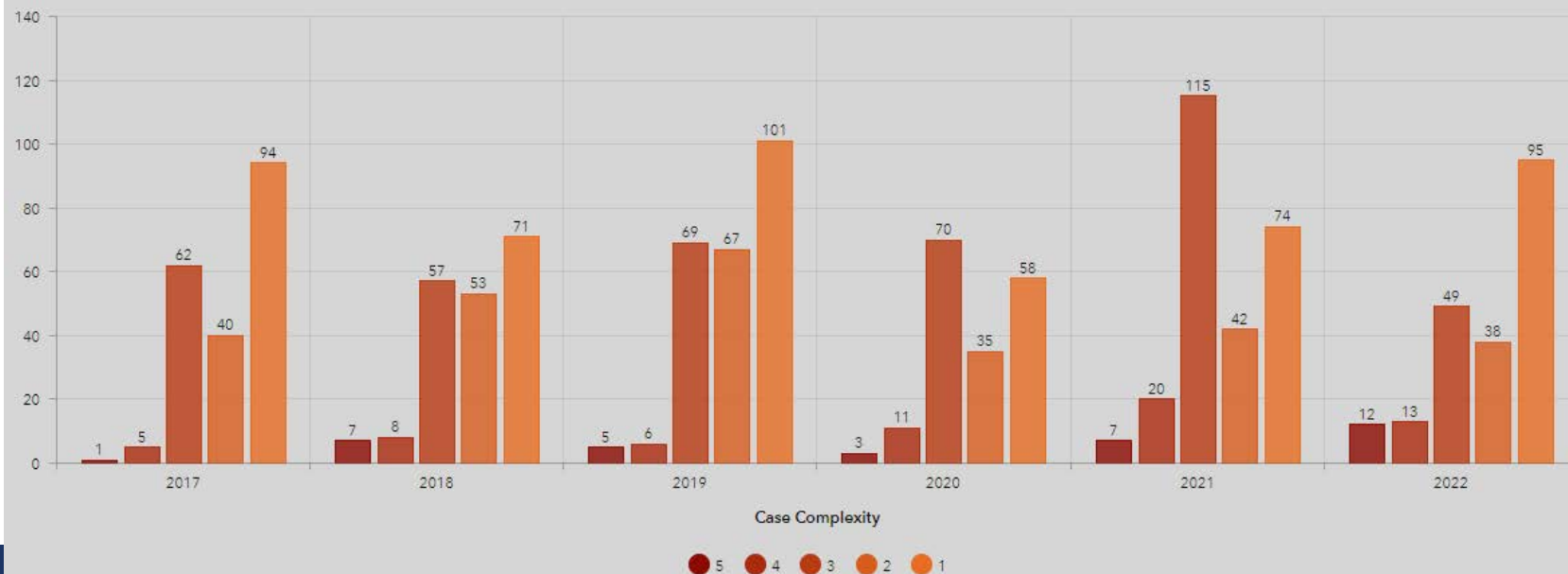


# Planning Division 2022 YTD Complexity

## Open Case Complexity



## 2017 Case Complexity to Present

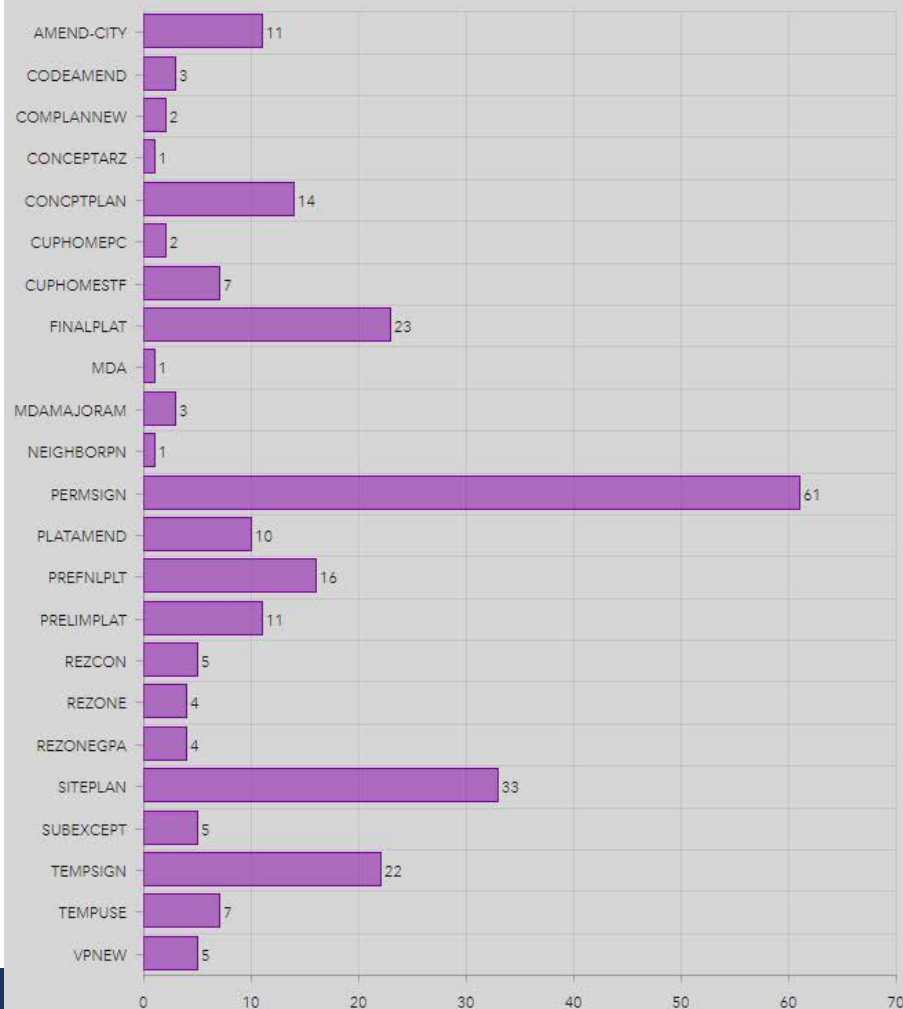




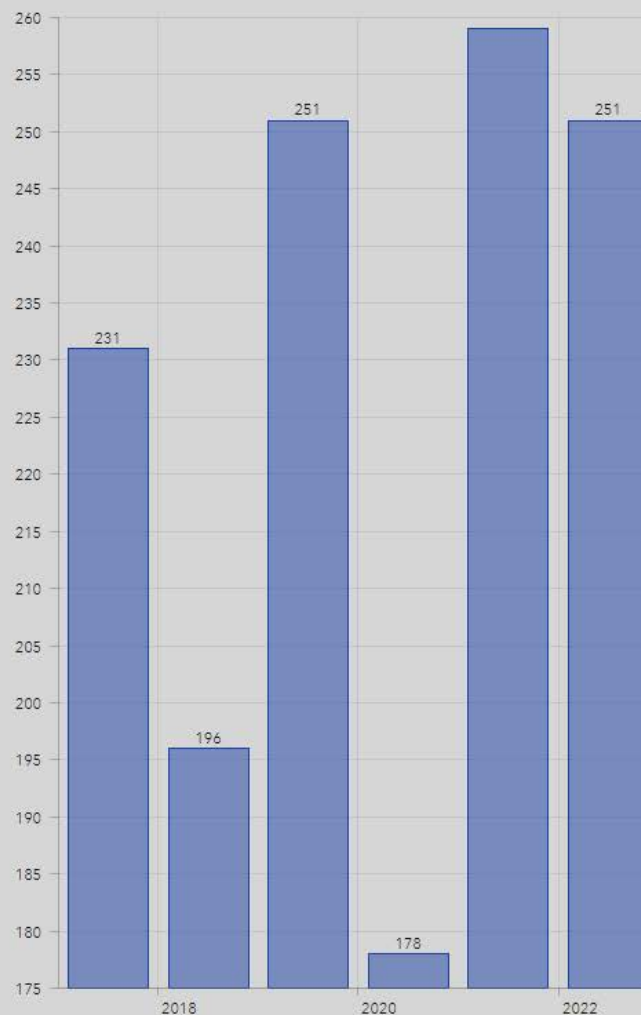
# Planning Division 2022 Applications

## All Planning Cases

Use Year filter, upper right.



# 251



## 5 Year App Totals

2018 = 179

2019 = 166

2020 = 171

2021 = 233

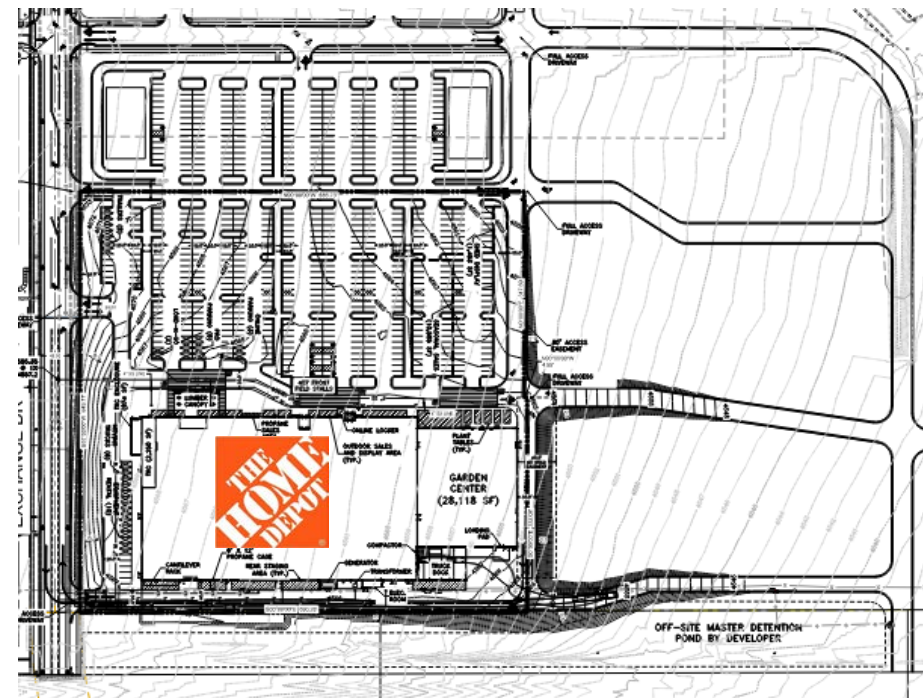
2022 = 251\*

\* year to date





- Downtown Master Plan - Proposals received ready to award.
- Downtown Master plan is anticipated to be completed by the end of July 2023 – *Zions PF draft market analysis (completed 12/21)*
- Update to the Strategic Plan
  - Focus on attracting office development
  - Focus on high paying jobs
- SLR City Center District Area Plan update – *update meetings underway and will continue as the Downtown Master Plan is developed.*
- Work with Staff and applicants for the Home depot and surrounding businesses to meet difficult timeline of entitlements by 12/15/22. Groundbreaking will immediately commence.
- Attend the area Chamber of Commerce (fill vacancies of 3 board members)





# Economic Development Division

## Opportunities

- WPI Development (Home Depot and surrounding parcels)
- DR Horton Property – Flex Office Warehouse
- Northridge – Flex Office, Warehouse & Hotel
- North Redwood Road – RC & Flex Office Warehouse
- Boyer Property – Mid-Box, possible Hotel & Restaurants
- Hadco Property – Regional Commercial
- Properties next to North Marina – Mixed Waterfront
- Redwood between 400 & Pony – Office
- Redwood Chiu Property – Regional Commercial in anticipation for project AIM
- Wildflower Commercial - Flex Office, Warehouse, RC, CC
- Saratoga Springs Commercial Development (Crossroads Blvd & Redwood Road)



# Economic Development Division

## Coming Businesses

- The Crossings:
  - Wells Fargo, Jersey Mikes, Mattress Firm, Habit Burger Grill, Chili's, AT&T, Tide, Zupas, Chipotle, Ulta Beauty, Hobby Lobby, Ross, Sportsman's Warehouse, Petco, 5 Below, Chilis
  - Market Street Village:
  - Olive Garden, Apollo Burger, Dutch Brothers, Zao
- Others:
  - IHC Medical Center, Bishop's Storehouse, Deseret Industries, Chick Fil-A, Starbucks, Blossom Chinese Restaurant, Blocks dessert, Level Up Golf, Hot Works, Hama Sushi, Raising Canes, KFC, Thrive Development Medical Offices.



*Ribbon cutting November 14, 2022*



*Ribbon cutting December 12, 2022*

**RESOLUTION NO. R22-72 (12-6-22)**

**A RESOLUTION APPOINTING DOUGLAS WILLDEN TO  
THE PLANNING COMMISSION AND ESTABLISHING AN  
EFFECTIVE DATE.**

**WHEREAS**, the City of Saratoga Springs, Utah (“City”) has established a Planning Commission as required by City Code Chapter 3.04 and Utah Code § 10-9a-301; and

**WHEREAS**, a Planning Commission vacancy has been created through term expiration or a change in residency; and

**WHEREAS**, the Mayor is authorized to fill vacancies in the Planning Commission with the advice and consent of the City Council; and

**WHEREAS**, the City Council has been advised on the appointment of Douglas Willden to the Planning Commission and has consented to such appointment by motion; and

**WHEREAS**, the Mayor, with the advice and consent of the City Council, desires and believes it to be in the best interest of the health, safety, and welfare of the residents of the City of Saratoga Springs to appoint Douglas Willden to the Planning Commission.

**NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:**

1. In the public meeting held on December 6, 2022, the City Council has been advised on the appointment of Douglas Willden to the Planning Commission and has consented to such appointment through motion and majority approval of a quorum present.
2. The Mayor hereby appoints Douglas Willden to the Planning Commission to complete a four-year term beginning January 1, 2023, and ending December 31, 2026.
3. This Resolution shall take effect immediately upon passage.

*Current Regular Members*

*Expiration of Term*

Troy Cunningham	December 31, 2023
Reed Ryan	December 31, 2023
Ken Kilgore	December 31, 2024
Bryce McConkie	December 31, 2024
Audrey Barton	December 31, 2025
Rachel Burns	December 31, 2025
Douglas Willden	December 31, 2026

DATED this 6<sup>th</sup> day of December, 2022.

Signed: \_\_\_\_\_  
Jim Miller, Mayor

Attest: \_\_\_\_\_  
Cindy LoPiccolo, City Recorder



## CITY COUNCIL STAFF REPORT

Author: Chelese Rawlings, Finance Manager  
Subject: FY 2022 Audit Report  
Date: December 6, 2022  
Type of Item: Administrative

**Topic:** Audit report for the Fiscal Year Ended June 30, 2022.

**Background:** State law required the City of Saratoga Springs to follow the Uniform Fiscal Procedures Act for Utah Cities, UCA 10-6-101 et seq., which requires an independent audit of the City's finances annually. These are performed by certified public accountants (Gilbert & Stewart, CPA's). The Council must accept the audit within 180 days of the end of the fiscal year. After acceptance, a copy is filed with the state auditor and filed with the City Recorder as a public document.

**Analysis:** City staff has for the eleventh time in the City's history prepared a Annual Financial Comprehensive Report (AFCR). The AFCR includes all funds of the City of Saratoga Springs and is presented in four sections: Introductory, Financial, Statistical, and Internal Control and Compliance Reports. This is an enhanced reporting document from what has previously been prepared by the City and will be presented for an award with GFOA for compliance with national accounting standards.

The Introductory Section contains the letter of transmittal, a directory of principal officials and an organizational chart of the City. The Financial Section contains management's discussion and analysis (MD&A), the basic financial statements, notes to the financial statements, individual fund statements for which data are not provided separately within the basic financial statements, as well as an independent auditor's report on these financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. Internal Control and Compliance Reports include the independent auditors' reports on internal control and compliance as required by *Audit of States, Local Governments, and Non-Profit Organizations*, and state compliance as required by the *State of Utah Legal Compliance Audit Guide*.

The AFCR is a major document used to communicate the City's financial condition. It is distributed to various bond-rating agencies, investors in City debt and the State Auditor for use in evaluating City finances. The first two basic financial statements, the Statement of Net Position and the Statement of Activities, now present information on a government-wide, full-accrual accounting basis which reflect the overall financial position of the City and its various funds, not just the amounts available for budgetary purposes. Fiscal operations in the government-wide statements are organized into two major activities: governmental and business-type.



Fund information is also presented for major funds individually in the basic financial statements. Because the focus is so different between fund statements and government-wide statements, reconciliation between the two types of statements is necessary to understand how the numbers differ. Comparisons of “budget-to-actual” results for the General Fund are also included.

The Statement of Net Position may serve as a useful indicator of a government’s financial position. The City had positive net position of \$477.3 million at fiscal year-end. The largest portion of the net position, \$334.9 million, represents the investment in capital assets. \$17.3 million of the net position are impact fees and the remaining \$46.4 million in net position are unrestricted and may be used to meet the City’s ongoing obligations. Again, this is an overall financial indicator and is not the amount of current resources available for budgetary purposes.

Looking at results on a fund basis, the City’s governmental funds reported combined ending fund balance of \$32.1 million, with \$9.9 million in the unassigned category. Such information is useful in assessing the City’s financing requirements. GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental funds.

Utah State Code establishes a 5.0 percent minimum (\$1,641,680) and a 35.0 percent maximum (\$11,491,762) limit to the amount that may be accumulated as the fund balance in the General Fund. As of June 30, 2022, the unassigned fund balance of the General Fund was \$9,877,991 (or 30.1 percent of General Fund balance) and was \$1,613,771 below the 35.0 percent limit.

**Recommendation:** City Council should formally accept the Audit for the Fiscal Year Ending June 30, 2022.





**GILBERT & STEWART**  
CERTIFIED PUBLIC ACCOUNTANTS  
A PROFESSIONAL CORPORATION  
ESTABLISHED 1974

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## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council  
City of Saratoga Springs  
Saratoga Springs, Utah

### Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Saratoga Springs, Utah (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Saratoga Springs, as of June 30, 2022 and the respective changes in financial position and where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Saratoga Springs and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Saratoga Springs' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our objectives to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Saratoga Springs's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Saratoga Springs's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, and the required supplementary information regarding pensions, as noted in the table of contents, 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 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.

## **Supplementary and Other Information**

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

The combining statements and budgetary comparisons, as listed as supplemental information in the table of contents are 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 combining statements and budgetary comparisons are 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 to 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 November 28, 2022 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.

***Gilbert & Stewart***

GILBERT & STEWART, CPA PC  
Provo, Utah  
November 28, 2022

# CITY OF SARATOGA SPRINGS

## Statement of Net Position

June 30, 2022

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 40,382,889	\$ 26,035,712	\$ 66,418,601
Cash restricted	13,392,598	7,601,650	20,994,248
Investments	-	-	-
Accounts receivable - net	2,675,206	1,690,334	4,365,540
Internal balances	(1,983,443)	1,983,442	(1)
Due from other governmental units	4,646,643	-	4,646,643
Special assessment receivable	-	-	-
Net pension asset	4,589,558	285,635	4,875,193
Prepaid expenses	-	-	-
Land	30,098,640	2,618,629	32,717,269
Water rights	-	23,729,353	23,729,353
Construction in progress	10,406,463	9,001,483	19,407,946
Buildings and improvements	15,118,144	-	15,118,144
Equipment	9,877,908	2,862,681	12,740,589
Infrastructure	169,731,419	264,142,431	433,873,850
Accumulated Depreciation	(84,019,580)	(80,149,136)	(164,168,716)
Total assets	214,916,445	259,802,214	474,718,659
<b>DEFERRED OUT FLOW OF RESOURCES</b>			
Pension related costs	2,333,578	310,014	2,643,592
Total Deferred outflow of resources	2,333,578	310,014	2,643,592
Total assets and deferred outflows of resources	\$ 217,250,023	\$ 260,112,228	\$ 477,362,251
<b>LIABILITIES</b>			
Accounts payable	\$ 2,708,736	\$ 1,542,037	\$ 4,250,773
Accrued liabilities	924,452	-	924,452
Deposits payable	10,836,948	597,236	11,434,184
Accrued interest payable	26,986	66,036	93,022
Unearned revenues	7,869,743	4,099,729	11,969,472
Long-term liabilities			
Due within one year	1,256,898	2,533,774	3,790,672
Due in more than one year	10,466,144	25,220,896	35,687,040
Total liabilities	34,089,907	34,059,708	68,149,615
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related costs	5,546,651	519,150	6,065,801
Property taxes levied for future years	4,534,143	-	4,534,143
Total deferred inflow of resources	10,080,794	519,150	10,599,944
<b>NET POSITION</b>			
Net investment in capital assets	140,369,369	194,499,093	334,868,462
Restricted			
Impact fees	8,001,930	9,311,973	17,313,903
Unrestricted	24,708,023	21,722,304	46,430,327
Total net position	173,079,322	225,533,370	398,612,692
Total liabilities, deferred inflows of resources and net position	\$ 217,250,023	\$ 260,112,228	\$ 477,362,251

*See accompanying notes to the financial statements.*



# CITY OF SARATOGA SPRINGS

## Statement of Activities For the Year Ended June 30, 2022

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue & Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Primary government:</b>							
Governmental activities:							
General government	\$ 3,406,761	\$ 312,340	\$ -	\$ -	\$ (3,094,421)	\$ -	\$ (3,094,421)
Public safety	11,853,314	12,416,938	163,577	995,504	1,722,705	-	1,722,705
Highways and public works	6,995,902	53,123	-	21,127,812	14,185,033	-	14,185,033
Parks and recreation	7,089,330	949,677	-	2,424,933	(3,714,720)	-	(3,714,720)
Community Development	696,886	-	760,000	-	63,114	-	63,114
Interest on long-term debt	346,684	-	-	-	(346,684)	-	(346,684)
Total governmental activities	<u>30,388,877</u>	<u>13,732,078</u>	<u>923,577</u>	<u>24,548,249</u>	<u>8,815,027</u>	<u>-</u>	<u>8,815,027</u>
Business-type activities:							
Major Funds							
Water	22,184,280	10,291,844	-	15,192,280	-	3,299,844	3,299,844
Sewer	6,304,872	6,123,334	-	4,796,570	-	4,615,032	4,615,032
Storm Drain	2,014,465	1,180,070	-	5,102,618	-	4,268,223	4,268,223
Non Major Funds							
Garbage	2,042,977	2,166,862	-	-	-	123,885	123,885
Street Lights	493,929	510,806	-	433,400	-	450,277	450,277
Total business-type activities	<u>33,040,523</u>	<u>20,272,916</u>	<u>-</u>	<u>25,524,868</u>	<u>-</u>	<u>12,757,261</u>	<u>12,757,261</u>
Total primary government	<u>\$ 63,429,400</u>	<u>\$ 34,004,994</u>	<u>\$ 923,577</u>	<u>\$ 50,073,117</u>	<u>8,815,027</u>	<u>12,757,261</u>	<u>21,572,288</u>
General revenues:							
Property taxes					\$ 4,923,713	\$ -	\$ 4,923,713
General sales and use tax					9,457,461	-	9,457,461
Franchise taxes					170,266	-	170,266
Energy taxes					2,430,027	-	2,430,027
Interest earnings					(92,500)	-	(92,500)
Gain (loss) on sale of capital assets					25,231	1,414,719	1,439,950
Transfers					-	-	-
Total general revenues and transfers					<u>16,914,198</u>	<u>1,414,719</u>	<u>18,328,917</u>
Change in net Position					25,729,225	14,171,980	39,901,205
Net position- beginning					147,350,097	211,134,713	358,484,810
Net position as restated (see note 13)					-	191,155	191,155
Net position - ending					<u>\$ 173,079,322</u>	<u>\$ 225,497,848</u>	<u>\$ 398,577,170</u>

See accompanying notes to the financial statements.

# CITY OF SARATOGA SPRINGS

## Balance Sheet Governmental Funds June 30, 2022

	Major Funds		Community Development Renewal Agency	Total Governmental Funds
	General Fund	Capital Projects		
<b>ASSETS</b>				
Cash and cash equivalents	\$ 19,469,196	\$ 20,779,423	\$ 134,270	\$ 40,382,889
Cash - restricted	-	13,392,598	-	13,392,598
Accounts receivable - net	2,675,206	-	-	2,675,206
Special Assessments	-	-	-	-
Due from other funds	4,861,448	-	-	4,861,448
Due from other governments	4,534,143	112,500	-	4,646,643
Prepays	-	-	-	-
Total assets	<u>\$ 31,539,993</u>	<u>\$ 34,284,521</u>	<u>\$ 134,270</u>	<u>\$ 65,958,784</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 782,360	\$ 1,926,376	\$ -	\$ 2,708,736
Due to other funds	-	6,844,891	-	6,844,891
Accrued liabilities	924,452	-	-	924,452
Deposits	10,748,080	88,868	-	10,836,948
Unearned revenue	4,714,634	3,155,109	-	7,869,743
Total liabilities	<u>17,169,526</u>	<u>12,015,244</u>	<u>-</u>	<u>29,184,770</u>
Deferred inflows of Resources:				
Property taxes levied for future years	4,626,746	-	-	4,626,746
Total deferred inflows of resources	<u>4,626,746</u>	<u>-</u>	<u>-</u>	<u>4,626,746</u>
Fund Balances:				
Fund balances Restricted for:				
Impact fees	-	8,001,930	-	8,001,930
Fund balances				
Committed for:	-	-	-	-
Assigned, for:				
Capital projects	-	14,267,347	-	14,267,347
Unassigned:	9,743,721	-	134,270	9,877,991
Total fund balances	<u>9,743,721</u>	<u>22,269,277</u>	<u>134,270</u>	<u>32,147,268</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 31,539,993</u>	<u>\$ 34,284,521</u>	<u>\$ 134,270</u>	<u>\$ 65,958,784</u>

*See accompanying notes to the financial statements.*

**CITY OF SARATOGA SPRINGS**

Balance Sheet Reconciliation to

Statement of Net Assets

June 30, 2022

Total fund balances - governmental fund types: \$ 32,147,268

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 151,212,994

Net pension assets and deferred outflows of resources are not available financial resources and are not reported in the governmental funds. 6,923,136

Deferred inflows of resources from unearned revenue are not available financial resources and are not reported in the governmental funds. 92,603

Net pension liabilities and deferred inflows of resources are not available financial resources and are not reported in the governmental funds. (5,546,651)

Long-term liabilities, including bonds payable and pension liabilities, are not due and payable in the current period and therefore are not reported in the funds.

Bonds payable	\$ (10,045,000)	
Lease payable	(570,464)	
Bond premium	(228,161)	
Accrued interest	(26,986)	
Compensated absences	(879,417)	(11,750,028)

Net assets of government activities \$ 173,079,322

**CITY OF SARATOGA SPRINGS**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2022

	Major Funds		Community	Total
	General	Capital Projects	Development	Governmental
	Fund	Fund	Renewal	Funds
<b>REVENUES</b>				
Taxes	\$ 17,022,852	\$ -	\$ -	\$ 17,022,852
Licenses and permits	3,499,165	-	-	3,499,165
Intergovernmental	3,518,118	1,969,221	760,000	6,247,339
Charges for services	9,691,899	-	-	9,691,899
Fines and forfeitures	449,703	-	-	449,703
Investment earnings	(15,318)	(77,182)	-	(92,500)
Impact fees	-	5,389,584	-	5,389,584
Other	38,188	53,123	-	91,311
Total revenues	34,204,607	7,334,746	760,000	42,299,353
<b>EXPENDITURES</b>				
Current:				
General government	4,080,965	-	-	4,080,965
Public safety	11,886,441	22,475	-	11,908,916
Highways and public works	2,784,628	7,375,206	-	10,159,834
Parks and recreation	4,273,188	7,791,955	-	12,065,143
Community Development	-	-	696,886	696,886
Capital expenditures	-	1,906,676	-	1,906,676
Debt service:	-	-	-	-
Principal retirement	200,000	655,024	-	855,024
Interest and fiscal charges	92,181	279,179	-	371,360
Developer Reimbursement	-	-	-	-
Total expenditures	23,317,403	18,030,515	696,886	42,044,804
Excess revenues over (under)				
expenditures	10,887,204	(10,695,769)	63,114	254,549
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets	29,070	-	-	29,070
Transfers in	-	10,473,176	-	10,473,176
Transfers out	(10,473,176)	-	-	(10,473,176)
Total other financing sources and uses	(10,444,106)	10,473,176	-	29,070
Net change in fund balance	443,098	(222,593)	63,114	283,619
Fund balances - beginning of year	9,300,623	22,491,870	71,156	31,863,649
Fund balances - end of year	\$ 9,743,721	\$ 22,269,277	\$ 134,270	\$ 32,147,268

*See accompanying notes to the financial statements.*



**CITY OF SARATOGA SPRINGS**  
Reconciliation of the Statement of Revenues, Expenditures,  
and Changes in Fund Balance of Governmental Funds  
to the Statement of Activities  
For the Year Ended June 30, 2022

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

Net changes in fund balances - total governmental funds	\$	283,619
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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. This is the amount by which capital outlays exceeded depreciation in the current period.

Capitalized Expenditures	\$ 16,866,748	
Depreciation Expense	<u>(7,786,888)</u>	
		9,079,860

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, transfers and donations) is to increase (decrease) net assets.

Current year capital contributions from developers	13,834,903	
Gain on Sale of Assets	<u>(3,839)</u>	
		13,831,064

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds

Change in pension related costs	1,870,135	
Change in accrued compensated absences	<u>(173,768)</u>	
		1,696,367

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:

Delinquent Property Taxes		(41,385)
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The issuance of long-term debt (e.g., bonds, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of capital lease	0	
Principal repayments on bonds	610,000	
Principal repayments of capital leases	245,024	
Accrued interest	9,465	
Bond premium amortization	<u>15,211</u>	
		879,700

Change in net assets of governmental activities	\$	<u><u>25,729,225</u></u>
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*See accompanying notes to the financial statements.*

**CITY OF SARATOGA SPRINGS**  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget to Actual  
**General Fund**  
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with Final Budget -
	Original	Final	Actual Totals	Positive (Negative)
REVENUES				
Taxes:				
Property	\$ 4,737,277	\$ 4,737,277	\$ 4,965,098	\$ 227,821
Sales	6,541,250	7,541,250	9,457,461	1,916,211
Franchise	207,340	207,340	170,266	(37,074)
Energy	1,300,000	1,300,000	2,430,027	1,130,027
Licenses and permits	1,894,756	2,194,756	3,499,165	1,304,409
Intergovernmental	1,559,440	1,655,526	3,518,118	1,862,592
Charges for services	9,013,225	9,264,851	9,691,899	427,048
Fines and forfeitures	453,166	635,386	449,703	(185,683)
investment earnings	230,649	230,649	(15,318)	(245,967)
Other	51,000	206,990	38,188	(168,802)
Total revenues	25,988,103	27,974,025	34,204,607	6,230,582
EXPENDITURES				
Current:				
General government	5,839,536	6,270,474	4,080,965	2,189,509
Public safety	11,809,468	12,358,995	11,886,441	472,554
Highways and public works	3,568,002	3,880,980	2,784,628	1,096,352
Parks and recreation	3,435,394	3,686,344	4,273,188	(586,844)
Debt Service:				
Principal retirement	200,000	200,000	200,000	-
Interest and fiscal charges	193,500	93,500	92,181	1,319
Total expenditures	25,045,900	26,490,293	23,317,403	3,172,890
Excess (deficit) of revenues over (under) expenditures	942,203	1,483,732	10,887,204	9,403,472
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	170,000	170,000	29,070	(140,930)
Transfers in	-	-	-	-
Transfers out	(7,173,154)	(12,095,127)	(10,473,176)	1,621,951
Total other financing sources (uses)	(7,003,154)	(11,925,127)	(10,444,106)	1,481,021
Net change in fund balance	(6,060,951)	(10,441,395)	443,098	10,884,493
Fund balances - beginning	9,300,623	9,300,623	9,300,623	-
Fund balances - ending	\$ 3,239,672	\$ (1,140,772)	\$ 9,743,721	\$ 10,884,493

**CITY OF SARATOGA SPRINGS**  
Statement of Net Position  
**Proprietary Funds**  
June 30, 2022

	Business-Type Activities - Enterprise				
	Major Funds			Non Major	Total
	Water	Sewer	Storm Drain	Funds	
<b><u>ASSETS</u></b>					
Current assets:					
Cash and cash equivalents	\$ 16,127,805	\$ 7,012,417	\$ 2,181,227	\$ 714,263	\$ 26,035,712
Restricted cash and cash equivalents	7,601,650	-	-	-	7,601,650
Accounts receivable - net	667,816	602,949	128,721	290,848	1,690,334
Due from other funds	380,113	975,986	563,633	63,710	1,983,442
Total current assets	24,777,384	8,591,352	2,873,581	1,068,821	37,311,138
Noncurrent assets:					
Capital Assets					
Water rights	23,729,353	-	-	-	23,729,353
Land	1,682,729	935,900	-	-	2,618,629
Construction in progress	6,285,373	563,456	2,152,654	-	9,001,483
Water capacities	10,950,988	-	-	-	10,950,988
Culinary water system	115,228,647	-	-	-	115,228,647
Secondary water system	25,993,716	-	-	-	25,993,716
Sewer system	-	60,199,422	-	-	60,199,422
Storm drain system	-	-	46,459,690	-	46,459,690
Street light system	-	-	-	5,309,968	5,309,968
Equipment	1,234,251	1,284,193	198,734	145,503	2,862,681
Less: Accumulated depreciation	(50,951,952)	(15,743,081)	(10,143,364)	(3,310,739)	(80,149,136)
Total capital assets	134,153,105	47,239,890	38,667,714	2,144,732	222,205,441
Net pension asset	182,251	103,384	-	-	285,635
Total noncurrent assets	134,335,356	47,343,274	38,667,714	2,144,732	222,491,076
Total assets	159,112,740	55,934,626	41,541,295	3,213,553	259,802,214
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>					
Pension related costs	246,259	63,755	-	-	310,014
Total deferred outflow of resources	246,259	63,755	-	-	310,014
Total assets & deferred outflows of resources	\$ 159,358,999	\$ 55,998,381	\$ 41,541,295	\$ 3,213,553	\$ 260,112,228
<b><u>LIABILITIES</u></b>					
Current liabilities:					
Accounts Payable	\$ 1,043,702	\$ 434,078	\$ 35,139	\$ 29,118	\$ 1,542,037
Due to other funds	-	-	-	-	-
Compensated absences	14,534	6,599	873	-	22,006
Customer deposits payable	564,243	32,993	-	-	597,236
Accrued interest payable	42,035	24,001	-	-	66,036
Unearned revenue	2,405,686	1,019,093	611,240	63,710	4,099,729
Bonds and contracts payable - current	2,081,768	430,000	-	-	2,511,768
Total current liabilities	6,151,968	1,946,764	647,252	92,828	8,838,812
Noncurrent liabilities:					
Compensated absences	23,011	6,643	-	-	29,654
Net pension liability	-	-	-	-	-
Bonds and contracts payable	14,908,785	8,343,892	1,938,565	-	25,191,242
Total noncurrent liabilities	14,931,796	8,350,535	1,938,565	-	25,220,896
Total liabilities	21,083,764	10,297,299	2,585,817	92,828	34,059,708
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>					
Pension related costs	377,793	141,357	-	-	519,150
Total deferred outflow of resources	377,793	141,357	-	-	519,150
<b><u>NET POSITION</u></b>					
Net investment in capital assets	117,159,214	38,465,998	36,729,149	2,144,732	194,499,093
Restricted - impact fees	9,311,973	-	-	-	9,311,973
Unrestricted	11,426,255	7,093,727	2,226,329	975,993	21,722,304
Total net position	137,897,442	45,559,725	38,955,478	3,120,725	225,533,370
Total liabilities, deferred inflows of resources and net position	\$ 159,358,999	\$ 55,998,381	\$ 41,541,295	\$ 3,213,553	\$ 260,112,228

See accompanying notes to the financial statements.

# CITY OF SARATOGA SPRINGS

## Statement of Revenues, Expenses, and Changes in Fund Net Position

### Proprietary Funds

For the Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds				
	Major Funds			Non Major	
	Water	Sewer	Storm Drain	Funds	Total
<b>Operating revenues:</b>					
Charges for services	\$ 6,636,183	\$ 5,600,684	\$ 1,183,227	\$ 2,681,139	\$ 16,101,233
Connection and other fees	3,659,020	534,741	-	-	4,193,761
Other	-	-	-	-	-
Total operating revenues	10,295,203	6,135,425	1,183,227	2,681,139	20,294,994
<b>Operating expenses:</b>					
Personnel Services	708,288	212,914	95,052	-	1,016,254
Supplies and maintenance	13,611,424	603,992	82,502	44,477	14,342,395
Professional services	58,321	-	9,465	-	67,786
Administration	1,450,850	766,576	461,012	158,141	2,836,579
Power and pumping	607,705	33,630	2,818	-	644,153
Treatment and sanitation	-	2,382,618	-	2,236,130	4,618,748
Depreciation	5,232,603	2,014,552	1,355,262	98,158	8,700,575
Other	2,502	4,877	-	-	7,379
Total operating expenses	21,671,693	6,019,159	2,006,111	2,536,906	32,233,869
Operating income	(11,376,490)	116,266	(822,884)	144,233	(11,938,875)
<b>Nonoperating revenues (expenses):</b>					
Interest revenue	(3,359)	(12,091)	(3,157)	(3,471)	(22,078)
Assessment revenue	-	-	-	-	-
Grant proceeds	-	-	-	-	-
Developer reimbursements	-	(1,292)	(8,354)	-	(9,646)
Gain on Sale of capital assets	-	21,290	-	-	21,290
Intergovernmental revenue	-	14,232	1,414,719	-	1,428,951
Interest expense and fiscal charges	(512,587)	(284,421)	-	-	(797,008)
Total nonoperating revenues (expenses)	(515,946)	(262,282)	1,403,208	(3,471)	621,509
<b>Net income (loss) before contributions and transfers</b>	<b>(11,892,436)</b>	<b>(146,016)</b>	<b>580,324</b>	<b>140,762</b>	<b>(11,317,366)</b>
Capital contributions	12,530,685	3,644,770	4,793,063	433,400	21,401,918
Impact fees	2,661,595	1,151,800	309,555	-	4,122,950
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total contributions and transfers	15,192,280	4,796,570	5,102,618	433,400	25,524,868
Change in net position	3,299,844	4,650,554	5,682,942	574,162	14,207,502
Total net position - beginning	134,406,443	40,909,171	33,272,536	2,546,563	211,134,713
Restatement of net position (see Note 13)	191,155	-	-	-	191,155
Total net position - ending	\$ 137,897,442	\$ 45,559,725	\$ 38,955,478	\$ 3,120,725	\$ 225,533,370

*See accompanying notes to the financial statements.*



# CITY OF SARATOGA SPRINGS

## Statement of Cash Flows

### Proprietary Funds

For the Year Ended June 30, 2022

Business-Type Activities - Enterprise Funds					
	Major Funds			Non Major	Total BTAs
	Water	Sewer	Storm Drain	Funds	
<b>Cash Flows From Operating Activities</b>					
Receipts from customers	\$ 12,378,926	\$ 6,087,704	\$ 1,158,584	\$ 2,674,670	\$ 22,299,884
Payments to suppliers	(13,570,751)	(2,993,583)	(65,611)	-	(16,629,945)
Payments to interfund services	(1,450,850)	(766,576)	(461,012)	(2,456,464)	(5,134,902)
Payments to employees	(783,087)	(237,386)	(97,150)	-	(1,117,623)
Net cash provided (used) by operating activities	(3,425,762)	2,090,159	534,811	218,206	(582,586)
<b>Cash Flows From Noncapital Financing Activities</b>					
Advance from other funds	-	-	-	-	-
Advance to other funds	-	-	-	-	-
Net cash provided (used) by noncapital financing activities	-	-	-	-	-
<b>Cash Flows From Capital and Related Financing Activities</b>					
Purchases of capital assets	(7,988,735)	(727,268)	(2,850,803)	-	(11,566,806)
Impact fees collected	2,661,595	1,151,800	309,555	-	4,122,950
Payments for Grant Proceeds	-	14,232	1,414,719	-	1,428,951
Payment for developer reimbursements	-	(1,292)	(8,354)	-	(9,646)
Payments for developer contributions	3,630,200	-	378,693	-	4,008,893
Proceeds from the sale of assets	-	21,290	-	-	21,290
Principal paid on capital debt	(3,133,717)	(415,000)	-	-	(3,548,717)
Interest and fees paid on capital debt	(538,572)	(290,563)	-	-	(829,135)
Net cash provided (used) by capital and related financing activities	(5,369,229)	(246,801)	(756,190)	-	(6,372,220)
<b>Cash Flows From Investing Activities</b>					
Interest and dividends received	(3,359)	(12,091)	(3,157)	(3,471)	(22,078)
Net increase (decrease) in cash and cash equivalents	(8,798,350)	1,831,267	(224,536)	214,735	(6,976,884)
Cash and cash equivalents - beginning	32,527,805	5,181,150	2,405,763	563,238	40,677,956
Cash and cash equivalents - ending	\$ 23,729,455	\$ 7,012,417	\$ 2,181,227	\$ 777,973	\$ 33,701,072
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>					
Operating income	\$ (11,376,490)	\$ 116,266	\$ (822,884)	\$ 144,233	\$ (11,938,875)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation and amortization expense	5,232,603	2,014,552	1,355,262	98,158	8,700,575
(Increase)/decrease in accounts receivable	114,250	(47,721)	(24,643)	(70,179)	(28,293)
(Increase)/decrease in prepaid expenses	-	-	-	-	-
(Increase)/decrease in net pension assets	(138,861)	(92,439)	-	-	(231,300)
(Increase)/decrease in deferred outflows	(10,027)	(6,674)	-	-	(16,701)
Increase/(decrease) in accounts payable	672,909	45,501	29,174	(17,716)	729,868
Increase/(decrease) In unearned revenue	1,969,473	-	-	63,710	2,033,183
Increase/(decrease) in compensated absences	(2,167)	3,445	(2,098)	-	(820)
Increase/(decrease) in net pension liability	(38,787)	(5,385)	-	-	(44,172)
Increase/(decrease) in deferred inflows	115,043	76,581	-	-	191,624
Increase/(decrease) in deposits	36,292	(13,967)	-	-	22,325
Total adjustments	7,950,728	1,973,893	1,357,695	73,973	11,356,289
Net cash provided (used) by operating activities	\$ (3,425,762)	\$ 2,090,159	\$ 534,811	\$ 218,206	\$ (582,586)
Noncash investing, capital, and financing activities					
Contributions by developers	\$ 8,900,485	\$ 3,644,770	\$ 4,414,370	\$ -	\$ 16,959,625

See accompanying notes to the financial statements.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 1 - Summary of Significant Accounting Policies**

The City of Saratoga Springs (City) was incorporated in December 1997. The City operates under a council manager form of government and provides the following services as authorized by its charter: public safety (police, fire, inspection and animal control), streets and highways, public utilities (refuse collection, water sewer, and storm drain), parks and recreation and general administrative services. The financial statements of the City of Saratoga Springs have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies.

**A. Reporting Entity**

The City of Saratoga Springs is a municipal corporation governed by an elected mayor and six council members. The accompanying financial statements present the financial affairs of the government and its operations.

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in the related Governmental Accounting Standards. The City is considered to be financially accountable for an organization if the City appoints a voting majority of that organization's governing body, or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City. The City is also considered to be financially accountable for an organization if that organization is fiscally dependent on the City.

**Blended component units**

Blended component units, although legally separate entities, are in substance part of the government's operations. They are reported as part of the primary government and blended with the appropriate funds. The reporting entity of these financial statements includes the Saratoga Springs Community Development Agency (CDA)

The CDA is governed by a board comprised of the Mayor and City Council. Its sole purpose is a financing tool that allows the City to allocate sales tax collected within the City to provide incentives for incoming businesses within the designated project area. Separate financial statements are not issued or required for the CDA. The CDA is considered to be a blended component unit because the City's governing body is also the governing body and they exist exclusively to accomplish the specific purposes of the City Council.

**B. Government-wide and Fund Financial Statements**

The City's basic financial statements consist of both government-wide statements (the statement of net position and the statement of activities) and fund statements. The government-wide statements focus on the City as a whole, while the fund statements focus on individual funds. Primary government activities are distinguished between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The effects of inter-fund activity have been eliminated from the governmentwide statements except for the residual amounts due between governmental and business-type activities and inter-fund services provided.

The Statement of Net Position presents the City's assets, deferred outflows, liabilities and deferred inflows, with the difference reported as net position. Net position is restricted when constraint placed upon it is either externally imposed or is imposed by constitutional provisions or enabling legislation.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 1 - Summary of Significant Accounting Policies – Continued**

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. The City does not allocate general government (indirect) expenses to other functions. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function; and 2) grants and contributions that are restricted to meeting the operation or capital requirements of a particular function. Taxes and other revenues not meeting the definition of program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**C. Measurement Focus and Basis of Accounting**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The use of financial resources to acquire capital assets are shown as assets in the government-wide financial statements, rather than reported as expenditures in the governmental fund financial statements. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as another financing source in the governmental fund financial statements. Amounts paid to reduce long-term debt in the government-wide financial statements are reported as a reduction of the related liability, rather than expenditures in the governmental fund statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter (generally within sixty days) to pay liabilities of the current period. Expenditures are generally recorded when a liability is incurred, as under the accrual method of accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded when payment is due.

Sales and use taxes, franchise taxes and earned but un-reimbursed state and federal grants associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. Property taxes are measurable as of the date levied and available only when cash is received by the county treasurer prior to the City's fiscal year end and remitted to the City within sixty days of its fiscal year end.

The City reports the following governmental funds:

**General Fund** - The General Fund is the primary operating fund. It is used to account for all financial resources of the City not accounted for by a separate, specialized fund.

**Capital Projects Fund** - The Capital Projects Fund is used to account for financial resources used for the acquisition or construction of major capital improvements (other than those financed by proprietary funds.)

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 1 - Summary of Significant Accounting Policies – Continued**

**Community Development Agency** – This special revenue fund accounts for all the Saratoga Springs Community Development Agency. This fund's revenue source is sales tax assigned by the City to provide community development within the designated project area.

The City reports the following proprietary fund types as enterprise funds:

**Water Utility Fund** - The Water Utility Fund accounts for the water distribution system of the City for its residents.

**Sewer Utility Fund** - The Sewer Utility Fund accounts for the sewage collection systems of the City for its residents.

**Storm Drain Utility Fund** - The Storm Drain Utility Fund accounts for the various storm drain collection and retention systems in the City for its residents.

**Garbage Collection Utility Fund** - The Garbage Collection Utility Fund accounts for the collection and disposal of garbage for City residents.

**Street Light Utility Fund** – The Street Light Utility Fund accounts for the street light services of the City for its residents.

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. As a general rule the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments to the General Fund by the Enterprise Funds for providing administrative, billing, and facility costs for such funds. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operation. The principal operating revenues of the enterprise funds are charges to customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**D. Budgets**

Annual budgets are prepared and adopted before June 22 for the fiscal year commencing the following July 1, in accordance with the Uniform Fiscal Procedures Act for Utah Cities. State law requires budgeted revenues to equal budgeted expenditures, and legal control is exercised at the department level, administration, public safety, public works, etc. Once a budget has been adopted, it remains in effect until it has been formally revised. Budgets for the general fund, special revenue, and capital projects funds are legally required and prepared and adopted on the modified accrual basis of accounting. Therefore, no reconciliation between budgetary schedules and the GAAP statements is required.



**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 1 - Summary of Significant Accounting Policies – Continued**

The Budgetary Comparison schedules presented in this section of the report are for the City's general fund and special revenue funds. Original budgets represent the revenue estimates and spending authority authorized by the City Council prior to July 1. Final budgets represent the original budget amounts plus any amendments made to the budget during the year by the City Council through formal resolution. Final budgets do not include unexpended balances from the prior year because such balances automatically lapse to unassigned fund balance at the end of each year.

Utah State allows for any unassigned fund balances in excess of 5% of total revenue of the general fund to be utilized for budget purposes. The law also allows for the accumulation of a fund balance in the general fund in an amount equal to 25% of the total estimated revenue of the general fund. In the event that the fund balance, at the end of the fiscal year, is in excess of that allowed, the City has one year to determine an appropriate use and then the excess must be included as an available resource in the general fund budget.

**E. Taxes**

In connection with budget adoption, an annual tax ordinance establishing the tax rate is adopted before June 22 and the City Recorder is to certify the tax rate to the County Auditor before June 22. Budgets for the general, special revenue, and capital projects funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The above procedures are authorized by the Utah Code Sections 10-6-109 through 10-6-135.

All property taxes levied by the City are assessed and collected by Utah County. Taxes are attached as an enforceable lien as of January 1, are levied as of October 1, and are due November 30; any delinquent taxes are subject to a penalty. Unless the delinquent taxes and penalties are paid before January 15, a lien is attached to the property, and the amount of taxes and penalties bears interest from January 1 until paid. If after five years, delinquent taxes have not been paid, the County sells the property at a tax sale. Tax collections are remitted to the City from the County monthly.

**F. Capital Assets**

Capital assets, which include land, buildings, property, plant, equipment, water rights, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets and capital assets received in a concession arrangement should be reported at acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Capital assets are carried at cost or estimated historical cost. Depreciation of these assets is computed by use of the straight-line method over their estimated useful lives as follows:

Buildings and improvements	40 Years
Sewer collection system	30 Years
Water distribution systems	40 Years
Infrastructure and improvements	10-25 Years
Machinery and equipment	5-20 Years
Other improvements	10-40 Years

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 1 - Summary of Significant Accounting Policies – Continued**

**G. Long-Term Obligation**

In the government-wide financial statements and proprietary fund types, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

**H. Equity Classifications**

Equity is classified in the government-wide financial statements as net assets and is displayed in three components:

- a. Invested in capital assets, net of related debt - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets - consists of net assets 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.
- c. Unrestricted net assets - All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as Nonspendable, Restricted, Committed, Assigned or Unassigned.

**Nonspendable fund balance** classification includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact.

**Restricted fund balance** classifications are restricted by enabling legislation. Also reported if, (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed fund balance** classification includes those funds that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision making authority, the City Council. Fund balance commitments can only be removed or changed by the same type of action (for example, resolution) of the City Council.

**Assigned fund balance** classification includes amounts that are constrained by the government’s intent to be used for specific purposes, but are neither restricted nor committed. Also includes all remaining amounts that are reported in governmental funds, other than the general fund that are not classified as non-spendable, restricted nor committed in the General Fund, that are intended to be used for specific purposes. It is the City’s policy to require City Council action for the assignment of funds.

**Unassigned fund balance** classification is the residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 1 - Summary of Significant Accounting Policies – Continued**

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted. It is the City's policy to use committed funds first then assigned funds and lastly use unassigned funds when all are available for use in satisfying the expenditure.

Proprietary Fund equity is classified the same as in the government-wide statements.

**I. Cash and Cash Equivalents**

Cash includes amounts in demand deposits as well as short-term investments with a maturity date of three months or less when acquired by the City.

**J. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**K. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources which represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City also records deferred outflows for changes to the net pension liability as provided by the cost sharing defined benefit pension systems administered by Utah State Retirement System (URS).

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The governmental fund has two items which qualifies for reporting in this category. First, unavailable revenues, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Second, the City recognizes deferred inflows for changes to the net pension liability as provided by the URS.

**L. Leases**

During the year ended June 30, 2022, the City adopted Governmental Accounting Standards Board Statement No. 87, Leases. The new standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. The statement requires a lessee to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The beginning fund balances, and Net position was not affected by the implementation of GASB 87. They City has one lease which is a financed Purchase lease that was already reported by the City, see note 12.

**M. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems Pension Plan (URS) and additions to/deductions from URS's fiduciary net position have been determined on the same basis as they are reported by URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 2 – Cash, Deposits, and Investments**

The City maintains a cash and investment pool that is available to use by all funds. At June 30, 2022, the City's cash balance consisted of the following:

**Cash on hand and on deposit:**

Petty Cash	\$ 6,797
Cash on Deposit	6,357,739
PTIF Investment	81,048,313
<b>Total cash and investments</b>	<b><u>\$ 87,412,849</u></b>

**Cash and investments are included in the accompanying combined statement of net position as follows:**

Cash and cash equivalents	\$ 66,418,601
Restricted cash and cash equivalents	20,994,248
<b>Total Cash and investments</b>	<b><u>\$ 87,412,849</u></b>

**A. Custodial Credit Risk**

Deposits and investments for the City 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 the City's exposure to various risks related to its cash management activities.

**Deposits.** Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's 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 City funds 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. The City's deposits in the bank in excess of the insured amount are uninsured and are not collateralized, nor do state statutes require them to be. The City's bank balances at June 30, 2022 were \$6,308,778 of which \$6,058,778 were uninsured and uncollateralized.

**Investments.** Custodial credit risk for investments is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. The City policy to minimize custodial credit risk is to follow the Utah Money Management Act and the City's approved investment policy. The City currently invests only in the State of Utah PTIF as discussed below.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 2 - Deposits and Investments – Continued**

**B. Credit Risk**

Credit risk is the risk that the counterparty to an investment transaction will not fulfill its obligations. The City's policy for limiting the credit risk of investments is to comply with the Money Management Act. The Act requires investment transactions to be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities. Permitted investments include deposits of qualified depositories; repurchase agreements; commercial paper that is classified as "first- tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investor Services or Standard & Poors; bankers acceptances; obligations of the U.S. Treasury and U.S. government sponsored enterprises; bonds and notes of political subdivisions of the State of Utah; fixed rate corporate obligations and variable rate securities rated "A" or higher by two nationally recognized statistical rating organizations; and shares in a money market fund as defined in the Act. The City is also 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. The fair value of the PTIF investment pool was less than its amortized cost basis by \$\$294,143 at June 30, 2022. The following are the City's Investments at June 30, 2022:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>	<u>Quality Ratings</u>
PTIF Investments	\$ 81,048,313	85 days *	Not Rated
<b>Total</b>	<u><u>\$ 81,048,313</u></u>		

**C. Interest 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. The City manages its exposure to declines in fair value by following its investment policy by investing mainly in the PTIF and by adhering to the Money Management Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act limits the remaining term to maturity of commercial paper to 270 days or less and fixed rate negotiable deposits and corporate obligations to 365 days or less. Maturities of the City's investments are noted in the table at the beginning of Note 2.

**D. Fair Value of Investments**

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1: Quoted Prices for identical investments in active markets
- Level 2: Observable inputs other than quoted market prices; and
- Level 3: Unobservable inputs.



**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 2 - Deposits and Investments – Continued**

As of June 30, 2022 the City had the following recurring fair value measurements:

- PTIF Investments totaling \$81,048,313 valued using the application of the June 30, 2022, fair value factor, as calculated by the Utah State Treasurer which is therefore valued under level 2.

**E. Restricted Cash**

The City maintains cash in accounts held by third party custodians that are restricted for the use of bond payments and construction costs. The City also maintains cash restricted for unspent impact fees. The amount of restricted cash at June 30, 2022 was \$20,994,248.

**Note 3 - Accounts Receivable – Unearned and Unavailable Revenue**

Accounts receivable are recorded net of the allowance for doubtful accounts of \$11,652 in the enterprise funds. The governmental funds also report two types of unavailable resources:

1. Property taxes of \$4,534,143 as deferred inflows of resources due to property taxes being recognized as receivables prior to the period for which the taxes are levied. This amount is also reported as deferred inflows of resources on the Government-wide statement of net position.
2. Delinquent taxes of \$92,603 as deferred inflows of resources due to property taxes being recognized as receivables and deferred because they are available during the current period. Since they have been earned, they will be reported as revenue on the Government-wide statement of activities.

The City reports unearned revenue in the Government Wide and Fund Statements:

1. Federal ARPA funds of \$1,969,472 have been received by the City but have not been spent.
2. Developers paid the City \$10,000,000 of development and impact fees in advance. The funds will be applied to future projects and development within the City.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 4 - Capital Assets**

Capital asset activity for the year ended June 30, 2022 was as follows:

	Balance June 30, 2021	Increases	Decreases	Balance June 30, 2022
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 24,758,078	\$ 5,340,562.00	\$ -	\$ 30,098,640
Construction in progress	1,588,338	9,084,907	(266,782)	10,406,463
Total capital assets not being depreciated	26,346,416	14,425,469	(266,782)	40,505,103
Capital assets being depreciated:				
Buildings	14,686,484	431,660	-	15,118,144
Machinery and equipment	8,888,972	1,057,822	(68,886)	9,877,908
Infrastructure	154,677,937	15,053,482	-	169,731,419
Total capital assets being depreciated	178,253,393	16,542,964	(68,886)	194,727,471
Less accumulated depreciation for:				
Buildings	(3,637,431)	(573,907)	-	(4,211,338)
Machinery and equipment	(4,846,448)	(686,669)	65,047	(5,468,070)
Infrastructure	(67,813,860)	(6,526,312)	-	(74,340,172)
Total accumulated depreciation	(76,297,739)	(7,786,888)	65,047	(84,019,580)
Total capital assets, being depreciated, net	101,955,654	8,756,076	(3,839)	110,707,891
Governmental activities capital assets, net	\$ 128,302,070	\$ 23,181,545	\$ (270,621)	\$ 151,212,994
<b>Business-type activities:</b>				
Capital assets not being depreciated:				
Land	\$ 2,618,629	\$ -	\$ -	\$ 2,618,629
Water rights	21,945,947	1,783,406		23,729,353
Construction in Progress	2,036,194	7,119,354	(154,065)	9,001,483
Total capital assets not being depreciated	26,600,770	8,902,760	(154,065)	35,349,465
Capital assets being depreciated:				
Water capacity	10,950,988	-	-	10,950,988
Culinary water system	105,886,071	9,342,575	-	115,228,646
Secondary water system	25,575,185	418,531	-	25,993,716
Sewer system	56,055,099	4,144,322	-	60,199,421
Storm drain system	40,819,760	5,639,931	-	46,459,691
Street light system	4,876,568	433,401	-	5,309,969
Equipment	2,672,826	225,368	(35,513)	2,862,681
Total capital assets being depreciated	246,836,497	20,204,128	(35,513)	267,005,112
Less accumulated depreciation for:				
Water capacity	(8,924,189)	-		(8,924,189)
Culinary water system	(29,696,057)	(4,015,006)		(33,711,063)
Secondary water system	(6,410,403)	(1,114,677)		(7,525,080)
Sewer system	(13,081,490)	(1,925,725)		(15,007,215)
Storm drain system	(8,644,987)	(1,352,985)		(9,997,972)
Street light system	(3,195,607)	(83,607)		(3,279,214)
Equipment	(1,531,339)	(208,577)	35,513	(1,704,403)
Total accumulated depreciation	(71,484,072)	(8,700,577)	35,513	(80,149,136)
Total capital assets, being depreciated, net	175,352,425	11,503,551	-	186,855,976
Business-type capital assets, net	\$ 201,953,195	\$ 20,406,311	\$ (154,065)	\$ 222,205,441

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 4 - Capital Assets – Continued**

Depreciation expense was charged to functions of the primary government as follows:

Governmental activities:	
General government	\$ 352,439
Public safety	586,189
Public works	5,216,571
Parks and Rec	1,631,689
Total depreciation expense - governmental activities	<u>\$ 7,786,888</u>
Business-type activities:	
Water	\$ 5,232,603
Sewer	2,014,553
Strom Drain	1,355,262
Street Lights	98,159
Total depreciation expense - business-type activities	<u>\$ 8,700,577</u>
Total depreciation expense	<u>\$ 16,487,465</u>

**Note 5 - Compensated Absences**

Accumulated unpaid vacation, compensatory leave pay and other employee benefit amounts are accrued when incurred in proprietary funds (using the accrual basis of accounting). In the governmental funds (using the modified accrual basis of accounting) only the unpaid amounts due to retired or terminated employees are recorded as liabilities. All City employees are paid from the general fund. The total compensated absences liability is reported in the government wide financial statements as long-term debt in accordance with the Governmental Accounting Standards. Based on historical estimates, the City estimates that \$376,998 of the compensated absences balance will be due in the next year.

**Note 6 - Retirement Plans**

**General Information about the Pension Plans**

**Plan description:** Eligible plan participants are provided with pensions through the Utah retirement Systems. The Utah Retirement Systems are comprised of the following pension trust funds:

- Public Employees Noncontributory Retirement System (Noncontributory System);
- Firefighters Retirement System (Firefighters System); are multiple employer, cost sharing, retirement systems.
- The Public Safety Retirement System (Public Safety System) is a mixed agent and cost-sharing, multiple-employer retirement system;
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System);
- Tier 2 Public Safety and Firefighter Contributory Retirement System (Tier 2 Public Safety and Firefighters System) are multiple employer, cost sharing, public employees, retirement systems.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 6 - Retirement Plans – Continued**

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning service on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems, are members of the Tier 2 Retirement System.

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms. URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 E. 200 S, Salt Lake City, Utah 84102 or visiting the website: [www.urs.org](http://www.urs.org).

**Benefits provided:** URS provides retirement, disability, and death benefits. Retirement benefits are as follows:

**Summary of Benefits by System**

System	Final Average Salary	Years of service required and/or age eligible for	Benefit percent per year of service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65*	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% to 4% depending on the employer
Firefighters System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 4%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

\*with actuarial reductions

\*\*All post-retirement cost-of-living adjustments are non-compounding and are based on the original benefit except for Judges, which is a compounding benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year,

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 6 - Retirement Plans - Continued**

**Contributions:** As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when combined with employees contributions (where applicable) is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates are as follows:

<u>Utah Retirement Systems</u>	<u>Employee</u>	<u>Employer</u>	<u>401(k)</u>
<b>Contributory System</b>			
111 Local Government Div - Tier 2	N/A	16.07%	0.062%
<b>Noncontributory System</b>			
15 Local Government Div. Tier 1	N/A	18.47%	N/A
<b>Public Safety System</b>			
Contributory			
122 tier 2 DB Hybrid Public Safety	N/A	23.74%	N/A
Noncontributory			
49 Other Div B Tier 1	N/A	32.28%	N/A
<b>Firefighters Retirement System</b>			
31 Other Division B	16.71%	7.24%	N/A
132 Tier 2 DB Hybrid Firefighters	2.27	14.08%	N/A
<b>Tier 2 DC Only</b>			
211 Local Government	N/A	6.69%	10.00%
222 Public Safety	N/A	9.74%	14.00%
232 Firefighters	N/A	0.08%	14.00%

Tier 2 rates include a statutory required contribution to finance the unfunded actuarial accrued liability of the Tier 1 plans.

**Utah Retirement Systems**

For fiscal year ended June 30, 2022, the employer and employee contributions to the Systems were as follows:

<u>System</u>	<u>Employer Contributions</u>	<u>Employee Contributions</u>
Noncontributory System	\$ 566,357	N/A
Public Safety System	361,713	-
Firefighters System	41,331	-
Tier 2 Public Employees System	504,025	-
Tier 2 Public Safety and Firefighter	428,285	-
Tier 2 DC Only System	31,897	N/A
Tier 2 DC Public Safety and Firefighter System	11,848	N/A
Total Contributions	<u>\$ 1,945,456</u>	<u>\$ -</u>



**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 6 - Retirement Plans – Continued**

Contributions reported are URS Board approved required contributions by System. Contributions in the Tier 2 Systems are used to finance the unfunded liabilities in the Tier 1 Systems.

**Combined Pension Assets, Liabilities, Expenses, and Deferred Outflows of Resources and Deferred inflows of Resources Related to Pensions**

At June 30, 2022, we reported a net pension asset of \$4,875,195 and a net pension liability of \$0.

	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2020	Change (Decrease)
Noncontributory System	\$2,254,027	\$ -	0.3430151%	0.3430151%	0.0505557%
Public Safety System	751,262	-	2.0000007%	2.0000007%	0.0977884%
Firefighters System	1,766,377	-	0.5959690%	0.5959690%	0.5705360%
Tier 2 Public Employees System	61,208	-	0.1438459%	0.1438459%	0.0007724%
Tier 2 Public Safety and Firefighter	42,321	-	0.6958170%	0.6958170%	0.1415248%
	<u>\$4,875,195</u>	<u>\$ -</u>			

The net pension asset and liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2020 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2022, we recognized pension expense of \$3,001. At June 30, 2022, we reported deferred outflows of resources and deferred inflows of resources related to pensions for the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 820,929	\$ 25,034
Changes in assumptions	553,774	44,757
Net difference between projected and actual earnings on pension plan investments	-	5,956,595
Changes in proportion and differences between contributions and proportionate share of contributions	255,607	39,416
Contributions subsequent to the measurement date	1,013,281	-
	<u>\$ 2,643,591</u>	<u>\$ 6,065,802</u>

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 6 - Retirement Plans – Continued**

\$1,013,281 was reported as deferred outflows of resources and deferred inflows of resources relating to pension results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2021.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions expense as follows:

<u>Year ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2022	\$ (676,404)
2023	(1,533,366)
2024	(1,385,673)
2025	(976,151)
2026	18,707
Thereafter	117,396
	<u>\$ (4,435,491)</u>

**Noncontributory System Pension Expense, and Deferred Outflows and Inflows of Resources**

For the year ended June 30, 2022 we recognized pension expense of \$(230,116).

At June 30, 2022, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 236,085	\$ -
Changes in assumptions	211,549	14,549
Net difference between projected and actual earnings on pension plan investments	-	3,034,744
Changes in proportion and differences between contributions and proportionate share of contributions	149,063	-
Contributions subsequent to the measurement date	277,374	-
	<u>\$ 874,071</u>	<u>\$ 3,049,293</u>

\$277,374 was reported as deferred outflows of resources and deferred inflows of resources relating to pension results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2021.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 6 - Retirement Plans – Continued**

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions expense as follows:

<u>Year ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2022	\$ (416,522)
2023	(802,858)
2024	(728,983)
2025	(504,233)
2026	-
Thereafter	-
	<u>\$ (2,452,596)</u>

**Public Safety System Pension Expense, and Deferred Outflows and Inflows of Resources**

For the year ended June 30, 2022 we recognized pension expense of \$180,061.

At June 30, 2022, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 474,249	\$ -
Changes in assumptions	130,874	22,107
Net difference between projected and actual earnings on pension plan investments	-	1,617,427
Changes in proportion and differences between contributions and proportionate share of contributions	44,748	-
Contributions subsequent to the measurement date	198,828	-
	<u>\$ 848,699</u>	<u>\$ 1,639,534</u>

\$198,828 was reported as deferred outflows of resources and deferred inflows of resources relating to pension results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2022.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions expense as follows:

<u>Year ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2022	\$ 4,436
2023	(346,265)
2024	377,539
2025	(270,295)
2026	-
Thereafter	-
	<u>\$ (234,585)</u>

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 6 - Retirement Plans – Continued**

**Firefighters System Pension Expense, and Deferred Outflows and Inflows of Resources**

For the year ended June 30, 2022 we recognized pension expense of (\$383,991).

At June 30, 2022, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 44,593	\$ 10,195
Changes in assumptions	106,787	-
Net difference between projected and actual earnings on pension plan investments	-	1,023,829
Changes in proportion and differences between contributions and proportionate share of contributions	356	38,525
Contributions subsequent to the measurement date	20,986	-
	<u>\$ 172,722</u>	<u>\$ 1,072,549</u>

\$20,986 was reported as deferred outflows of resources and deferred inflows of resources relating to pension results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2021.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions expense as follows:

<b><u>Year ended December 31,</u></b>	<b><u>Net Deferred Outflows (Inflows) of Resources</u></b>
2022	\$ (208,830)
2023	(314,929)
2024	(227,464)
2025	(169,589)
2026	-
Thereafter	-
	<u>\$ (920,812)</u>

**Tier 2 Public Employees System Pension Expense, and Deferred Outflows and Inflows of Resources**

For the year ended June 30, 2022 we recognized pension expense of \$212,842.

At June 30, 2022, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 6 - Retirement Plans – Continued**

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 29,736	\$ 7,886
Changes in assumptions	57,072	579
Net difference between projected and actual earnings on pension plan investments	-	151,237
Changes in proportion and differences between contributions and proportionate share of contributions	36,792	-
Contributions subsequent to the measurement date	289,195	-
	<u>\$ 412,795</u>	<u>\$ 159,702</u>

\$289,195 reported as deferred outflows of resources and deferred inflows of resources relating to pension results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2021.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions expense as follows:

<b><u>Year ended December 31,</u></b>	<b><u>Net Deferred Outflows (Inflows) of Resources</u></b>
2022	\$ (28,113)
2023	(36,126)
2024	(26,123)
2025	(14,912)
2026	12,180
Thereafter	56,992
	<u>\$ (36,102)</u>

**Tier 2 Public Safety and Firefighter Pension Expense, and Deferred Outflows and Inflows of Resources**

For the year ended June 30, 2022 we recognized pension expense of \$224,205.

At June 30, 2022, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 36,266	\$ 6,953
Changes in assumptions	47,492	7,522
Net difference between projected and actual earnings on pension plan investments	-	129,358
Changes in proportion and differences between contributions and proportionate share of contributions	24,647	892
Contributions subsequent to the measurement date	226,898	-
	<u>\$ 335,303</u>	<u>\$ 144,725</u>



**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 6 - Retirement Plans – Continued**

\$226,898 was reported as deferred outflows of resources and deferred inflows of resources relating to pension results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2021.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions expense as follows:

<u>Year ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2022	\$ (27,375)
2023	(33,188)
2024	(25,563)
2025	(17,122)
2026	6,527
Thereafter	60,404
	<u>\$ (36,317)</u>

Actuarial assumptions: The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 Percent
Salary increases	3.25 – 9.75 percent, average, including inflation
Investment rate of return	6.85 percent, net of pension plan investment expense, including inflation

Mortality rates were developed from actual experience and mortality tables, based on gender and age, as appropriate, with adjustments for future improvement in mortality based on scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2020; valuation was based on the results of an actuarial experience study for the five year period ending December 31, 2020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 6 - Retirement Plans – Continued**

<b>Asset Class</b>	<b>Expected Return Arithmetic Basis</b>		
	<b>Target Asset Allocation</b>	<b>Real Return Arithmetic Basis</b>	<b>Long Term expected portfolio real rate of return</b>
Equity securities	37.00%	6.58%	2.43%
Debt securities	20.00%	-0.28%	-0.06%
Real assets	15.00%	5.77%	0.87%
Private equity	12.00%	9.85%	1.18%
Absolute return	16.00%	2.91%	0.47%
Cash and cash equivalents	0.00%	-1.01%	0.00%
Totals	100%		4.89%
	Inflation		2.50%
	Expected arithmetic nominal return		7.39%

The 6.85% assumed investment rate of return is comprised of an inflation rate of 2.50%, a real return of 4.35% that is net of investment expense.

Discount rate: The discount rate used to measure the total pension liability was 6.85 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced to 6.85 percent from 6.95 percent from the prior measurement period.

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate: The following presents the proportionate share of the net pension liability calculated using the discount rate at 6.95 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.85 percent) or 1-percentage-point higher (7.85 percent) than the current rate:

<b>System</b>	<b>1% Decrease 5.85%</b>	<b>Discount Rate 6.85%</b>	<b>1% Increase 7.85%</b>
Noncontributory System	\$ 3,050,401	\$ 175,947	\$(2,220,342)
Public Safety System	2,628,708	719,065	(836,940)
Firefighters System	105,420	(802,979)	(1,548,642)
Tier 2 Public Employees System	348,135	20,689	(229,798)
Tier 2 Public Safety and Firefighter	294,247	62,411	(122,493)
Total	<u>\$ 6,426,911</u>	<u>\$ 175,133</u>	<u>\$(4,958,215)</u>

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued URS financial report.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 6 - Retirement Plans – Continued**

**Defined Contribution Savings Plan**

The Defined Contribution Savings Plans are administered by the Utah Retirement Systems Board and are generally supplemental plans to the basic requirements benefits of the Retirement Systems, but may also be used as a primary retirement plan. These plans are voluntary tax-advantaged retirement savings programs authorized under sections 401(k), 457(b), and 408 of the Internal Revenue code. Detailed information regarding plan provision is available in the separately issued URS financial report.

City of Saratoga Springs participates in the following Defined Contribution Savings Plans with Utah Retirement Systems: 401(k) Plan, 457(b) Plan, Roth IRA Plan.

Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans for fiscal year ended June 30 were as follows:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>401(k) Plan</b>			
Employer Contributions	\$950,975	\$763,353	\$734,848
Employee Contributions	227,388	197,727	159,050
<b>457(b) Plan</b>			
Employer Contributions	\$ -	\$ -	\$ -
Employee Contributions	184,596	141,336	88,593
<b>Roth IRA Plan</b>			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 78,150	\$ 66,234	\$ 47,328
<b>Traditional IRA Plan</b>			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 9,750	\$ 6,830	\$ 3,390

**Note 7 - Interfund Transfers**

Transfers were made which will not be repaid. Such amounts for the fiscal year ended June 30, 2022 were as follows:

	<u>In</u>	<u>Out</u>
Governmental:		
General Fund	\$ -	\$ 10,473,176
Capital Projects	10,473,176	-
Total Transfers	<u>\$10,473,176</u>	<u>\$10,473,176</u>

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 7 - Interfund Transfers – Continued**

The purpose of the inter-fund transfers is to meet the City's ongoing cash needs for capital projects. In addition to the transfers, the General Fund charged \$2,836,579 to the enterprise funds for personnel and administrative services and facility costs during the year.

**Note 8 - Contingent Liabilities**

Amounts received or receivables from grantor agencies are subject to audit and adjustment by those grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial. The City is also involved in various claims and litigation that should be covered by insurance.

On March 30, 2010 the City entered into an agreement with a neighboring municipality to provide police services. For the year ended June 30, 2022 the City received \$2,095,061 for the service.

**Note 9 - Construction Commitments**

The City has active construction projects as of June 30, 2022. The projects include construction of roads and utility system upgrades.

<u>Projects</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>	<u>Estimated Completion</u>
All Projects	\$17,402,515	\$19,908,454	June 2023

**Note 10 - 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. These risks are covered by commercial insurance purchased from independent third parties and participation in the Local Governments Trust, a public entity risk pool. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. The City carries \$2,000,000 of liability coverage and \$1,000,000 of fidelity bond coverage for the treasurer.

The City participates in the public entity risk pool's general liability insurance program. This program requires annual premiums based on the City's level of insurance and previous claims experience. The payment of the premium indemnifies the City for claims that exceed its deductible amount. The risk pool is governed by the inter-local risk pool agreement.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 11 – Long-term debt**

**Special Assessment Bonds**

The 2012 series bonds will be repaid from assessments levied against the property owners benefited by the improvements made by the City in the special improvement district area. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time a debt service payment is due, the government may draw from the established reserve fund to cover the deficiency. The bonds have a stated rate of interest of 0.75% -4.45% with a maturity date of April 1, 2029.

The 2012 series special assessment bond is recorded in the enterprise fund with annual debt service requirements to maturity for special assessment bonds as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 70,000	\$ 21,423	\$ 91,423
2024	72,000	19,393	91,393
2025	74,000	17,017	91,017
2026	77,000	14,168	91,168
2027	81,000	10,972	91,972
2028-2029	171,000	11,486	182,486
<b>Total</b>	<b>\$ 545,000</b>	<b>\$ 94,459</b>	<b>\$ 639,459</b>

**B. Revenue Bonds**

The government has issued bonds where the government pledged revenues derived from the operation of the utility system to pay the outstanding debt service. Revenue bonds are the obligations of the enterprise funds.

**2014 Water Revenue Bonds**

On October 22, 2014, the City issued \$9,995,000 in Series 2014 Water Revenue Bonds with a maturity date of December 1, 2033 with an average coupon rate of 3.051%. The bonds were issued to (1) finance the costs associated with acquiring, constructing, and equipping portions of the City's culinary water system, (2) refund the Series 2005, 2006, and 2009 Water Revenue Bonds, and (3) finance the cost of issuance of the Series 2014 Bonds. Each principal payment is subject to prepayment and redemption at any time, in whole or in part, in inverse order, at the election of the City. The redemption price is equal to 100% of the principal amount to be prepaid or redeemed, plus accrued interest, if any, to the date of redemption, with annual debt service requirements to maturity for special assessment bonds as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 485,000	\$ 214,124	\$ 699,124
2024	495,000	202,000	697,000
2025	510,000	189,626	699,626
2026	525,000	174,326	699,326
2027	540,000	158,576	698,576
2028-2032	2,980,000	535,704	3,515,704
2033-2035	1,335,000	70,526	1,405,526
<b>Total</b>	<b>\$ 6,870,000</b>	<b>\$ 1,544,882</b>	<b>\$ 8,414,882</b>

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 11 – Long-term debt**

**2016 Water Revenue Bonds**

On November 22, 2016, the City issued \$9,710,000 in Series 2016 Water Revenue Bonds with a maturity date of June 1, 2037 with an average coupon rate of 2.50%. The bonds were issued to finance the costs associated with acquiring, constructing, and equipping portions of the City's culinary water system. Each principal payment is subject to prepayment and redemption at any time, in whole or in part, in inverse order, at the election of the City. The redemption price is equal to 100% of the principal amount to be prepaid or redeemed, plus accrued interest, if any, to the date of redemption. The annual debt service requirements to maturity for revenue bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 410,000	\$ 275,200	\$ 685,200
2024	425,000	258,425	683,425
2025	445,000	236,675	681,675
2026	470,000	213,800	683,800
2027	495,000	194,675	689,675
2028-2032	2,735,000	693,325	3,428,325
2033-2037	3,175,000	235,125	3,410,125
<b>Total</b>	<b>\$ 8,155,000</b>	<b>\$ 2,107,225</b>	<b>\$ 10,262,225</b>

The City has pledged all water utility net revenues to pay the debt service costs through maturity in 2037. During the year, the net revenue before depreciation was \$4,856,113 and the debt service requirement was \$913,651.

**2018 Sewer Revenue Bonds**

On May 17, 2018, the City issued \$9,970,000 in Series 2018 Sewer Revenue Bonds with a maturity date of June 1, 2038 with an average coupon rate of 3.25%. The bonds were issued to finance the costs associated with acquiring, constructing, and equipping portions of the City's sewer system. Each principal payment is subject to prepayment and redemption at any time, in whole or in part, in inverse order, at the election of the City. The redemption price is equal to 100% of the principal amount to be prepaid or redeemed, plus accrued interest, if any, to the date of redemption. The annual debt service requirements to maturity for revenue bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 430,000	\$ 278,962	\$ 708,962
2024	440,000	266,062	706,062
2025	455,000	252,862	707,862
2026	470,000	239,212	709,212
2027	485,000	225,112	710,112
2028-2032	2,645,000	898,760	3,543,760
2033-2037	3,085,000	449,890	3,534,890
2038	685,000	23,976	708,976
<b>Total</b>	<b>\$ 8,695,000</b>	<b>\$ 2,634,836</b>	<b>\$ 11,329,836</b>

The City has pledged all sewer utility net revenues to pay the debt service costs through maturity in 2038. During the year, the net revenue before depreciation was \$2,130,818 and the debt service requirement was \$706,412.



**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 11 - Long-term Debt – Continued**

**Sales Tax Revenue Bonds**

Sales tax revenue bonds are special limited obligations of the City backed by the portion of sales and use taxes levied by the City under the Local Sales and Use Tax Act. The bonds are obligations of the governmental funds.

**2011 Sales Tax Revenue Bonds**

On June 1, 2011, the city issued \$4,000,000 in Series 2011 Sales Taxes Revenue Bonds at interest rates ranging from 3.0% to 4.125% with a maturity date of June 1, 2031. The bonds were issued to finance the costs associated with acquiring, constructing, renovating, equipping, and furnishing the City's facilities (including a public works facility, fire station, and city well improvements) and to exercise a purchase option under an outstanding financing lease for the City Hall building. Bond proceeds were also used to pay the cost of issuance of the Bonds. The Bonds maturing on or after June 1, 2021 are subject to redemption prior to maturity, in whole or in part, at the option of the City on December 31, 2020 or on any date thereafter, from such maturities or parts thereof as selected by the City. The redemption price will equal 100% of the principal amount to be repaid or redeemed, plus accrued interest, if any, to the date of redemption. The City has pledged all sales tax revenues to pay the debt service costs through maturity in 2031. The City has pledged all of its sales tax revenues. Revenue bond debt service requirements to maturity are as follows:

<b><u>Year Ending June 30,</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2023	\$ 205,000	\$ 85,750	\$ 290,750
2024	210,000	79,088	289,088
2025	220,000	70,688	290,688
2026	230,000	61,888	291,888
2027	240,000	52,688	292,688
2028-2031	1,060,000	110,414	1,170,414
<b>Total</b>	<b>\$ 2,165,000</b>	<b>\$ 460,516</b>	<b>\$ 2,625,516</b>

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 11 - Long-term Debt – Continued**

**2017 Sales Tax Revenue Bonds**

On December 1, 2016, the city issued \$4,000,000 in Series 2017 Sales Taxes Revenue Bonds at interest rates ranging from 3.0% to 3.50% with a maturity date of June 1, 2037. The bonds were issued to finance the costs associated with acquiring, constructing, renovating, equipping, and furnishing the City's facilities (including a regional park complex). Bond proceeds were also used to pay the cost of issuance of the Bonds. The Bonds maturing on or after June 1, 2037 are subject to redemption prior to maturity, in whole or in part, at the option of the City on December 31, 2020 or on any date thereafter, from such maturities or parts thereof as selected by the City. The redemption price will equal 100% of the principal amount to be repaid or redeemed, plus accrued interest, if any, to the date of redemption. The City has pledged all sales tax revenues to pay the debt service costs through maturity in 2037. Revenue bond debt service requirements to maturity are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 425,000	\$ 248,726	\$ 673,726
2024	435,000	235,976	670,976
2025	450,000	222,926	672,926
2026	460,000	209,426	669,426
2027	475,000	195,626	670,626
2028-2032	2,600,000	755,380	3,355,380
2033-2037	3,035,000	322,810	3,357,810
<b>Total</b>	<u>\$ 7,880,000</u>	<u>\$ 2,190,870</u>	<u>\$ 10,070,870</u>

During the year the sales tax revenue was \$9,457,461 and the debt service requirement was \$763,276 or 8% of the sales tax revenue. The City has pledged all of its sales tax revenues.

**C. Note Payable**

**Culinary Water System**

Prior to the City being established in December 1997, a water company had built a water system in the area covered by the City. On February 2, 2005, the city entered into a settlement agreement to purchase the water system and the rights to the unused water capacity. The City's obligation of \$21,000,000 is to be serviced by paying two-thirds, presently \$2,000, of each connection or impact fee collected. By agreement, the obligation bears no interest. If the City has not paid the full obligation by February 2, 2025, then the remaining, unpaid balance becomes due at that date. The note is an obligation of the water enterprise fund. Based on the projection of 525 connections annually, the remaining obligation is expected to be retired as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 1,116,768	\$ -	\$ 1,116,768
<b>Total</b>	<u>\$ 1,116,768</u>	<u>\$ -</u>	<u>\$ 1,116,768</u>

**Note Payable – Developer**

In 2017 the City entered into an agreement to reimburse a developer for work performed on the storm drain system. The developer placed improvements to the storm drain infrastructure in the amount of \$3,136,549. The City agreed to reimburse the developer with impact fees collected and credits used. Because reimbursement is contingent upon impact fees assigned, there is no amortization schedule for this note.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 11 - Long-term Debt – Continued**

**Lease Obligation**

The City has entered into a lease agreement to purchase a fire truck. The equipment will become the property of the City when the terms of the lease agreement are met. The contract contains a fiscal non-funding clause that allows the City Council the option of terminating the lease at the end of any fiscal year. In the opinion of City management, the likelihood of this clause being exercised is remote. The original lease amount was for \$1,239,610. The amount drawn down and used was \$1,066,916. The difference was used to reduce the balance of the lease. The obligation requires semi-annual principal and interest payments until July 2024. The Lease carries a 2.25% interest rate. The amount of the underlying asset was \$1,083,019 and is being depreciated over its useful life. As of June 30, 2022 the accumulated depreciation was 85,258. The future Principal and interest payments are:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 249,900	\$ 11,438	\$ 261,338
2024	255,553	5,783	261,336
2025	65,010	2,384	67,394
<b>Total</b>	<b>\$ 570,463</b>	<b>\$ 19,605</b>	<b>\$ 590,068</b>

**D. Changes in Long-term Debt**

During the year ended June 30, 2022, the following activity occurred in liabilities reported as long-term:

	<u>Balance at June 30, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2022</u>	<u>Due within one year</u>
<b>Governmental activities</b>					
Bonds payable:					
2011 Sales Tax Revenue Bond	\$ 2,365,000	\$ -	\$ (200,000)	\$ 2,165,000	\$ 205,000
2017 Sales Tax Revenue Bond	8,290,000	-	(410,000)	7,880,000	425,000
Unamortized Bond Premium	243,372	-	(15,211)	228,161	-
Total bonds payable	10,898,372	-	(625,211)	10,273,161	630,000
Lease Obligation	815,488	-	(245,024)	570,464	249,900
Net pension liability	933,941		(933,941)	-	-
Compensated absences	705,648	697,325	(523,556)	879,417	376,998
<b>Total Governmental Long-Term Obligations</b>	<b>\$ 13,353,449</b>	<b>\$ 697,325</b>	<b>\$ (2,327,732)</b>	<b>\$ 11,723,042</b>	<b>\$ 1,256,898</b>

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

	Balance at June 30, 2021	Additions	Reductions	Balance at June 30, 2022	Due within one year
<b>Business-Type Activities</b>					
Bonds payable:					
2012 Special Assessment Bond	\$ 731,000	\$ -	\$ (186,000)	\$ 545,000	\$ 70,000
2014 Water Revenue Bond	7,345,000	-	(475,000)	6,870,000	485,000
2016 Water Revenue Bond	8,550,000	-	(395,000)	8,155,000	410,000
Unamortized Bond Premium	325,482	-	(21,699)	303,783	-
2018 Sewer Revenue Bond	9,110,000	-	(415,000)	8,695,000	430,000
Unamortized Bond Premium	84,152	-	(5,259)	78,893	-
Total bonds payable	26,145,634	-	(1,497,958)	24,647,676	1,395,000
Contract Payable (as restated see note 13)	3,194,485	-	(2,077,717)	1,116,768	1,116,768
Note payable - developer	1,938,565	-	-	1,938,565	-
Net pension liability	44,172	-	(44,172)	-	-
Compensated absences	52,480	22,186	(23,005)	51,661	22,006
<b>Total Business-Type Long-Term Obligations</b>	<b>\$ 31,375,336</b>	<b>\$ 22,186</b>	<b>\$ (3,642,852)</b>	<b>\$ 27,754,670</b>	<b>\$ 2,533,774</b>

Net Pension Liability in the governmental activities is liquidated using current resources from the fund that the employee worked, typically the General fund.

**Note 12 – Restatement of Net Position**

The City has had a note payable that was created as the City started. In a prior year one payment in the amount of \$191,155 was not recorded against the liability. The beginning fund balance of the Water fund and the beginning net position of the business-type activities have been restated to reflect the error.

**Note 13 – Community Development Agency**

The City Community Development Agency (CDA) was created in fiscal year 2020 to target a community project area. The CDA receives a percentage of the point of sale sales tax collected within the City. These funds are used to help offset the cost of construction and initial operations for incoming businesses within the project area.

In accordance with Utah State Code Section 17C-1-605(1) the City's CDA is required to disclose the following:

**Intergovernmental Revenue**

Project Area 1:	\$ 760,000
Total intergovernmental received by CDA	<u>\$ 760,000</u>

**Revenues Expended:**

Administrative costs	\$ 300
Developer Agreements	696,886
Total funds expended by CDA	<u>\$ 697,186</u>

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 14 – Subsequent Events**

We have evaluated the events and transactions for potential recognition or disclosure through November 28, 2022 the date the financial statements were available to be issued.

## REQUIRED SUPPLEMENTARY INFORMATION



**CITY OF SARATOGA SPRINGS**

Required Supplementary Information

Schedule of Contributions

June 30, 2022

Last 10 Fiscal Years\*

	Fiscal year ended June 30,	Actuarial Determined Contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered employee payroll	Contribution as a percentage of covered employee payroll
<b>Noncontributory System</b>	2014	\$ 376,272	\$ 376,272	\$ -	\$ 2,181,974	17.24%
	2015	410,152	410,152	-	2,234,890	18.35%
	2016	398,883	398,883	-	2,159,626	18.47%
	2017	422,199	422,199	-	2,295,957	18.39%
	2018	439,512	439,512	-	2,406,599	18.26%
	2019	456,481	456,481	-	2,485,898	18.36%
	2020	462,434	462,434	-	2,516,868	18.37%
	2021	468,326	468,326	-	2,540,626	18.43%
	2022	566,357	566,357	-	3,078,209	18.40%
<b>Public Safety System</b>	2014	301,111	301,111	-	1,134,533	26.54%
	2015	272,932	272,932	-	1,138,990	23.96%
	2016	279,168	279,168	-	1,175,484	23.75%
	2017	284,450	284,450	-	1,190,696	23.89%
	2018	306,295	306,295	-	1,286,043	23.82%
	2019	332,460	332,460	-	1,286,651	25.84%
	2020	353,586	353,586	-	1,298,806	27.22%
	2021	370,789	370,789	-	1,359,194	27.28%
	2022	391,713	391,713	-	1,392,623	28.13%
<b>Firefighters System</b>	2014	14,208	14,208	-	233,012	6.10%
	2015	18,440	18,440	-	279,810	6.59%
	2016	23,989	23,989	-	355,634	6.75%
	2017	26,859	26,859	-	403,277	6.66%
	2018	28,456	28,456	-	424,716	6.70%
	2019	30,989	30,989	-	429,077	7.22%
	2020	34,509	34,509	-	476,642	7.24%
	2021	36,503	36,503	-	504,181	7.24%
	2022	41,331	41,331	-	570,871	7.24%
<b>Tier 2 Public Employees System</b>	2016	112,743	112,743	-	756,062	41.91%
	2017	156,900	156,900	-	1,052,316	14.91%
	2018	229,355	229,355	-	1,517,905	15.11%
	2019	251,427	251,427	-	1,618,073	15.54%
	2020	321,216	321,216	-	2,051,192	15.86%
	2021	390,267	290,267	-	2,471,484	15.79%
	2022	504,025	504,025	-	3,138,016	16.06%
<b>Tier 2 Public Safety and Firefighters System*</b>	2014	30,095	30,095	-	214,501	14.03%
	2015	57,532	57,532	-	385,088	14.94%
	2016	112,743	112,743	-	756,062	14.91%
	2017	77,557	77,557	-	465,913	16.65%
	2018	127,672	127,672	-	773,055	16.52%
	2019	185,331	185,331	-	1,026,493	18.05%
	2020	216,163	216,163	-	1,234,416	17.51%
	2021	320,694	320,694	-	1,657,881	19.34%
	2022	428,285	428,285	-	2,194,570	19.52%
<b>Tier 2 Public Employees DC Only System*</b>	2014	1,163	1,163	-	25,982	4.47%
	2015	2,254	2,254	-	52,502	4.29%
	2016	2,376	2,376	-	35,507	6.69%
	2017	3,517	3,517	-	52,577	6.69%
	2018	7,011	7,011	-	104,797	6.69%
	2019	13,925	13,925	-	208,148	6.69%
	2020	21,390	21,390	-	319,731	6.69%
	2021	28,863	28,863	-	430,494	6.70%
	2022	31,897	31,897	-	476,788	6.69%
<b>Tier 2 Public Safety and Fire Fighter DC Only System*</b>	2014	-	-	-	-	-
	2015	-	-	-	-	-
	2016	-	-	-	-	-
	2017	-	-	-	-	-
	2018	-	-	-	-	-
	2019	1,137	1,137	-	11,676	9.74%
	2020	4,602	4,602	-	47,249	9.74%
	2021	9,102	9,102	-	115,367	7.89%
	2022	11,848	11,848	-	218,235	5.43%

\* Contributions in Tier 2 include an amortization rate to help the unfunded liabilities in the Tier 1 systems.  
Tier 2 systems were created effective July 1, 2011.

\*\* The amounts presented were determined for the Calendar year January 1-December 31. In accordance with GASB 68, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**CITY OF SARATOGA SPRINGS**  
Required Supplementary Information  
Schedule of the Proportionate Share of the Net Pension Liability  
June 30, 2022  
Last 10 Fiscal Years\*

	Fiscal Year	Proportion of the net liability (asset)	Proportionate share of the net pension liability (asset)	Covered employee payroll	Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
<b>Noncontributory System</b>						
	2015	0.2635465%	\$ 1,144,381	\$ 2,236,578	51.20%	90.20%
	2016	0.2668688%	1,510,073	2,164,610	69.76%	87.80%
	2017	0.2917979%	1,873,700	2,353,876	79.60%	87.30%
	2018	0.2958139%	1,296,049	2,266,730	57.18%	91.90%
	2019	0.3162762%	2,328,971	2,433,749	95.69%	87.00%
	2020	0.3350093%	1,262,606	2,526,865	49.97%	93.70%
	2021	0.3430151%	175,947	2,458,606	7.16%	99.20%
	2022	0.3935716%	(2,254,027)	2,892,370	-77.93%	108.70%
<b>Public Safety System</b>						
	2015	0.2635465%	574,927	1,140,839	50.40%	89.00%
	2016	1.3970959%	681,715	1,149,462	59.31%	87.60%
	2017	1.4915100%	929,654	1,235,277	75.26%	86.10%
	2018	1.5064946%	727,943	1,202,686	60.53%	90.50%
	2019	1.7780179%	1,401,071	1,287,130	108.85%	85.60%
	2020	1.8502266%	918,822	1,277,023	71.95%	91.70%
	2021	2.0000007%	719,065	1,345,049	53.46%	94.50%
	2022	2.0977891%	(751,262)	1,360,181	-55.23%	105.10%
<b>Firefighters retirement system</b>						
	2015	0.3034621%	(33,395)	252,495	-13.20%	101.30%
	2016	0.3757619%	63,939	316,691	20.19%	98.10%
	2017	0.4743030%	70,158	410,102	17.11%	98.40%
	2018	0.4811169%	(107,932)	402,462	-26.82%	102.30%
	2019	0.5103655%	206,265	417,313	49.43%	96.10%
	2020	0.5488766%	(234,220)	451,447	-76.03%	105.80%
	2021	0.5959690%	(802,979)	491,949	-163.22%	112.00%
	2022	0.6530226%	(1,766,377)	534,527	-330.46%	122.90%
<b>Tier 2 Public Employees Retirement System</b>						
	2015	0.0561807%	(1,703)	275,889	-0.60%	103.50%
	2016	0.0886421%	(194)	572,836	-0.03%	100.20%
	2017	0.1129970%	12,605	926,665	1.36%	95.10%
	2018	0.1337068%	11,789	1,306,770	0.90%	97.40%
	2019	0.1257648%	53,862	1,470,210	3.66%	90.80%
	2020	0.1307647%	29,410	1,817,220	1.62%	96.50%
	2021	0.1438459%	20,689	2,299,270	0.90%	98.30%
	2022	14.4618300%	(61,208)	2,683,541	-2.28%	103.80%
<b>Tier 2 Public Safety and Firefighters retirement system</b>						
	2015	0.5381763%	(7,961)	222,627	-3.60%	120.50%
	2016	0.4654713%	(6,801)	276,945	-2.46%	110.70%
	2017	0.5354597%	(4,648)	442,409	-1.05%	103.60%
	2018	0.5385951%	(6,232)	568,236	-1.10%	103.00%
	2019	0.7115034%	17,827	950,988	1.87%	95.60%
	2020	0.6651502%	62,567	1,096,302	5.71%	89.60%
	2021	0.6958170%	62,411	1,381,658	4.52%	93.10%
	2022	0.8373416%	(42,321)	2,002,406	-2.11%	102.80%

\* The amounts presented for each fiscal year were determined as of December 31. In accordance with GASB 68, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**CITY OF SARATOGA SPRINGS**  
**Notes to Required Supplementary Information**  
**For the year ended June 30, 2022**

Change in Assumptions

The investment return assumption was decreased by 0.10% to 6.85% for use in the January 1, 2021 actuarial valuation. This assumption change was based on analysis performed by the actuary and adopted by the Utah State Retirement Board. In aggregate, this assumption change resulted in a \$509 million increase in the Total Pension Liability, which is about 1.3% of the Total Pension Liability of as December 31, 2020 for all systems combined. The demographic assumptions were reviewed and updated in the January 1, 2020 actuarial valuation and are currently scheduled to be reviewed in the year 2023.

## SUPPLEMENTARY INFORMATION

**CITY OF SARATOGA SPRINGS**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget to Actual**

**Capital Projects Fund** – The Capital Projects Fund is used to account for financial resources used for the acquisition or construction of major capital improvements (other than those financed by proprietary funds.)

**Community Development Fund** – The special revenue fund accounts for all of the Saratoga Springs Community Development Agency.

**CITY OF SARATOGA SPRINGS**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget to Actual  
**Capital Projects Fund**  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final	Totals	
<b>REVENUES</b>				
Intergovernmental	\$ 1,216,781	\$ 10,054,135	\$ 1,969,221	\$ (8,084,914)
Investment earnings	-	-	(77,182)	(77,182)
Impact fees	2,000,000	2,610,000	5,389,584	2,779,584
Miscellaneous	-	-	53,123	53,123
Total Revenues	<u>3,216,781</u>	<u>12,664,135</u>	<u>7,334,746</u>	<u>(5,329,389)</u>
<b>EXPENDITURES</b>				
General government	-	-	-	-
Public safety	300,000	933,112	22,475	910,637
Highways and public works	5,689,000	22,462,050	7,375,206	15,086,844
Parks and recreation	1,969,230	13,885,522	7,791,955	6,093,567
Capital expenditures	-	2,090,000	1,906,676	183,324
Debt service	-	-	-	-
Principal retirement	400,000	655,024	655,024	-
Interest and fiscal charges	273,025	279,338	279,179	159
Total expenditures	<u>8,631,255</u>	<u>40,305,046</u>	<u>18,030,515</u>	<u>22,274,531</u>
Excess (deficit) of revenues over (under) expenditures	<u>(5,414,474)</u>	<u>(27,640,911)</u>	<u>(10,695,769)</u>	<u>16,945,142</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	5,843,229	10,473,176	4,629,947
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>5,843,229</u>	<u>10,473,176</u>	<u>4,629,947</u>
Net change in fund balance	(5,414,474)	(21,797,682)	(222,593)	21,575,089
Fund balances - beginning	22,491,870	22,491,870	22,491,870	-
Fund balances - ending	<u>\$ 17,077,396</u>	<u>\$ 694,188</u>	<u>\$ 22,269,277</u>	<u>\$ 21,575,089</u>

**CITY OF SARATOGA SPRINGS**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget to Actual  
**Community Development Agency**  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Totals	Final Budget - Positive (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ 760,000	\$ 760,000	\$ 760,000	\$ -
Total revenues	760,000	760,000	760,000	-
<b>EXPENDITURES</b>				
Community Development	760,000	760,000	696,886	63,114
Total expenditures	760,000	760,000	696,886	63,114
Excess (deficit) of revenues over (under)				
expenditures	-	-	63,114	63,114
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Net change in fund balance	-	-	63,114	63,114
Fund balances - beginning	-	-	71,156	71,156
Fund balances - ending	\$ -	\$ -	\$ 134,270	\$ 134,270



**CITY OF SARATOGA SPRINGS**  
**Combining Financial Statements**  
**Nonmajor Proprietary Funds**

**Garbage Collection Utility Fund** – The Garbage Collection Utility Fund accounts for the collection and disposal of garbage for City residents.

**Street Light Utility Fund** – The Street Light Utility Fund accounts for the street light services of the City for its residents.

**CITY OF SARATOGA SPRINGS**

## Combining Statement of Net Position

**Nonmajor Proprietary Funds**

June 30, 2022

	Garbage	Street Lights	Total
<b><u>ASSETS</u></b>			
Current assets:			
Cash and cash equivalents	\$ 58,500	\$ 655,763	\$ 714,263
Accounts receivable - net	245,182	45,666	290,848
Due from other funds	-	63,710	63,710
Total current assets	303,682	765,139	1,068,821
Noncurrent assets:			
Capital Assets			
Equipment	-	145,503	145,503
Street light system	-	5,309,968	5,309,968
Less: Accumulated depreciation	-	(3,310,739)	(3,310,739)
Total capital assets	-	2,144,732	2,144,732
Total noncurrent assets	-	2,144,732	2,144,732
 Total assets	 303,682	 2,909,871	 3,213,553
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>			
Pension related costs	-	-	-
Total deferred outflow of resources	-	-	-
 Total assets & deferred outflows of resources	 \$ 303,682	 \$ 2,909,871	 \$ 3,213,553
<b><u>LIABILITIES</u></b>			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 22,181	\$ 6,937	\$ 29,118
Due to other funds	-	-	-
Unearned revenue	-	63,710	63,710
Total current liabilities	22,181	70,647	92,828
Noncurrent liabilities:			
Total noncurrent liabilities	-	-	-
Total liabilities	22,181	70,647	92,828
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Pension related costs	-	-	-
Total deferred inflows of resources	-	-	-
<b><u>NET POSITION</u></b>			
Net investment in capital assets	-	2,144,732	2,144,732
Unrestricted	281,501	694,492	975,993
Total net Position	281,501	2,839,224	3,120,725
 Total liabilities, deferred inflows of resources and net position	 \$ 303,682	 \$ 2,909,871	 \$ 3,213,553

# CITY OF SARATOGA SPRINGS

## Combining Statement of Revenues, Expenses, and Changes in Fund Net Position

### Nonmajor Proprietary Funds

For the Year Ended June 30, 2022

	Garbage	Street Lights	Total
<b>Operating revenues:</b>			
Charges for services	\$ 2,169,154	\$ 511,985	\$ 2,681,139
Other	-	-	-
Total operating revenues	<u>2,169,154</u>	<u>511,985</u>	<u>2,681,139</u>
 Operating expenses:			
Supplies and Maintenance	3,434	41,043	44,477
Administration	113,646	44,495	158,141
Treatment and sanitation	1,925,897	310,233	2,236,130
Depreciation	-	98,158	98,158
Total operating expenses	<u>2,042,977</u>	<u>493,929</u>	<u>2,536,906</u>
Operating income	<u>126,177</u>	<u>18,056</u>	<u>144,233</u>
 <b>Nonoperating revenues (expenses):</b>			
Interest revenue	(2,292)	(1,179)	(3,471)
Total nonoperating revenues (expenses)	<u>(2,292)</u>	<u>(1,179)</u>	<u>(3,471)</u>
 Net income (loss) before contributions and transfers	<u>123,885</u>	<u>16,877</u>	<u>140,762</u>
 Contributions and transfers			
Contributions from developers		433,400	433,400
Operating transfers in	-	-	-
Total contributions and transfers	<u>-</u>	<u>433,400</u>	<u>433,400</u>
 Change in net Position	123,885	450,277	574,162
 Total net position - beginning	157,616	2,388,947	2,546,563
Total net position - ending	<u>\$ 281,501</u>	<u>\$ 2,839,224</u>	<u>\$ 3,120,725</u>

# CITY OF SARATOGA SPRINGS

## Combining Statement of Cash Flows

### Nonmajor Proprietary Funds

For the Year Ended June 30, 2022

	Garbage	Street Lights	Total
<b>Cash Flows From Operating Activities</b>			
Receipts from customers	\$ 2,106,218	\$ 568,452	\$ 2,674,670
Payments to employees	-	-	-
Payments to suppliers	(2,065,170)	(391,294)	(2,456,464)
Net cash provided (used) by operating activities	41,048	177,158	218,206
<b>Cash Flows From Noncapital Financing Activities</b>			
Advance from other funds	-	(63,710)	(63,710)
Transfers Out	-	-	-
Net cash provided (used) by noncapital financing activities	-	(63,710)	(63,710)
<b>Cash Flows From Capital and Related Financing Activities</b>			
Purchase of Capital Assets	-	-	-
Proceeds from the sale of assets	-	-	-
Net cash provided (used) by capital and related financing activities	-	-	-
<b>Cash Flows From Investing Activities</b>			
Interest and dividends received	(2,292)	(1,179)	(3,471)
Net cash provided (used) by investing and related financing activities	(2,292)	(1,179)	(3,471)
Net increase (decrease) in cash and cash equivalents	38,756	112,269	151,025
Cash and cash equivalents - beginning	19,744	543,494	563,238
Cash and cash equivalents - end	<u>\$ 58,500</u>	<u>\$ 655,763</u>	<u>\$ 714,263</u>
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>			
Operating income	\$ 126,177	\$ 18,056	\$ 144,233
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	-	98,158	98,158
(Increase)/ decrease in accounts receivable	(62,936)	(7,243)	(70,179)
(Increase)/ decrease in due from other funds	-	-	-
(Increase)/ decrease in net pension asset	-	-	-
(Increase)/ decrease in deferred outflows	-	-	-
Increase/(decrease) in unearned revenues	-	63,710	63,710
Increase/(decrease) in net pension liability	-	-	-
Increase/(decrease) in deferred inflows	-	-	-
Increase/(decrease) in accounts payable	(22,193)	4,477	(17,716)
Increase/(decrease) in due to other funds	-	-	-
Total adjustments	(85,129)	159,102	73,973
Net cash provided (used) by operating activities	<u>\$ 41,048</u>	<u>\$ 177,158</u>	<u>\$ 218,206</u>
Capital assets contributed by developers		\$ 433,400	\$ 433,400



# GILBERT & STEWART

CERTIFIED PUBLIC ACCOUNTANTS  
A PROFESSIONAL CORPORATION  
ESTABLISHED 1974

RANDEL A. HEATON, CPA  
LYNN A. GILBERT, CPA  
JAMES A. GILBERT, CPA  
BEN H. PROBST, CPA  
RONALD J. STEWART, CPA

SIDNEY S. GILBERT, CPA  
JAMES E. STEWART, CPA

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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Mayor and Members of the City Council  
City of Saratoga Springs  
Saratoga Springs, Utah

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Saratoga Springs (the City), as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 28, 2022.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Saratoga Springs's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control which might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatements, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

***Gilbert & Stewart***

GILBERT & STEWART, CPA PC  
Provo, Utah  
November 28, 2022



# GILBERT & STEWART

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ESTABLISHED 1974

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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE *STATE COMPLIANCE AUDIT GUIDE*

Honorable Mayor and Members of the City Council  
City of Saratoga Springs  
Saratoga Springs, Utah

### Report on Compliance

We have audited the City of Saratoga Springs' (the City) compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the State Auditor, that could have a direct and material effect on the City for the year ended June 30, 2021.

State compliance requirements were tested for the year ended June 30, 2021 in the following areas:

Budgetary Compliance  
Fund Balance  
Justice Courts  
Fraud Risk Assessment  
Government Fees  
Restricted Taxes and Related Revenues  
Impact Fees  
Public Treasurer's Bond  
Cash Management

### Management's Responsibility

Management is responsible for compliance with the state requirements referred to above.

### Auditor's Responsibility

Our responsibility is to express an opinion on the City's compliance based on our audit of the state compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *State Compliance Audit Guide*. Those standards and the *State Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the state compliance requirements referred to above that could have a direct and material effect on a state compliance requirement occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.



We believe that our audit provides a reasonable basis for our opinion on compliance for each state compliance requirement referred to above. However, our audit does not provide a legal determination of the City's compliance with those requirements.

### ***Opinion on Compliance***

In our opinion, the City of Saratoga Springs complied, in all material respects, with the state compliance requirements referred to above for the year ended June 30, 2021.

### **Report On Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the state compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the state compliance requirements referred to above to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with those state compliance requirements and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or to detect and correct noncompliance with a state compliance requirement on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a state compliance requirement will not be prevented or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a state compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control and compliance and the results of that testing based on the requirements of the *State Compliance Audit Guide*. Accordingly, this report is not suitable for any other purpose.

***Gilbert & Stewart***

GILBERT & STEWART, CPA PC  
Provo, Utah  
November 28, 2022

ANNUAL COMPREHENSIVE  
FINANCIAL REPORT



CITY OF SARATOGA SPRINGS, UTAH  
FISCAL YEAR ENDED JUNE 30, 2022

# CITY OF SARATOGA SPRINGS, UTAH

## ANNUAL COMPREHENSIVE FINANCIAL REPORT

(INCLUDING INTERNAL CONTROL, AND COMPLIANCE REPORTS AND  
SUPPLEMENTARY INFORMATION)

FOR FISCAL YEAR ENDED JUNE 30, 2022

PREPARED BY:  
FINANCE DEPARTMENT

**THE CITY OF SARATOGA SPRINGS**  
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DRAFT

## INTRODUCTORY SECTION



## SARATOGA SPRINGS

*Life's just better here*

December 6, 2022

To the Honorable City Council, Honorable Mayor, and Citizens of the City of Saratoga Springs, Utah:

These financial statements have been prepared by the City of Saratoga Springs Finance Department in accordance with accounting principles generally accepted in the United States (GAAP) for local governments as prescribed by the Governmental Accounting Standards Board (GASB). Utah State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report fulfills that requirement for the fiscal year ended June 30, 2022.

The City's management is responsible for the accuracy of the report, as well as the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge and belief, the report is complete and accurate in all material respects. To provide a basis for management to make these representations, the City maintains a comprehensive system of internal controls designed to provide reasonable, but not absolute, assurance against loss of assets or material misstatement in the financial statements. This level of assurance is an inherent limitation in a system of internal controls. They should be cost-effective, with cost of such controls not exceeding the related benefit.

Gilbert & Stewart, a firm of licensed certified public accountants, has audited the basic financial statements contained in this report. With this type of audit, the independent auditors render an opinion, with reasonable assurance, as to whether the basic financial statements for the fiscal year ended June 30, 2022, are fairly presented and free of any material misstatement. Audit procedures included extensive testing and analysis of transactions, balances, and systems. The unmodified ("clean") opinion on the basic financial statements signed by Gilbert & Stewart is located at the beginning of the financial section.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the *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.

### **CITY PROFILE**

The City of Saratoga Springs is a municipality governed by a six member legislative body consisting of an elected Mayor and five-member Council. The City was incorporated in 1997 and operates under a Council-Manager form of government established by ordinance. Policy-making and legislative authority are vested in the City Council.

The City Council is responsible for passing ordinances, adopting the budget, appointing committees, and hiring the City's manager, among other things. The City's manager is responsible for carrying out the policies and ordinances of the legislative body, for overseeing the day-to-day operations for the City, and for appointing heads of the various departments. The Council and Mayor are elected on a non-partisan basis. Council members and the Mayor serve four-year staggered terms.

The City provides many municipal services including police, fire and medical response, parks, recreation, library, water, sewer, garbage, public improvements, streets, planning, zoning, passports and administrative services. This report includes the financial statements of the funds required to report those activities, organizations and functions which are related to the City and are controlled by or financially accountable to the City Council.

## **BUDGETARY CONTROL**

The City Council is required to adopt a final budget no later than June 22 of the fiscal year. The annual budget serves as the foundation of the City's financial planning and control. Budgets are prepared for all governmental fund types including the general fund, capital improvement funds, and debt service funds. The City Council approves all City budgets at the department level (general government, public safety, highways and public improvements, parks and recreation). Budgetary control is maintained at the department level where expenditures may not legally exceed appropriations. Department heads may make transfers within a department. The City Council may amend the budget by ordinance during the budget year but must hold a public hearing after appropriate public notice to increase governmental fund's budget before it can adopt the ordinance.

## **LOCAL ECONOMY AND TRENDS**

The City of Saratoga Springs is located in Utah County, Utah, on the northwest shores of Utah Lake in the center of Utah's Wasatch Front Metropolitan Area. The City is 20 miles south of Salt Lake City and 30 minutes by freeway from the Salt Lake International Airport. It is an exciting pro-development community which boasts a high quality of life that includes beautiful lakeshore living, great air quality, superb views and an excellent central location between the Provo/Orem and Salt Lake City metro areas.

The City's population (2020 Census Estimate) of 44,164 residents is a suburban population that works along the Wasatch Front but desires a quiet suburban area in which to live. The City is among the top ten highest growth cities in Utah. As a region, the northern Utah County area has also experienced rapid development and growth in recent years. The physical infrastructure to continue rapid residential growth is in place and regular planning ensures that transportation expansions map to population growth rates.

Land developed in the City has taken the form of large "master planned" communities with progressive land-use and zoning practices which have resulted in quality and diverse housing styles. Since the incorporation of the city, several ordinances have been adopted and a land development code has been created that encourages planned developments, clustering of residential units, preservation of open space, creation of parks and trail systems, and the maximization of views along Utah Lake shore.

## **LONG-TERM FINANCIAL PLANNING**

### *Revenue Forecasting*

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

- Multi-year revenue/resource projections
- Maintaining an in-depth understanding of revenues/resources
- Assessing the effects of potential changes to revenue source rates and bases
- Periodically estimating the impact and potential foregone revenue/resources as a result of policies that exempt from payment, provide discounts and credits, or otherwise favor a particular category of taxpayers or service users
- Developing a process for achieving consensus on the forecast of revenues used to



- estimate available resources for a budget
- Preparing and maintaining a revenue manual that documents revenue sources and factors relevant to present and projected future levels of those revenues

### *Forecasting Methodology*

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

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

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

### *Relevant Financial Policies*

The City of Saratoga Springs recognizes its duty to its citizens and other interested parties to account for public funds and resources. The Policies and Objectives hereinafter are set forth to establish guidelines for fiscal accountability, full disclosure, and planning. These financial management policies provide a basic framework for the overall fiscal management of the City. These policies represent a foundation to address changing circumstances and conditions, and to assist in the decision making process. In addition, these policies represent guidelines for evaluating both current and future activities.

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

## **MAJOR INITIATIVES**

### *City Council Long-term Strategic Goals*

- Create a sense of community
- Preserve natural beauty and community aesthetics
- Foster high quality, long-term planning, growth and development
- Create a healthy and safe community
- Transportation Planning
- Maintain fiscal sustainability and responsibility

### *Update on Major Projects*

<b>Project</b>	<b>Estimated Cost</b>	<b>Description</b>
Land Purchase	\$5.3 million	To provide for future city expansions.
Pony Express Extension	\$4.3 million	Provide connectivity from Redwood Rd to Saratoga Rd, construction in progress.
Foothill Extension	\$3.6 million	Provide connectivity from Pony Express to Lariat Blvd, construction in progress.
S2.2 South SSD Upsize	\$2.6 million	Sewer line upsize.

Zone 2 South Pond	\$2.6 million	Secondary water ponds, construction in progress
Zone 2 North Pond	\$2.4 million	Secondary water ponds, construction in progress
Knolls Fire Mitigation	\$1.8 million	Improvements to area affected by the Knolls Fire

### *Awards and Acknowledgements*

The City of Saratoga Springs received the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) for the City's adopted budget beginning for the periods beginning July 1, 2011-2022. In order to qualify for the award program, the City's budget document was judged proficient in several categories including policy documentation, financial planning, and organization.

The City of Saratoga Springs received the Certificate of Achievement for Excellence in Financial Reporting from the GFOA for years 2012-2021. In order to qualify for the award, the staff must prepare annual comprehensive financial reports that evidence the spirit of transparency and full disclosure.

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the staff of the Administration and Finance Departments. We would like to express our appreciation to Gilbert & Stewart, certified public accountants, for their professional service and assistance. We would also like to thank the Mayor and members of the City Council for their interest and support in planning and conducting the financial operation of the City in a responsible and progressive manner.

Respectfully submitted,

  
 Mark Christensen – City Manager

  
 Chelese M. Rawlings – Finance Manager

**CITY OF SARATOGA SPRINGS**

1307 N. Commerce Drive  
Saratoga Springs, Utah 84045  
801-766-9793

**MAYOR AND CITY COUNCIL AS OF JUNE 30, 2022**

**Mayor Jim Miller**

Email: [jmiller@saratogaspringscity.com](mailto:jmiller@saratogaspringscity.com)

Term: 01/2022 - 01/2026

**Council Member Ryan Poduska**

Email: [rpoduska@saratogaspringscity.com](mailto:rpoduska@saratogaspringscity.com)

Term: 01/2020 - 01/2024

**Council Member Michael McOmber**

Email: [mmcomber@saratogaspringscity.com](mailto:mmcomber@saratogaspringscity.com)

Term: 01/2022 - 01/2026

**Council Member Christopher Carn**

Email: [CCarn@saratogaspringscity.com](mailto:CCarn@saratogaspringscity.com)

Term: 01/2020 - 01/2024

**Council Member Stephen Willden**

Email: [swillden@saratogaspringscity.com](mailto:swillden@saratogaspringscity.com)

Term: 01/2022 - 01/2026

**Council Member Christopher Porter**

Email: [cporter@saratogaspringscity.com](mailto:cporter@saratogaspringscity.com)

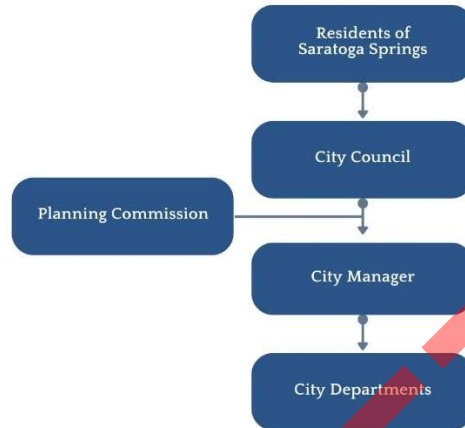
Term: 01/2020 - 01/2024

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# *CITY OF SARATOGA SPRINGS, UTAH*

## ORGANIZATIONAL CHARTS FY2022

### OVERALL CITY STRUCTURE



### CITY DEPARTMENTS





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Saratoga Springs  
Utah**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO

**DRAFT**

**FINANCIAL SECTION**



## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council  
City of Saratoga Springs  
Saratoga Springs, Utah

### Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Saratoga Springs, Utah (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Saratoga Springs, as of June 30, 2022 and the respective changes in financial position and where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Saratoga Springs and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Saratoga Springs' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our objectives to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Saratoga Springs's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Saratoga Springs's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, and the required supplementary information regarding pensions, as noted in the table of contents, 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 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.



## Supplementary and Other Information

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

The combining statements and budgetary comparisons, as listed as supplemental information in the table of contents are 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 combining statements and budgetary comparisons are 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 to 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 November 28, 2022 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.

***Gilbert & Stewart***

GILBERT & STEWART, CPA PC  
Provo, Utah  
November 28, 2022

**CITY OF SARATOGA SPRINGS, UTAH**  
**MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED)**  
**June 30, 2022**

The following narrative is presented to facilitate a better understanding of the City's financial position and results of operations for the year ended June 30, 2022. When read in conjunction with the letter of transmittal and the notes to the financial statements, the financial highlights, overview and analysis should assist the reader to gain a more complete knowledge of the City's financial performance.

**FINANCIAL HIGHLIGHTS**

- The City's government-wide net position as of June 30, 2022, were \$398,612,692. Of this amount, \$46,430,327 (unrestricted net position) is available to meet ongoing financial obligations. Deferred outflows of resources was \$2,643,592 and deferred inflows of resources was \$10,599,944 as of June 30, 2022.
- The City's government-wide net position increased by \$40,127,882. Of this amount, business-type activities increased by \$14,398,657, a 6.8 percent increase, and the governmental activities increased by \$25,729,225 an increase of 17.5 percent when compared to last fiscal year.
- The City's governmental funds reported a combined ending fund balance of \$32,147,268 an increase of \$283,619 (0.9 Percent) compared to the beginning of this year's fund balance amount. The increase in fund balance in comparison to last fiscal year is attributable to a slight increase in unassigned fund. Of the combined total fund balance, \$9,877,991 is available for spending at the discretion of the City (unassigned fund balance).
- The General Fund is the primary operating fund of the City. The unassigned fund balance of the General Fund at June 30, 2022, totaled \$9,877,991 and is 27.9 percent of the General Fund total revenues for the year and 30.7 percent of total governmental fund balance.
- The City's total debt had a net decrease of \$5,251,073 during fiscal year 2022. This represents a 2.7 percent increase over the prior year, this is a result from required debt service payments and the addition of a capital lease.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The financial section of this report includes four parts: 1) the independent auditors' report on financial statements and supplementary information; 2) this segment, management's discussion and analysis; 3) the basic financial statements; and 4) supplementary information. Within the basic financial statements are two distinct types of financial statements, 1) the government-wide financial statements, and 2) the fund financial statements. The notes to the financial statements are also an integral part of the basic financial statements. The City's basic financial statements are presented in accordance with Governmental Accounting Standards Board Statement No. 34 (GASB 34), *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, as amended.

Immediately following the notes to the financial statements, the supplementary information includes balance sheets and income statements for non-major governmental funds, as well as other budgetary information.

**Government-wide Financial Statements:** The government-wide financial statements provide a view of City finances as a whole, similar to a private-sector business. These statements include the Statement of Net position and the Statement of Activities.

**CITY OF SARATOGA SPRINGS, UTAH**  
**MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED)**  
**June 30, 2022**

The **Statement of Net Position** includes all of the City's assets and liabilities, and the resulting difference between the assets and liabilities, or net position. Net position (and the related change in net position from year to year) are probably the most important financial measurement to enable an understanding of the financial position of the City, and whether financial position improves or deteriorates each year. To assess the overall health of the City, additional non-financial factors, such as changes in the property tax base, the condition of the City's infrastructure, etc. should be considered.

The **Statement of Activities** shows how the City's net position changed as a result of its operations during the most recent fiscal year. To understand the basis of how these numbers are determined, it is important to note that changes in net position are reported whenever an event occurs that requires a revenue or expense to be recognized, regardless of when the related cash is received or disbursed (the accrual basis of accounting). For example, most revenues are reported when the revenues are legally due, even though they may not be collected for some time after that date; and an obligation to pay a supplier is reported as an expense when the goods or services are received, even though the bill may not be paid until sometime later.

There are two distinct types of activities reflected in the government-wide statements: governmental activities and business-type activities. Governmental activities are those supported primarily by taxes and intergovernmental revenues, while business-type activities are those in which all costs (or at least a significant portion of costs) are intended to be recovered through user fees and charges. The governmental activities for the City of Saratoga Springs included General Government (Legislative, Administrative, Utility Billing, Treasurer, Recorder, Attorney, Justice Court, Non-Departmental, Buildings and Grounds, Elections, and Planning and Zoning); Public Safety (Communications, Police, and Fire, Building Inspection); Public Works (Building Inspection, Streets, Engineering, Public Improvements and GIS); and Recreation (parks & open spaces, recreation, library, and civic events). The business-type activities include Water, Sewer, Storm Drain, and Garbage.

**Fund Financial Statements:** The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Government resources are allocated to and accounted for in individual funds based on the purposes for which the funds are to be spent as well as how the activities are to be controlled. The two broad categories of funds are: governmental funds and proprietary funds.

**Governmental Funds** – At the fund level, the focus is on changes in short-term spendable resources and the balance available to spend, rather than the long-term focus used for determining government-wide numbers. Because the focus is so different between fund statements and government-wide statements, reconciliations, between the two types of statements is necessary to understand how the numbers differ. Such reconciliations are provided for the reader on pages 31 and 33. The city has three governmental type funds. These are the general fund, the internal service fund and the capital projects funds. Two of these are considered major funds: The basic governmental fund financial statements can be found on pages 28-31 of this report.

- The **General Fund** is used to account for all financial resources of the City that are not accounted for by a specialized fund. More specifically, the general fund is used to account for ordinary operations such as collection of tax revenues and general government expenditures. The City adopts an annual appropriation budget for the general fund. On page 34, a budgetary comparison statement has been provided for the general fund to demonstrate budgetary compliance.
- **Internal Service Fund** is used to account for the central financing of goods or services provided to various departments of the City or other governments on a cost-reimbursement basis. The City currently has one internal service fund. The Street Lighting Fund provides storage, repair, and maintenance.

**CITY OF SARATOGA SPRINGS, UTAH**  
**MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED)**  
**June 30, 2022**

- **Capital Projects Funds** are used to account for financial resources to be used for the acquisition or construction of major capital improvements. These funds do not account for capital improvements financed by the proprietary funds.

**Proprietary Funds** provide the same type of information as the government-wide financial statements, only in more detail. The only proprietary fund type used by the City is enterprise funds. The basic proprietary fund financial statements can be found on pages 35-37 of this report.

- **Enterprise Funds** are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The City currently operates enterprise funds for the City-owned water system, sewer system, storm drain and garbage.

**Notes to the financial statements** contain additional information important to a complete understanding of the information contained in the government-wide and fund financial statements. Notes to the financial statements are located after the basic financial statements as listed in the table of contents.

**CITY OF SARATOGA SPRINGS, UTAH**  
**MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED)**  
**June 30, 2022**

**FINANCIAL ANALYSIS OF THE CITY AS A – WHOLE**

**Net position** – The following table presents summary information for the Statement of net position for the years ended June 30, 2022 and 2021.

**City of Saratoga Springs**  
**Comparative Summary of Net position**  
**(in millions of dollars)**

	<b>Governmental</b>		<b>Business-Type</b>		<b>Total</b>		<b>Total %</b>
	<b>Activities</b>		<b>Activities</b>				
	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>Change</u></b>
Current and other assets	\$ 63.7	\$ 55.4	\$ 37.6	\$ 42.2	\$ 101.3	\$ 97.6	3.8%
Capital assets	151.2	128.3	222.2	202.0	373.4	330.3	13.0%
Deferred Outflow of Resources	2.3	2.1	0.3	0.3	2.7	2.4	12.5%
<b>Total Assets and Deferred Outflow of resources</b>	<b>\$ 217.3</b>	<b>\$ 185.8</b>	<b>\$ 260.1</b>	<b>\$ 244.5</b>	<b>\$ 477.4</b>	<b>\$ 430.3</b>	<b>10.9%</b>
Long-Term liabilities	11.7	13.4	27.8	31.6	39.5	45.0	-12.2%
Other liabilities	22.4	18.7	6.3	1.4	28.7	20.1	42.8%
<b>Total liabilities</b>	<b>34.1</b>	<b>32.1</b>	<b>34.1</b>	<b>33.0</b>	<b>68.1</b>	<b>65.1</b>	<b>4.6%</b>
Deferred Inflows of Resources	10.1	6.4	0.5	0.3	10.6	6.7	58.2%
<b>Net Position</b>							
Net investment							
In capital assets	140.4	116.6	194.5	173.2	334.9	289.8	15.6%
Restricted – Impact Fees	-	-	9.3	9.3	9.3	9.3	0.0%
Unrestricted	32.4	30.8	21.8	28.6	54.2	59.4	-8.8%
<b>Total net Position</b>	<b>173.1</b>	<b>147.4</b>	<b>225.5</b>	<b>211.1</b>	<b>398.6</b>	<b>358.5</b>	<b>11.2%</b>
<b>Total liabilities, deferred inflows of resources and net position</b>	<b>\$ 217.3</b>	<b>\$ 185.8</b>	<b>\$ 260.1</b>	<b>\$ 244.5</b>	<b>\$ 477.4</b>	<b>\$ 430.3</b>	<b>10.9%</b>

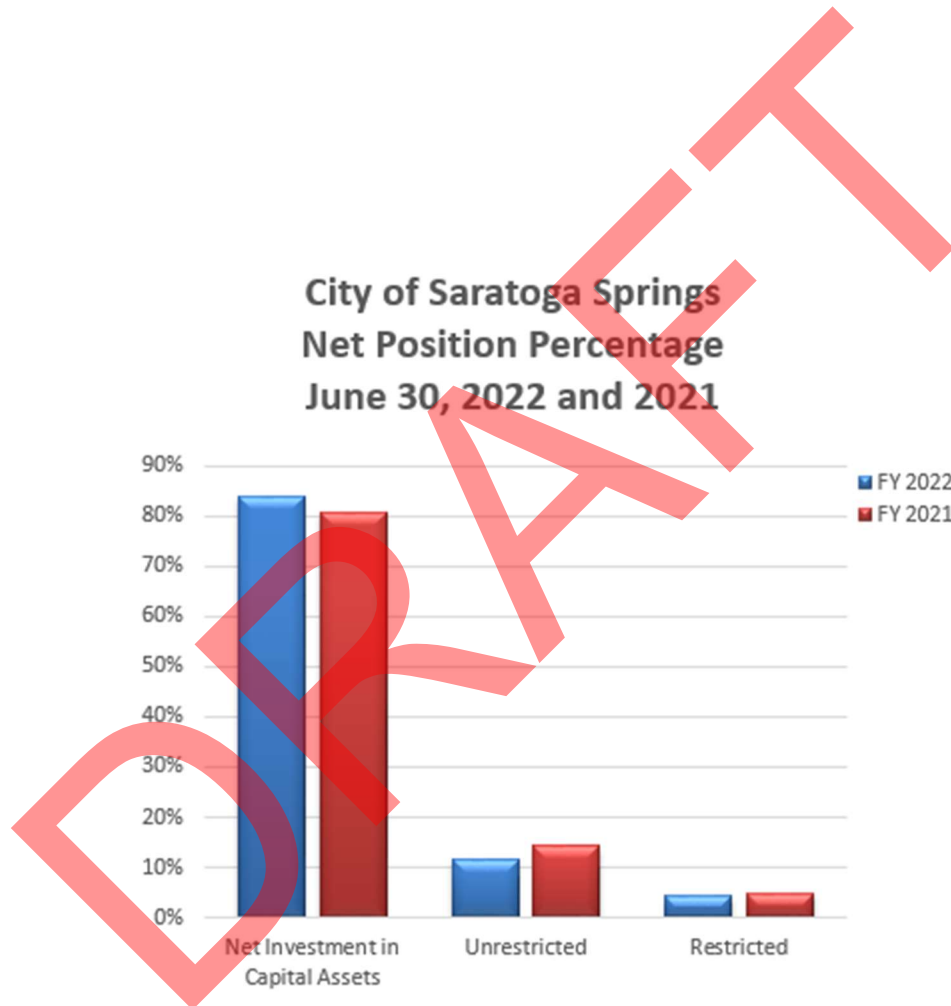
As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At June 30, 2022, the City's assets exceeded liabilities by approximately \$398.6 million (net position) compared to \$358.5 million at June 30, 2021. This would indicate an improved financial position in comparison to last fiscal year. Roughly 84.1 percent at June 30, 2022, and 80.8 percent at June 30, 2021 of these amounts are represented by the investment in capital assets, net of debt still outstanding relating to the acquisition of those assets. Due to the nature of long-term assets (not easily convertible to liquid assets) they are not considered to be available for spending or appropriation. Further, even though the presentation here shows net investment in capital assets, it should be understood that the repayment of this debt does not come from the capital assets themselves, but comes from other resources. The increase in the City's net investment in capital assets \$45.1 million was due to developer capital contributions, routine acquisitions of capital assets, repayments of related debt, and depreciation expense.

The other sub-classification of net position is unrestricted. The balance of \$54.2 million at June 30, 2022 and \$59.4 million at June 30, 2021, which is unrestricted, indicates that this amount may be used to meet

**CITY OF SARATOGA SPRINGS, UTAH**  
**MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED)**  
**June 30, 2021**

general, on-going financial obligations without limitations established by debt covenants or other legal requirements. The increase from last fiscal year is the result of an increase in fund balances in general capital and debt service accounts due to capital acquisitions.

The following graph represents the percentage of restricted and unrestricted net position as discussed above.



**CITY OF SARATOGA SPRINGS, UTAH**  
**MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED)**  
**June 30, 2022**

**Changes in Net position** – As taken from the Statement of Activities, the following table signifies the changes in net position for fiscal years 2022 and 2021.

**City of Saratoga Springs**  
**Summary of Change in Net position**  
**(in millions of dollars)**

	<b>Governmental</b>		<b>Business-Type</b>		<b>Total</b>		<b>Total %</b>
	<b>Activities</b>		<b>Activities</b>		<b>Activities</b>		<b>Change</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>	
Revenues							
Program Revenues							
Charges for Services	\$ 13.7	\$ 14.0	\$ 20.3	\$ 19.4	\$ 34.0	\$ 33.4	1.8%
Operating grants and contributions	0.9	0.4	-	-	0.9	0.4	125.0%
Capital grants and contributions	24.5	20.2	25.5	28.4	50.1	48.6	3.1%
General Revenues							
Property Tax	4.9	4.3	-	-	4.9	4.3	14.0%
Other Taxes	12.1	9.6	-	-	12.1	9.6	26.0%
Investment earnings	-0.1	0.2	-	-	-0.1	0.2	-150.0%
<b>Total Revenues</b>	<b>56.0</b>	<b>48.7</b>	<b>45.8</b>	<b>47.8</b>	<b>101.9</b>	<b>96.5</b>	<b>5.6%</b>
Expenses							
General government	3.4	3.3	-	-	3.4	3.3	3.0%
Public safety	11.9	10.4	-	-	11.9	10.4	14.4%
Highways and public improvements	7.0	8.2	-	-	7.0	8.2	-14.6%
Parks and recreation	7.1	6.6	-	-	7.1	6.6	7.6%
Community Development	0.7	0.2	-	-	0.7	0.2	250.0%
Interest on long-term debt	0.3	0.4	-	-	0.3	0.4	-25.0%
Water utility	-	-	22.2	10.5	22.2	10.5	111.4%
Sewer utility	-	-	6.3	5.8	6.3	5.8	8.6%
Storm drain utility	-	-	2.0	2.5	2.0	2.5	-20.0%
Garbage	-	-	2.0	2.1	2.0	2.1	-4.8%
Street Lights	-	-	0.5	0.4	0.5	0.4	25.0%
<b>Total Expenses</b>	<b>30.4</b>	<b>29.1</b>	<b>33.0</b>	<b>21.3</b>	<b>63.4</b>	<b>50.4</b>	<b>25.8%</b>
Excess or deficiency before transfers							
Change in net position	25.7	19.0	14.2	27.1	39.9	46.1	1.1%
Transfers	-	-0.6	-	0.6	-	-	
Net position beginning	147.3	128.3	211.2	186.1	358.5	314.4	17.0%
Net position ending	\$ 173.1	\$ 147.3	\$ 225.5	\$ 211.2	\$ 398.6	\$ 358.5	14.0%

Net position increased from governmental activities in fiscal year 2022 approximately \$25.7 million and increased \$19.0 million in fiscal year 2021. The increase is primarily due to increases in general government revenue, primarily in taxes (sales and franchise taxes). Expenses for governmental activities were higher with a \$0.1 million increase. This is mainly due to increase in personnel costs in addition to increased positions.

**CITY OF SARATOGA SPRINGS, UTAH**  
**MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED)**  
**June 30, 2021**

Net position increased \$14.3 million in fiscal year 2022 and increased \$27.1 million in 2021 for business-type activities. The revenues for business-type activities decreased with an increase in charges for services combined with a decrease in capital grants and contributions.

**Revenues** – For the year ended June 30, 2022, the City’s government-wide revenues are approximately \$101.9 million as compared to the prior year total revenues of \$96.5 million. Key elements of this change were as follows:

Of the City’s total revenues, about 16.7 percent in fiscal year 2022 and 14.3 percent in fiscal year 2021 resulted from taxes (under half of which is from property taxes) as shown in the following table:

**City of Saratoga Springs**  
**(in millions of dollars)**

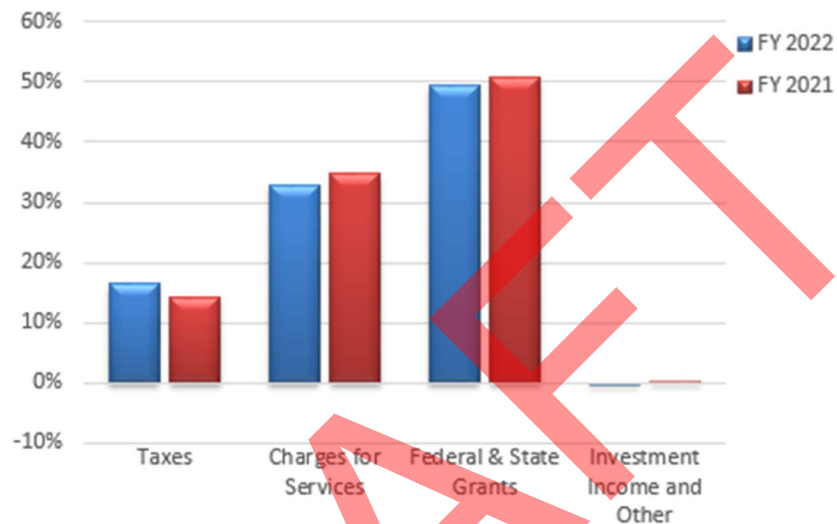
	<b>Government wide Tax Revenues</b>		<b>Total %</b>
	<b>2022</b>	<b>2021</b>	<b>Change</b>
Property tax	\$ 4.9	\$ 4.3	14.0%
General sales and use tax	9.5	7.3	30.1%
Franchise fees	0.2	0.2	0.0%
Energy Tax	2.4	2.0	20.0%
Total	\$ 17.0	\$ 13.8	23.2%

- Charges for services increased by \$0.6 million in fiscal year 2022 and was 33.4 percent of total revenues in fiscal year 2022 from 34.7 percent in fiscal year 2021. The increase is due increases in the amount of Charges for services mainly from development fees, recreation fees and ambulance service revenue.
- Operating and capital contributions increased increase by double in fiscal year 2022 from \$0.4 million to \$0.9 million. This was due to more operating grant revenues received in public safety in Fire.
- Investment and other income, which is a combination of interest earnings and gain on the sale of capital assets decreased in fiscal year 2022 by \$0.3 million due to the decrease in interest rates.



**CITY OF SARATOGA SPRINGS, UTAH**  
**MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED)**  
**June 30, 2022**

**City of Saratoga Springs**  
**Government-Wide Revenues by Source**  
**June 30, 2022 and 2021**



**Expenses** – The City’s government-wide total expenses cover a range of services. For the year ended June 30, 2022, the City’s total expenses are \$63.4 million compared to the prior year of \$50.4 million. Of the \$13 million increase, general government expenses increased \$0.1 million, public safety increased \$1.5 million, highways and public improvements decreased \$1.2 million, parks and recreation increased \$0.5, the Community Development increased \$0.5 million, interest on long-term debt decreased \$0.1 million, and business-type activities increased by \$11.7 million.

**Governmental Activities:**

*Revenue Highlights:*

- Taxes encompass a sizable source of revenue for the City’s governmental activities: Roughly \$17 million or 30.4 percent in fiscal year 2022 and \$13.8 million or 28.4 percent in fiscal year 2021 of total revenues from governmental activities. The \$3.2 million increase is majorly from sales and other taxes.
- Charges for services decreased to \$13.7 million or 24.5 percent of total revenues from governmental activities in fiscal year 2022 from \$14.0 million or 28.8 percent of total governmental activities revenues in fiscal year 2021. The decrease in fiscal year 2022 is a result decreased charges for services in Highways and Public Works being collected.
- Grant and contribution revenue denotes approximately \$24.5 million or 43.8 percent in fiscal year 2022 and \$20.2 million or 41.5 percent in fiscal year 2021 of total revenues from governmental

**CITY OF SARATOGA SPRINGS, UTAH**  
**MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED)**  
**June 30, 2022**

activities. The \$4.3 million increase was the effect of more developer contributions received in highways and public works as compared to last fiscal year.

*Expense Highlights:*

- General government expenses of around \$3.4 million in fiscal year 2022 and \$3.3 million in fiscal year 2021 represented 11.2 percent in fiscal year 2022 and 11.4 percent in fiscal year 2021 of total expenses from governmental activities. General government includes: Legislative, Administration, Utility billing, Treasury, Recorder, Attorney, Justice Court, Elections, and non-departmental. The \$0.1 million increase is due mainly to an increase in personnel costs.
- Public safety expenses were \$11.9 million or 39.1 percent in fiscal year 2022 and \$10.4 million or 35.8 percent in fiscal year 2021. The expenses are higher due to increased personnel costs.
- Highways and public improvements were \$7.0 million or 23.0 percent in fiscal year 2022 and \$8.2 million or 28.2 percent in fiscal year 2021. The \$1.2 million decrease is due to less road and general capital projects.
- Parks and recreation expenses were \$7.1 million or 23.4 percent in fiscal year 2022 and \$6.6 million or 19.0 percent in fiscal year 2021. The \$.5 million increase is due to more capital projects and personnel costs.

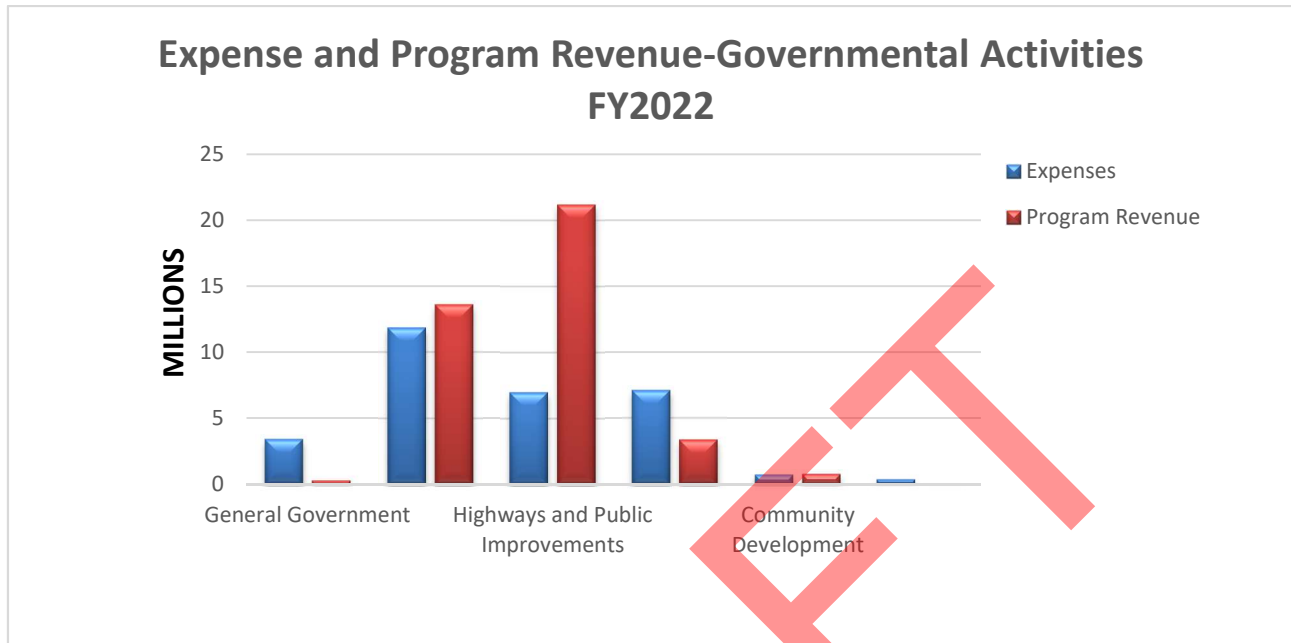
As a result, total net expenses that were funded by general revenues were \$8.8 million. Tax revenues of \$17.0 million were sufficient to fund net expenses in fiscal year 2022.

The following presents the costs and net costs (total cost less fees generated by the activities and intergovernmental aid) of the City's programs:

**City of Saratoga Springs**  
**Costs of Governmental Activities**  
**(in millions of dollars)**

	<b>Total Cost of Services</b>		<b>Net Cost of Services</b>		<b>Total % Change</b>
	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>	
General government	\$ 3.4	\$ 3.3	\$ (3.1)	\$ (3.0)	3.3%
Public safety	11.9	10.4	1.7	3.5	-51.4%
Highways and public improvements	7.0	8.2	14.2	7.8	82.1%
Parks and recreation	7.1	6.6	(3.7)	(2.5)	48.0%
Community Development	0.7	0.2	0.1	0.1	0.0%
Interest on long-term debt	0.4	0.4	(0.4)	(0.4)	0.0%
<b>Total</b>	<b><u>\$ 30.5</u></b>	<b><u>\$ 29.1</u></b>	<b><u>\$ 8.8</u></b>	<b><u>\$ 5.5</u></b>	<b><u>60.0%</u></b>

**CITY OF SARATOGA SPRINGS, UTAH**  
**MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED)**  
**June 30, 2022**



Based on Government-Wide Financial Statements. See page 29.

**Business-type Activities:**

The City's business-type activities increased net position by \$14.4 million. Key elements of this increase were as follows:

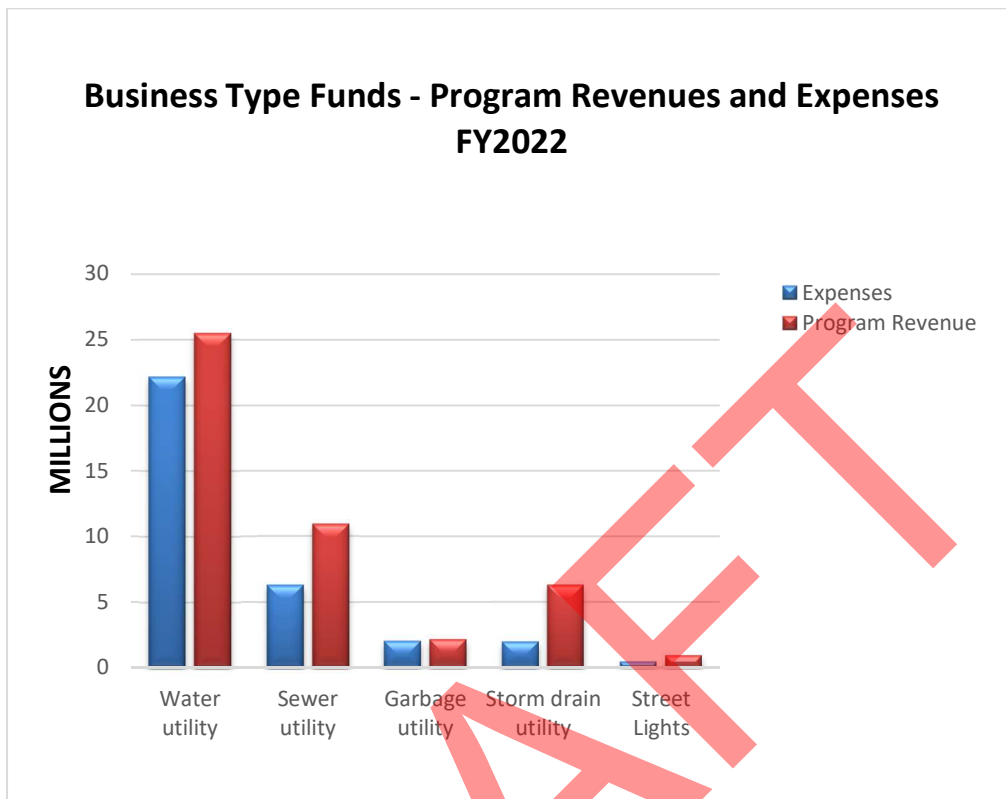
*Revenue Highlights:*

- Charges for services for business-type activities increased by \$0.8 million for fiscal year 2022. This is mainly due to more impact fee revenues for this fiscal year.
- Operating and capital grants and contributions decreased about \$2.9 million in fiscal year 2022. The \$2.9 million decrease is due to less developer contributions.

*Expense Highlights:*

- Personnel expenses stayed approximately the same as last fiscal year due to unfilled budgeted positions in the utility funds.
- Supplies and maintenance expenses increased by more than \$10.9 million. The increase is due to a increase of purchase of water meters in addition to the additional PPE that was purchased.
- Professional services expenses decreased in the utility funds. The decrease is due to less consulting services needed to prepare for various upcoming capital projects.
- Treatment and sanitation expenses increased approximately \$0.7 million due to an increase in sewer treatment costs as a result from the continuous growth in housing.

**CITY OF SARATOGA SPRINGS, UTAH**  
**MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED)**  
**June 30, 2022**



**FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

**Governmental Funds:** The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of resources available for appropriation. Such information is helpful in assessing the City's financial requirements.

As of June 30, 2022, the aggregate fund balance of the City's governmental funds was \$32.1 million, an increase of \$0.2 million in comparison with the fiscal year ended June 30, 2021. In fiscal year 2022, about \$9.9 million or 30.7 percent of this amount is unassigned fund balance compared to about \$9.4 million or 29.5 percent in fiscal year 2021. Unassigned fund balance categories are available for appropriation by the City Council at their discretion.

Assigned fund balance has limitations on use, are not available for new spending and are approximately \$14.3 million in fiscal year 2022 and \$14.5 million in fiscal year 2021. Of the assigned fund balance \$14.3 million is for capital projects. Restricted fund balance has limitations in that it is just used for projects for future growth in the designated impact fee funds. The balance in the restricted is \$8.0 million.

The General Fund is the principal operating fund of the City. Utah State code establishes a 5.0 percent minimum (\$1,710,230) and a 35.0 percent maximum (\$11,971,612) limit to the amount that may be accumulated as the fund balance in the General Fund. As of June 30, 2022 the unassigned fund balance of the General Fund was \$9,877,991 and was \$2,093,621 below the 35.0 percent limit. The unassigned fund balance increased by \$506,212 in fiscal year 2022. The main reason for increased fund balance is the increase in taxes collected and charges for services.

**CITY OF SARATOGA SPRINGS, UTAH**  
**MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED)**  
**June 30, 2022**

**Proprietary Funds:** The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net position of the City's enterprise funds totaled about \$225.5 million at June 30, 2022, as compared to \$211.2 million at the end of fiscal year 2021. Net position at the end of fiscal year 2022 and 2021 for each of these funds were:

<b>City of Saratoga Springs Proprietary Funds</b>				
<b>Fund</b>	<b>Amount</b>		<b>Change</b>	
	<b>2022</b>	<b>2021</b>		
Water Utility	\$ 137,897,442	\$ 134,406,443	\$	3,490,999
Sewer Utility	45,559,725	40,909,171		4,650,554
Storm Drain Utility	38,955,478	33,272,536		5,682,942
Non Major Funds	3,120,725	2,546,563		574,162
Total	<u>\$ 225,533,370</u>	<u>\$ 211,134,713</u>	<u>\$</u>	<u>14,398,657</u>

The net increase in net position from the prior year was \$14.4 million as compared to an increase of \$25.0 million in fiscal year 2021. Operating revenues increased \$1.1 million as compared to a \$2.8 million increase change in fiscal year 2021 due to increased charges for services, connections and other fees.

The Water Utility operating revenues decreased by \$0.1 million due to water conservation efforts due to the drought. The Sewer Utility operating revenues increased by \$0.5 million in comparison to the previous fiscal year due to increased residents and households within city limits due to continued growth. The Storm Drain Utility operating revenues increased \$0.1 million.

Water Utility net position invested in capital assets net of related debt increased by \$3.5 million in fiscal year 2022 primarily due to increased accumulated depreciation, routine acquisition and disposition of capital assets, and less total liabilities. Restricted net position stayed the same and unrestricted net position decreased about \$8.8 million.

Sewer utility net position invested in capital assets net of related debt increased by \$4.7 million, unrestricted net position stayed increased by \$1.9 million. The increase in net position invested in capital assets net of related debt was due to the net acquisition of capital assets, disposition of capital assets and depreciation expense.

Storm Drain Utility net position invested in capital assets net of related debt increased by \$5.7 million, unrestricted net position decreased by \$1.5 million resulting in a net increase of total net position of a little more than \$4.2 million.

**CITY OF SARATOGA SPRINGS, UTAH**  
**MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED)**  
**June 30, 2022**

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Differences between the original budget and the final amended budget for expenditures of more than \$1.6 million (net increase) can be summarized as follows:

- More than \$0.4 million increase in general government resulting from increases in general government consulting, grant expenditures, and personnel.
- More than \$0.5 million increase in public safety from public safety personnel for the Bluffdale contract and the Saratoga Springs police department.
- More than \$0.3 million increase in highways and streets mainly for new position in personnel.
- More than \$0.2 million increase in Parks and recreation for increased personnel and equipment.

Total actual expenditures came in \$3.1 million below the final budget. The differences between actual and the final budget can be briefly summarized as follows:

- The final budget was \$2.2 million more than the actual expenditures in general government. This difference was attributed to spending coming in under budget in salaries and wages, supplies, education and training, and contract services.
- The final budget was \$0.5 million more than the actual expenditures in public safety. This difference was attributed to actuals less than budget in salaries and wages, equipment and professional contract services.
- The final budget was \$1.1 million more than the actual expenditures in highways and public improvements. This difference was attributed to coming in under budget in salaries and wages, employee benefits, street maintenance equipment and vehicle lease payments.
- The final budget was \$0.1 million less than actual expenditures in parks and recreation. The difference was coming in over budget in salaries and wages, employee benefits, vehicle lease payments, and supplies.

Actual revenues of \$34.2 million were above the final budgeted revenues of \$27.9 million by \$6.2 million. This is mainly due to taxes, increased charges for services, CARES Act federal monies and licenses and permits.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets:** The City's investment in capital assets for is governmental and business-type activities totaled \$373.3 million (net of \$164.2 million accumulated depreciation) at June 30, 2022, as compared to \$330.3 million (net of \$147.8 million accumulated depreciation) at June 30, 2021. This investment in capital assets includes land, water rights, buildings, equipment, infrastructure, water capacities, culinary water system, secondary water irrigation system, sewer system, storm drain system, and construction in progress.

Major capital asset additions during the year ended June 30, 2022 include:

*Governmental Activities:*

- \$0.6 million Redwood Road Storm water Treatment
- \$0.7 million Sunrise Meadows Park
- \$5.3 million purchase of 54 acres for Sports Complex
- \$13.8 million for Developer Contributions for Road Infrastructure

**CITY OF SARATOGA SPRINGS, UTAH**  
**MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED)**  
**June 30, 2022**

*Business-type Activities:*

- \$0.8 million Northgate waterlines
- \$1.7 million purchase of water rights
- \$2.6 million S2.2 South SSD Sewer Upsize
- \$3.6 million Developer Sewer Infrastructure Contributions
- \$4.4 million Developer Storm Drain Infrastructure Contributions
- \$ 8.9 million Developer Water Infrastructure Contributions

Additional information on the City's capital assets can be found in Note 4 – Capital Assets on page 47 of this report.

**Long-Term Liabilities:** Long-term debt for governmental activities decreased by more than \$0.8 million in comparison with fiscal year 2021 due to reductions from bond payments. Business-type activities debt decreased in fiscal year 2022 by \$4.3 million when compared with fiscal year 2021. Please see Note 11 for details concerning long-term debt on Page 60.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

- The unemployment rate for Utah County was 1.8 percent compared with the State unemployment rate of 2.0 percent and a national rate of 3.6 percent.
- The fiscal year 2022 City budget does not include a property tax increase. The City Council adopted the certified tax rate for the General Fund. In accordance with Utah Statutes, the certified tax rate is intended to generate the same amount of property tax revenue as was received the prior year plus revenue for "new growth" occurring in the City. All other revenue sources have been estimated on a conservative basis using a multi-year trend analysis and assuming no significant changes in the local economy. The City's approach to budgeting includes preparation of a five-year capital plan. The long-term nature of the City's financial planning system allows decision makers to better understand the true effect of policy decisions. One of the most powerful aspects of the multi-year financial planning is its capability to recognize trends over time and begin at an early point to consider necessary steps to alter the long-term forecasted position of the City.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City of Saratoga Springs' finances to everyone with an interest. Questions concerning any of the information provided in this report requests for additional information should be addressed to:

City of Saratoga Springs  
Attn: Finance Department  
1307 N. Commerce Drive  
Saratoga Springs, Utah 84045-5302

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## **BASIC FINANCIAL STATEMENTS**



# CITY OF SARATOGA SPRINGS

## Statement of Net Position

June 30, 2022

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 40,382,889	\$ 26,035,712	\$ 66,418,601
Cash restricted	13,392,598	7,601,650	20,994,248
Investments	-	-	-
Accounts receivable - net	2,675,206	1,690,334	4,365,540
Internal balances	(1,983,443)	1,983,442	(1)
Due from other governmental units	4,646,643	-	4,646,643
Special assessment receivable	-	-	-
Net pension asset	4,589,558	285,635	4,875,193
Prepaid expenses	-	-	-
Land	30,098,640	2,618,629	32,717,269
Water rights	-	23,729,353	23,729,353
Construction in progress	10,406,463	9,001,483	19,407,946
Buildings and improvements	15,118,144	-	15,118,144
Equipment	9,877,908	2,862,681	12,740,589
Infrastructure	169,731,419	264,142,431	433,873,850
Accumulated Depreciation	(84,019,580)	(80,149,136)	(164,168,716)
Total assets	<u>214,916,445</u>	<u>259,802,214</u>	<u>474,718,659</u>
<b>DEFERRED OUT FLOW OF RESOURCES</b>			
Pension related costs	2,333,578	310,014	2,643,592
Total Deferred outflow of resources	<u>2,333,578</u>	<u>310,014</u>	<u>2,643,592</u>
Total assets and deferred outflows of resources	<u>\$ 217,250,023</u>	<u>\$ 260,112,228</u>	<u>\$ 477,362,251</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 2,708,736	\$ 1,542,037	\$ 4,250,773
Accrued liabilities	924,452	-	924,452
Deposits payable	10,836,948	597,236	11,434,184
Accrued interest payable	26,986	66,036	93,022
Unearned revenues	7,869,743	4,099,729	11,969,472
Long-term liabilities			
Due within one year	1,256,898	2,533,774	3,790,672
Due in more than one year	10,466,144	25,220,896	35,687,040
Total liabilities	<u>34,089,907</u>	<u>34,059,708</u>	<u>68,149,615</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related costs	5,546,651	519,150	6,065,801
Property taxes levied for future years	4,534,143	-	4,534,143
Total deferred inflow of resources	<u>10,080,794</u>	<u>519,150</u>	<u>10,599,944</u>
<b>NET POSITION</b>			
Net investment in capital assets	140,369,369	194,499,093	334,868,462
Restricted			
Impact fees	8,001,930	9,311,973	17,313,903
Unrestricted	24,708,023	21,722,304	46,430,327
Total net position	<u>173,079,322</u>	<u>225,533,370</u>	<u>398,612,692</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 217,250,023</u>	<u>\$ 260,112,228</u>	<u>\$ 477,362,251</u>

*See accompanying notes to the financial statements.*

# CITY OF SARATOGA SPRINGS

Statement of Activities  
For the Year Ended June 30, 2022

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue & Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Primary government:</b>							
Governmental activities:							
General government	\$ 3,406,761	\$ 312,340	\$ -	\$ -	\$ (3,094,421)	\$ -	\$ (3,094,421)
Public safety	11,853,314	12,416,938	163,577	995,504	1,722,705	-	1,722,705
Highways and public works	6,995,902	53,123	-	21,127,812	14,185,033	-	14,185,033
Parks and recreation	7,089,330	949,677	-	2,424,933	(3,714,720)	-	(3,714,720)
Community Development	696,886	-	760,000	-	63,114	-	63,114
Interest on long-term debt	346,684	-	-	-	(346,684)	-	(346,684)
Total governmental activities	30,388,877	13,732,078	923,577	24,548,249	8,815,027	-	8,815,027
Business-type activities:							
Major Funds							
Water	22,184,280	10,291,844	-	15,192,280	-	3,299,844	3,299,844
Sewer	6,304,872	6,123,334	-	4,796,570	-	4,615,032	4,615,032
Storm Drain	2,014,465	1,180,070	-	5,102,618	-	4,268,223	4,268,223
Non Major Funds							
Garbage	2,042,977	2,166,862	-	-	-	123,885	123,885
Street Lights	493,929	510,806	-	433,400	-	450,277	450,277
Total business-type activities	33,040,523	20,272,916	-	25,524,868	-	12,757,261	12,757,261
Total primary government	\$ 63,429,400	\$ 34,004,994	\$ 923,577	\$ 50,073,117	8,815,027	12,757,261	21,572,288
General revenues:							
Property taxes					\$ 4,923,713	\$ -	\$ 4,923,713
General sales and use tax					9,457,461	-	9,457,461
Franchise taxes					170,266	-	170,266
Energy taxes					2,430,027	-	2,430,027
Interest earnings					(92,500)	-	(92,500)
Gain (loss) on sale of capital assets					25,231	1,414,719	1,439,950
Transfers					-	-	-
Total general revenues and transfers					16,914,198	1,414,719	18,328,917
Change in net Position					25,729,225	14,171,980	39,901,205
Net position- beginning					147,350,097	211,134,713	358,484,810
Net position as restated (see note 13)					-	191,155	191,155
Net position - ending					\$ 173,079,322	\$ 225,497,848	\$ 398,577,170

See accompanying notes to the financial statements.

# CITY OF SARATOGA SPRINGS

## Balance Sheet Governmental Funds June 30, 2022

	Major Funds		Community Development Renewal Agency	Total Governmental Funds
	General Fund	Capital Projects		
<b>ASSETS</b>				
Cash and cash equivalents	\$ 19,469,196	\$ 20,779,423	\$ 134,270	\$ 40,382,889
Cash - restricted	-	13,392,598	-	13,392,598
Accounts receivable - net	2,675,206	-	-	2,675,206
Special Assessments	-	-	-	-
Due from other funds	4,861,448	-	-	4,861,448
Due from other governments	4,534,143	112,500	-	4,646,643
Prepays	-	-	-	-
Total assets	<u>\$ 31,539,993</u>	<u>\$ 34,284,521</u>	<u>\$ 134,270</u>	<u>\$ 65,958,784</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 782,360	\$ 1,926,376	\$ -	\$ 2,708,736
Due to other funds	-	6,844,891	-	6,844,891
Accrued liabilities	924,452	-	-	924,452
Deposits	10,748,080	88,868	-	10,836,948
Unearned revenue	4,714,634	3,155,109	-	7,869,743
Total liabilities	<u>17,169,526</u>	<u>12,015,244</u>	<u>-</u>	<u>29,184,770</u>
Deferred inflows of Resources:				
Property taxes levied for future years	4,626,746	-	-	4,626,746
Total deferred inflows of resources	<u>4,626,746</u>	<u>-</u>	<u>-</u>	<u>4,626,746</u>
Fund Balances:				
Fund balances Restricted for:				
Impact fees	-	8,001,930	-	8,001,930
Fund balances				
Committed for:	-	-	-	-
Assigned, for:				
Capital projects	-	14,267,347	-	14,267,347
Unassigned:	9,743,721	-	134,270	9,877,991
Total fund balances	<u>9,743,721</u>	<u>22,269,277</u>	<u>134,270</u>	<u>32,147,268</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 31,539,993</u>	<u>\$ 34,284,521</u>	<u>\$ 134,270</u>	<u>\$ 65,958,784</u>

See accompanying notes to the financial statements.

**CITY OF SARATOGA SPRINGS**

Balance Sheet Reconciliation to

Statement of Net Assets

June 30, 2022

Total fund balances - governmental fund types: \$ 32,147,268

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 151,212,994

Net pension assets and deferred outflows of resources are not available financial resources and are not reported in the governmental funds. 6,923,136

Deferred inflows of resources from unearned revenue are not available financial resources and are not reported in the governmental funds. 92,603

Net pension liabilities and deferred inflows of resources are not available financial resources and are not reported in the governmental funds. (5,546,651)

Long-term liabilities, including bonds payable and pension liabilities, are not due and payable in the current period and therefore are not reported in the funds.

Bonds payable	\$ (10,045,000)	
Lease payable	(570,464)	
Bond premium	(228,161)	
Accrued interest	(26,986)	
Compensated absences	(879,417)	(11,750,028)

Net assets of government activities \$ 173,079,322

# CITY OF SARATOGA SPRINGS

## Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds For the Year Ended June 30, 2022

	Major Funds		Community	Total
	General	Capital Projects	Development	Governmental
	Fund	Fund	Renewal	Funds
<b>REVENUES</b>				
Taxes	\$ 17,022,852	\$ -	\$ -	\$ 17,022,852
Licenses and permits	3,499,165	-	-	3,499,165
Intergovernmental	3,518,118	1,969,221	760,000	6,247,339
Charges for services	9,691,899	-	-	9,691,899
Fines and forfeitures	449,703	-	-	449,703
Investment earnings	(15,318)	(77,182)	-	(92,500)
Impact fees	-	5,389,584	-	5,389,584
Other	38,188	53,123	-	91,311
Total revenues	34,204,607	7,334,746	760,000	42,299,353
<b>EXPENDITURES</b>				
Current:				
General government	4,080,965	-	-	4,080,965
Public safety	11,886,441	22,475	-	11,908,916
Highways and public works	2,784,628	7,375,206	-	10,159,834
Parks and recreation	4,273,188	7,791,955	-	12,065,143
Community Development	-	-	696,886	696,886
Capital expenditures	-	1,906,676	-	1,906,676
Debt service:	-	-	-	-
Principal retirement	200,000	655,024	-	855,024
Interest and fiscal charges	92,181	279,179	-	371,360
Developer Reimbursement	-	-	-	-
Total expenditures	23,317,403	18,030,515	696,886	42,044,804
Excess revenues over (under) expenditures	10,887,204	(10,695,769)	63,114	254,549
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets	29,070	-	-	29,070
Transfers in	-	10,473,176	-	10,473,176
Transfers out	(10,473,176)	-	-	(10,473,176)
Total other financing sources and uses	(10,444,106)	10,473,176	-	29,070
Net change in fund balance	443,098	(222,593)	63,114	283,619
Fund balances - beginning of year	9,300,623	22,491,870	71,156	31,863,649
Fund balances - end of year	\$ 9,743,721	\$ 22,269,277	\$ 134,270	\$ 32,147,268

See accompanying notes to the financial statements.

**CITY OF SARATOGA SPRINGS**  
Reconciliation of the Statement of Revenues, Expenditures,  
and Changes in Fund Balance of Governmental Funds  
to the Statement of Activities  
For the Year Ended June 30, 2022

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

Net changes in fund balances - total governmental funds	\$	283,619
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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. This is the amount by which capital outlays exceeded depreciation in the current period.

Capitalized Expenditures	\$ 16,866,748	
Depreciation Expense	(7,786,888)	
		9,079,860

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, transfers and donations) is to increase (decrease) net assets.

Current year capital contributions from developers	13,834,903	
Gain on Sale of Assets	(3,839)	
		13,831,064

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds

Change in pension related costs	1,870,135	
Change in accrued compensated absences	(173,768)	
		1,696,367

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:

Delinquent Property Taxes		(41,385)
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The issuance of long-term debt (e.g., bonds, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of capital lease	0	
Principal repayments on bonds	610,000	
Principal repayments of capital leases	245,024	
Accrued interest	9,465	
Bond premium amortization	15,211	
		879,700

Change in net assets of governmental activities	\$	25,729,225
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*See accompanying notes to the financial statements.*

**CITY OF SARATOGA SPRINGS**  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget to Actual  
**General Fund**  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final	Totals	
<b>REVENUES</b>				
Taxes:				
Property	\$ 4,737,277	\$ 4,737,277	\$ 4,965,098	\$ 227,821
Sales	6,541,250	7,541,250	9,457,461	1,916,211
Franchise	207,340	207,340	170,266	(37,074)
Energy	1,300,000	1,300,000	2,430,027	1,130,027
Licenses and permits	1,894,756	2,194,756	3,499,165	1,304,409
Intergovernmental	1,559,440	1,655,526	3,518,118	1,862,592
Charges for services	9,013,225	9,264,851	9,691,899	427,048
Fines and forfeitures	453,166	635,386	449,703	(185,683)
investment earnings	230,649	230,649	(15,318)	(245,967)
Other	51,000	206,990	38,188	(168,802)
Total revenues	25,988,103	27,974,025	34,204,607	6,230,582
<b>EXPENDITURES</b>				
Current:				
General government	5,839,536	6,270,474	4,080,965	2,189,509
Public safety	11,809,468	12,358,995	11,886,441	472,554
Highways and public works	3,568,002	3,880,980	2,784,628	1,096,352
Parks and recreation	3,435,394	3,686,344	4,273,188	(586,844)
Debt Service:				
Principal retirement	200,000	200,000	200,000	-
Interest and fiscal charges	193,500	93,500	92,181	1,319
Total expenditures	25,045,900	26,490,293	23,317,403	3,172,890
Excess (deficit) of revenues over (under) expenditures	942,203	1,483,732	10,887,204	9,403,472
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets	170,000	170,000	29,070	(140,930)
Transfers in	-	-	-	-
Transfers out	(7,173,154)	(12,095,127)	(10,473,176)	1,621,951
Total other financing sources (uses)	(7,003,154)	(11,925,127)	(10,444,106)	1,481,021
Net change in fund balance	(6,060,951)	(10,441,395)	443,098	10,884,493
Fund balances - beginning	9,300,623	9,300,623	9,300,623	-
Fund balances - ending	\$ 3,239,672	\$ (1,140,772)	\$ 9,743,721	\$ 10,884,493

**CITY OF SARATOGA SPRINGS**  
Statement of Net Position  
**Proprietary Funds**  
June 30, 2022

	Business-Type Activities - Enterprise				
	Major Funds			Non Major	Total
	Water	Sewer	Storm Drain	Funds	
<b><u>ASSETS</u></b>					
Current assets:					
Cash and cash equivalents	\$ 16,127,805	\$ 7,012,417	\$ 2,181,227	\$ 714,263	\$ 26,035,712
Restricted cash and cash equivalents	7,601,650	-	-	-	7,601,650
Accounts receivable - net	667,816	602,949	128,721	290,848	1,690,334
Due from other funds	380,113	975,986	563,633	63,710	1,983,442
Total current assets	24,777,384	8,591,352	2,873,581	1,068,821	37,311,138
Noncurrent assets:					
Capital Assets					
Water rights	23,729,353	-	-	-	23,729,353
Land	1,682,729	935,900	-	-	2,618,629
Construction in progress	6,285,373	563,456	2,152,654	-	9,001,483
Water capacities	10,950,988	-	-	-	10,950,988
Culinary water system	115,228,647	-	-	-	115,228,647
Secondary water system	25,993,716	-	-	-	25,993,716
Sewer system	-	60,199,422	-	-	60,199,422
Storm drain system	-	-	46,459,690	-	46,459,690
Street light system	-	-	-	5,309,968	5,309,968
Equipment	1,234,251	1,284,193	198,734	145,503	2,862,681
Less: Accumulated depreciation	(50,951,952)	(15,743,081)	(10,143,364)	(3,310,739)	(80,149,136)
Total capital assets	134,153,405	47,239,890	38,667,714	2,144,732	222,205,441
Net pension asset	182,251	103,384	-	-	285,635
Total noncurrent assets	134,335,356	47,343,274	38,667,714	2,144,732	222,491,076
Total assets	159,112,740	55,934,626	41,541,295	3,213,553	259,802,214
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>					
Pension related costs	246,259	63,755	-	-	310,014
Total deferred outflow of resources	246,259	63,755	-	-	310,014
Total assets & deferred outflows of resources	\$ 159,358,999	\$ 55,998,381	\$ 41,541,295	\$ 3,213,553	\$ 260,112,228
<b><u>LIABILITIES</u></b>					
Current liabilities:					
Accounts Payable	\$ 1,043,702	\$ 434,078	\$ 35,139	\$ 29,118	\$ 1,542,037
Due to other funds	-	-	-	-	-
Compensated absences	14,534	6,599	873	-	22,006
Customer deposits payable	564,243	32,993	-	-	597,236
Accrued interest payable	42,035	24,001	-	-	66,036
Unearned revenue	2,405,686	1,019,093	611,240	63,710	4,099,729
Bonds and contracts payable - current	2,081,768	430,000	-	-	2,511,768
Total current liabilities	6,151,968	1,946,764	647,252	92,828	8,838,812
Noncurrent liabilities:					
Compensated absences	23,011	6,643	-	-	29,654
Net pension liability	-	-	-	-	-
Bonds and contracts payable	14,908,785	8,343,892	1,938,565	-	25,191,242
Total noncurrent liabilities	14,931,796	8,350,535	1,938,565	-	25,220,896
Total liabilities	21,083,764	10,297,299	2,585,817	92,828	34,059,708
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>					
Pension related costs	377,793	141,357	-	-	519,150
Total deferred outflow of resources	377,793	141,357	-	-	519,150
<b><u>NET POSITION</u></b>					
Net investment in capital assets	117,159,214	38,465,998	36,729,149	2,144,732	194,499,093
Restricted - impact fees	9,311,973	-	-	-	9,311,973
Unrestricted	11,426,255	7,093,727	2,226,329	975,993	21,722,304
Total net position	137,897,442	45,559,725	38,955,478	3,120,725	225,533,370
Total liabilities, deferred inflows of resources and net position	\$ 159,358,999	\$ 55,998,381	\$ 41,541,295	\$ 3,213,553	\$ 260,112,228

See accompanying notes to the financial statements.



# CITY OF SARATOGA SPRINGS

## Statement of Revenues, Expenses, and Changes in Fund Net Position

### Proprietary Funds

For the Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds				
	Major Funds			Non Major Funds	Total
	Water	Sewer	Storm Drain		
<b>Operating revenues:</b>					
Charges for services	\$ 6,636,183	\$ 5,600,684	\$ 1,183,227	\$ 2,681,139	\$ 16,101,233
Connection and other fees	3,659,020	534,741	-	-	4,193,761
Other	-	-	-	-	-
Total operating revenues	10,295,203	6,135,425	1,183,227	2,681,139	20,294,994
<b>Operating expenses:</b>					
Personnel Services	708,288	212,914	95,052	-	1,016,254
Supplies and maintenance	13,611,424	603,992	82,502	44,477	14,342,395
Professional services	58,321	-	9,465	-	67,786
Administration	1,450,850	766,576	461,012	158,141	2,836,579
Power and pumping	607,705	33,630	2,818	-	644,153
Treatment and sanitation	-	2,382,618	-	2,236,130	4,618,748
Depreciation	5,232,603	2,014,552	1,355,262	98,158	8,700,575
Other	2,502	4,877	-	-	7,379
Total operating expenses	21,671,693	6,019,159	2,006,111	2,536,906	32,233,869
Operating income	(11,376,490)	116,266	(822,884)	144,233	(11,938,875)
<b>Nonoperating revenues (expenses):</b>					
Interest revenue	(3,359)	(12,091)	(3,157)	(3,471)	(22,078)
Assessment revenue	-	-	-	-	-
Grant proceeds	-	-	-	-	-
Developer reimbursements	-	(1,292)	(8,354)	-	(9,646)
Gain on Sale of capital assets	-	21,290	-	-	21,290
Intergovernmental revenue	-	14,232	1,414,719	-	1,428,951
Interest expense and fiscal charges	(512,587)	(284,421)	-	-	(797,008)
Total nonoperating revenues (expenses)	(515,946)	(262,282)	1,403,208	(3,471)	621,509
Net income (loss) before contributions and transfers	(11,892,436)	(146,016)	580,324	140,762	(11,317,366)
Capital contributions	12,530,685	3,644,770	4,793,063	433,400	21,401,918
Impact fees	2,661,595	1,151,800	309,555	-	4,122,950
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total contributions and transfers	15,192,280	4,796,570	5,102,618	433,400	25,524,868
Change in net position	3,299,844	4,650,554	5,682,942	574,162	14,207,502
Total net position - beginning	134,406,443	40,909,171	33,272,536	2,546,563	211,134,713
Restatement of net position (see Note 13)	191,155	-	-	-	191,155
Total net position - ending	\$ 137,897,442	\$ 45,559,725	\$ 38,955,478	\$ 3,120,725	\$ 225,533,370

See accompanying notes to the financial statements.

**CITY OF SARATOGA SPRINGS**  
Statement of Cash Flows  
**Proprietary Funds**  
For the Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds				
	Major Funds			Non Major	Total BTAs
	Water	Sewer	Storm Drain	Funds	
<b>Cash Flows From Operating Activities</b>					
Receipts from customers	\$ 12,378,926	\$ 6,087,704	\$ 1,158,584	\$ 2,674,670	\$ 22,299,884
Payments to suppliers	(13,570,751)	(2,993,583)	(65,611)	-	(16,629,945)
Payments to interfund services	(1,450,850)	(766,576)	(461,012)	(2,456,464)	(5,134,902)
Payments to employees	(783,087)	(237,386)	(97,150)	-	(1,117,623)
Net cash provided (used) by operating activities	(3,425,762)	2,090,159	534,811	218,206	(582,586)
<b>Cash Flows From Noncapital Financing Activities</b>					
Advance from other funds	-	-	-	-	-
Advance to other funds	-	-	-	-	-
Net cash provided (used) by noncapital financing activities	-	-	-	-	-
<b>Cash Flows From Capital and Related Financing Activities</b>					
Purchases of capital assets	(7,988,735)	(727,268)	(2,850,803)	-	(11,566,806)
Impact fees collected	2,661,595	1,151,800	309,555	-	4,122,950
Payments for Grant Proceeds	-	14,232	1,414,719	-	1,428,951
Payment for developer reimbursements	-	(1,292)	(8,354)	-	(9,646)
Payments for developer contributions	3,630,200	-	378,693	-	4,008,893
Proceeds from the sale of assets	-	21,290	-	-	21,290
Principal paid on capital debt	(3,133,717)	(415,000)	-	-	(3,548,717)
Interest and fees paid on capital debt	(538,572)	(290,563)	-	-	(829,135)
Net cash provided (used) by capital and related financing activities	(5,369,229)	(246,801)	(756,190)	-	(6,372,220)
<b>Cash Flows From Investing Activities</b>					
Interest and dividends received	(3,359)	(12,091)	(3,157)	(3,471)	(22,078)
Net increase (decrease) in cash and cash equivalents	(8,798,350)	1,831,267	(224,536)	214,735	(6,976,884)
Cash and cash equivalents - beginning	32,527,805	5,181,150	2,405,763	563,238	40,677,956
Cash and cash equivalents - ending	\$ 23,729,455	\$ 7,012,417	\$ 2,181,227	\$ 777,973	\$ 33,701,072
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>					
Operating income	\$ (11,376,490)	\$ 116,266	\$ (822,884)	\$ 144,233	\$ (11,938,875)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation and amortization expense	5,232,603	2,014,552	1,355,262	98,158	8,700,575
(Increase)/decrease in accounts receivable	114,250	(47,721)	(24,643)	(70,179)	(28,293)
(Increase)/decrease in prepaid expenses	-	-	-	-	-
(Increase)/decrease in net pension assets	(138,861)	(92,439)	-	-	(231,300)
(Increase)/decrease in deferred outflows	(10,027)	(6,674)	-	-	(16,701)
Increase/(decrease) in accounts payable	672,909	45,501	29,174	(17,716)	729,868
Increase/(decrease) in unearned revenue	1,969,473	-	-	63,710	2,033,183
Increase/(decrease) in compensated absences	(2,167)	3,445	(2,098)	-	(820)
Increase/(decrease) in net pension liability	(38,787)	(5,385)	-	-	(44,172)
Increase/(decrease) in deferred inflows	115,043	76,581	-	-	191,624
Increase/(decrease) in deposits	36,292	(13,967)	-	-	22,325
Total adjustments	7,950,728	1,973,893	1,357,695	73,973	11,356,289
Net cash provided (used) by operating activities	\$ (3,425,762)	\$ 2,090,159	\$ 534,811	\$ 218,206	\$ (582,586)
Noncash investing, capital, and financing activities					
Contributions by developers	\$ 8,900,485	\$ 3,644,770	\$ 4,414,370	\$ -	\$ 16,959,625

See accompanying notes to the financial statements.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 1 - Summary of Significant Accounting Policies**

The City of Saratoga Springs (City) was incorporated in December 1997. The City operates under a council manager form of government and provides the following services as authorized by its charter: public safety (police, fire, inspection and animal control), streets and highways, public utilities (refuse collection, water sewer, and storm drain), parks and recreation and general administrative services. The financial statements of the City of Saratoga Springs have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies.

**A. Reporting Entity**

The City of Saratoga Springs is a municipal corporation governed by an elected mayor and six council members. The accompanying financial statements present the financial affairs of the government and its operations.

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in the related Governmental Accounting Standards. The City is considered to be financially accountable for an organization if the City appoints a voting majority of that organization's governing body, or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City. The City is also considered to be financially accountable for an organization if that organization is fiscally dependent on the City.

**Blended component units**

Blended component units, although legally separate entities, are in substance part of the government's operations. They are reported as part of the primary government and blended with the appropriate funds. The reporting entity of these financial statements includes the Saratoga Springs Community Development Agency (CDA)

The CDA is governed by a board comprised of the Mayor and City Council. Its sole purpose is a financing tool that allows the City to allocate sales tax collected within the City to provide incentives for incoming businesses within the designated project area. Separate financial statements are not issued or required for the CDA. The CDA is considered to be a blended component unit because the City's governing body is also the governing body and they exist exclusively to accomplish the specific purposes of the City Council.

**B. Government-wide and Fund Financial Statements**

The City's basic financial statements consist of both government-wide statements (the statement of net position and the statement of activities) and fund statements. The government-wide statements focus on the City as a whole, while the fund statements focus on individual funds. Primary government activities are distinguished between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The effects of inter-fund activity have been eliminated from the governmentwide statements except for the residual amounts due between governmental and business-type activities and inter-fund services provided.

The Statement of Net Position presents the City's assets, deferred outflows, liabilities and deferred inflows, with the difference reported as net position. Net position is restricted when constraint placed upon it is either externally imposed or is imposed by constitutional provisions or enabling legislation.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 1 - Summary of Significant Accounting Policies – Continued**

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. The City does not allocate general government (indirect) expenses to other functions. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function; and 2) grants and contributions that are restricted to meeting the operation or capital requirements of a particular function. Taxes and other revenues not meeting the definition of program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**C. Measurement Focus and Basis of Accounting**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The use of financial resources to acquire capital assets are shown as assets in the government-wide financial statements, rather than reported as expenditures in the governmental fund financial statements. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as another financing source in the governmental fund financial statements. Amounts paid to reduce long-term debt in the government-wide financial statements are reported as a reduction of the related liability, rather than expenditures in the governmental fund statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter (generally within sixty days) to pay liabilities of the current period. Expenditures are generally recorded when a liability is incurred, as under the accrual method of accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded when payment is due.

Sales and use taxes, franchise taxes and earned but un-reimbursed state and federal grants associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. Property taxes are measurable as of the date levied and available only when cash is received by the county treasurer prior to the City's fiscal year end and remitted to the City within sixty days of its fiscal year end.

The City reports the following governmental funds:

**General Fund** - The General Fund is the primary operating fund. It is used to account for all financial resources of the City not accounted for by a separate, specialized fund.

**Capital Projects Fund** - The Capital Projects Fund is used to account for financial resources used for the acquisition or construction of major capital improvements (other than those financed by proprietary funds.)

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 1 - Summary of Significant Accounting Policies – Continued**

**Community Development Agency** – This special revenue fund accounts for all the Saratoga Springs Community Development Agency. This fund's revenue source is sales tax assigned by the City to provide community development within the designated project area.

The City reports the following proprietary fund types as enterprise funds:

**Water Utility Fund** - The Water Utility Fund accounts for the water distribution system of the City for its residents.

**Sewer Utility Fund** - The Sewer Utility Fund accounts for the sewage collection systems of the City for its residents.

**Storm Drain Utility Fund** - The Storm Drain Utility Fund accounts for the various storm drain collection and retention systems in the City for its residents.

**Garbage Collection Utility Fund** - The Garbage Collection Utility Fund accounts for the collection and disposal of garbage for City residents.

**Street Light Utility Fund** – The Street Light Utility Fund accounts for the street light services of the City for its residents.

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. As a general rule the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments to the General Fund by the Enterprise Funds for providing administrative, billing, and facility costs for such funds. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operation. The principal operating revenues of the enterprise funds are charges to customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**D. Budgets**

Annual budgets are prepared and adopted before June 22 for the fiscal year commencing the following July 1, in accordance with the Uniform Fiscal Procedures Act for Utah Cities. State law requires budgeted revenues to equal budgeted expenditures, and legal control is exercised at the department level, administration, public safety, public works, etc. Once a budget has been adopted, it remains in effect until it has been formally revised. Budgets for the general fund, special revenue, and capital projects funds are legally required and prepared and adopted on the modified accrual basis of accounting. Therefore, no reconciliation between budgetary schedules and the GAAP statements is required.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 1 - Summary of Significant Accounting Policies – Continued**

The Budgetary Comparison schedules presented in this section of the report are for the City's general fund and special revenue funds. Original budgets represent the revenue estimates and spending authority authorized by the City Council prior to July 1. Final budgets represent the original budget amounts plus any amendments made to the budget during the year by the City Council through formal resolution. Final budgets do not include unexpended balances from the prior year because such balances automatically lapse to unassigned fund balance at the end of each year.

Utah State allows for any unassigned fund balances in excess of 5% of total revenue of the general fund to be utilized for budget purposes. The law also allows for the accumulation of a fund balance in the general fund in an amount equal to 25% of the total estimated revenue of the general fund. In the event that the fund balance, at the end of the fiscal year, is in excess of that allowed, the City has one year to determine an appropriate use and then the excess must be included as an available resource in the general fund budget.

**E. Taxes**

In connection with budget adoption, an annual tax ordinance establishing the tax rate is adopted before June 22 and the City Recorder is to certify the tax rate to the County Auditor before June 22. Budgets for the general, special revenue, and capital projects funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The above procedures are authorized by the Utah Code Sections 10-6-109 through 10-6-135.

All property taxes levied by the City are assessed and collected by Utah County. Taxes are attached as an enforceable lien as of January 1, are levied as of October 1, and are due November 30; any delinquent taxes are subject to a penalty. Unless the delinquent taxes and penalties are paid before January 15, a lien is attached to the property, and the amount of taxes and penalties bears interest from January 1 until paid. If after five years, delinquent taxes have not been paid, the County sells the property at a tax sale. Tax collections are remitted to the City from the County monthly.

**F. Capital Assets**

Capital assets, which include land, buildings, property, plant, equipment, water rights, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets and capital assets received in a concession arrangement should be reported at acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Capital assets are carried at cost or estimated historical cost. Depreciation of these assets is computed by use of the straight-line method over their estimated useful lives as follows:

Buildings and improvements	40 Years
Sewer collection system	30 Years
Water distribution systems	40 Years
Infrastructure and improvements	10-25 Years
Machinery and equipment	5-20 Years
Other improvements	10-40 Years



**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 1 - Summary of Significant Accounting Policies – Continued**

**G. Long-Term Obligation**

In the government-wide financial statements and proprietary fund types, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

**H. Equity Classifications**

Equity is classified in the government-wide financial statements as net assets and is displayed in three components:

- a. Invested in capital assets, net of related debt - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets - consists of net assets 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.
- c. Unrestricted net assets - All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as Nonspendable, Restricted, Committed, Assigned or Unassigned.

**Nonspendable fund balance** classification includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact.

**Restricted fund balance** classifications are restricted by enabling legislation. Also reported if, (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed fund balance** classification includes those funds that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision making authority, the City Council. Fund balance commitments can only be removed or changed by the same type of action (for example, resolution) of the City Council.

**Assigned fund balance** classification includes amounts that are constrained by the government’s intent to be used for specific purposes, but are neither restricted nor committed. Also includes all remaining amounts that are reported in governmental funds, other than the general fund that are not classified as non-spendable, restricted nor committed in the General Fund, that are intended to be used for specific purposes. It is the City’s policy to require City Council action for the assignment of funds.

**Unassigned fund balance** classification is the residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 1 - Summary of Significant Accounting Policies – Continued**

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted. It is the City's policy to use committed funds first then assigned funds and lastly use unassigned funds when all are available for use in satisfying the expenditure.

Proprietary Fund equity is classified the same as in the government-wide statements.

**I. Cash and Cash Equivalents**

Cash includes amounts in demand deposits as well as short-term investments with a maturity date of three months or less when acquired by the City.

**J. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**K. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources which represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City also records deferred outflows for changes to the net pension liability as provided by the cost sharing defined benefit pension systems administered by Utah State Retirement System (URS).

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The governmental fund has two items which qualifies for reporting in this category. First, unavailable revenues, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Second, the City recognizes deferred inflows for changes to the net pension liability as provided by the URS.

**L. Leases**

During the year ended June 30, 2022, the City adopted Governmental Accounting Standards Board Statement No. 87, Leases. The new standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. The statement requires a lessee to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The beginning fund balances, and Net position was not affected by the implementation of GASB 87. They City has one lease which is a financed Purchase lease that was already reported by the City, see note 12.

**M. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems Pension Plan (URS) and additions to/deductions from URS's fiduciary net position have been determined on the same basis as they are reported by URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.



**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 2 – Cash, Deposits, and Investments**

The City maintains a cash and investment pool that is available to use by all funds. At June 30, 2022, the City's cash balance consisted of the following:

**Cash on hand and on deposit:**

Petty Cash	\$ 6,797
Cash on Deposit	6,357,739
PTIF Investment	81,048,313
<b>Total cash and investments</b>	<b><u>\$ 87,412,849</u></b>

**Cash and investments are included in the accompanying combined statement of net position as follows:**

Cash and cash equivalents	\$ 66,418,601
Restricted cash and cash equivalents	20,994,248
<b>Total Cash and investments</b>	<b><u>\$ 87,412,849</u></b>

**A. Custodial Credit Risk**

Deposits and investments for the City 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 the City's exposure to various risks related to its cash management activities.

**Deposits.** Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's 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 City funds 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. The City's deposits in the bank in excess of the insured amount are uninsured and are not collateralized, nor do state statutes require them to be. The City's bank balances at June 30, 2022 were \$6,308,778 of which \$6,058,778 were uninsured and uncollateralized.

**Investments.** Custodial credit risk for investments is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. The City policy to minimize custodial credit risk is to follow the Utah Money Management Act and the City's approved investment policy. The City currently invests only in the State of Utah PTIF as discussed below.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 2 - Deposits and Investments – Continued**

**B. Credit Risk**

Credit risk is the risk that the counterparty to an investment transaction will not fulfill its obligations. The City's policy for limiting the credit risk of investments is to comply with the Money Management Act. The Act requires investment transactions to be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities. Permitted investments include deposits of qualified depositories; repurchase agreements; commercial paper that is classified as "first- tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investor Services or Standard & Poors; bankers acceptances; obligations of the U.S. Treasury and U.S. government sponsored enterprises; bonds and notes of political subdivisions of the State of Utah; fixed rate corporate obligations and variable rate securities rated "A" or higher by two nationally recognized statistical rating organizations; and shares in a money market fund as defined in the Act. The City is also 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. The fair value of the PTIF investment pool was less than its amortized cost basis by \$\$294,143 at June 30, 2022. The following are the City's Investments at June 30, 2022:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>	<u>Quality Ratings</u>
PTIF Investments	\$ 81,048,313	85 days *	Not Rated
<b>Total</b>	<b>\$ 81,048,313</b>		

**C. Interest 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. The City manages its exposure to declines in fair value by following its investment policy by investing mainly in the PTIF and by adhering to the Money Management Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act limits the remaining term to maturity of commercial paper to 270 days or less and fixed rate negotiable deposits and corporate obligations to 365 days or less. Maturities of the City's investments are noted in the table at the beginning of Note 2.

**D. Fair Value of Investments**

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1: Quoted Prices for identical investments in active markets
- Level 2: Observable inputs other than quoted market prices; and
- Level 3: Unobservable inputs.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 2 - Deposits and Investments – Continued**

As of June 30, 2022 the City had the following recurring fair value measurements:

- PTIF Investments totaling \$81,048,313 valued using the application of the June 30, 2022, fair value factor, as calculated by the Utah State Treasurer which is therefore valued under level 2.

**E. Restricted Cash**

The City maintains cash in accounts held by third party custodians that are restricted for the use of bond payments and construction costs. The City also maintains cash restricted for unspent impact fees. The amount of restricted cash at June 30, 2022 was \$20,994,248.

**Note 3 - Accounts Receivable – Unearned and Unavailable Revenue**

Accounts receivable are recorded net of the allowance for doubtful accounts of \$11,652 in the enterprise funds. The governmental funds also report two types of unavailable resources:

1. Property taxes of \$4,534,143 as deferred inflows of resources due to property taxes being recognized as receivables prior to the period for which the taxes are levied. This amount is also reported as deferred inflows of resources on the Government-wide statement of net position.
2. Delinquent taxes of \$92,603 as deferred inflows of resources due to property taxes being recognized as receivables and deferred because they are available during the current period. Since they have been earned, they will be reported as revenue on the Government-wide statement of activities.

The City reports unearned revenue in the Government Wide and Fund Statements:

1. Federal ARPA funds of \$1,969,472 have been received by the City but have not been spent.
2. Developers paid the City \$10,000,000 of development and impact fees in advance. The funds will be applied to future projects and development within the City.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 4 - Capital Assets**

Capital asset activity for the year ended June 30, 2022 was as follows:

	Balance June 30, 2021	Increases	Decreases	Balance June 30, 2022
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 24,758,078	\$ 5,340,562.00	\$ -	\$ 30,098,640
Construction in progress	1,588,338	9,084,907	(266,782)	10,406,463
Total capital assets not being depreciated	26,346,416	14,425,469	(266,782)	40,505,103
Capital assets being depreciated:				
Buildings	14,686,484	431,660	-	15,118,144
Machinery and equipment	8,888,972	1,057,822	(68,886)	9,877,908
Infrastructure	154,677,937	15,053,482	-	169,731,419
Total capital assets being depreciated	178,253,393	16,542,964	(68,886)	194,727,471
Less accumulated depreciation for:				
Buildings	(3,637,431)	(573,907)	-	(4,211,338)
Machinery and equipment	(4,846,448)	(686,669)	65,047	(5,468,070)
Infrastructure	(67,813,860)	(6,526,312)	-	(74,340,172)
Total accumulated depreciation	(76,297,739)	(7,786,888)	65,047	(84,019,580)
Total capital assets, being depreciated, net	101,955,654	8,756,076	(3,839)	110,707,891
Governmental activities capital assets, net	\$ 128,302,070	\$ 23,181,545	\$ (270,621)	\$ 151,212,994
<b>Business-type activities:</b>				
Capital assets not being depreciated:				
Land	\$ 2,618,629	\$ -	\$ -	\$ 2,618,629
Water rights	21,945,947	1,783,406		23,729,353
Construction in Progress	2,036,194	7,119,354	(154,065)	9,001,483
Total capital assets not being depreciated	26,600,770	8,902,760	(154,065)	35,349,465
Capital assets being depreciated:				
Water capacity	10,950,988	-	-	10,950,988
Culinary water system	105,886,071	9,342,575	-	115,228,646
Secondary water system	25,575,185	418,531	-	25,993,716
Sewer system	56,055,099	4,144,322	-	60,199,421
Storm drain system	40,819,760	5,639,931	-	46,459,691
Street light system	4,876,568	433,401	-	5,309,969
Equipment	2,672,826	225,368	(35,513)	2,862,681
Total capital assets being depreciated	246,836,497	20,204,128	(35,513)	267,005,112
Less accumulated depreciation for:				
Water capacity	(8,924,189)	-		(8,924,189)
Culinary water system	(29,696,057)	(4,015,006)		(33,711,063)
Secondary water system	(6,410,403)	(1,114,677)		(7,525,080)
Sewer system	(13,081,490)	(1,925,725)		(15,007,215)
Storm drain system	(8,644,987)	(1,352,985)		(9,997,972)
Street light system	(3,195,607)	(83,607)		(3,279,214)
Equipment	(1,531,339)	(208,577)	35,513	(1,704,403)
Total accumulated depreciation	(71,484,072)	(8,700,577)	35,513	(80,149,136)
Total capital assets, being depreciated, net	175,352,425	11,503,551	-	186,855,976
Business-type capital assets, net	\$ 201,953,195	\$ 20,406,311	\$ (154,065)	\$ 222,205,441

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 4 - Capital Assets – Continued**

Depreciation expense was charged to functions of the primary government as follows:

Governmental activities:	
General government	\$ 352,439
Public safety	586,189
Public works	5,216,571
Parks and Rec	1,631,689
Total depreciation expense - governmental activities	<u>\$ 7,786,888</u>
Business-type activities:	
Water	\$ 5,232,603
Sewer	2,014,553
Strom Drain	1,355,262
Street Lights	98,159
Total depreciation expense - business-type activities	<u>\$ 8,700,577</u>
Total depreciation expense	<u>\$ 16,487,465</u>

**Note 5 - Compensated Absences**

Accumulated unpaid vacation, compensatory leave pay and other employee benefit amounts are accrued when incurred in proprietary funds (using the accrual basis of accounting). In the governmental funds (using the modified accrual basis of accounting) only the unpaid amounts due to retired or terminated employees are recorded as liabilities. All City employees are paid from the general fund. The total compensated absences liability is reported in the government wide financial statements as long-term debt in accordance with the Governmental Accounting Standards. Based on historical estimates, the City estimates that \$376,998 of the compensated absences balance will be due in the next year.

**Note 6 - Retirement Plans**

**General Information about the Pension Plans**

**Plan description:** Eligible plan participants are provided with pensions through the Utah retirement Systems. The Utah Retirement Systems are comprised of the following pension trust funds:

- Public Employees Noncontributory Retirement System (Noncontributory System);
- Firefighters Retirement System (Firefighters System); are multiple employer, cost sharing, retirement systems.
- The Public Safety Retirement System (Public Safety System) is a mixed agent and cost-sharing, multiple-employer retirement system;
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System);
- Tier 2 Public Safety and Firefighter Contributory Retirement System (Tier 2 Public Safety and Firefighters System) are multiple employer, cost sharing, public employees, retirement systems.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 6 - Retirement Plans – Continued**

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning service on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems, are members of the Tier 2 Retirement System.

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms. URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 E. 200 S, Salt Lake City, Utah 84102 or visiting the website: [www.urs.org](http://www.urs.org).

**Benefits provided:** URS provides retirement, disability, and death benefits. Retirement benefits are as follows:

**Summary of Benefits by System**

System	Final Average Salary	Years of service required and/or age eligible for	Benefit percent per year of service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65*	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% to 4% depending on the employer
Firefighters System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 4%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

\*with actuarial reductions

\*\*All post-retirement cost-of-living adjustments are non-compounding and are based on the original benefit except for Judges, which is a compounding benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year,

**CITY OF SARATOGA SPRINGS**  
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**Note 6 - Retirement Plans - Continued**

**Contributions:** As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when combined with employees contributions (where applicable) is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates are as follows:

<b>Utah Retirement Systems</b>	<b>Employee</b>	<b>Employer</b>	<b>401(k)</b>
<b>Contributory System</b>			
111 Local Government Div - Tier 2	N/A	16.07%	0.062%
<b>Noncontributory System</b>			
15 Local Government Div. Tier 1	N/A	18.47%	N/A
<b>Public Safety System</b>			
Contributory			
122 tier 2 DB Hybrid Public Safety	N/A	23.74%	N/A
Noncontributory			
49 Other Div B Tier 1	N/A	32.28%	N/A
<b>Firefighters Retirement System</b>			
31 Other Division B	16.71%	7.24%	N/A
132 Tier 2 DB Hybrid Firefighters	2.27	14.08%	N/A
<b>Tier 2 DC Only</b>			
211 Local Government	N/A	6.69%	10.00%
222 Public Safety	N/A	9.74%	14.00%
232 Firefighters	N/A	0.08%	14.00%

Tier 2 rates include a statutory required contribution to finance the unfunded actuarial accrued liability of the Tier 1 plans.

**Utah Retirement Systems**

For fiscal year ended June 30, 2022, the employer and employee contributions to the Systems were as follows:

<b>System</b>	<b>Employer Contributions</b>	<b>Employee Contributions</b>
Noncontributory System	\$ 566,357	N/A
Public Safety System	361,713	-
Firefighters System	41,331	-
Tier 2 Public Employees System	504,025	-
Tier 2 Public Safety and Firefighter	428,285	-
Tier 2 DC Only System	31,897	N/A
Tier 2 DC Public Safety and Firefighter System	11,848	N/A
Total Contributions	\$ 1,945,456	\$ -

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 6 - Retirement Plans – Continued**

Contributions reported are URS Board approved required contributions by System. Contributions in the Tier 2 Systems are used to finance the unfunded liabilities in the Tier 1 Systems.

**Combined Pension Assets, Liabilities, Expenses, and Deferred Outflows of Resources and Deferred inflows of Resources Related to Pensions**

At June 30, 2022, we reported a net pension asset of \$4,875,195 and a net pension liability of \$0.

	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2020	Change (Decrease)
Noncontributory System	\$2,254,027	\$ -	0.3430151%	0.3430151%	0.0505557%
Public Safety System	751,262	-	2.0000007%	2.0000007%	0.0977884%
Firefighters System	1,766,377	-	0.5959690%	0.5959690%	0.5705360%
Tier 2 Public Employees System	61,208	-	0.1438459%	0.1438459%	0.0007724%
Tier 2 Public Safety and Firefighter	42,321	-	0.6958170%	0.6958170%	0.1415248%
	<u>\$4,875,195</u>	<u>\$ -</u>			

The net pension asset and liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2020 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2022, we recognized pension expense of \$3,001. At June 30, 2022, we reported deferred outflows of resources and deferred inflows of resources related to pensions for the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 820,929	\$ 25,034
Changes in assumptions	553,774	44,757
Net difference between projected and actual earnings on pension plan investments	-	5,956,595
Changes in proportion and differences between contributions and proportionate share of contributions	255,607	39,416
Contributions subsequent to the measurement date	1,013,281	-
	<u>\$ 2,643,591</u>	<u>\$ 6,065,802</u>



**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 6 - Retirement Plans – Continued**

\$1,013,281 was reported as deferred outflows of resources and deferred inflows of resources relating to pension results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2021.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions expense as follows:

<u>Year ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2022	\$ (676,404)
2023	(1,533,366)
2024	(1,385,673)
2025	(976,151)
2026	18,707
Thereafter	117,396
	<u>\$ (4,435,491)</u>

**Noncontributory System Pension Expense, and Deferred Outflows and Inflows of Resources**

For the year ended June 30, 2022 we recognized pension expense of \$(230,116).

At June 30, 2022, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 236,085	\$ -
Changes in assumptions	211,549	14,549
Net difference between projected and actual earnings on pension plan investments	-	3,034,744
Changes in proportion and differences between contributions and proportionate share of contributions	149,063	-
Contributions subsequent to the measurement date	277,374	-
	<u>\$ 874,071</u>	<u>\$ 3,049,293</u>

\$277,374 was reported as deferred outflows of resources and deferred inflows of resources relating to pension results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2021.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 6 - Retirement Plans – Continued**

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions expense as follows:

<u>Year ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2022	\$ (416,522)
2023	(802,858)
2024	(728,983)
2025	(504,233)
2026	-
Thereafter	-
	<u>\$ (2,452,596)</u>

**Public Safety System Pension Expense, and Deferred Outflows and Inflows of Resources**

For the year ended June 30, 2022 we recognized pension expense of \$180,061.

At June 30, 2022, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 474,249	\$ -
Changes in assumptions	130,874	22,107
Net difference between projected and actual earnings on pension plan investments	-	1,617,427
Changes in proportion and differences between contributions and proportionate share of contributions	44,748	-
Contributions subsequent to the measurement date	198,828	-
	<u>\$ 848,699</u>	<u>\$ 1,639,534</u>

\$198,828 was reported as deferred outflows of resources and deferred inflows of resources relating to pension results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2022.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions expense as follows:

<u>Year ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2022	\$ 4,436
2023	(346,265)
2024	377,539
2025	(270,295)
2026	-
Thereafter	-
	<u>\$ (234,585)</u>

**CITY OF SARATOGA SPRINGS**  
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**June 30, 2022**

**Note 6 - Retirement Plans – Continued**

**Firefighters System Pension Expense, and Deferred Outflows and Inflows of Resources**

For the year ended June 30, 2022 we recognized pension expense of (\$383,991).

At June 30, 2022, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 44,593	\$ 10,195
Changes in assumptions	106,787	-
Net difference between projected and actual earnings on pension plan investments	-	1,023,829
Changes in proportion and differences between contributions and proportionate share of contributions	356	38,525
Contributions subsequent to the measurement date	20,986	-
	<u>\$ 172,722</u>	<u>\$ 1,072,549</u>

\$20,986 was reported as deferred outflows of resources and deferred inflows of resources relating to pension results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2021.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions expense as follows:

<b><u>Year ended December 31,</u></b>	<b><u>Net Deferred Outflows (Inflows) of Resources</u></b>
2022	\$ (208,830)
2023	(314,929)
2024	(227,464)
2025	(169,589)
2026	-
Thereafter	-
	<u>\$ (920,812)</u>

**Tier 2 Public Employees System Pension Expense, and Deferred Outflows and Inflows of Resources**

For the year ended June 30, 2022 we recognized pension expense of \$212,842.

At June 30, 2022, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 6 - Retirement Plans – Continued**

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 29,736	\$ 7,886
Changes in assumptions	57,072	579
Net difference between projected and actual earnings on pension plan investments	-	151,237
Changes in proportion and differences between contributions and proportionate share of contributions	36,792	-
Contributions subsequent to the measurement date	289,195	-
	<u>\$ 412,795</u>	<u>\$ 159,702</u>

\$289,195 reported as deferred outflows of resources and deferred inflows of resources relating to pension results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2021.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions expense as follows:

<b><u>Year ended December 31,</u></b>	<b><u>Net Deferred Outflows (Inflows) of Resources</u></b>
2022	\$ (28,113)
2023	(36,126)
2024	(26,123)
2025	(14,912)
2026	12,180
Thereafter	56,992
	<u>\$ (36,102)</u>

**Tier 2 Public Safety and Firefighter Pension Expense, and Deferred Outflows and Inflows of Resources**

For the year ended June 30, 2022 we recognized pension expense of \$224,205.

At June 30, 2022, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 36,266	\$ 6,953
Changes in assumptions	47,492	7,522
Net difference between projected and actual earnings on pension plan investments	-	129,358
Changes in proportion and differences between contributions and proportionate share of contributions	24,647	892
Contributions subsequent to the measurement date	226,898	-
	<u>\$ 335,303</u>	<u>\$ 144,725</u>

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 6 - Retirement Plans – Continued**

\$226,898 was reported as deferred outflows of resources and deferred inflows of resources relating to pension results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2021.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions expense as follows:

<u>Year ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2022	\$ (27,375)
2023	(33,188)
2024	(25,563)
2025	(17,122)
2026	6,527
Thereafter	60,404
	<u>\$ (36,317)</u>

Actuarial assumptions: The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 Percent
Salary increases	3.25 – 9.75 percent, average, including inflation
Investment rate of return	6.85 percent, net of pension plan investment expense, including inflation

Mortality rates were developed from actual experience and mortality tables, based on gender and age, as appropriate, with adjustments for future improvement in mortality based on scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2020; valuation was based on the results of an actuarial experience study for the five year period ending December 31, 2020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
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**Note 6 - Retirement Plans – Continued**

Asset Class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long Term expected portfolio real rate of return
Equity securities	37.00%	6.58%	2.43%
Debt securities	20.00%	-0.28%	-0.06%
Real assets	15.00%	5.77%	0.87%
Private equity	12.00%	9.85%	1.18%
Absolute return	16.00%	2.91%	0.47%
Cash and cash equivalents	0.00%	-1.01%	0.00%
Totals	100%		4.89%
	Inflation		2.50%
	Expected arithmetic nominal return		7.39%

The 6.85% assumed investment rate of return is comprised of an inflation rate of 2.50%, a real return of 4.35% that is net of investment expense.

Discount rate: The discount rate used to measure the total pension liability was 6.85 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced to 6.85 percent from 6.95 percent from the prior measurement period.

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate: The following presents the proportionate share of the net pension liability calculated using the discount rate at 6.95 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.85 percent) or 1-percentage-point higher (7.85 percent) than the current rate:

System	1% Decrease	Discount Rate	1% Increase
	5.85%	6.85%	7.85%
Noncontributory System	\$ 3,050,401	\$ 175,947	\$(2,220,342)
Public Safety System	2,628,708	719,065	(836,940)
Firefighters System	105,420	(802,979)	(1,548,642)
Tier 2 Public Employees System	348,135	20,689	(229,798)
Tier 2 Public Safety and Firefighter	294,247	62,411	(122,493)
Total	\$ 6,426,911	\$ 175,133	\$(4,958,215)

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued URS financial report.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 6 - Retirement Plans – Continued**

**Defined Contribution Savings Plan**

The Defined Contribution Savings Plans are administered by the Utah Retirement Systems Board and are generally supplemental plans to the basic requirements benefits of the Retirement Systems, but may also be used as a primary retirement plan. These plans are voluntary tax-advantaged retirement savings programs authorized under sections 401(k), 457(b), and 408 of the Internal Revenue code. Detailed information regarding plan provision is available in the separately issued URS financial report.

City of Saratoga Springs participates in the following Defined Contribution Savings Plans with Utah Retirement Systems: 401(k) Plan, 457(b) Plan, Roth IRA Plan.

Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans for fiscal year ended June 30 were as follows:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>401(k) Plan</b>			
Employer Contributions	\$950,975	\$763,353	\$734,848
Employee Contributions	227,388	197,727	159,050
<b>457(b) Plan</b>			
Employer Contributions	\$ -	\$ -	\$ -
Employee Contributions	184,596	141,336	88,593
<b>Roth IRA Plan</b>			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 78,150	\$ 66,234	\$ 47,328
<b>Traditional IRA Plan</b>			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 9,750	\$ 6,830	\$ 3,390

**Note 7 - Interfund Transfers**

Transfers were made which will not be repaid. Such amounts for the fiscal year ended June 30, 2022 were as follows:

	<u>In</u>	<u>Out</u>
Governmental:		
General Fund	\$ -	\$ 10,473,176
Capital Projects	10,473,176	-
Total Transfers	<u>\$10,473,176</u>	<u>\$10,473,176</u>

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 7 - Interfund Transfers – Continued**

The purpose of the inter-fund transfers is to meet the City's ongoing cash needs for capital projects. In addition to the transfers, the General Fund charged \$2,836,579 to the enterprise funds for personnel and administrative services and facility costs during the year.

**Note 8 - Contingent Liabilities**

Amounts received or receivables from grantor agencies are subject to audit and adjustment by those grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial. The City is also involved in various claims and litigation that should be covered by insurance.

On March 30, 2010 the City entered into an agreement with a neighboring municipality to provide police services. For the year ended June 30, 2022 the City received \$2,095,061 for the service.

**Note 9 - Construction Commitments**

The City has active construction projects as of June 30, 2022. The projects include construction of roads and utility system upgrades.

<u>Projects</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>	<u>Estimated Completion</u>
All Projects	\$17,402,515	\$19,908,454	June 2023

**Note 10 - 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. These risks are covered by commercial insurance purchased from independent third parties and participation in the Local Governments Trust, a public entity risk pool. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. The City carries \$2,000,000 of liability coverage and \$1,000,000 of fidelity bond coverage for the treasurer.

The City participates in the public entity risk pool's general liability insurance program. This program requires annual premiums based on the City's level of insurance and previous claims experience. The payment of the premium indemnifies the City for claims that exceed its deductible amount. The risk pool is governed by the inter-local risk pool agreement.



**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 11 – Long-term debt**

**Special Assessment Bonds**

The 2012 series bonds will be repaid from assessments levied against the property owners benefited by the improvements made by the City in the special improvement district area. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time a debt service payment is due, the government may draw from the established reserve fund to cover the deficiency. The bonds have a stated rate of interest of 0.75% -4.45% with a maturity date of April 1, 2029.

The 2012 series special assessment bond is recorded in the enterprise fund with annual debt service requirements to maturity for special assessment bonds as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 70,000	\$ 21,423	\$ 91,423
2024	72,000	19,393	91,393
2025	74,000	17,017	91,017
2026	77,000	14,168	91,168
2027	81,000	10,972	91,972
2028-2029	171,000	11,486	182,486
<b>Total</b>	<b>\$ 545,000</b>	<b>\$ 94,459</b>	<b>\$ 639,459</b>

**B. Revenue Bonds**

The government has issued bonds where the government pledged revenues derived from the operation of the utility system to pay the outstanding debt service. Revenue bonds are the obligations of the enterprise funds.

**2014 Water Revenue Bonds**

On October 22, 2014, the City issued \$9,995,000 in Series 2014 Water Revenue Bonds with a maturity date of December 1, 2033 with an average coupon rate of 3.051%. The bonds were issued to (1) finance the costs associated with acquiring, constructing, and equipping portions of the City's culinary water system, (2) refund the Series 2005, 2006, and 2009 Water Revenue Bonds, and (3) finance the cost of issuance of the Series 2014 Bonds. Each principal payment is subject to prepayment and redemption at any time, in whole or in part, in inverse order, at the election of the City. The redemption price is equal to 100% of the principal amount to be prepaid or redeemed, plus accrued interest, if any, to the date of redemption, with annual debt service requirements to maturity for special assessment bonds as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 485,000	\$ 214,124	\$ 699,124
2024	495,000	202,000	697,000
2025	510,000	189,626	699,626
2026	525,000	174,326	699,326
2027	540,000	158,576	698,576
2028-2032	2,980,000	535,704	3,515,704
2033-2035	1,335,000	70,526	1,405,526
<b>Total</b>	<b>\$ 6,870,000</b>	<b>\$ 1,544,882</b>	<b>\$ 8,414,882</b>

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 11 – Long-term debt**

**2016 Water Revenue Bonds**

On November 22, 2016, the City issued \$9,710,000 in Series 2016 Water Revenue Bonds with a maturity date of June 1, 2037 with an average coupon rate of 2.50%. The bonds were issued to finance the costs associated with acquiring, constructing, and equipping portions of the City's culinary water system. Each principal payment is subject to prepayment and redemption at any time, in whole or in part, in inverse order, at the election of the City. The redemption price is equal to 100% of the principal amount to be prepaid or redeemed, plus accrued interest, if any, to the date of redemption. The annual debt service requirements to maturity for revenue bonds are as follows:

<b><u>Year Ending June 30,</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2023	\$ 410,000	\$ 275,200	\$ 685,200
2024	425,000	258,425	683,425
2025	445,000	236,675	681,675
2026	470,000	213,800	683,800
2027	495,000	194,675	689,675
2028-2032	2,735,000	693,325	3,428,325
2033-2037	3,175,000	235,125	3,410,125
<b>Total</b>	<b>\$ 8,155,000</b>	<b>\$ 2,107,225</b>	<b>\$ 10,262,225</b>

The City has pledged all water utility net revenues to pay the debt service costs through maturity in 2037. During the year, the net revenue before depreciation was \$4,856,113 and the debt service requirement was \$913,651.

**2018 Sewer Revenue Bonds**

On May 17, 2018, the City issued \$9,970,000 in Series 2018 Sewer Revenue Bonds with a maturity date of June 1, 2038 with an average coupon rate of 3.25%. The bonds were issued to finance the costs associated with acquiring, constructing, and equipping portions of the City's sewer system. Each principal payment is subject to prepayment and redemption at any time, in whole or in part, in inverse order, at the election of the City. The redemption price is equal to 100% of the principal amount to be prepaid or redeemed, plus accrued interest, if any, to the date of redemption. The annual debt service requirements to maturity for revenue bonds are as follows:

<b><u>Year Ending June 30,</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2023	\$ 430,000	\$ 278,962	\$ 708,962
2024	440,000	266,062	706,062
2025	455,000	252,862	707,862
2026	470,000	239,212	709,212
2027	485,000	225,112	710,112
2028-2032	2,645,000	898,760	3,543,760
2033-2037	3,085,000	449,890	3,534,890
2038	685,000	23,976	708,976
<b>Total</b>	<b>\$ 8,695,000</b>	<b>\$ 2,634,836</b>	<b>\$ 11,329,836</b>

The City has pledged all sewer utility net revenues to pay the debt service costs through maturity in 2038. During the year, the net revenue before depreciation was \$2,130,818 and the debt service requirement was \$706,412.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 11 - Long-term Debt – Continued**

**Sales Tax Revenue Bonds**

Sales tax revenue bonds are special limited obligations of the City backed by the portion of sales and use taxes levied by the City under the Local Sales and Use Tax Act. The bonds are obligations of the governmental funds.

**2011 Sales Tax Revenue Bonds**

On June 1, 2011, the city issued \$4,000,000 in Series 2011 Sales Taxes Revenue Bonds at interest rates ranging from 3.0% to 4.125% with a maturity date of June 1, 2031. The bonds were issued to finance the costs associated with acquiring, constructing, renovating, equipping, and furnishing the City's facilities (including a public works facility, fire station, and city well improvements) and to exercise a purchase option under an outstanding financing lease for the City Hall building. Bond proceeds were also used to pay the cost of issuance of the Bonds. The Bonds maturing on or after June 1, 2021 are subject to redemption prior to maturity, in whole or in part, at the option of the City on December 31, 2020 or on any date thereafter, from such maturities or parts thereof as selected by the City. The redemption price will equal 100% of the principal amount to be repaid or redeemed, plus accrued interest, if any, to the date of redemption. The City has pledged all sales tax revenues to pay the debt service costs through maturity in 2031. The City has pledged all of its sales tax revenues. Revenue bond debt service requirements to maturity are as follows:

<b><u>Year Ending June 30,</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2023	\$ 205,000	\$ 85,750	\$ 290,750
2024	210,000	79,088	289,088
2025	220,000	70,688	290,688
2026	230,000	61,888	291,888
2027	240,000	52,688	292,688
2028-2031	1,060,000	110,414	1,170,414
<b>Total</b>	<b>\$ 2,165,000</b>	<b>\$ 460,516</b>	<b>\$ 2,625,516</b>

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 11 - Long-term Debt – Continued**

**2017 Sales Tax Revenue Bonds**

On December 1, 2016, the city issued \$4,000,000 in Series 2017 Sales Taxes Revenue Bonds at interest rates ranging from 3.0% to 3.50% with a maturity date of June 1, 2037. The bonds were issued to finance the costs associated with acquiring, constructing, renovating, equipping, and furnishing the City's facilities (including a regional park complex). Bond proceeds were also used to pay the cost of issuance of the Bonds. The Bonds maturing on or after June 1, 2037 are subject to redemption prior to maturity, in whole or in part, at the option of the City on December 31, 2020 or on any date thereafter, from such maturities or parts thereof as selected by the City. The redemption price will equal 100% of the principal amount to be repaid or redeemed, plus accrued interest, if any, to the date of redemption. The City has pledged all sales tax revenues to pay the debt service costs through maturity in 2037. Revenue bond debt service requirements to maturity are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 425,000	\$ 248,726	\$ 673,726
2024	435,000	235,976	670,976
2025	450,000	222,926	672,926
2026	460,000	209,426	669,426
2027	475,000	195,626	670,626
2028-2032	2,600,000	755,380	3,355,380
2033-2037	3,035,000	322,810	3,357,810
<b>Total</b>	<b>\$ 7,880,000</b>	<b>\$ 2,190,870</b>	<b>\$ 10,070,870</b>

During the year the sales tax revenue was \$9,457,461 and the debt service requirement was \$763,276 or 8% of the sales tax revenue. The City has pledged all of its sales tax revenues.

**C. Note Payable**

**Culinary Water System**

Prior to the City being established in December 1997, a water company had built a water system in the area covered by the City. On February 2, 2005, the city entered into a settlement agreement to purchase the water system and the rights to the unused water capacity. The City's obligation of \$21,000,000 is to be serviced by paying two-thirds, presently \$2,000, of each connection or impact fee collected. By agreement, the obligation bears no interest. If the City has not paid the full obligation by February 2, 2025, then the remaining, unpaid balance becomes due at that date. The note is an obligation of the water enterprise fund. Based on the projection of 525 connections annually, the remaining obligation is expected to be retired as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 1,116,768	\$ -	\$ 1,116,768
<b>Total</b>	<b>\$ 1,116,768</b>	<b>\$ -</b>	<b>\$ 1,116,768</b>

**Note Payable – Developer**

In 2017 the City entered into an agreement to reimburse a developer for work performed on the storm drain system. The developer placed improvements to the storm drain infrastructure in the amount of \$3,136,549. The City agreed to reimburse the developer with impact fees collected and credits used. Because reimbursement is contingent upon impact fees assigned, there is no amortization schedule for this note.

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note 11 - Long-term Debt – Continued**

**Lease Obligation**

The City has entered into a lease agreement to purchase a fire truck. The equipment will become the property of the City when the terms of the lease agreement are met. The contract contains a fiscal non-funding clause that allows the City Council the option of terminating the lease at the end of any fiscal year. In the opinion of City management, the likelihood of this clause being exercised is remote. The original lease amount was for \$1,239,610. The amount drawn down and used was \$1,066,916. The difference was used to reduce the balance of the lease. The obligation requires semi-annual principal and interest payments until July 2024. The Lease carries a 2.25% interest rate. The amount of the underlying asset was \$1,083,019 and is being depreciated over its useful life. As of June 30, 2022 the accumulated depreciation was 85,258. The future Principal and interest payments are:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 249,900	\$ 11,438	\$ 261,338
2024	255,553	5,783	261,336
2025	65,010	2,384	67,394
<b>Total</b>	<b>\$ 570,463</b>	<b>\$ 19,605</b>	<b>\$ 590,068</b>

**D. Changes in Long-term Debt**

During the year ended June 30, 2022, the following activity occurred in liabilities reported as long-term:

	<u>Balance at June 30, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2022</u>	<u>Due within one year</u>
<b>Governmental activities</b>					
Bonds payable:					
2011 Sales Tax Revenue Bond	\$ 2,365,000	\$ -	\$ (200,000)	\$ 2,165,000	\$ 205,000
2017 Sales Tax Revenue Bond	8,290,000	-	(410,000)	7,880,000	425,000
Unamortized Bond Premium	243,372	-	(15,211)	228,161	-
Total bonds payable	10,898,372	-	(625,211)	10,273,161	630,000
Lease Obligation	815,488	-	(245,024)	570,464	249,900
Net pension liability	933,941		(933,941)	-	-
Compensated absences	705,648	697,325	(523,556)	879,417	376,998
<b>Total Governmental Long-Term Obligations</b>	<b>\$ 13,353,449</b>	<b>\$ 697,325</b>	<b>\$ (2,327,732)</b>	<b>\$ 11,723,042</b>	<b>\$ 1,256,898</b>

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

	Balance at June 30, 2021	Additions	Reductions	Balance at June 30, 2022	Due within one year
<b>Business-Type Activities</b>					
Bonds payable:					
2012 Special Assessment Bond	\$ 731,000	\$ -	\$ (186,000)	\$ 545,000	\$ 70,000
2014 Water Revenue Bond	7,345,000	-	(475,000)	6,870,000	485,000
2016 Water Revenue Bond	8,550,000	-	(395,000)	8,155,000	410,000
Unamortized Bond Premium	325,482	-	(21,699)	303,783	-
2018 Sewer Revenue Bond	9,110,000	-	(415,000)	8,695,000	430,000
Unamortized Bond Premium	84,152	-	(5,259)	78,893	-
Total bonds payable	26,145,634	-	(1,497,958)	24,647,676	1,395,000
Contract Payable (as restated see note 13)	3,194,485	-	(2,077,717)	1,116,768	1,116,768
Note payable - developer	1,938,565	-	-	1,938,565	-
Net pension liability	44,172	-	(44,172)	-	-
Compensated absences	52,480	22,186	(23,005)	51,661	22,006
<b>Total Business-Type Long-Term Obligations</b>	<b>\$ 31,375,336</b>	<b>\$ 22,186</b>	<b>\$ (3,642,852)</b>	<b>\$ 27,754,670</b>	<b>\$ 2,533,774</b>

Net Pension Liability in the governmental activities is liquidated using current resources from the fund that the employee worked, typically the General fund.

**Note 12 – Restatement of Net Position**

The City has had a note payable that was created as the City started. In a prior year one payment in the amount of \$191,155 was not recorded against the liability. The beginning fund balance of the Water fund and the beginning net position of the business-type activities have been restated to reflect the error.

**Note 13 – Community Development Agency**

The City Community Development Agency (CDA) was created in fiscal year 2020 to target a community project area. The CDA receives a percentage of the point of sale sales tax collected within the City. These funds are used to help offset the cost of construction and initial operations for incoming businesses within the project area.

In accordance with Utah State Code Section 17C-1-605(1) the City's CDA is required to disclose the following:

**Intergovernmental Revenue**

Project Area 1:	\$ 760,000
Total intergovernmental received by CDA	<u>\$ 760,000</u>

**Revenues Expended:**

Administrative costs	\$ 300
Developer Agreements	696,886
Total funds expended by CDA	<u>\$ 697,186</u>

**CITY OF SARATOGA SPRINGS**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**Note 14 – Subsequent Events**

We have evaluated the events and transactions for potential recognition or disclosure through November 28, 2022 the date the financial statements were available to be issued.

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REQUIRED SUPPLEMENTARY INFORMATION

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**CITY OF SARATOGA SPRINGS**

Required Supplementary Information

Schedule of Contributions

June 30, 2022

Last 10 Fiscal Years\*

	Fiscal year ended June 30,	Actuarial Determined Contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered employee payroll	Contribution as a percentage of covered employee payroll
<b>Noncontributory System</b>	2014	\$ 376,272	\$ 376,272	\$ -	\$ 2,181,974	17.24%
	2015	410,152	410,152	-	2,234,890	18.35%
	2016	398,883	398,883	-	2,159,626	18.47%
	2017	422,199	422,199	-	2,295,957	18.39%
	2018	439,512	439,512	-	2,406,599	18.26%
	2019	456,481	456,481	-	2,485,898	18.36%
	2020	462,434	462,434	-	2,516,868	18.37%
	2021	468,326	468,326	-	2,540,626	18.43%
	2022	566,357	566,357	-	3,078,209	18.40%
<b>Public Safety System</b>	2014	301,111	301,111	-	1,134,533	26.54%
	2015	272,932	272,932	-	1,138,990	23.96%
	2016	279,168	279,168	-	1,175,484	23.75%
	2017	284,450	284,450	-	1,190,696	23.89%
	2018	306,295	306,295	-	1,286,043	23.82%
	2019	332,460	332,460	-	1,286,651	25.84%
	2020	353,586	353,586	-	1,298,806	27.22%
	2021	370,789	370,789	-	1,359,194	27.28%
	2022	391,713	391,713	-	1,392,623	28.13%
<b>Firefighters System</b>	2014	14,208	14,208	-	233,012	6.10%
	2015	18,440	18,440	-	279,810	6.59%
	2016	23,989	23,989	-	355,634	6.75%
	2017	26,859	26,859	-	403,277	6.66%
	2018	28,456	28,456	-	424,716	6.70%
	2019	30,989	30,989	-	429,077	7.22%
	2020	34,509	34,509	-	476,642	7.24%
	2021	36,503	36,503	-	504,181	7.24%
	2022	41,331	41,331	-	570,871	7.24%
<b>Tier 2 Public Employees System</b>	2016	112,743	112,743	-	756,062	41.91%
	2017	156,900	156,900	-	1,052,316	14.91%
	2018	229,355	229,355	-	1,517,905	15.11%
	2019	251,427	251,427	-	1,618,073	15.54%
	2020	321,216	321,216	-	2,051,192	15.86%
	2021	390,267	290,267	-	2,471,484	15.79%
	2022	504,025	504,025	-	3,138,016	16.06%
<b>Tier 2 Public Safety and Firefighters System*</b>	2014	30,095	30,095	-	214,501	14.03%
	2015	57,532	57,532	-	385,088	14.94%
	2016	112,743	112,743	-	756,062	14.91%
	2017	77,557	77,557	-	465,913	16.65%
	2018	127,672	127,672	-	773,055	16.52%
	2019	185,331	185,331	-	1,026,493	18.05%
	2020	216,163	216,163	-	1,234,416	17.51%
	2021	320,694	320,694	-	1,657,881	19.34%
	2022	428,285	428,285	-	2,194,570	19.52%
<b>Tier 2 Public Employees DC Only System*</b>	2014	1,163	1,163	-	25,982	4.47%
	2015	2,254	2,254	-	52,502	4.29%
	2016	2,376	2,376	-	35,507	6.69%
	2017	3,517	3,517	-	52,577	6.69%
	2018	7,011	7,011	-	104,797	6.69%
	2019	13,925	13,925	-	208,148	6.69%
	2020	21,390	21,390	-	319,731	6.69%
	2021	28,863	28,863	-	430,494	6.70%
	2022	31,897	31,897	-	476,788	6.69%
<b>Tier 2 Public Safety and Fire Fighter DC Only System*</b>	2014	-	-	-	-	-
	2015	-	-	-	-	-
	2016	-	-	-	-	-
	2017	-	-	-	-	-
	2018	-	-	-	-	-
	2019	1,137	1,137	-	11,676	9.74%
	2020	4,602	4,602	-	47,249	9.74%
	2021	9,102	9,102	-	115,367	7.89%
	2022	11,848	11,848	-	218,235	5.43%

\* Contributions in Tier 2 include an amortization rate to help the unfunded liabilities in the Tier 1 systems.  
Tier 2 systems were created effective July 1, 2011.

\*\* The amounts presented were determined for the Calendar year January 1-December 31. In accordance with GASB 68, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**CITY OF SARATOGA SPRINGS**  
Required Supplementary Information  
Schedule of the Proportionate Share of the Net Pension Liability  
June 30, 2022  
Last 10 Fiscal Years\*

	Fiscal Year	Proportion of the net liability (asset)	Proportionate share of the net pension liability (asset)	Covered employee payroll	Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
<b>Noncontributory System</b>						
	2015	0.2635465%	\$ 1,144,381	\$ 2,236,578	51.20%	90.20%
	2016	0.2668688%	1,510,073	2,164,610	69.76%	87.80%
	2017	0.2917979%	1,873,700	2,353,876	79.60%	87.30%
	2018	0.2958139%	1,296,049	2,266,730	57.18%	91.90%
	2019	0.3162762%	2,328,971	2,433,749	95.69%	87.00%
	2020	0.3350093%	1,262,606	2,526,865	49.97%	93.70%
	2021	0.3430151%	175,947	2,458,606	7.16%	99.20%
	2022	0.3935716%	(2,254,027)	2,892,370	-77.93%	108.70%
<b>Public Safety System</b>						
	2015	0.2635465%	574,927	1,140,839	50.40%	89.00%
	2016	1.3970959%	681,715	1,149,462	59.31%	87.60%
	2017	1.4915100%	929,654	1,235,277	75.26%	86.10%
	2018	1.5064946%	727,943	1,202,686	60.53%	90.50%
	2019	1.7780179%	1,401,071	1,287,130	108.85%	85.60%
	2020	1.8502266%	918,822	1,277,023	71.95%	91.70%
	2021	2.0000007%	719,065	1,345,049	53.46%	94.50%
	2022	2.0977891%	(751,262)	1,360,181	-55.23%	105.10%
<b>Firefighters retirement system</b>						
	2015	0.3034621%	(33,395)	252,495	-13.20%	101.30%
	2016	0.3757619%	63,939	316,691	20.19%	98.10%
	2017	0.4743030%	70,158	410,102	17.11%	98.40%
	2018	0.4811169%	(107,932)	402,462	-26.82%	102.30%
	2019	0.5103655%	206,265	417,313	49.43%	96.10%
	2020	0.5488766%	(234,220)	451,447	-76.03%	105.80%
	2021	0.5959690%	(802,979)	491,949	-163.22%	112.00%
	2022	0.6530226%	(1,766,377)	534,527	-330.46%	122.90%
<b>Tier 2 Public Employees Retirement System</b>						
	2015	0.0561807%	(1,703)	275,889	-0.60%	103.50%
	2016	0.0886421%	(194)	572,836	-0.03%	100.20%
	2017	0.1129970%	12,605	926,665	1.36%	95.10%
	2018	0.1337068%	11,789	1,306,770	0.90%	97.40%
	2019	0.1257648%	53,862	1,470,210	3.66%	90.80%
	2020	0.1307647%	29,410	1,817,220	1.62%	96.50%
	2021	0.1438459%	20,689	2,299,270	0.90%	98.30%
	2022	14.4618300%	(61,208)	2,683,541	-2.28%	103.80%
<b>Tier 2 Public Safety and Firefighters retirement system</b>						
	2015	0.5381763%	(7,961)	222,627	-3.60%	120.50%
	2016	0.4654713%	(6,801)	276,945	-2.46%	110.70%
	2017	0.5354597%	(4,648)	442,409	-1.05%	103.60%
	2018	0.5385951%	(6,232)	568,236	-1.10%	103.00%
	2019	0.7115034%	17,827	950,988	1.87%	95.60%
	2020	0.6651502%	62,567	1,096,302	5.71%	89.60%
	2021	0.6958170%	62,411	1,381,658	4.52%	93.10%
	2022	0.8373416%	(42,321)	2,002,406	-2.11%	102.80%

\* The amounts presented for each fiscal year were determined as of December 31. In accordance with GASB 68, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**CITY OF SARATOGA SPRINGS**  
**Notes to Required Supplementary Information**  
**For the year ended June 30, 2022**

Change in Assumptions

The investment return assumption was decreased by 0.10% to 6.85% for use in the January 1, 2021 actuarial valuation. This assumption change was based on analysis performed by the actuary and adopted by the Utah State Retirement Board. In aggregate, this assumption change resulted in a \$509 million increase in the Total Pension Liability, which is about 1.3% of the Total Pension Liability of as December 31, 2020 for all systems combined. The demographic assumptions were reviewed and updated in the January 1, 2020 actuarial valuation and are currently scheduled to be reviewed in the year 2023.

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SUPPLEMENTARY INFORMATION

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**CITY OF SARATOGA SPRINGS**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget to Actual**

**Capital Projects Fund** – The Capital Projects Fund is used to account for financial resources used for the acquisition or construction of major capital improvements (other than those financed by proprietary funds.)

**Community Development Fund** – The special revenue fund accounts for all of the Saratoga Springs Community Development Agency.

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**CITY OF SARATOGA SPRINGS**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget to Actual  
**Capital Projects Fund**  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final	Totals	
<b>REVENUES</b>				
Intergovernmental	\$ 1,216,781	\$ 10,054,135	\$ 1,969,221	\$ (8,084,914)
Investment earnings	-	-	(77,182)	(77,182)
Impact fees	2,000,000	2,610,000	5,389,584	2,779,584
Miscellaneous	-	-	53,123	53,123
Total Revenues	<u>3,216,781</u>	<u>12,664,135</u>	<u>7,334,746</u>	<u>(5,329,389)</u>
<b>EXPENDITURES</b>				
General government	-	-	-	-
Public safety	300,000	933,112	22,475	910,637
Highways and public works	5,689,000	22,462,050	7,375,206	15,086,844
Parks and recreation	1,969,230	13,885,522	7,791,955	6,093,567
Capital expenditures	-	2,090,000	1,906,676	183,324
Debt service	-	-	-	-
Principal retirement	400,000	655,024	655,024	-
Interest and fiscal charges	273,025	279,338	279,179	159
Total expenditures	<u>8,631,255</u>	<u>40,305,046</u>	<u>18,030,515</u>	<u>22,274,531</u>
Excess (deficit) of revenues over (under) expenditures	<u>(5,414,474)</u>	<u>(27,640,911)</u>	<u>(10,695,769)</u>	<u>16,945,142</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	5,843,229	10,473,176	4,629,947
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>5,843,229</u>	<u>10,473,176</u>	<u>4,629,947</u>
Net change in fund balance	(5,414,474)	(21,797,682)	(222,593)	21,575,089
Fund balances - beginning	22,491,870	22,491,870	22,491,870	-
Fund balances - ending	<u>\$ 17,077,396</u>	<u>\$ 694,188</u>	<u>\$ 22,269,277</u>	<u>\$ 21,575,089</u>

**CITY OF SARATOGA SPRINGS**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget to Actual  
**Community Development Agency**  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Totals	Final Budget - Positive (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ 760,000	\$ 760,000	\$ 760,000	\$ -
Total revenues	760,000	760,000	760,000	-
<b>EXPENDITURES</b>				
Community Development	760,000	760,000	696,886	63,114
Total expenditures	760,000	760,000	696,886	63,114
Excess (deficit) of revenues over (under) expenditures	-	-	63,114	63,114
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Net change in fund balance	-	-	63,114	63,114
Fund balances - beginning	-	-	71,156	71,156
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 134,270</u>	<u>\$ 134,270</u>

**CITY OF SARATOGA SPRINGS**  
**Combining Financial Statements**  
**Nonmajor Proprietary Funds**

**Garbage Collection Utility Fund** – The Garbage Collection Utility Fund accounts for the collection and disposal of garbage for City residents.

**Street Light Utility Fund** – The Street Light Utility Fund accounts for the street light services of the City for its residents.

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# CITY OF SARATOGA SPRINGS

## Combining Statement of Net Position

### Nonmajor Proprietary Funds

June 30, 2022

	Garbage	Street Lights	Total
<b><u>ASSETS</u></b>			
Current assets:			
Cash and cash equivalents	\$ 58,500	\$ 655,763	\$ 714,263
Accounts receivable - net	245,182	45,666	290,848
Due from other funds	-	63,710	63,710
Total current assets	<u>303,682</u>	<u>765,139</u>	<u>1,068,821</u>
Noncurrent assets:			
Capital Assets			
Equipment	-	145,503	145,503
Street light system	-	5,309,968	5,309,968
Less: Accumulated depreciation	-	(3,310,739)	(3,310,739)
Total capital assets	<u>-</u>	<u>2,144,732</u>	<u>2,144,732</u>
Total noncurrent assets	<u>-</u>	<u>2,144,732</u>	<u>2,144,732</u>
Total assets	<u>303,682</u>	<u>2,909,871</u>	<u>3,213,553</u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>			
Pension related costs	-	-	-
Total deferred outflow of resources	<u>-</u>	<u>-</u>	<u>-</u>
Total assets & deferred outflows of resources	<u>\$ 303,682</u>	<u>\$ 2,909,871</u>	<u>\$ 3,213,553</u>
<b><u>LIABILITIES</u></b>			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 22,181	\$ 6,937	\$ 29,118
Due to other funds	-	-	-
Unearned revenue	-	63,710	63,710
Total current liabilities	<u>22,181</u>	<u>70,647</u>	<u>92,828</u>
Noncurrent liabilities:			
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>22,181</u>	<u>70,647</u>	<u>92,828</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Pension related costs	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
<b><u>NET POSITION</u></b>			
Net investment in capital assets	-	2,144,732	2,144,732
Unrestricted	281,501	694,492	975,993
Total net Position	<u>281,501</u>	<u>2,839,224</u>	<u>3,120,725</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 303,682</u>	<u>\$ 2,909,871</u>	<u>\$ 3,213,553</u>

# CITY OF SARATOGA SPRINGS

## Combining Statement of Revenues, Expenses, and Changes in Fund Net Position

### Nonmajor Proprietary Funds

For the Year Ended June 30, 2022

	Garbage	Street Lights	Total
<b>Operating revenues:</b>			
Charges for services	\$ 2,169,154	\$ 511,985	\$ 2,681,139
Other	-	-	-
Total operating revenues	<u>2,169,154</u>	<u>511,985</u>	<u>2,681,139</u>
<b>Operating expenses:</b>			
Supplies and Maintenance	3,434	41,043	44,477
Administration	113,646	44,495	158,141
Treatment and sanitation	1,925,897	310,233	2,236,130
Depreciation	-	98,158	98,158
Total operating expenses	<u>2,042,977</u>	<u>493,929</u>	<u>2,536,906</u>
Operating income	<u>126,177</u>	<u>18,056</u>	<u>144,233</u>
<b>Nonoperating revenues (expenses):</b>			
Interest revenue	(2,292)	(1,179)	(3,471)
Total nonoperating revenues (expenses)	<u>(2,292)</u>	<u>(1,179)</u>	<u>(3,471)</u>
Net income (loss) before contributions and transfers	<u>123,885</u>	<u>16,877</u>	<u>140,762</u>
Contributions and transfers			
Contributions from developers		433,400	433,400
Operating transfers in	-	-	-
Total contributions and transfers	<u>-</u>	<u>433,400</u>	<u>433,400</u>
Change in net Position	123,885	450,277	574,162
Total net position - beginning	157,616	2,388,947	2,546,563
Total net position - ending	<u>\$ 281,501</u>	<u>\$ 2,839,224</u>	<u>\$ 3,120,725</u>

**CITY OF SARATOGA SPRINGS**  
Combining Statement of Cash Flows  
**Nonmajor Proprietary Funds**  
For the Year Ended June 30, 2022

	Garbage	Street Lights	Total
<b>Cash Flows From Operating Activities</b>			
Receipts from customers	\$ 2,106,218	\$ 568,452	\$ 2,674,670
Payments to employees	-	-	-
Payments to suppliers	(2,065,170)	(391,294)	(2,456,464)
Net cash provided (used) by operating activities	41,048	177,158	218,206
<b>Cash Flows From Noncapital Financing Activities</b>			
Advance from other funds	-	(63,710)	(63,710)
Transfers Out	-	-	-
Net cash provided (used) by noncapital financing activities	-	(63,710)	(63,710)
<b>Cash Flows From Capital and Related Financing Activities</b>			
Purchase of Capital Assets	-	-	-
Proceeds from the sale of assets	-	-	-
Net cash provided (used) by capital and related financing activities	-	-	-
<b>Cash Flows From Investing Activities</b>			
Interest and dividends received	(2,292)	(1,179)	(3,471)
Net cash provided (used) by investing and related financing activities	(2,292)	(1,179)	(3,471)
Net increase (decrease) in cash and cash equivalents	38,756	112,269	151,025
Cash and cash equivalents - beginning	19,744	543,494	563,238
Cash and cash equivalents - end	\$ 58,500	\$ 655,763	\$ 714,263
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>			
Operating income	\$ 126,177	\$ 18,056	\$ 144,233
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	-	98,158	98,158
(Increase)/ decrease in accounts receivable	(62,936)	(7,243)	(70,179)
(Increase)/ decrease in due from other funds	-	-	-
(Increase)/ decrease in net pension asset	-	-	-
(Increase)/ decrease in deferred outflows	-	-	-
Increase/(decrease) in unearned revenues	-	63,710	63,710
Increase/(decrease) in net pension liability	-	-	-
Increase/(decrease) in deferred inflows	-	-	-
Increase/(decrease) in accounts payable	(22,193)	4,477	(17,716)
Increase/(decrease) in due to other funds	-	-	-
Total adjustments	(85,129)	159,102	73,973
Net cash provided (used) by operating activities	\$ 41,048	\$ 177,158	\$ 218,206
Capital assets contributed by developers		\$ 433,400	\$ 433,400

## STATISTICAL SECTION

The Statistical Section presents detailed comparative data to assist with understanding what the information in the financial statements, note disclosures, and required supplementary information express about the government's overall financial health.

### Financial Trends

*Those schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.*

### Revenue Capacity

*These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.*

### Debt Capacity

*These schedules contain information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.*

### Demographic and Economic Information

*These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.*

### Operating Information

*These schedules contain service data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.*

**Schedule 1**  
**CITY OF SARATOGA SPRINGS, UTAH**  
**NET POSITION BY COMPONENT**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Governmental Activities</b>										
Net investment in										
capital assets	\$ 72,106,589	\$ 74,598,446	\$ 73,222,615	\$ 86,379,952	\$ 84,573,253	\$ 99,816,127	\$ 110,194,198	\$ 109,105,129	\$ 116,588,211	\$ 140,369,369
Restricted	600,591	95,687								
Unrestricted	15,171,267	15,320,390	17,070,401	16,492,718	17,926,208	8,084,211	3,464,154	19,198,919	30,761,886	32,709,953
<b>Total Governmental Activities</b>										
<b>Net Position</b>	<u>\$ 87,878,447</u>	<u>\$ 90,014,523</u>	<u>\$ 90,293,016</u>	<u>\$ 102,872,670</u>	<u>\$ 102,499,461</u>	<u>\$ 107,900,338</u>	<u>\$ 113,658,352</u>	<u>\$ 128,304,048</u>	<u>\$ 147,350,097</u>	<u>\$ 173,079,322</u>
<b>Business-Type Activities</b>										
Net investment in										
capital assets	\$ 79,541,530	\$ 83,658,220	\$ 87,124,624	\$ 104,205,965	\$ 112,772,271	\$ 123,848,895	\$ 130,346,977	\$ 155,298,414	\$ 173,215,505	\$ 194,499,093
Restricted	-	-	2,814,571	2,787,320	-	-	-	-	9,311,973	9,311,973
Unrestricted	8,625,624	8,122,994	8,754,227	14,074,089	14,063,076	18,342,889	24,750,785	30,830,036	28,607,235	21,722,304
<b>Total Business-Type Activities</b>										
<b>Net Position</b>	<u>\$ 88,167,154</u>	<u>\$ 91,781,214</u>	<u>\$ 98,693,422</u>	<u>\$ 121,067,374</u>	<u>\$ 126,835,347</u>	<u>\$ 142,191,784</u>	<u>\$ 155,097,762</u>	<u>\$ 186,128,450</u>	<u>\$ 211,134,713</u>	<u>\$ 225,533,370</u>
<b>Primary Government</b>										
Net investment in										
capital assets	\$ 151,648,119	\$ 158,256,666	\$ 160,347,239	\$ 190,585,917	\$ 197,345,524	\$ 223,665,022	\$ 240,541,175	\$ 264,403,543	\$ 289,803,716	\$ 334,868,462
Restricted	600,591	95,687	5,814,571	2,787,320					9,311,973	9,311,973
Unrestricted	23,796,891	23,443,384	25,824,628	30,566,807	31,989,284	26,427,100	28,214,939	50,028,955	59,369,121	54,432,257
<b>Total Primary Government</b>										
<b>Net Position</b>	<u>\$ 176,045,601</u>	<u>\$ 181,795,737</u>	<u>\$ 191,986,438</u>	<u>\$ 223,940,044</u>	<u>\$ 229,334,808</u>	<u>\$ 250,092,122</u>	<u>\$ 268,756,114</u>	<u>\$ 314,432,498</u>	<u>\$ 358,484,810</u>	<u>\$ 398,612,692</u>

Note: Table represents data available since implementation of GASB Statement 44, and will increase to ten years over time

**Schedule 2**  
**CITY OF SARATOGA SPRINGS, UTAH**  
**CHANGES IN NET POSITION**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Expenses</b>										
<b>Governmental Activities:</b>										
General Government	\$ 2,609,093	\$ 2,171,825	\$ 2,096,762	\$ 2,462,795	\$ 2,740,131	\$ 2,454,741	\$ 2,787,352	\$ 3,493,773	\$ 3,287,711	\$ 3,406,761
Public Safety	4,966,496	5,018,488	5,240,399	6,012,919	6,654,993	7,398,839	8,379,318	9,167,799	10,352,752	11,853,314
Highways and Public Improvements	4,722,390	2,666,666	5,384,522	5,966,661	5,850,964	6,463,171	5,829,164	6,556,569	8,221,400	6,995,902
Parks and Recreation	2,438,028	2,635,964	2,701,630	2,023,421	3,532,875	3,351,597	4,156,484	4,618,654	6,584,555	7,089,330
Community Development									238,844	696,886
Interest on Long-Term Debt	141,240	142,332	137,882	133,171	392,392	726,526	571,051	429,622	358,760	346,684
<b>Total Governmental Activities</b>	<b>14,877,247</b>	<b>12,635,275</b>	<b>15,561,195</b>	<b>16,598,967</b>	<b>19,171,355</b>	<b>20,394,874</b>	<b>21,723,369</b>	<b>24,266,417</b>	<b>29,044,022</b>	<b>30,388,877</b>
<b>Business-Type Activities:</b>										
Water Utility	5,102,548	5,001,698	5,477,856	6,353,950	7,828,265	8,902,476	9,484,321	10,080,829	10,518,219	22,184,280
Sewer Utility	3,066,436	3,005,658	3,244,648	4,203,587	3,541,052	4,989,823	4,888,210	5,303,150	5,831,784	6,304,872
Garbage Utility	822,106	1,028,024	1,080,662	1,059,777	1,171,046	1,557,791	1,518,045	1,746,278	2,090,946	2,014,465
Storm Drain Utility	691,410	880,773	908,198	901,351	954,935	1,303,165	1,324,079	1,581,290	2,498,172	2,042,977
Street Lighting					-		477,347	323,199	431,539	493,929
<b>Total Business-Type Activities</b>	<b>9,682,500</b>	<b>9,916,153</b>	<b>10,711,364</b>	<b>12,518,665</b>	<b>13,495,298</b>	<b>16,753,255</b>	<b>17,692,002</b>	<b>19,034,746</b>	<b>21,370,660</b>	<b>33,040,523</b>
<b>Total Primary Government Expenses</b>	<b>\$ 24,559,747</b>	<b>\$ 22,551,428</b>	<b>\$ 26,272,559</b>	<b>\$ 29,117,632</b>	<b>\$ 32,666,653</b>	<b>\$ 37,148,129</b>	<b>\$ 39,415,371</b>	<b>\$ 43,301,163</b>	<b>\$ 50,414,682</b>	<b>\$ 63,429,400</b>
<b>Revenues</b>										
<b>Governmental Activities:</b>										
Charges for Services										
General Government	\$ 4,081,953	\$ 2,778,204	\$ 3,379,235	\$ 4,985,982	\$ 257,321	\$ 254,635	\$ 223,274	\$ 253,021	\$ 301,230	\$ 312,340
Public Safety	\$ 1,039,947	\$ 1,101,415	\$ 1,214,388	\$ 1,372,884	\$ 5,175,558	\$ 6,008,513	\$ 6,743,052	\$ 9,850,079	\$ 12,662,170	\$ 12,416,938
Highways & Public Improvements	\$ 1,268,709	\$ 1,105,971	\$ 1,541,709	\$ 1,641,262	\$ 285,091	\$ 346,534	\$ 196,987	\$ 223,305	\$ 213,640	\$ 53,123
Parks & Recreation	\$ 886,054	\$ 652,831	\$ 2,519,097	\$ 2,555,462	\$ 415,750	\$ 450,249	\$ 531,525	\$ 493,681	\$ 813,532	\$ 949,677
Operating Grants and Contributions	172,388	123,870	764,283	239,028	242,108	98,790	114,655	184,054	370,525	923,577
Capital Grants and Contributions	672,095	2,502,760	1,545,870	10,796,710	6,756,688	10,431,394	9,393,472	16,142,169	20,172,435	24,548,249
<b>Total Governmental Activities</b>	<b>8,121,146</b>	<b>8,265,051</b>	<b>10,964,582</b>	<b>21,591,328</b>	<b>13,132,516</b>	<b>17,590,115</b>	<b>17,202,965</b>	<b>27,146,309</b>	<b>34,533,532</b>	<b>39,203,904</b>
<b>Business-Type Activities</b>										
Charges for Services										
Water Utility	6,154,942	5,976,789	6,512,923	10,473,751	7,934,650	9,707,208	9,112,844	9,084,610	10,630,176	10,291,844
Sewer Utility	2,674,392	2,720,120	3,047,088	4,675,210	4,255,070	5,342,114	5,252,833	5,091,969	5,639,087	6,123,334
Garbage Utility	639,307	893,984	641,802	961,029	1,203,403	1,488,613	1,362,947	1,512,900	1,716,697	2,166,862
Storm Drain Utility	895,505	579,827	913,322	958,500	755,522	1,335,382	1,216,128	975,497	1,033,431	1,180,070
Street Lighting							360,270	404,398	430,613	510,806
Capital Grants and Contributions		3,070,714	6,587,528	17,769,209	5,152,013	13,322,518	14,445,356	32,641,062	28,380,741	25,524,868
<b>Total Business-Type Activities</b>	<b>10,364,146</b>	<b>13,241,434</b>	<b>17,702,663</b>	<b>34,837,699</b>	<b>19,300,658</b>	<b>31,195,835</b>	<b>31,750,378</b>	<b>49,710,436</b>	<b>47,830,745</b>	<b>45,797,784</b>

Total Primary Government Revenues	\$ 18,485,292	\$ 21,506,485	\$ 28,667,245	\$ 56,429,027	\$ 32,433,174	\$ 48,785,950	\$ 48,953,343	\$ 76,856,745	\$ 82,364,277	\$ 85,001,688
<b>Schedule 2, Continued</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2021</b>
Net (Expense)/Revenue	\$ (6,756,101)	\$ (4,370,224)	\$ (4,596,613)	\$ 4,992,361	\$ (6,038,839)	\$ (2,804,759)	\$ (4,520,403)	\$ 2,879,892	\$ 5,489,510	\$ 8,815,027
Governmental Activities	681,646	3,325,281	6,991,299	22,319,034	5,805,360	14,442,580	14,058,376	30,675,690	26,460,085	12,757,261
Business-Type Activities	\$ (6,074,455)	\$ (1,044,943)	\$ 2,394,686	\$ 27,311,395	\$ (233,479)	\$ 11,637,821	\$ 9,537,973	\$ 33,555,582	\$ 31,949,595	\$ 21,572,288
Total Primary Government Net Expense										
<b>Expenses</b>										
<b>General Revenues and Other Changes in Net Assets</b>										
<b>Governmental Activities:</b>										
Taxes										
Property Taxes	2,659,844	2,686,612	2,844,496	2,969,689	2,849,626	3,154,305	3,555,528	4,277,816	4,329,318	4,923,713
Sales and Use Taxes	2,360,544	2,653,278	2,939,653	3,215,928	3,639,272	4,146,681	4,708,384	5,954,505	7,306,384	9,457,461
Franchise Fees	199,838	221,085	207,142	212,144	227,184	223,363	205,177	190,220	164,979	170,266
Energy Taxes	793,113	870,992	877,695	953,656	1,003,254	1,067,046	1,097,410	1,187,128	1,998,451	2,430,027
Interest Earnings	89,897	74,332	89,800	137,752	107,325	528,098	663,435	511,135	244,031	(92,500)
Gain on Sale of Capital Assets	51,352		15,799	8,043	183,719				127,240	25,231
Transfers	-	-	-	37,387	-	(913,857)	48,483	(355,000)	(613,864)	-
Total Governmental Activities	6,154,588	6,506,299	6,974,585	7,534,599	8,010,380	8,205,636	10,278,417	11,765,804	13,556,539	16,914,198
<b>Business-Type Activities:</b>										
Interest Earnings	45,004	56,267	109,205	92,225	463,620	-	-	-	-	-
Gain on Sale of Capital Assets	-	-	-	-	-	-	-	-	-	1,414,719
Transfers	-	-	-	(37,387)	-	913,857	(48,483)	355,000	613,864	-
Total Business-Type Activities	45,004	56,267	109,205	54,838	463,620	913,857	(48,483)	355,000	613,864	1,414,719
Total Primary Government General Revenue	6,199,592	6,562,566	7,083,790	7,589,437	8,474,000	9,119,493	10,229,934	12,120,804	14,170,403	18,328,917
<b>Change in Net Position</b>										
Governmental Activities	\$ (601,513)	\$ 2,136,075	\$ 2,377,972	\$ 12,579,654	\$ 2,023,294	\$ 5,400,877	\$ 5,758,014	\$ 14,645,696	\$ 19,046,049	\$ 25,729,225
Business-Type Activities	726,650	3,381,548	7,100,504	22,373,953	5,767,973	15,356,437	14,009,893	31,030,690	27,073,949	14,171,980
Total Primary Government	\$ 125,137	\$ 5,517,623	\$ 9,478,476	\$ 34,953,607	\$ 7,791,267	\$ 20,757,314	\$ 19,767,907	\$ 45,676,386	\$ 46,119,998	\$ 39,901,205

Note: Table represents data available since implementation of GASB Statement 44, and will increase to ten years over time

**Schedule 3**  
**CITY OF SARATOGA SPRINGS, UTAH**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General Fund										
Unreserved, undesignated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unassigned	2,508,347	2,068,425	2,989,076	2,768,845	3,662,232	4,588,582	6,098,269	9,301,808	9,300,623	9,743,721
All other governmental funds										
Reserved										
Roads and impact fees										
Roads and capital improvements										
Advance to sewer fund										
Unreserved, undesignated										
Special revenue funds										
Capital Project Fund										
Nonspendable - prepaid expenses	6,277	737				120,000				
Restricted										
Capital project funds										
General fund	600,591	95,687								
Committed										
Capital project funds	10,946,127	11,783,336	13,435,477	12,492,157	25,395,322	15,497,215	9,990,176	11,433,513	22,491,870	22,269,277
Assigned										
Debt Service					5,926,731	2,681,248	1,610,508		71,156	134,270
Street lighting	282,980				431,449					
Total all other governmental Funds	\$ 11,835,975	\$ 11,879,760	\$ 13,435,477	\$ 12,492,157	\$ 31,753,502	\$ 18,298,463	\$ 11,600,684	\$ 11,433,513	\$ 22,563,026	\$ 22,403,547

Note: Table represents data available since implementation of GASB Statement 44, and will increase to ten years over time

(1) Difference from prior year is revenues exceeded expenditures to increase unassigned fund balance and in the Committed capital projects fund we bonded for funds for parks projects.



## Schedule 4

## CITY OF SARATOGA SPRINGS, UTAH

## CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

## Last Ten Fiscal Years

## (modified accrual basis of accounting)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Revenues</b>											
Taxes	\$ 5,789,134	\$ 5,988,153	\$ 6,320,529	\$ 6,692,613	\$ 7,141,996	\$ 7,719,336	\$ 8,591,396	\$ 9,566,499	\$ 11,439,153	\$ 13,835,661	\$ 17,022,852
Licenses and Permits	563,917	648,974	583,374	749,910	1,231,004	1,267,524	1,440,007	1,360,909	1,893,642	3,269,807	3,499,165
Intergovernmental	1,063,618	844,483	2,626,630	2,310,153	1,114,882	1,463,080	1,255,756	1,552,581	3,258,249	3,434,009	6,247,339
Fees/Charges for Services	5,589,526	6,545,780	4,975,201	7,429,506	8,699,519	4,787,332	5,593,339	5,978,648	9,642,354	8,454,174	9,691,899
Fines & Forfeitures	-	-	-	427,554	514,587	480,309	456,796	505,381	435,075	384,368	449,703
Developer Contributions	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	66,551	89,897	74,332	89,800	190,746	289,201	528,099	663,435	511,135	244,031	(92,500)
Impact Fees	-	-	-	-	-	2,912,619	3,360,807	2,676,903	4,119,847	6,409,858	5,389,584
Other	534,896	81,909	79,846	47,459	110,180	101,372	346,534	30,845	76,265	257,096	91,311
<b>Total Revenues</b>	<b>\$ 13,607,642</b>	<b>\$ 14,199,196</b>	<b>\$ 14,659,912</b>	<b>\$ 17,746,995</b>	<b>\$ 19,002,914</b>	<b>\$ 19,020,773</b>	<b>\$ 21,572,734</b>	<b>\$ 22,335,201</b>	<b>\$ 31,375,720</b>	<b>\$ 36,289,004</b>	<b>\$ 42,299,353</b>
<b>Expenditures</b>											
General Government	1,919,556	2,294,465	2,118,559	2,266,424	2,345,329	2,462,576	2,287,597	2,541,928	3,358,672	3,211,765	4,080,965
Public Safety	4,582,135	5,392,426	5,295,083	5,724,366	6,276,346	6,554,146	8,113,915	11,958,418	12,175,918	10,072,574	11,908,916
Highways and Public Improvements	3,545,121	2,521,683	1,589,359	2,003,657	4,959,389	1,442,102	4,310,738	1,720,616	2,336,804	3,402,068	10,159,834
Parks and Recreation	2,665,475	953,329	1,379,264	2,777,486	3,961,206	2,501,142	8,842,946	6,654,564	3,078,358	4,830,473	12,065,143
Community Development	-	-	-	-	-	-	-	-	-	238,844	696,886
Capital Expenditures	-	-	4,135,524	2,339,204	2,319,328	1,310,587	4,916,714	12,198,330	1,523,760	2,827,328	1,906,676
Debt Service:											
Principal Retirement	-	-	-	-	-	165,000	922,000	1,012,000	4,986,000	841,429	855,024
Interest & Fiscal Charges	-	-	-	-	-	241,318	767,873	593,838	532,650	367,065	371,360
Capital Lease Payments	365,282	533,463	129,099	155,000	160,000	-	-	-	-	-	-
Developer Reimbursement	-	-	-	-	-	-	-	1,066,279	-	-	-
Bond Issuance Costs and Trustee Fees	291,000	291,800	292,332	137,882	133,171	197,504	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 13,368,569</b>	<b>\$ 11,987,166</b>	<b>\$ 14,939,220</b>	<b>\$ 15,404,019</b>	<b>\$ 20,154,769</b>	<b>\$ 14,874,375</b>	<b>\$ 30,161,783</b>	<b>\$ 37,745,973</b>	<b>\$ 27,992,162</b>	<b>\$ 25,791,546</b>	<b>\$ 42,044,804</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>\$ 239,073</b>	<b>\$ 2,212,030</b>	<b>\$ (279,308)</b>	<b>\$ 2,342,976</b>	<b>\$ (1,151,855)</b>	<b>\$ 4,146,398</b>	<b>\$ (8,589,049)</b>	<b>\$ (15,410,772)</b>	<b>\$ 3,383,558</b>	<b>\$ 10,497,458</b>	<b>\$ 254,549</b>
<b>Other Financing Sources (Uses)</b>											
Proceeds From Obligations Under Capital I	119,100	-	211,322	120,119	8,043	-	-	11,978	-	1,066,916	-
Developer Reimbursement	-	-	-	-	-	-	(3,545,575)	-	-	-	-
Bond Proceeds	-	-	-	15,799	-	15,399,427	-	-	-	-	-
Bond Premium	-	-	-	-	-	-	-	-	-	-	-
Proceeds From Sales of Capital Assets	200,743	51,352	-	-	-	183,719	-	7,810	177,818	29,070	-
Transfers In	2,538,216	2,428,616	2,231,485	1,344,074	3,621,247	2,372,046	2,450,242	3,040,448	4,837,753	10,551,200	10,473,176
Transfers Out	(2,538,216)	(2,428,616)	(2,231,485)	(1,344,074)	(3,583,860)	(2,334,659)	(2,844,307)	(2,991,965)	(5,192,753)	(11,165,064)	(10,473,176)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 319,843</b>	<b>\$ 51,352</b>	<b>\$ 211,322</b>	<b>\$ 135,918</b>	<b>\$ 45,430</b>	<b>\$ 15,620,533</b>	<b>\$ (3,939,640)</b>	<b>\$ 60,461</b>	<b>\$ (347,190)</b>	<b>\$ 630,870</b>	<b>\$ 29,070</b>
<b>Net Change in Fund Balances</b>	<b>\$ 558,916</b>	<b>\$ 2,263,382</b>	<b>\$ (67,986)</b>	<b>\$ 2,478,894</b>	<b>\$ (1,106,425)</b>	<b>\$ 19,766,931</b>	<b>\$ (12,528,689)</b>	<b>\$ (15,350,311)</b>	<b>\$ 3,036,368</b>	<b>\$ 11,128,328</b>	<b>\$ 283,619</b>
<b>Ratio of Total Debt Service Expenditures to total non capital expenditures</b>	5.2%	7.4%	4.1%	2.3%	1.7%	4.7%	7.2%	11.7%	26.3%	5.6%	3.2%

Note: Table represents data available since implementation of GASB Statement 44, and will increase to ten years over time

**Schedule 5**  
**CITY OF SARATOGA SPRINGS, UTAH**  
**Governmental Activities Tax Revenues by Source**  
**Last TEN Fiscal Years**  
**(modified accrual basis of accounting)**

<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Sales and Use Tax</b>	<b>Franchise Fees</b>	<b>Energy Taxes</b>	<b>Total</b>
2013	2,659,844	2,360,544	199,838	793,113	6,013,339
2014	2,686,612	2,653,278	221,085	870,992	6,431,967
2015	2,844,496	2,939,652	207,142	877,695	6,868,985
2016	2,668,123	2,939,653	212,143	953,656	6,773,575
2017	2,649,626	3,639,272	227,184	1,003,254	7,519,336
2018	2,643,303	4,146,681	223,362	1,019,126	8,034,490
2019	3,555,528	4,708,384	205,177	1,097,410	9,566,499
2020	3,632,061	5,498,198	190,220	1,595,598	10,916,077
2021	3,699,663	6,520,646	157,999	1,978,840	12,357,147
2022	4,382,201	8,428,562	163,008	2,316,564	15,290,336

Note: Table represents data available since implementation of GASB Statement 44, and will increase to ten years over time

**Schedule 6**

**CITY OF SARATOGA SPRINGS, UTAH**

**Assessed Value of Taxable Property Excluding Fee-In-Lieu**

**Last Ten Calendar Years**

**(modified accrual basis of accounting)**

<b>Calendar Year</b>	<b>Residential Property</b>	<b>Commerical Property</b>	<b>Miscellaneous Property</b>	<b>Total Assessed Value</b>	<b>Total Taxable Assessed Value</b>
2012	554,081,621	88,261,615	134,695,645	777,038,881	763,106,508
2013	625,910,515	90,163,478	115,855,901	831,929,894	818,244,896
2014	826,502,262	111,913,600	122,397,289	1,060,813,151	969,656,009
2015	842,160,029	91,446,400	139,318,209	1,072,924,638	1,065,166,371
2016	999,046,165	97,612,900	161,893,154	1,258,552,219	1,206,364,927
2017	1,181,544,415	121,605,600	213,810,120	1,516,960,135	1,502,170,172
2018	1,367,830,802	149,607,200	259,689,568	1,747,776,365	1,800,541,461
2019	1,635,832,232	189,540,592	320,784,687	2,146,157,511	2,206,687,827
2020	1,913,958,653	232,681,750	487,048,285	2,633,688,688	2,702,426,064
2021	2,290,014,340	266,266,648	553,782,411	3,110,063,399	3,188,222,249

Source: Utah State Tax Commission and Utah County Treasurer

**Schedule 7****CITY OF SARATOGA SPRINGS, UTAH****Assessed Value of Taxable Property Including Fee-In-Lieu****Last Ten Calendar Years****(modified accrual basis of accounting)**

<b>Calendar Year</b>	<b>Residential Property</b>	<b>Commerical Property</b>	<b>Miscellaneous Property</b>	<b>Fee-In-Lieu Value</b>	<b>Total Assessed Value</b>
2012	554,081,621	88,261,615	134,695,645	208,986	777,247,867
2013	625,910,515	90,163,478	115,855,901	15,136,367	847,066,261
2014	826,505,262	111,913,600	131,237,187	15,728,392	969,656,099
2015	892,160,029	91,446,400	139,318,209	15,640,297	1,155,908,456
2016	999,046,165	97,612,900	161,893,154	16,309,114	1,296,364,927
2017	1,181,544,415	121,605,600	213,810,120	18,375,999	1,535,336,134
2018	1,367,830,802	149,607,200	259,689,568	20,093,297	1,820,634,758
2019	1,635,832,232	189,540,592	320,784,687	20,895,397	2,227,583,224
2020	1,913,958,653	232,681,750	487,048,285	20,550,078	2,722,976,142
2021	2,290,014,340	266,266,648	553,782,411	22,412,331	3,210,634,580

Source: Utah State Tax Commission

**Schedule 8**  
**CITY OF SARATOGA SPRINGS, UTAH**  
**TAXABLE SALES BY CATEGORY**  
**Last Five Calendar Years**

	Calendar Year				
	2017	2018	2019	2020	2021
Retail Trade	\$ 141,021,664	\$ 194,756,492	\$ 232,941,810	\$ 352,616,468	\$ 496,217,688
Accommodation and Food Services	25,687,334	70,000	38,875,044	46,183,192	55,428,651
Utilities	14,750,136	16,500	16,750	19,250,000	22,250,000
Information	9,130,021	9,420,083	10,513,027	12,642,585	16,652,509
Wholesale Trade	4,160,248	6,273,824	7,264,164	14,083,186	24,557,855
Motor Vehicle Sales Tax	8,128,123	11,000,000	12,000,000	15,500,000	23,500,000
Other Services (except Public Administration)	5,907,622	8,309,872	10,139,654	10,992,444	13,567,580
Miscellaneous	6,687,151	10,119,962	15,998,428	17,690,778	21,230,758
All others	8,843,201	20,697,314	18,462,494	30,717,275	37,255,646
<b>Total</b>	<b>\$ 224,315,500</b>	<b>\$ 260,664,047</b>	<b>\$ 346,211,371</b>	<b>\$ 519,675,928</b>	<b>\$ 710,660,687</b>
City direct sales tax rate	2.20%	2.20%	2.20%	2.20%	

Source: Utah State Tax Commission website: Wasatch Front Zip Code Taxable Sales by Major Industry

Note: Table represents data available since implementation of GASB Statement 44, and will increase to ten years over time

**Schedule 9**

**CITY OF SARATOGA SPRINGS, UTAH**

**Direct and Overlapping Property Tax Rates**

**Last Ten Calendar Years**

**(rate per \$1,000 of assessed value)**

Calendar Year	City Direct Rate	Overlapping Rates					Total Levy for Saratoga Springs Residents
		Utah County Levy	Local Assessment Levy	State Assessment/ Collecting	Cent Ut Levy	Alpine School District	
2013	0.002761	0.001006	0.000095	0.000158	0.000446	0.008699	0.013165
2014	0.002233	0.000916	0.000220	0.000013	0.000422	0.008096	0.011900
2015	0.002083	0.000870	0.000216	0.000012	0.000405	0.008177	0.011763
2016	0.001994	0.000834	0.000025	0.000190	0.000400	0.007718	0.011161
2017	0.001822	0.000779	0.000180	0.000010	0.000400	0.007167	0.010358
2018	0.001731	0.000732	0.000170	0.000009	0.000400	0.007033	0.010075
2019	0.001570	0.000672	0.000158	0.000009	0.000400	0.006699	0.009508
2020	0.001446	0.001041	0.000149	0.000012	0.000400	0.006800	0.009848
2021	0.001359	0.000853	0.000142	0.000012	0.000400	0.006904	0.009670
2022	0.001028	0.000661	0.000111	0.000015	0.000400	0.005724	0.007939

Source: Utah County Assessors Office

Note: Table represents data available since implementation of GASB Statement 44

**Schedule 10**

**CITY OF SARATOGA SPRINGS, UTAH**

**Direct and Overlapping Sales Tax Rate**

**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>City Direct Rate</b>	<b>Utah County</b>	<b>State of Utah</b>	<b>Total</b>
2013	1.80	0.25	4.70	6.75
2014	1.80	0.25	4.70	6.75
2015	1.80	0.25	4.70	6.75
2016	1.80	0.25	4.70	6.75
2017	1.80	0.25	4.70	6.75
2018	1.80	0.25	4.70	6.75
2019	2.05	0.25	4.85	7.15
2020	2.05	0.25	4.85	7.15
2021	2.05	0.25	4.85	7.15
2022	2.05	0.25	4.85	7.15

Source: Utah State Tax Commission

Note: Table represents data available since implementation of GASB Statement 44, and will increase to ten years over time

**Schedule 11**

**CITY OF SARATOGA SPRINGS, UTAH**

**City Tax Revenue Collected by Utah County**

**Last Ten Calendar Years**

<b>Tax Year End 12/31</b>	<b>Total Taxes Levied</b>	<b>Treasurer's Relief (1)</b>	<b>Net Taxes Assessed</b>	<b>Current Collections</b>	<b>Delinquent, Personal Property, and Misc. Collections (2)</b>	<b>Total Collections</b>	<b>% of Current Collections to Net Taxes Assessed</b>	<b>% of Total Collections to Net Taxes Assessed (3)</b>
2012	2,330,527	15,364	2,315,163	2,134,668	678,428	2,813,096	92.20%	121.51%
2013	2,300,968	151,612	2,149,356	2,149,356	226,980	2,376,336	100.00%	110.56%
2014	2,888,902	156,192	2,732,710	2,132,709	193,021	2,325,730	78.04%	85.11%
2015	2,409,970	111,248	2,298,722	2,292,722	142,890	2,435,612	99.74%	105.96%
2016	2,586,315	162,703	2,423,612	2,423,612	103,163	2,526,775	100.00%	104.26%
2017	2,840,276	196,973	2,643,303	2,643,303	490,547	3,133,850	100.00%	118.56%
2018	3,118,867	231,874	2,886,993	2,886,993	642,906	3,529,900	100.00%	122.27%
2019	3,468,549	204,623	3,263,926	3,263,926	824,771	4,088,696	100.00%	125.27%
2020	3,911,332	331,893	3,579,440	3,579,440	694,665	4,274,104	100.00%	119.41%
2021	4,336,148	278,207	4,057,941	4,057,941	930,350	4,988,291	100.00%	122.93%

Source: Utah County Treasurer

Note: Table represents data available since implementation of GASB Statement 44, and will increase to ten years over time

- (1) "Treasurer's Relief" includes abatements. These "Treasurer's Relief" items are levied against the property, but are never collected and paid to the City.
- (2) "Delinquent, Personal Property, and Miscellaneous Collections" include interest, sales of real and personal property, and miscellaneous delinquent collections.
- (3) Due to collections of Delinquent, Personal Property, Miscellaneous, and interest from prior years, collections may exceed 100%.



**Schedule 12**  
**CITY OF SARATOGA SPRINGS, UTAH**  
**Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities			Business-Type Activities						Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	Sales Tax Revenue Bonds	Special Assessment Bonds	Capital Leases	Water Interim Warrant Certificate	Water Revenue Bonds	Sewer Revenue Bonds	Special Assessment Bonds	Culinary Water System Contract Payable	Capital Leases			
2012	3,860,000		382,431		4,918,000		3,114,374 (11)	15,003,460	37,974	27,316,239	6.07%	1,526
2013	3,835,270		349,923		4,634,000		2,898,500	13,946,960	17,267	25,681,920	4.58%	1,212
2014	3,565,000		376,227 (12)		4,340,000		2,110,000	13,334,960	6,325	23,732,512	5.20%	1,193
2015	3,410,000		373,755		9,995,000 (13)		1,957,000	12,658,960	4,612	28,399,327	5.77%	1,166
2016	3,250,000		219,583		9,575,000		1,837,000	11,526,540	2,983	26,411,106	5.12%	1,180
2017	12,865,000 (15)	5,300,000 (14)	108,543		18,855,000 (14)		1,515,000	10,365,660	1,120	49,010,323	7.00%	2,073
2018	12,365,000	4,878,000	17,360		18,265,000	10,069,929 (16)	1,375,000	8,779,750	-	55,750,039	7.97%	2,359
2019	12,088,794	4,416,000	-		17,948,888	9,894,670	1,264,000	7,723,750	-	53,336,102	7.24%	2,272
2020	11,503,583	-	-		17,092,181	9,693,822	1,002,000	5,858,770	-	45,150,356	5.37%	1,786
2021	10,898,372	0	815,488		16,220,482	9,194,152	731,000	5,330,955	-	43,190,449	4.71%	1,595
2022	10,273,161		570,464		15,328,783	8,773,893	545,000	3,055,333	-	38,546,634	3.57%	1,412

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See Schedule 16 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

(2) The City issued Water Revenue Bonds Series 2004 for \$2,244,000 in fiscal year 2004.

(3) The City entered into a capital lease agreement for office building for \$1,343,410 in fiscal year 2005.

(4) The City issued Water Revenue Bonds Series 2006 for \$3,500,000 in fiscal year 2006, but had drawn only \$600,000 by June 30, 2006.

(5) The City entered into a contract to pay \$21,000,000 for the purchase of an existing water system. There is no interest on the debt.

Principal payments are made for each new culinary water connection sold by the City.

(6) The City entered into capital lease agreements for a dump truck, a street sweeper, an ambulance, and police vehicles for \$625,000 in fiscal year 2007.

(7) The City issued an Interim Warrant Certificate for \$6,000,000 in fiscal year 2007, but had drawn only \$2,675,534 as of June 30, 2007.

(8) The City drew the remaining \$2,900,000 of the Water Revenue Bonds Series 2006.

(9) The City issued Special Assessment Bonds Series 2009 for \$4,669,539 and retired the Interim Warrant Certificate in fiscal year 2010.

(10) The City issued Sales Tax Revenue Bonds Series 2011 for \$4,000,000 and retired the lease on the office building in fiscal year 2011.

(11) The City issued Special Assessment Bonds Series 2012 for \$3,114,374 and retired the Special Assessment Bonds Series 2009 in fiscal year 2012.

(12) The City Entered into capital lease agreements for police vehicles for \$211,322 in fiscal year 2014.

(13) The City entered into capital lease agreements for police vehicles for \$120,000 and issued water revenue bond \$9,995,000 retiring all issues of water bonds, in fiscal year 2015.

(14) The City issued Water Revenue Bonds for \$9,710,000 and Special Assessment Bonds for \$5,300,000 in 2016

(15) The City issued Sales Tax Revenue Bonds for \$9,780,000 in 2017

(16) The City issued Sewer Revenue Bonds for \$9,970,000 in 2018

**Schedule 13**  
**City of Saratoga Springs**  
**Legal Debt Margin Information**  
**Last Ten Calendar Years**

	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt limit	\$ 40,873,471	\$ 46,402,900	\$ 46,192,426	\$ 60,067,207	\$ 63,029,814	\$ 72,021,658	\$ 88,267,513	\$ 108,097,043	\$ 127,528,890
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 40,873,471	\$ 46,402,900	\$ 46,192,426	\$ 60,067,207	\$ 63,029,814	\$ 72,021,658	\$ 88,267,513	\$ 108,097,043	\$ 127,528,890
Total net debt applicalbe to the limit as a percentage of debt limit	0%	0%	0%	0%	0%	0%	0%	0%	0%

\$ 2,702,426,064  
 108,097,043  
-  
\$ 108,097,043

Source: Utah County Treasurer

Notes: Under Utah State Law, the City of Saratoga Springs' outstanding debt should not exceed 4 percent of total assessed property value.  
 The general obligation debt subject to the limitaion may be offset by resources set aside for the repayment of the principal that are externally restricted.

Schedule 14  
CITY OF SARATOGA SPRINGS, UTAH  
Direct and Overlapping Governmental Activities Debt  
As of June 30 2021

Government Unit	Debt Outstanding	Estimated %	Estimated Share of Overlapping Debt
Alpine School District	\$ 629,440,311	5%	\$ 31,472,016
CUWCD	704,306,456	3%	21,129,194
Subtotal, Overlapping debt	1,333,746,767	8%	52,601,209
Saratoga Springs Direct Debt	10,273,161		10,273,161
Total Direct and overlapping debt	\$ 1,344,019,928		\$ 62,874,370

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Saratoga Springs. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses 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. (1) Includes only long-term general obligation debt being repaid through general property taxes. (2)The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by dividing the City's taxable assessed value by each overlapping unit's total taxable assessed value. Central Utah Water Conservancy District's (CUWCD) outstanding general obligation bonds are limited ad valorem tax bonds. By law CUWCD may levy a tax rate of up to .000400 to pay for operation and maintenance expenses and any outstanding ad valorem tax bonds. CUWCD is located in multiple counties. Overlapping debt is based solely on the portion of value within City boundaries. Source: Utah State Auditor, Utah State Tax Commission

Schedule 15  
City of Saratoga Springs  
Pledged-Revenue Coverage  
Last Ten Fiscal Years

2011 Sales Tax Bond & 2017 Sales Tax Bond				2012 Special Assessment Bond			2014 Water Revenue Bond & 2016 Water Revenue Bond								
Debt Service				Debt Service			Debt Service								
<u>Sales Tax Revenues</u>	<u>Principal</u>	<u>Interest</u>	<u>Coverage</u>	<u>SID Fees</u>	<u>Operating Expenses</u>	<u>Net Available Revenue</u>	<u>Principal</u>	<u>Interest</u>	<u>Coverage</u>	<u>Water Revenues</u>	<u>Operating Expenses</u>	<u>Net Available Revenue</u>	<u>Principal</u>	<u>Interest</u>	<u>Coverage</u>
2012 \$ 2,162,610.27	\$ 140,000	\$ 148,500	7.5	\$ 1,631,518.92	\$ 207,479.96	\$ 1,424,038.96	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2013 \$ 2,360,543.79	\$ 145,000	\$ 144,300	8.2	\$ 713,047.12	\$ 35,682.99	\$ 677,364.13	\$ 157,374.34	\$ 23,357.81	3.7	N/A	N/A	N/A	N/A	N/A	N/A
2014 \$ 2,653,278.10	\$ 150,000	\$ 139,950	9.2	\$ 339,994.97	\$ 36,320.56	\$ 303,674.41	\$ 159,000.00	\$ 25,134.50	1.6	\$ 4,084,565	\$ 1,782,803.17	\$ 2,301,762.10	N/A	N/A	N/A
2015 \$ 2,939,652.89	\$ 155,000	\$ 135,450	10.1	\$ 248,540.78	\$ 10,310.00	\$ 238,230.78	\$ 160,000.00	\$ 28,819.40	1.3	\$ 4,874,198	\$ 1,960,760.27	\$ 2,913,437.67	\$ -	\$ 158,291	18.4
2016 \$ 3,215,928.54	\$ 160,000	\$ 130,800	11.1	\$ 297,185.17	\$ 13,828.00	\$ 283,357.17	\$ 162,000.00	\$ 35,613.00	1.4	\$ 6,778,818	\$ 2,470,413.59	\$ 4,308,404.68	\$ 420,000	\$ 272,425	6.2
2017 \$ 3,639,272.01	\$ 165,000	\$ 126,000	12.5	\$ 372,019.65	\$ 9,098.00	\$ 362,921.65	\$ 164,000.00	\$ 37,387.60	1.8	\$ 6,234,326	\$ 2,649,500.57	\$ 3,584,825.20	\$ 430,000	\$ 263,925	5.2
2018 \$ 4,146,681.00	\$ 500,000	\$ 463,058	4.3	\$ 166,047.31	\$ 1,750.00	\$ 164,297.31	\$ 140,000.00	\$ 47,646.64	0.9	\$ 7,593,872	\$ 4,333,689.00	\$ 3,260,183.00	\$ 590,000	\$ 572,474	2.8
2019 \$ 4,708,384.00	\$ 570,000	\$ 391,826	4.9	\$ 310,206.94	\$ 11,560.00	\$ 298,646.94	\$ 114,000.00	\$ 45,718.00	1.9	\$ 8,752,694	\$ 5,544,595.34	\$ 3,208,098.93	\$ 835,000	\$ 548,726	2.3
2020 \$ 5,954,505.00	\$ 590,000	\$ 576,588	5.1	\$ 198,631.65	\$ 9,126.46	\$ 189,505.19	\$ 98,000.00	\$ 36,639.00	1.4	\$ 6,650,177	\$ 5,623,941.50	\$ 1,026,235.66	\$ 850,000	\$ 534,976	0.7
2021 \$ 7,306,384.00	\$ 610,000	\$ 353,276	7.6	\$ 260,391.15	\$ 7,512.00	\$ 252,879.15	\$ 81,000.00	\$ 34,287.00	2.2	\$ 7,702,975	\$ 5,401,350.00	\$ 2,301,625.00	\$ 870,000	\$ 513,901	1.7
2022 \$ 9,457,461.00	\$ 630,000	\$ 334,476	9.8	\$ 200,615.53	\$ 2,928.00	\$ 197,687.53	\$ 70,000.00	\$ 21,423.00	2.2	\$ 7,864,248	\$ 6,084,584.85	\$ 1,779,663.15	\$ 895,000	\$ 489,324	1.3

2018 Sewer Revenue Bonds						
Debt Service						
<u>Sewer Revenues</u>	<u>Operating Expenses</u>	<u>Net Available Revenue</u>	<u>Principal</u>	<u>Interest</u>	<u>Coverage</u>	
2012 N/A	N/A	N/A	N/A	N/A	N/A	N/A
2013 N/A	N/A	N/A	N/A	N/A	N/A	N/A
2014 N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015 N/A	N/A	N/A	N/A	N/A	N/A	N/A
2016 N/A	N/A	N/A	N/A	N/A	N/A	N/A
2017 N/A	N/A	N/A	N/A	N/A	N/A	N/A
2018 \$ 4,741,279	\$ 1,568,774	\$ 3,172,505	N/A	N/A	N/A	
2019 \$ 6,903,388	\$ 3,453,713	\$ 3,449,675	\$ 285,000	\$ 312,114	5.8	
2020 \$ 5,026,521	\$ 3,469,080	\$ 1,557,441	\$ 405,000	\$ 303,562	2.2	
2021 \$ 5,645,166	\$ 3,578,312	\$ 2,066,854	\$ 415,000	\$ 291,412	2.9	
2022 \$ 6,182,636	\$ 4,116,074	\$ 2,066,562	\$ 430,000	\$ 278,962	2.9	

Source: City Finance Department

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Water and Sewer Revenues includes investment earnings, charges for services, and impact fees. Operating expenses do not include interest.

**Schedule 16**  
**CITY OF SARATOGA SPRINGS, UTAH**  
**Demographic Statistics**

Census:	Year	City of Saratoga Springs	Personal Income	Per Capita Income	Median Age	Unemployment Rate
	2005	11,241	\$ 277,225,542	\$ 24,662	24.8	2.90
	2006	13,039	340,213,588	26,092	25.2	2.50
	2007	14,788	399,497,820	27,015	25.6	3.40
	2008	16,516	419,572,464	25,404	25.9	7.30
	2009	17,781	447,032,121	25,141	26.1	7.90
	2010	18,299	474,366,480	25,923	22.6	6.50
	2011	21,137	583,888,488	27,624	22.6	5.50
	2012	23,207	532,104,777	22,929	24.2	3.60
	2013	24,356	492,234,760	20,210	24.3	3.40
	2014	26,652	515,863,728	20,210	24.1	3.20
	2015	27,763	613,201,381	21,070	24.6	3.00
	2016	28,121	660,865,127	23,501	22.1	3.90
	2017	29,608	699,853,104	23,637	20.0	3.90
	2018	29,608	699,853,104	23,637	19.2	3.90
	2019	31,393	737,013,461	23,477	18.0	2.90
	2020	33,282	841,202,550	25,275	20.3	2.70
	2021	37,166	916,919,281	27,086	22.6	2.60
	2022	44,164	1,080,040,040	27,297	22.0	2.90

Source: U.S. Census Bureau, State of Utah

Notes: (1) Percentages for Utah County

**Schedule 17****CITY OF SARATOGA SPRINGS, UTAH****PRINCIPAL EMPLOYERS****Current and 10 years ago**

<u>2022</u>			<u>2012</u>		
Employer	Employees	Rank	Employer	Employees	Rank
Alpine School District	500-999	1	Walmart	350-500	1
Walmart	250-499	2	Alpine School District	250-350	2
Smith's Marketplace	250-499	2	Smith's Food & Drug	100-120	3
City of Saratoga Springs	250-499	2	City of Saratoga Springs	90-120	4
Costco Wholesale	100-249	3	Vivint/ARM Security	40-60	5
Lakeview Academy	100-249	3	Lakeview Academy	40-60	5
McDonald's	50-99	4	Little Caesars	20-40	6
Dean Fluor	50-99	4	JP Morgan Chase Bank	20-40	6
REI Steel	50-99	4	Del Taco	20-40	6
Lightlink Communications	50-99	4	Walgreens	20-40	6
Costa Vida	50-99	4			
Fat Cats	50-99	4			
Intermountain Healthcare	50-99	4			
Little Scholars Preschool	50-99	4			
Taco Bell	50-99	4			
Excile II	50-99	4			
ABC Great Beginnings	20-49	5			
Chubby's Café	20-49	5			
Vasa Fitness	20-49	5			
Café Rio	20-49	5			

**Schedule 18****CITY OF SARATOGA SPRINGS****Full-time Equivalent City Government Employees by Function****Last Ten Fiscal Years**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Function</b>											
General government											
Administration	7.3	7.5	8.5	8.2	10.0	7.7	7.3	9.0	8.2	9.8	11.1
Attorney	1.5	1.5	2.5	2.1	2.9	3.1	3.1	3.1	3.0	3.5	3.4
Planning	2.0	3.0	3.5	3.7	4.6	5.4	5.1	5.6	6.3	5.5	6.3
Courts	2.4	2.4	3.0	2.0	3.0	2.5	2.0	2.3	1.8	1.1	1.2
Public Safety											
Police (1)	36.0	36.0	34.5	37.9	42.0	47.0	50.9	53.9	50.4	47.8	54.5
Fire	22.5	22.5	16.0	23.3	17.5	20.0	21.3	23.0	32.8	38.1	45.9
Building inspection	3.0	4.0	5.0	5.0	8.6	8.7	8.7	10.1	9.3	9.0	9.3
Public Works											
Public Works	2.4	2.4	6.0	4.0	5.5	5.4	5.5	6.3	6.8	7.1	6.1
Engineering	6.7	7.7	6.5	5.1	5.0	4.0	4.0	4.0	4.8	3.0	3.8
Highways and streets	2.0	2.0	4.0	4.3	7.0	10.8	8.0	9.0	7.3	9.2	6.5
Water	5.0	5.0	5.5	8.0	8.8	9.4	10.0	12.9	12.1	13.1	13.9
Sewer	3.0	3.0	3.0	2.5	2.8	1.7	2.8	2.8	3.3	3.4	3.2
Parks and recreation	7.8	8.8	2.5	11.7	16.53	21.21	18.4	23.8	19.6	19.6	19.4
Other							24.13	25.6	21.3	17.1	18.5
Total	101.6	105.8	100.5	117.77	134.23	147.1	146.9	191.4	186.8	187.1	203.1

Source: City Finance Department

Notes: The City of Saratoga Springs is a growing, developing municipality.

(1) The City contracted to provide police services to the City of Bluffdale starting with the 2010-2011 fiscal year.

**Schedule 19**  
**CITY OF SARATOGA SPRINGS, UTAH**  
**OPERATION INDICATORS BY FUNCTION**  
**Current Year**

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	<u>2022</u>
Fire Protection	
Number of Full-time employees	30
Number of Part-time employees	12
Fire Calls for Service	727
Medical Calls for Service	1154
Police Protection	
Number of Officers- Saratoga Springs	35
Number of Officers- Bluffdale	16
Police calls for service- Saratoga Springs	20,791
Police calls for service- Bluffdale	11,728
Municipal Water Services	
Number of connections	13,346
Gallons billed	3,399,937
Municipal Sewer Services	
Number of connections	13,346
Municipal Refuse Services	
Number of first cans	10,911
Number of second cans	3,500
Number of recycle cans	10,905
Business Licenses	
Number of licenses issued	511
Building and Construction	
Number of building permits issued	2,297
Number of residential units- single family	1,226
Number of residential units- multi-family	1,071
Parks & Recreation	
Number of Basketball Participants	2,344
Number of Football Participants	376
Number of Soccer	5,091
Number of Baseball	2,940
Number of Fishing	42
Number of Camps/Tournaments	1,657
Number of Tennis	205
Number of Golf	80
Number of Volleyball	739
Number of Pickleball	152
Number of Track/Cross Country	254

Source: City Departments



**Schedule 20**  
**CITY OF SARATOGA SPRINGS, UTAH**  
**CAPITAL ASSETS BY FUNCTION**  
**Current Year**

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	<u>2022</u>
Streets	
Number of lane miles	283.0
Number of street lights	2,782
Fire Protection	
Number of Stations	2
Number of hydrants	1,430
Number of fire pumping vehicles	3
Police Protection	
Number of stations	1
Edication	
Number of high schools	1
Number of junior high schools	2
Number of elementary schools	7
Municipal Water Facilities	
Miles of water mains	384.9
Municipal Sewer Facilities	
Miles of sewer mains	173
Parks & Recreation	
Number of parks	31
Park and open space acreage	316

Source: City Departments

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Schedule 21  
CITY OF SARATOGA SPRINGS CITY UTAH  
Five Year Financial Summaries  
Last Five Fiscal Years

	Fiscal Year Ended June 30				
	2018	2019	2020	2021	2022
<b>ASSETS</b>					
Cash and Investments	\$44,883,339	\$52,796,592	\$69,366,009	\$68,627,169	\$66,418,601
Receivables (not of allowances for uncollectables)	3,392,264	2,451,124	4,437,753	4,061,014	4,365,540
Prepaid and inventories	120,000			200	
Deferred charges					
Restricted cash and investments	19,861,313	7,086,454	2,862,129	20,164,677	20,994,248
Due from other funds					
Due from other governmental units	2,897,153	3,213,403	3,668,622	4,026,492	4,646,643
Speical Assessment Receivable	2,544,927	3,149,206			
Pension assets	114,164		343,220	802,980	4,875,193
Capital assets					
Land	25,437,888	26,373,788	27,376,707	27,376,707	32,717,269
Water Rights	16,212,529	18,498,848	21,026,348	21,945,947	23,729,353
Construction in progress	11,365,077	9,623,342	14,283,250	3,624,532	19,407,946
Capital assets not of accumulated depreciation					
Buildings and systems	6,265,925	6,265,925	14,665,356	14,686,484	15,118,144
Improvements other than buildings					
Machinery and equipment	7,978,860	8,995,345	9,820,140	11,561,798	12,740,589
Infrastructure	289,900,475	321,063,329	352,175,855	398,841,608	433,873,850
Accumulated Depreciation	(105,832,938)	(118,463,951)	(132,607,108)	(147,781,811)	(164,168,716)
Deferred outflows of resources					
Pension related deferred outflows	2,605,063	3,071,841	2,110,452	2,349,554	2,643,592
Total Assets and deferred Outflows	<u>\$327,746,039</u>	<u>\$344,125,266</u>	<u>\$389,528,733</u>	<u>\$430,287,351</u>	<u>\$477,362,252</u>
<b>LIABILITIES</b>					
Accounts Payable	\$5,382,664	\$4,659,044	\$5,084,655	\$1,950,113	\$4,250,773
Accrued interest payable	180,198	190,681	105,485	107,919	93,022
Due to other funds	415,858	525,393	609,609	1,117,477	924,452
Deposits	8,005,219	8,704,959	16,316,796	16,981,729	11,434,184
Unearned revenue					11,969,472
Nonconcurrent Liability					
Net pension Liability					
Due or payable within one year	3,364,057	3,681,043	3,360,878	3,426,108	3,790,672
Due or payable after one year	55,780,695	54,207,564	44,613,482	41,500,582	35,687,040
Total Liabilities	<u>\$73,128,691</u>	<u>\$71,968,684</u>	<u>\$70,090,905</u>	<u>\$65,083,928</u>	<u>\$68,149,615</u>
Deferred inflows of resources					
Pension related deferred inflows	\$1,628,073	\$187,065	\$1,336,708	\$2,692,121	\$6,065,801
Property tax levied for future years	2,897,153	3,213,403	3,668,622	4,026,492	4,534,143
<b>NET POSITION</b>					
Net investment in capital assets	223,665,022	240,541,175	264,403,543	289,803,716	334,868,462
Restricted for debt service					
Restricted for capital improvements					
Restricted for roads					
Restricted for impact fees				17,313,903	17,313,903
Unrestricted	26,427,100	28,214,939	50,028,955	51,367,191	46,430,327
Total net position	<u>254,617,348</u>	<u>272,156,582</u>	<u>319,437,828</u>	<u>365,203,423</u>	<u>409,212,636</u>
Total liabilities, deferred inflows and net position	<u>\$327,746,039</u>	<u>\$344,125,266</u>	<u>\$389,528,733</u>	<u>\$430,287,351</u>	<u>\$477,362,251</u>

Source: Information extracted from the City's general purpose financial statements for the included years.



# GILBERT & STEWART

CERTIFIED PUBLIC ACCOUNTANTS  
A PROFESSIONAL CORPORATION  
ESTABLISHED 1974

RANDEL A. HEATON, CPA  
LYNN A. GILBERT, CPA  
JAMES A. GILBERT, CPA  
BEN H. PROBST, CPA  
RONALD J. STEWART, CPA

SIDNEY S. GILBERT, CPA  
JAMES E. STEWART, CPA

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Mayor and Members of the City Council  
City of Saratoga Springs  
Saratoga Springs, Utah

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Saratoga Springs (the City), as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 28, 2022.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Saratoga Springs's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control which might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatements, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

***Gilbert & Stewart***

GILBERT & STEWART, CPA PC  
Provo, Utah  
November 28, 2022



# GILBERT & STEWART

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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE *STATE COMPLIANCE AUDIT GUIDE*

Honorable Mayor and Members of the City Council  
City of Saratoga Springs  
Saratoga Springs, Utah

### Report on Compliance

We have audited the City of Saratoga Springs' (the City) compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the State Auditor, that could have a direct and material effect on the City for the year ended June 30, 2021.

State compliance requirements were tested for the year ended June 30, 2021 in the following areas:

Budgetary Compliance  
Fund Balance  
Justice Courts  
Fraud Risk Assessment  
Government Fees  
Restricted Taxes and Related Revenues  
Impact Fees  
Public Treasurer's Bond  
Cash Management

### Management's Responsibility

Management is responsible for compliance with the state requirements referred to above.

### Auditor's Responsibility

Our responsibility is to express an opinion on the City's compliance based on our audit of the state compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *State Compliance Audit Guide*. Those standards and the *State Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the state compliance requirements referred to above that could have a direct and material effect on a state compliance requirement occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each state compliance requirement referred to above. However, our audit does not provide a legal determination of the City's compliance with those requirements.

### ***Opinion on Compliance***

In our opinion, the City of Saratoga Springs complied, in all material respects, with the state compliance requirements referred to above for the year ended June 30, 2021.

### **Report On Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the state compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the state compliance requirements referred to above to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with those state compliance requirements and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or to detect and correct noncompliance with a state compliance requirement on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a state compliance requirement will not be prevented or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a state compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control and compliance and the results of that testing based on the requirements of the *State Compliance Audit Guide*. Accordingly, this report is not suitable for any other purpose.

***Gilbert & Stewart***

GILBERT & STEWART, CPA PC  
Provo, Utah  
November 28, 2022



## CITY COUNCIL STAFF REPORT

Author: Brock Cleverly, Treasurer  
Subject: Fraud Assessment FY 2022-2023  
Date: Dec. 6, 2022  
Type of Item: Informational/ Resolution

### **Topic**

Attached is the Fraud Risk Assessment and backup documentation.

### **Background**

The State of Utah recently developed a Fraud Risk Assessment that is to be completed by the finance department and presented to the City Council annually. The State has decided to implement a yearly Fraud Risk Assessment due to regularly receiving complaints of fraud or abuse by local government officials. It is the hope of the Office of the State Auditor that local governments will use this assessment as a starting point and that they will add to and adapt this form to improve how they manage their internal controls and the risk of fraud, waste and abuse.

### **Overview of the Fraud Risk Assessment**

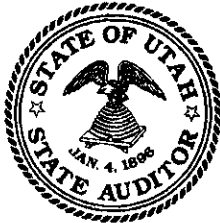
The Office of the State Auditor unveiled the Fraud Risk Assessment in order to offer direction on how to prevent occurrences of fraud. The program is designed to help measure and reduce the risk of undetected fraud, abuse, and noncompliance in local governments.

The State has developed a five-level assessment score that is intended to communicate the entity's risk of undetected fraud, abuse, or noncompliance. The levels are based upon points assigned to each of the recommended measures. Since some measures are more effective than others, the most effective measures are assigned the most points. The higher the score, the lower the risk.

The Fraud Risk Assessment is requiring us to take a look at our current internal controls and assessing them to see where improvements can be made to help lower our risk of fraud. Using the questionnaire provided by the Office of the State Auditor we have earned a score of 10 which places us in the Low Risk Level.

### **Recommendation:**

Staff recommends approval of the Fraud Risk Assessment for fiscal year 2022-23.



OFFICE OF THE  
STATE AUDITOR

# Questionnaire

Revised December 2020

## Fraud Risk Assessment

### INSTRUCTIONS:

- Reference the *Fraud Risk Assessment Implementation Guide* to determine which of the following recommended measures have been implemented.
- Indicate successful implementation by marking "Yes" on each of the questions in the table. Partial points may not be earned on any individual question.
- Total the points of the questions marked "Yes" and enter the total on the "Total Points Earned" line.
- Based on the points earned, circle/highlight the risk level on the "Risk Level" line.
- Enter on the lines indicated the entity name, fiscal year for which the Fraud Risk Assessment was completed, and date the Fraud Risk Assessment was completed.
- Print CAO and CFO names on the lines indicated, then have the CAO and CFO provide required signatures on the lines indicated.



# Fraud Risk Assessment

Continued

\*Total Points Earned: 325 /395 \*Risk Level: 

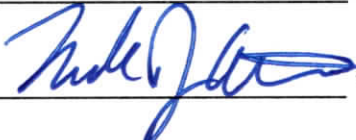

Very Low	Low	Moderate	High	Very High
> 355	316-355	276-315	200-275	< 200

	Yes	Pts
1. Does the entity have adequate basic separation of duties or mitigating controls as outlined in the attached Basic Separation of Duties Questionnaire?	X	200
2. Does the entity have governing body adopted written policies in the following areas:		
a. Conflict of interest?	X	5
b. Procurement?	X	5
c. Ethical behavior?		5
d. Reporting fraud and abuse?		5
e. Travel?	X	5
f. Credit/Purchasing cards (where applicable)?	X	5
g. Personal use of entity assets?	X	5
h. IT and computer security?	X	5
i. Cash receipting and deposits?	X	5
3. Does the entity have a licensed or certified (CPA, CGFM, CMA, CIA, CFE, CGAP, CPFO) expert as part of its management team?		20
a. Do any members of the management team have at least a bachelor's degree in accounting?	X	10
4. Are employees and elected officials required to annually commit in writing to abide by a statement of ethical behavior?		20
5. Have all governing body members completed entity specific (District Board Member Training for local/special service districts & interlocal entities, Introductory Training for Municipal Officials for cities & towns, etc.) online training ( <a href="http://training.auditor.utah.gov">training.auditor.utah.gov</a> ) within four years of term appointment/election date?		20
6. Regardless of license or formal education, does at least one member of the management team receive at least 40 hours of formal training related to accounting, budgeting, or other financial areas each year?	X	20
7. Does the entity have or promote a fraud hotline?	X	20
8. Does the entity have a formal internal audit function?	X	20
9. Does the entity have a formal audit committee?	X	20

\*Entity Name: City of Saratoga Springs

\*Completed for Fiscal Year Ending: 6/30/2023 \*Completion Date: 11/16/2022

\*CAO Name: Mark Christensen \*CFO Name: Chelese Rawlings

\*CAO Signature:  \*CFO Signature: 

\*Required

# Basic Separation of Duties

See the following page for instructions and definitions.

	Yes	No	MC*	N/A
1. Does the entity have a board chair, clerk, and treasurer who are three separate people?	X			
2. Are all the people who are able to receive cash or check payments different from all of the people who are able to make general ledger entries?	X			
3. Are all the people who are able to collect cash or check payments different from all the people who are able to adjust customer accounts? If no customer accounts, check "N/A".	X			
4. Are all the people who have access to blank checks different from those who are authorized signers?	X			
5. Does someone other than the clerk and treasurer reconcile all bank accounts OR are original bank statements reviewed by a person other than the clerk to detect unauthorized disbursements?	X			
6. Does someone other than the clerk review periodic reports of all general ledger accounts to identify unauthorized payments recorded in those accounts?	X			
7. Are original credit/purchase card statements received directly from the card company by someone other than the card holder? If no credit/purchase cards, check "N/A".	X			
8. Does someone other than the credit/purchase card holder ensure that all card purchases are supported with receipts or other supporting documentation? If no credit/purchase cards, check "N/A".	X			
9. Does someone who is not a subordinate of the credit/purchase card holder review all card purchases for appropriateness (including the chief administrative officer and board members if they have a card)? If no credit/purchase cards, check "N/A".	X			
10. Does the person who authorizes payment for goods or services, who is not the clerk, verify the receipt of goods or services?	X			
11. Does someone authorize payroll payments who is separate from the person who prepares payroll payments? If no W-2 employees, check "N/A".	X			
12. Does someone review all payroll payments who is separate from the person who prepares payroll payments? If no W-2 employees, check "N/A".	X			

\* MC = Mitigating Control

# Basic Separation of Duties

Continued

**Instructions:** Answer questions 1-12 on the Basic Separation of Duties Questionnaire using the definitions provided below.

■ If all of the questions were answered “Yes” or “No” with mitigating controls (“MC”) in place, or “N/A,” the entity has achieved adequate basic separation of duties. Question 1 of the Fraud Risk Assessment Questionnaire will be answered “Yes.” 200 points will be awarded for question 1 of the Fraud Risk Assessment Questionnaire.

⊗ If any of the questions were answered “No,” and mitigating controls are not in place, the entity has not achieved adequate basic separation of duties. Question 1 of the Fraud Risk Assessment Questionnaire will remain blank. 0 points will be awarded for question 1 of the Fraud Risk Assessment Questionnaire.

## Definitions:

**Board Chair** is the elected or appointed chairperson of an entity’s governing body, e.g. Mayor, Commissioner, Councilmember or Trustee. The official title will vary depending on the entity type and form of government.

**Clerk** is the bookkeeper for the entity, e.g. Controller, Accountant, Auditor or Finance Director. Though the title for this position may vary, they validate payment requests, ensure compliance with policy and budgetary restrictions, prepare checks, and record all financial transactions.

**Chief Administrative Officer (CAO)** is the person who directs the day-to-day operations of the entity. The CAO of most cities and towns is the mayor, except where the city has a city manager. The CAO of most local and special districts is the board chair, except where the district has an appointed director. In school districts, the CAO is the superintendent. In counties, the CAO is the commission or council chair, except where there is an elected or appointed manager or executive.

**General Ledger** is a general term for accounting books. A general ledger contains all financial transactions of an organization and may include sub-ledgers that are more detailed. A general ledger may be electronic or paper based. Financial records such as invoices, purchase orders, or depreciation schedules are not part of the general ledger, but rather support the transaction in the general ledger.

**Mitigating Controls** are systems or procedures that effectively mitigate a risk in lieu of separation of duties.

**Original Bank Statement** means a document that has been received directly from the bank. Direct receipt of the document could mean having the statement 1) mailed to an address or PO Box separate from the entity’s place of business, 2) remain in an unopened envelope at the entity offices, or 3) electronically downloaded from the bank website by the intended recipient. The key risk is that a treasurer or clerk who is intending to conceal an unauthorized transaction may be able to physically or electronically alter the statement before the independent reviewer sees it.

**Treasurer** is the custodian of all cash accounts and is responsible for overseeing the receipt of all payments made to the entity. A treasurer is always an authorized signer of all entity checks and is responsible for ensuring cash balances are adequate to cover all payments issued by the entity.

**RESOLUTION R22-73 (12-6-22)**

**A RESOLUTION TO ACKNOWLEDGE AND ACCEPT  
THE CITY OF SARATOGA SPRINGS FRAUD  
ASSESSMENT FOR FISCAL YEAR 2022–2023.**

**WHEREAS**, the City of Saratoga Springs, Utah is encouraged by the Utah State Auditor's Office to complete a Fraud Assessment and present it to the City Council; and

**WHEREAS**, pursuant to the State Auditor's recommendation, City Staff has completed the Fraud Assessment and presents it to the City Council.

**NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE  
CITY OF SARATOGA SPRINGS, UTAH, THAT:**

1. The City of Saratoga Springs does hereby accept and approve the Fraud Assessment, attached as Exhibit A, for the Fiscal Year 2022–2023.
2. This Resolution shall take effect immediately upon passage.

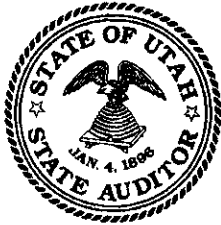
**PASSED AND APPROVED** this 6<sup>th</sup> day of December, 2022.

CITY OF SARATOGA SPRINGS  
A UTAH MUNICIPAL CORPORATION

Signed: \_\_\_\_\_  
Jim Miller, Mayor

Attest: \_\_\_\_\_  
Cindy LoPiccolo, City Recorder

**EXHIBIT A**  
**Fraud Assessment (attached hereto)**



OFFICE OF THE  
STATE AUDITOR

# Questionnaire

Revised December 2020

## Fraud Risk Assessment

### INSTRUCTIONS:

- Reference the *Fraud Risk Assessment Implementation Guide* to determine which of the following recommended measures have been implemented.
- Indicate successful implementation by marking "Yes" on each of the questions in the table. Partial points may not be earned on any individual question.
- Total the points of the questions marked "Yes" and enter the total on the "Total Points Earned" line.
- Based on the points earned, circle/highlight the risk level on the "Risk Level" line.
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# Fraud Risk Assessment

Continued

\*Total Points Earned: 325 /395 \*Risk Level: 

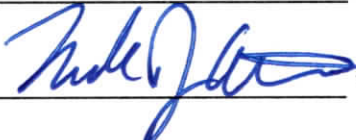

Very Low	Low	Moderate	High	Very High
> 355	316-355	276-315	200-275	< 200

	Yes	Pts
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b. Procurement?	X	5
c. Ethical behavior?		5
d. Reporting fraud and abuse?		5
e. Travel?	X	5
f. Credit/Purchasing cards (where applicable)?	X	5
g. Personal use of entity assets?	X	5
h. IT and computer security?	X	5
i. Cash receipting and deposits?	X	5
3. Does the entity have a licensed or certified (CPA, CGFM, CMA, CIA, CFE, CGAP, CPFO) expert as part of its management team?		20
a. Do any members of the management team have at least a bachelor's degree in accounting?	X	10
4. Are employees and elected officials required to annually commit in writing to abide by a statement of ethical behavior?		20
5. Have all governing body members completed entity specific (District Board Member Training for local/special service districts & interlocal entities, Introductory Training for Municipal Officials for cities & towns, etc.) online training ( <a href="http://training.auditor.utah.gov">training.auditor.utah.gov</a> ) within four years of term appointment/election date?		20
6. Regardless of license or formal education, does at least one member of the management team receive at least 40 hours of formal training related to accounting, budgeting, or other financial areas each year?	X	20
7. Does the entity have or promote a fraud hotline?	X	20
8. Does the entity have a formal internal audit function?	X	20
9. Does the entity have a formal audit committee?	X	20

\*Entity Name: City of Saratoga Springs

\*Completed for Fiscal Year Ending: 6/30/2023 \*Completion Date: 11/16/2022

\*CAO Name: Mark Christensen \*CFO Name: Chelese Rawlings

\*CAO Signature:  \*CFO Signature: 

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# Basic Separation of Duties

See the following page for instructions and definitions.

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# Basic Separation of Duties

Continued

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## City Council Staff Report

**Author:** Spencer Quain, Budget Administrator  
**Subject:** Garbage Rates  
**Date:** Dec. 6, 2022  
**Type of Item:** Resolution

**Summary Recommendation:** Staff recommends approval of the following by resolution amending the Rate Schedule for the fiscal year 2022-23.

### Description

#### A. Topic

This is an amendment to the Garbage Rate Schedule.

#### B. Background

The City has been notified by North Pointe Solid Waste Special Service District that they will be raising its fees due to a new transportation contract and inflation.

The City's current rates:

	Current City Rates
1 <sup>st</sup> Garbage Cans	\$15.15
Additional Garbage Cans	\$15.15
Additional Recycling Cans	\$4.50

#### C. Analysis

To ensure that the City's Garbage Fund remains healthy while covering the increased fees from North Pointe, Staff recommends that Council update the Cities 1st and additional Garbage Can Rates.

Staff calculations show that raising the 1<sup>st</sup> Garbage Cans and Additional Garbage Cans rates would cover the anticipated increased expenses from North Pointe.

	Current City Rates	Fee Increase	New Rates
1st Garbage Cans Rate	\$ 15.15	\$0.10	\$15.25
Additional Garbage Cans Rate	\$ 15.15	\$0.10	\$15.25
2nd Recycling Cans Rate	\$ 4.50	\$0	\$4.50

**D. Recommendation:** Staff recommends Council adopt the new rates and the attached fee resolution adjusting rates for the Garbage Fund.

**RESOLUTION NO. R21-74 (12-6-22)**

**A RESOLUTION AMENDING THE CITY OF  
SARATOGA SPRINGS RATES SCHEDULE  
FOR FISCAL YEAR 2022-2023 AND  
ESTABLISHING AN EFFECTIVE DATE.**

WHEREAS, the City Council of the City of Saratoga Springs has found it necessary to amend the garbage and recycling fees in the City's current Consolidated Fee Schedule; and

WHEREAS, pursuant to state law, the City Council has conducted a public meeting on the proposed fee amendments; and

WHEREAS, in the attached staff report dated, December 6, 2022, City Staff has proposed plans for amending the garbage and recycling fees; and

WHEREAS, the City Council has determined that an amendment to the garbage and recycling fees is in the best interests of the public, will further the public health, safety, and welfare, and will assist in the efficient administration of City government.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SARATOGA SPRINGS, UTAH, THAT:

1. The City of Saratoga Springs does hereby the recommended new rates in the attached staff report as the amended garbage and recycling fees in the Consolidated Fee Schedule.
2. City Staff is directed to update the garbage and recycling fees in the Consolidated Fee Schedule consistent with this Resolution.

BE IT FURTHER RESOLVED that the amended fees and this resolution shall take effect starting January 1<sup>st</sup> 2023.

Passed on the 6<sup>th</sup> day of December, 2022.

CITY OF SARATOGA SPRINGS  
A UTAH MUNICIPAL CORPORATION

Signed: \_\_\_\_\_  
Jim Miller, Mayor

Attest: \_\_\_\_\_  
Cindy LoPiccolo, City Recorder



## City Council Staff Report

**Author:** Spencer Quain, Budget Administrator  
**Subject:** Garbage Rates  
**Date:** Dec. 6, 2022  
**Type of Item:** Resolution

**Summary Recommendation:** Staff recommends approval of the following by resolution amending the Rate Schedule for the fiscal year 2022-23.

### Description

#### A. Topic

This is an amendment to the Garbage Rate Schedule.

#### B. Background

The City has been notified by North Pointe Solid Waste Special Service District that they will be raising its fees due to a new transportation contract and inflation.

The City's current rates:

	Current City Rates
1 <sup>st</sup> Garbage Cans	\$15.15
Additional Garbage Cans	\$15.15
Additional Recycling Cans	\$4.50

#### C. Analysis

To ensure that the City's Garbage Fund remains healthy while covering the increased fees from North Pointe, Staff recommends that Council update the Cities 1st and additional Garbage Can Rates.

Staff calculations show that raising the 1<sup>st</sup> Garbage Cans and Additional Garbage Cans rates would cover the anticipated increased expenses from North Pointe.

	Current City Rates	Fee Increase	New Rates
1st Garbage Cans Rate	\$ 15.15	\$0.10	\$15.25
Additional Garbage Cans Rate	\$ 15.15	\$0.10	\$15.25
2nd Recycling Cans Rate	\$ 4.50	\$0	\$4.50

- D. Recommendation:** Staff recommends Council adopt the new rates and the attached fee resolution adjusting rates for the Garbage Fund.

## City Council Staff Report

**Author: Jeremy D. Lapin, P.E., City Engineer**  
**Subject: Amendment to City's Street Light and Secondary Water Rates**  
**Date: December 6, 2022**  
**Type of Item: Ordinance**



**A. Topic:**

This item is for an ordinance approving amendments the City's Street Light and Secondary Water Rates within the City's Consolidated Fee Schedule.

### B. Background:

In 2022, the City of Saratoga Springs hired Zion's Bank Public Finance to conduct a utility rate study to determine if the City's utility rates are sufficient to meet its current and future service delivery and infrastructure needs. Zion's Bank Public Finance has provided a comprehensive rate study that recommended the following changes to the Street Light and Secondary Water rates. The proposed rate changes are as follows:

- Street lights proposed rates

	Existing	Proposed
Monthly Rate	\$2.83	\$3.50

- Pressurized Irrigation proposed rates

[illegible]

	<b>Existing</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
	<b>0%</b>	<b>2%</b>	<b>2%</b>	<b>2%</b>	<b>2%</b>	<b>2%</b>	<b>2%</b>
150% - 200% of allotment	\$2.00	\$2.04	\$2.08	\$2.12	\$2.16	\$2.21	\$2.25
	<b>0%</b>	<b>3%</b>	<b>3%</b>	<b>3%</b>	<b>3%</b>	<b>3%</b>	<b>3%</b>
200% - 250% of allotment	\$3.00	\$3.09	\$3.18	\$3.28	\$3.38	\$3.48	\$3.58
	<b>0%</b>	<b>4%</b>	<b>4%</b>	<b>4%</b>	<b>4%</b>	<b>4%</b>	<b>4%</b>
250%+ of allotment	\$3.80	\$3.95	\$4.11	\$4.27	\$4.45	\$4.62	\$4.81

**C. Analysis:**

Saratoga Springs continues to be one of the fastest growing cities in Utah and based on the recommendations from Zion's Bank, the proposed rates are necessary in order for the City to meet the growing demands on the system while maintaining a high level of service to existing residents.

**D. Recommendation:**

I recommend that the City Council approve Ordinance 22- 49 amending the City's Consolidated Fee Schedule for Secondary Water and Street Lights.



**ORDINANCE NO. 22-49 (12-6-22)**

**AN ORDINANCE OF THE CITY OF SARATOGA SPRINGS, UTAH  
AMENDING CITY'S CONSOLIDATED FEE SCHEDULE FOR STREET  
LIGHTS AND SECONDARY WATER RATES.**

**WHEREAS**, the City of Saratoga Springs operates street lights and a secondary water system to ensure the public health, safety, and welfare of its citizens; and

**WHEREAS**, Utah Code Annotated § 10-8-14 authorizes the City to establish and provide street light and secondary water services; and

**WHEREAS**, Utah Code Annotated § 10-8-22 authorizes the City to charge a fee for use of the same; and

**WHEREAS**, Sections 8.01.08 and 8.01.09 of the City Code authorizes the City to charge street light and Secondary water rates to its residents; and

**WHEREAS**, the City previously adopted street light and Secondary water fees and now desires to amend the same; and

**WHEREAS**, it is the responsibility and obligation of the City Council of the City of Saratoga Springs to ensure that the costs of street light and secondary water operating expenses are paid for through the City's Street Light and Water Enterprise Funds and that said funds remains solvent; and

**WHEREAS**, Zions Bank has performed a utility rates study that recommended amendments to the street light and secondary water fees rates and fees; and

**WHEREAS**, the City Council adopts the utility rates study completed by Zions Bank, which is attached as Exhibit A; and

**WHEREAS**, the City Council finds that amending the street light and secondary water connection fees and rates as specifically provided herein is in accordance with Utah law and City ordinances and furthers the public health, safety, and welfare.

**NOW, THEREFORE, BE IT RESOLVED** by the Saratoga Springs City Council as follows:

**SECTION I – UTILITY RATES STUDY**

The Utility Rates Study completed by Zions Bank dated December 2022, attached as Exhibit A hereto and incorporated herein by this reference, is hereby adopted.

## **SECTION II – ENACTMENT**

The street light and secondary water rates and fees in the Consolidated Fee Schedule are replaced by the following rates and fees:

### **A. Street Light and Secondary Water Rates and Fees**

#### **STREET LIGHT RATES**

	<b>Monthly Amount</b>
Single-Family Residential	\$3.50
Multi-family Residential	\$3.50
Non-Residential	\$3.50
Open Space Property	\$0.00
Agricultural Property	\$3.50

#### **SECONDARY WATER RATES**

	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
Single-Family Residential	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00
	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
All other types of account	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00
Usage	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
0-75% of allotment	\$0.35	\$0.35	\$0.35	\$0.35	\$0.35	\$0.35	\$0.35
	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
75% - 100% of allotment	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
100% - 150% of allotment	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25
	<b>0%</b>	<b>2%</b>	<b>2%</b>	<b>2%</b>	<b>2%</b>	<b>2%</b>	<b>2%</b>
150% - 200% of allotment	\$2.00	\$2.04	\$2.08	\$2.12	\$2.16	\$2.21	\$2.25
	<b>0%</b>	<b>3%</b>	<b>3%</b>	<b>3%</b>	<b>3%</b>	<b>3%</b>	<b>3%</b>
200% - 250% of allotment	\$3.00	\$3.09	\$3.18	\$3.28	\$3.38	\$3.48	\$3.58
	<b>0%</b>	<b>4%</b>	<b>4%</b>	<b>4%</b>	<b>4%</b>	<b>4%</b>	<b>4%</b>
250%+ of allotment	\$3.80	\$3.95	\$4.11	\$4.27	\$4.45	\$4.62	\$4.81

## **SECTION III – AMENDMENT OF CONFLICTING POLICIES**

If any ordinances, resolutions, or policies of the City of Saratoga Springs heretofore adopted are inconsistent herewith they are hereby amended to comply with the provisions hereof. If they cannot be amended to comply with the provisions hereof, they are hereby repealed.

**SECTION IV – EFFECTIVE DATE**

This resolution shall take effect on January 1, 2023.

**SECTION V – SEVERABILITY**

If any section, subsection, sentence, clause, phrase, or portion of this ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such provision shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions of this ordinance.

**ADOPTED AND PASSED** by the City Council of the City of Saratoga Springs, Utah, this 6<sup>th</sup> day of December, 2022.

Signed: \_\_\_\_\_  
Jim Miller, Mayor

Attest: \_\_\_\_\_  
Cindy LoPiccolo, City Recorder

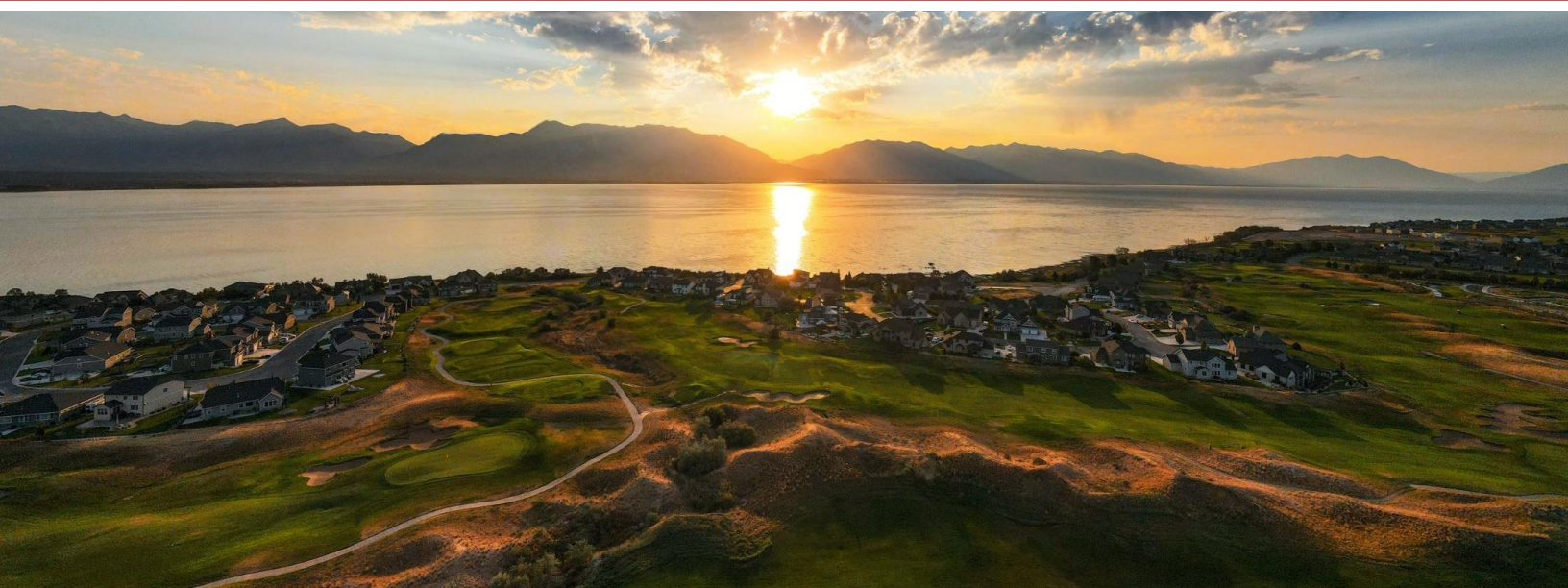
**CITY COUNCIL VOTE AS RECORDED**

Councilmembers:	Yes	No	Abstain	Excused
Chris Carn	_____	_____	_____	_____
Michael McOmber	_____	_____	_____	_____
Ryan Poduska	_____	_____	_____	_____
Chris Porter	_____	_____	_____	_____
Stephen Willden	_____	_____	_____	_____
Mayor Jim Miller (tie only)	_____	_____		

**EXHIBIT A**

**Zions Bank Utility Rates Study**

# City of Saratoga Springs



## Saratoga Springs Utility Rates Study



Zions Public Finance, Inc.  
December 2022

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## Chapter 1 – Executive Summary

During the past year, City of Saratoga Springs has looked in detail into its culinary water, sewer, storm water, street lighting, and PI rates, carefully evaluating operating and capital expenses needed for the next 6 years. A summary of proposed rates for each utility is shown below.

### Culinary Water

The culinary water fund is well-positioned to meet its operating and capital costs for the next several years without any rate increases and without the issuance of any bonds.

**TABLE 1: PROJECTED CULINARY WATER RATES**

	2022	2023	2024	2025	2026	2027	2028
<b>Base Rates</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
Single-Family	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75
Master-Metered	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75
<b>Non-Residential</b>							
3/4" - 5/8"	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75
1"	\$23.08	\$23.08	\$23.08	\$23.08	\$23.08	\$23.08	\$23.08
1.5"	\$28.40	\$28.40	\$28.40	\$28.40	\$28.40	\$28.40	\$28.40
2"	\$46.15	\$46.15	\$46.15	\$46.15	\$46.15	\$46.15	\$46.15
3"	\$177.50	\$177.50	\$177.50	\$177.50	\$177.50	\$177.50	\$177.50
4"	\$225.43	\$225.43	\$225.43	\$225.43	\$225.43	\$225.43	\$225.43
6"	\$339.03	\$339.03	\$339.03	\$339.03	\$339.03	\$339.03	\$339.03
8"	\$468.60	\$468.60	\$468.60	\$468.60	\$468.60	\$468.60	\$468.60
<b>Usage</b>							
3,001-7000	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40
7,001-12,000	\$3.25	\$3.25	\$3.25	\$3.25	\$3.25	\$3.25	\$3.25
12,001+	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00
Days Cash on Hand	343	202	81	243	420	558	660

### Sewer

The sewer fund is also well-positioned to meet its operating and capital costs for the next several years without any rate increases and without the issuance of any bonds.

**TABLE 2: RECOMMENDED SEWER RATES**

	2022	2023	2024	2025	2026	2027	2028
<b>Base Rates</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
Single-Family	\$31.36	\$31.36	\$31.36	\$31.36	\$31.36	\$31.36	\$31.36

	2022	2023	2024	2025	2026	2027	2028
Master-Metered	\$31.36	\$31.36	\$31.36	\$31.36	\$31.36	\$31.36	\$31.36
Non-Residential							
3/4" - 5/8"	\$20.16	\$20.16	\$20.16	\$20.16	\$20.16	\$20.16	\$20.16
1"	\$20.16	\$20.16	\$20.16	\$20.16	\$20.16	\$20.16	\$20.16
1.5"	\$26.21	\$26.21	\$26.21	\$26.21	\$26.21	\$26.21	\$26.21
2"	\$32.26	\$32.26	\$32.26	\$32.26	\$32.26	\$32.26	\$32.26
3"	\$52.42	\$52.42	\$52.42	\$52.42	\$52.42	\$52.42	\$52.42
4"	\$201.60	\$201.60	\$201.60	\$201.60	\$201.60	\$201.60	\$201.60
6"	\$256.03	\$256.03	\$256.03	\$256.03	\$256.03	\$256.03	\$256.03
8"	\$385.06	\$385.06	\$385.06	\$385.06	\$385.06	\$385.06	\$385.06
Non-Residential Volume	\$3.45	\$3.45	\$3.45	\$3.45	\$3.45	\$3.45	\$3.45
Usage							
3,001-7000	\$3.70	\$3.70	\$3.70	\$3.70	\$3.70	\$3.70	\$3.70
7,001-12,000	\$3.92	\$3.92	\$3.92	\$3.92	\$3.92	\$3.92	\$3.92
12,001+	\$4.09	\$4.09	\$4.09	\$4.09	\$4.09	\$4.09	\$4.09
Days Cash on Hand	640	665	736	795	836	857	858

## Storm Water

The storm water fund is well-positioned to meet its operating and capital costs over the next few years without any rate increases and without the issuance of any bonds.

**TABLE 3: PROPOSED STORM WATER RATES**

	2022	2023	2024	2025	2026	2027	2028
Base Rates	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Storm Water Rate (All customers)	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00
Days Cash on Hand	367	541	571	692	746	795	869

## Street Lights

The street light utility fund can meet its projected increased operating costs with a one-time rate increase of \$0.67 per month - from \$2.83 to \$3.50 - which represents a one-time increase of nearly 24 percent. All increased costs are operating costs and, therefore, no bonds were considered as part of the analysis for street lights.

**TABLE 4: PROPOSED STREET LIGHTS RATES**

	2022	2023	2024	2025	2026	2027	2028
<b>Base Rates</b>							
Single-Family Residential	\$2.83	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50
Multi-family Residential	\$2.83	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50
Non-Residential	\$2.83	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50
Open Space Property	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Agricultural Property	\$2.83	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50
Days Cash on Hand	398	378	369	366	364	360	350

**Pressurized Irrigation (PI)**

In order to meet the operating and capital costs of the PI fund, there will need to be some rate increases. After analysis of several rate scenarios, as well as discussions with City staff, this report recommends that increases be made to larger users – those exceeding 100 percent of their allotment. Even with the following rate increases, bonds will need to be issued in order to meet upcoming significant capital costs, as discussed in more detail in the body of this report.

**TABLE 5: PROPOSED PI RATES**

	2022	2023	2024	2025	2026	2027	2028
	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
Single-Family Residential	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00
All other types of account	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00
Usage	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
0-75% of allotment	\$0.35	\$0.35	\$0.35	\$0.35	\$0.35	\$0.35	\$0.35
	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
75% - 100% of allotment	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
100% - 150% of allotment	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25
	<b>0.0%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.0%</b>
150% - 200% of allotment	\$2.00	\$2.04	\$2.08	\$2.12	\$2.16	\$2.21	\$2.25
	<b>0.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>
200% - 250% of allotment	\$3.00	\$3.09	\$3.18	\$3.28	\$3.38	\$3.48	\$3.58
	<b>0.0%</b>	<b>4.0%</b>	<b>4.0%</b>	<b>4.0%</b>	<b>4.0%</b>	<b>4.0%</b>	<b>4.0%</b>
250%+ of allotment	\$3.80	\$3.95	\$4.11	\$4.27	\$4.45	\$4.62	\$4.81
Days Cash on Hand	329	329	161	527	208	2590	1086

## Impact on Single-Family Residential

An average single-family residential unit would see its monthly bill increase by less than \$1 per month over the next 10 years. The table below shows a sample of an average single-family residential unit monthly bill over the next 5 years.

**TABLE 7: SAMPLE SINGLE-FAMILY RESIDENTIAL**

	Current	FY2028
Culinary Water		
Base Rate	\$17.75	\$17.75
Usage	\$2.40	\$2.40
Sewer		
Base Rate	\$31.36	\$31.36
Usage	\$3.70	\$3.70
Storm Water	\$6.00	\$6.00
Street Lights	\$2.83	\$3.50
PI		
Base Rate	\$65.00	\$65.00
Usage (75%-100% of allotment)	\$1.00	\$1.00
<b>Total Monthly Charge</b>	<b>\$130.04</b>	<b>\$130.71</b>

## Chapter 2 – Culinary Water Rates

### Background and Approach

City of Saratoga Springs (“Saratoga Springs” or “the City”) is experiencing growth which is putting pressure on the City’s culinary water system to serve more customers. Further, inflationary costs are resulting in increased operating expenses and many parts of the culinary water system are in need of repair. Rates must be designed to keep up with these changes and must be structured to fairly and equitably serve customer needs. As such, the City has two components to its water rates: 1) a base rate charged to all customers, by customer class, monthly; and 2) a usage rate that is tied to the actual amount of water used each month, with varying costs per “tier” of water usage.

The approach used in this analysis is commonly referred to as a “revenue sufficiency model.” All expenses (operating and capital) are first calculated, and then rates are structured to cover annual expenses, maintain sufficient debt service ratios, and to keep a sufficient number of days cash on hand in the culinary water utility fund. A sufficient number of days cash on hand is generally accepted as 180 days of cash that would cover operating expenses of the utility.

### Operating Expenses

Growth in all operating expenses is projected at an average annual rate of 12 percent per year. Operational expenses include the new costs attributable to new development, as well as inflationary expenses.

### Outstanding Debt

The City has an outstanding water revenue and refunding bond series 2014 split between the culinary water and PI funds. Culinary water accounts for 10% of the split which leads to a payment of about \$69,000 per year through 2034. The other 90% is accounted for in the PI fund.

### Capital Projects

There are 32 capital projects anticipated between 2022 and 2030. While the costs shown in the table below are in \$2022, an inflation rate of three percent per year has been added to these projects in the financial model to cover the increased costs of construction for the year in which each project is planned.

**TABLE 2-1: CULINARY WATER CAPITAL PROJECTS**

Project ID	Cost	Year
Capital and Master Plan	\$38,551	2022
Capital and Master Plan	\$50,000	2023
Capital and Master Plan	\$50,000	2024
Capital and Master Plan	\$50,000	2025
Capital and Master Plan	\$50,000	2026
Capital and Master Plan	\$50,000	2027
Capital and Master Plan	\$50,000	2028
Capital and Master Plan	\$50,000	2029
Capital and Master Plan	\$50,000	2030
Capital and Master Plan	\$50,000	2031
Capital and Master Plan	\$50,000	2032

Project ID	Cost	Year
2300 West CUWCD Connection and Pipeline	\$83,200	2022
Mt Saratoga Zone 2 Tank and Booster	\$10,611	2022
Mt Saratoga Zone 2 Tank and Booster	\$25,000	2023
Northgate Waterlines 2,000 ft 10-inch	\$413,193	2022
Drinking Water Well #7 Pipeline	\$316,900	2023
Wildflower Zone 4 Tank	\$52,000	2022
Wildflower Zone 4 Tank	\$100,000	2023
5 MG Zone 1 North Tank 5,300 24-inch, 4,100 20-inch, 5900 16 inch	\$75,000	2022
5 MG Zone 1 North Tank 5,300 24-inch, 4,100 20-inch, 5900 16 inch	\$11,141,014	2030
Foothill Waterline - Pony to Beacon Pointe, Phase 1	\$3,000,000	2023
Foothill Waterline - Pony to Beacon Pointe, Phase 2	\$3,000,000	2024
Foothill Waterline - Talus Ridge to Pony	\$500,000	2024
Foothill Waterline - Talus Ridge to Pony	\$539,000	2025
Central Zone 2 Tank - Church	\$7,063,500	2030
Fox Hollow Zone 4 Tank & Pump Station	\$3,565,500	2030
Israel Canyon Zone 3 Tank	\$20,000	2022
Israel Canyon Zone 3 Tank	\$40,000	2023
Israel Canyon Zone 3 Tank	\$3,063,000	2030
Mt Saratoga/Wildflower Zone 3 Pipe Connection	\$1,241,800	2030
Mt Saratoga/Wildflower Zone 3 Pipe Connection	\$543,100	2030
Canton Ridge		TBD
<b>TOTAL</b>	<b>\$35,331,369</b>	

### Cash Balances

The beginning cash balance in the Culinary Water Fund is \$2,980,000.<sup>1</sup>

### Rate Structuring

Current culinary water base rates are structured as follows:

**TABLE 2-2: CURRENT CULINARY WATER BASE RATES BY CATEGORY**

Customer Classes	Amount
Single-Family	\$17.75
Master-Metered	\$17.75
Non-Residential	
3/4" - 5/8"	\$17.75
1"	\$23.08
1.5"	\$28.40
2"	\$46.15
3"	\$177.50
4"	\$225.43

<sup>1</sup> Source: City of Saratoga Springs

Customer Classes	Amount
6"	\$339.03
8"	\$468.60

Usage rates are based on varying tiers of usage and charged per 1,000 gallons as shown below.

**TABLE 2-3: CURRENT TIERED WATER USAGE RATES BY CATEGORY**

Usage Tier	Monthly Amount per 1,000 Gallons
3,001-7000	\$2.40
7,001-12,000	\$3.25
12,000+	\$4.00

### Current Rate Projections

The current rate structure, with no projected rate increases and no new bonds issued, meets the future needs of the Culinary Water Fund. The capital expenses required to maintain the current service level do not create a financial strain under current rates. Financial projections for the current rates with no future rate increases are shown in the following table. With no changes to the existing situation, the Culinary Water Fund will have sufficient cash flows to cover its costs.

**TABLE 2-4: CURRENT RATE KEY RATIOS**

	2022	2023	2024	2025	2026	2027	2028
Net Revenues before Debt Service	\$599,788	\$726,144	\$821,405	\$2,611,234	\$2,633,327	\$2,612,489	\$2,543,829
Capital Expenses	(\$692,555)	(\$3,637,857)	(\$3,766,195)	(\$643,616)	(\$56,275)	(\$57,964)	(\$59,703)
Debt Service Coverage Ratio	8.64	10.48	11.89	37.74	38.08	37.84	36.66
Days Cash on Hand	343	202	81	243	420	558	660

### Proposed Rates

As stated above, there are no rate increases shown in the next 6 years for culinary water in Saratoga Springs given the assumptions used in this analysis. Even with no rate increases, the general rate objectives considered in this analysis are met:

- Ensure sufficient revenues to cover all operating costs and maintain a debt service coverage ratio of at least 1.25;<sup>2</sup>
- Maintain 180 days cash on hand on average
- Balance minimizing rates with minimizing new debt obligations when debt obligations are considered; and
- Proposed rates should be easy to implement and administer.

<sup>2</sup> Debt coverage ratios are measured by comparing operating cash (revenues less operating expenses) to annual debt service obligations before capital costs.

The proposed culinary water rates are structured to ensure that new capital improvements can be constructed, that inflationary operating costs can be met and that the water utility fund maintains a sustainable amount of days cash on hand.

### **Proposed Rates**

Under the proposed rates, all base rates would stay the same over 6 years (2028). As of now, there are no future bonds planned.

**TABLE 2-5: PROJECTED CULINARY WATER RATES**

	2022	2023	2024	2025	2026	2027	2028
<b>Base Rates</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
Single-Family	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75
Master-Metered	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75
Non-Residential							
3/4" - 5/8"	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75	\$17.75
1"	\$23.08	\$23.08	\$23.08	\$23.08	\$23.08	\$23.08	\$23.08
1.5"	\$28.40	\$28.40	\$28.40	\$28.40	\$28.40	\$28.40	\$28.40
2"	\$46.15	\$46.15	\$46.15	\$46.15	\$46.15	\$46.15	\$46.15
3"	\$177.50	\$177.50	\$177.50	\$177.50	\$177.50	\$177.50	\$177.50
4"	\$225.43	\$225.43	\$225.43	\$225.43	\$225.43	\$225.43	\$225.43
6"	\$339.03	\$339.03	\$339.03	\$339.03	\$339.03	\$339.03	\$339.03
8"	\$468.60	\$468.60	\$468.60	\$468.60	\$468.60	\$468.60	\$468.60
<b>Usage</b>							
3,001-7000	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40
7,001-12,000	\$3.25	\$3.25	\$3.25	\$3.25	\$3.25	\$3.25	\$3.25
12,001+	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00
Days Cash on Hand	343	202	81	243	420	558	660

With the proposed rates above, the City maintains good debt service coverage ratios and maintains over 180 days of cash on hand (other than in 2024, where the days cash on hand is at 81) through 2028.

**TABLE 2-6: SUMMARY OF KEY RATIOS**

	2022	2023	2024	2025	2026	2027	2028
Net Revenues before Debt Service	\$599,788	\$726,144	\$821,405	\$2,611,234	\$2,633,327	\$2,612,489	\$2,543,829
Capital Expenses	(\$692,555)	(\$3,637,857)	(\$3,766,195)	(\$643,616)	(\$56,275)	(\$57,964)	(\$59,703)
Debt Service Coverage Ratio	8.64	10.48	11.89	37.74	38.08	37.84	36.66



	2022	2023	2024	2025	2026	2027	2028
Days Cash on Hand	343	202	81	243	420	558	660

### Impacts on Existing Water Users

The actual amount paid by existing water users will vary depending on water usage. For example, if a residential water user now pays \$17.75 monthly for a base rate and uses 6,000 gallons per month (\$14.40 calculated by paying \$2.40 per 1,000 gallons), their current total cost would be \$32.15 per month or \$385.80 annually. Under the proposed rates, the same residential ratepayer would pay the same amount.

### Debt Coverage Ratios

Minimum debt coverage ratios are generally assumed to be 1.25. All options maintain at least this ratio.

### Days Cash on Hand

All options maintain the City's goal to maintain 180 days cash on hand on average other than in 2024.

## Chapter 3 – Sewer Rates

### Background and Approach

As stated previously, Saratoga Springs is experiencing growth. This also puts pressure on the City's sewer system to serve more customers. Further, inflationary costs are resulting in increased operating expenses and many parts of the sewer system are in need of repair. Rates must be designed to keep up with these changes and must be structured to fairly and equitably serve customer needs.

The approach used in this analysis is commonly referred to as a "revenue sufficiency model." All expenses (operating and capital) are first calculated, and then rates are structured to cover annual expenses, maintain sufficient debt service ratios, and to keep 180 days cash on hand in the sewer utility fund.

### Operating Expenses

Growth in operating expenses is projected at an average annual rate of 12 percent per year (other than Sewer Treatment Expenses, which are 15 percent) based on historical costs as well as discussions with City staff.

### Outstanding Debt

The City has two outstanding debt obligations in the sewer fund with a payment of about \$755,400 on average annually.

### Capital Projects

There are 33 capital projects anticipated between 2022 and 2032. While the costs shown in the table below are in \$2022, an inflation rate of three percent per year has been added to these projects in the financial model to cover the increased costs of construction for the year in which construction takes place.

**TABLE 3-1: SEWER CAPITAL PROJECTS**

Project ID	Cost	Year
Master Plan Studies	\$46,800	2022
Master Plan Studies	\$46,800	2023
Master Plan Studies	\$46,800	2024
Master Plan Studies	\$46,800	2025
Master Plan Studies	\$46,800	2026
Master Plan Studies	\$46,800	2027
Master Plan Studies	\$46,800	2028
Master Plan Studies	\$46,800	2029
Master Plan Studies	\$46,800	2030
Master Plan Studies	\$46,800	2031
Master Plan Studies	\$46,800	2032
North Trunk - New Gravity along Riverside Drive	\$1,942,200	2030
North Trunk - Posey forcemain tie-in	\$274,950	2030
Connect 400 N to Gravity Sewer Outfall at Redwood Road - Bypass Posey Lift	\$58,500	2030

Project ID	Cost	Year
New Lift Station 9 in Northshore - DR Horton Upsize Only	\$55,821	Complete
Wetland Mitigation for Sewer Project	\$99,450	2022
Grandview to Ring Road	\$2,480,400	2023
Ring Road Main	\$636,480	TBD
South Golf Course Upsize	\$917,921	Complete
New Lift Station 10 @ Talons Cove Club House with forcemain to ring road	\$3,988,530	2030
Redwood Road Replace North of Wildlife Blvd and South of Silver Fox Lane north of Wildlife Blvd	\$1,873,170	2030
Redwood Rd Lake Mtn Dr to Wildlife Pipe Upsize	\$1,213,290	2030
South 200 West - 21-inch from Market Street to Redwood - Boyer	\$494,910	2030
12-inch from Wildflower to Tractor Supply along Crossroads Blvd	\$1,380,600	2030
Silver Fox Lane Upsize Village	\$483,210	TBD
145 North Collector - East of Willow Glen	\$347,490	TBD
145 North Collector- West of Willow Glen	\$611,910	TBD
146 North Collector - West of Perelle	\$449,280	TBD
West North Shore Collector - West of Northshore	\$2,108,340	TBD
New Parallel Trunk from Legacy Parkway /Redwood Rd to TSSD outfall	\$3,822,390	TBD
Foothill Outfall- North of Beacon Pointe E/W Trunk Line	\$3,627,000	TBD
West of Foothill Blvd N/S Trunk to South End of City	\$14,206,140	TBD
New West to East Trunk North of Tickville Gulch	\$2,992,860	TBD
<b>TOTAL</b>	<b>\$41,847,692</b>	

### Cash Balances

The beginning cash balance in the Sewer Fund is \$6,000,000.<sup>3</sup>

### Rate Structuring

Current sewer rates are structured as follows:

<sup>3</sup> Source: City of Saratoga Springs

**TABLE 3-2: CURRENT SEWER RATES**

Description	Amount
<b>Base Rate</b>	
Single-Family	\$31.36
Master-Metered	\$31.36
Non-Residential	
3/4" - 5/8"	\$20.16
1"	\$20.16
1.5"	\$26.21
2"	\$32.26
3"	\$52.42
4"	\$201.60
6"	\$256.03
8"	\$385.06
<b>Volume</b>	
3,001-7,000	\$3.70
7,001-12,000	\$3.92
12,000+	\$4.09
Non-Residential Volume	\$3.45

**Current Rate Projections**

The current rate structure, with no projected rate increases and no new bonds issued, meets the desired standards of days cash on hand in the future years. Financial projections for the current rates with no future rate increases or issuance of bonds are shown in the following table.

**TABLE 3-3: CURRENT RATE PROJECTIONS**

	2022	2023	2024	2025	2026	2027	2028
Net Revenues before Debt Service	\$2,366,858	\$4,804,726	\$3,166,831	\$3,409,654	\$3,551,331	\$3,577,728	\$3,536,319
Capital Expenses	(\$261,632)	(\$2,721,859)	(\$172,059)	(\$177,221)	(\$182,537)	(\$188,013)	(\$193,654)
Debt Service Coverage Ratio	3.14	6.36	4.21	4.52	4.7	4.73	4.67
Beginning Cash Balance	\$6,000,000	\$7,351,813	\$8,678,718	\$10,920,427	\$13,397,997	\$16,010,579	\$18,643,181
Ending Cash Balance	\$7,351,813	\$8,678,718	\$10,920,427	\$13,397,997	\$16,010,579	\$18,643,181	\$21,228,283

	2022	2023	2024	2025	2026	2027	2028
Days Cash on Hand	640	665	736	795	836	857	858

### Proposed Rate Options

There will be no rate increases necessary for the next 6 years for sewer rates in Saratoga Springs based on the assumptions used in this analysis. Even with no rate increases, the general rate objectives considered in this analysis will be met:

- Ensure sufficient revenues to cover all operating costs and maintain a debt coverage ratio of at least 1.25;<sup>4</sup>
- Maintain 180 days cash on hand on average and never get below 150 days cash on hand;
- Balance minimizing rates with minimizing new debt obligations when debt obligations are considered; and
- Proposed rates should be easy to implement and administer.

The proposed sewer rates are structured to ensure that new capital improvements can be constructed, that inflationary operating costs can be met and that the sewer utility fund maintains 180 days cash on hand.

### Proposed Rates

There are no proposed rate increases for sewer.

**TABLE 3-4: PROPOSED SEWER RATES**

	2022	2023	2024	2025	2026	2027	2028
<b>Base Rates</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
Single-Family	\$31.36	\$31.36	\$31.36	\$31.36	\$31.36	\$31.36	\$31.36
Master-Metered	\$31.36	\$31.36	\$31.36	\$31.36	\$31.36	\$31.36	\$31.36
Non-Residential							
3/4" - 5/8"	\$20.16	\$20.16	\$20.16	\$20.16	\$20.16	\$20.16	\$20.16
1"	\$20.16	\$20.16	\$20.16	\$20.16	\$20.16	\$20.16	\$20.16
1.5"	\$26.21	\$26.21	\$26.21	\$26.21	\$26.21	\$26.21	\$26.21
2"	\$32.26	\$32.26	\$32.26	\$32.26	\$32.26	\$32.26	\$32.26
3"	\$52.42	\$52.42	\$52.42	\$52.42	\$52.42	\$52.42	\$52.42
4"	\$201.60	\$201.60	\$201.60	\$201.60	\$201.60	\$201.60	\$201.60
6"	\$256.03	\$256.03	\$256.03	\$256.03	\$256.03	\$256.03	\$256.03
8"	\$385.06	\$385.06	\$385.06	\$385.06	\$385.06	\$385.06	\$385.06
Non-Residential Volume	\$3.45	\$3.45	\$3.45	\$3.45	\$3.45	\$3.45	\$3.45

<sup>4</sup> Debt coverage ratios are measured by comparing operating cash (revenues less operating expenses) to annual debt service obligations before capital costs.

	2022	2023	2024	2025	2026	2027	2028
<b>Usage</b>							
3,001-7000	\$3.70	\$3.70	\$3.70	\$3.70	\$3.70	\$3.70	\$3.70
7,001-12,000	\$3.92	\$3.92	\$3.92	\$3.92	\$3.92	\$3.92	\$3.92
12,001+	\$4.09	\$4.09	\$4.09	\$4.09	\$4.09	\$4.09	\$4.09
<b>Days Cash on Hand</b>							
Days Cash on Hand	640	665	736	795	836	857	858

With these proposed rates, the Sewer Fund will easily maintain sustainability and will keep pace with inflationary costs.

### Impacts on Existing Sewer Ratepayers

Single-family sewer ratepayers currently pay and will continue paying \$31.36 per month (\$376.32 annually) for their base rates plus monthly volume charges which will remain constant as well

### Debt Coverage Ratios

Minimum debt coverage ratios are generally assumed to be 1.25. The proposed rate increases maintain at least this ratio. No new bonds are anticipated.

### Days Cash on Hand

The proposed rates maintain the City's goal to keep 180 days cash on hand on average and never get below 150 days cash on hand.

## Chapter 4 – Storm Water Rates

### Background and Approach

Due to the growth in the City, and the paving of formerly pervious surfaces, the City will experience more demands on its storm water system. Further, inflationary costs are resulting in increased operating expenses and many parts of the storm water system are in need of repair. Rates must be designed to keep up with these changes and must be structured to fairly and equitably serve customer needs.

The approach used in this analysis is commonly referred to as a “revenue sufficiency model.” All expenses (operating and capital) are first calculated, and then rates are structured to cover annual expenses, maintain sufficient debt service ratios, and to keep at least 180 days on hand in the storm water utility fund.

### Operating Expenses

Growth in operating expenses is projected at an average annual rate of 10 percent per year per budget line item based on input from City staff. Operational expenses include the new costs attributable to new development, as well as inflationary expenses.

### Outstanding Debt

There is an outstanding debt payment of \$47,714 annually.

### Capital Projects

There are 56 capital projects anticipated between 2022 and 2032, several of which have already been completed. While the costs shown in the table below are in \$2022, an inflation rate of three percent per year has been added to these projects in the financial model to cover the increased costs of construction over time.

**TABLE 4-1: STORM WATER CAPITAL PROJECTS**

Project ID	Cost	Year
Storm Water Planning	\$30,000	2022
Storm Water Planning	\$30,000	2023
Storm Water Planning	\$30,000	2024
Storm Water Planning	\$30,000	2025
Storm Water Planning	\$30,000	2026
Storm Water Planning	\$30,000	2027
Storm Water Planning	\$30,000	2028
Storm Water Planning	\$30,000	2029
Storm Water Planning	\$30,000	2030
Storm Water Planning	\$30,000	2031
Storm Water Planning	\$30,000	2032
SR-73 Phase 2		TBD
Clark Canyon (grant funded)		2022
800 West (Fairfield to 400 N) - Lexington Green	\$232,663	2024
1400 N Extension Line - StarHaven	\$142,736	2026

Project ID	Cost	Year
1401 N Extension Line - Arcadia Springs	\$124,180	2027
Knolls Fire	\$186,000	Completed
Redwood Rd Storm Water Treatment	\$511,395	Completed
Pioneer Xing to Redwood	\$0	2022
Harbor Parkway Debris Basin	\$66,786	Completed
Perelli Dry Creek Outfall		TBD
Perelli Outfall in E Saratoga Road	\$154,895	Completed
NRCS Watershed EA	\$212,544	2022
Tickville Wash Reimb	\$3,913	2022
Tickville Wash Reimb	\$120,000	2023
Pony Express Extension Outfall - East of Redwood Rd	\$50,000	2022
Pioneer Crossing to Market Street - Costco Reimb	\$215,984	TBD
Redwood Road (1200 N to Market)	\$211,200	TBD
Mtn View Corridor 5	\$96,100	TBD
Saratoga Parkway 1	\$192,200	TBD
Mtn View Corridor 3	\$96,100	TBD
Mtn View Corridor 1 (New)	\$331,605	TBD
Clay Pit Outfall	\$383,100	TBD
Village Parkway & Redwood Road	\$624,200	TBD
Harbor Parkway Reroute	\$234,400	TBD
Saratoga Road 6	\$520,400	TBD
Pioneer Crossing (DN3 to 1200 N)	\$961,300	TBD
1200 North 3	\$163,600	TBD
Harvest Hills to JR	\$1,749,000	TBD
400 South 4	\$300,000	TBD
Pony Express Crossing	\$40,800	TBD
Fairfield Road	\$716,000	TBD
Pioneer Crossing to Exchange Dr	\$295,600	TBD
Market Street	\$176,300	TBD
1200 N 1	\$359,600	TBD
1201 N 2	\$1,038,800	TBD
The Crossing Outfall	\$40,300	TBD
Foothill Blvd 6		TBD
Foothill Culvert @ Tickville	\$331,605	TBD
1900 N/Redwood Road	\$4,000	TBD
Planned Collector 2	\$78,700	TBD
Limekiln Canyon	\$540,020	TBD
Northshore Outfall in W Saratoga Road		TBD
Extension of Line near storage units	\$148,300	TBD
Pony Express Extension Outfall - West of Redwood Rd		TBD
Willow Glen Outfall		TBD

### Cash Balances



The beginning cash balance in the Storm Water Fund is \$360,000.<sup>5</sup>

### Rate Structuring

Current storm water rates are structured as follows:

**TABLE 4-2: CURRENT STORM WATER RATES**

	Monthly Amount
Single-Family	\$6.00

### Current Rate Projections

The current rate structure, with no projected rate increases and no new bonds issued, meets the future needs of the Storm Water Fund. The upcoming capital expenses required to maintain the current service level will not create a further financial strain under current rates. Financial projections for the current rates with no future rate increases or issuance of bonds are shown in the following table.

**TABLE 4-3: CURRENT RATE PROJECTIONS**

	2022	2023	2024	2025	2026	2027	2028
Net Revenues before Debt Service	\$766,938	\$687,837	\$530,556	\$572,416	\$604,860	\$626,949	\$637,645
Capital Expenses	(\$296,457)	(\$154,500)	(\$278,659)	(\$32,782)	(\$194,416)	(\$178,737)	(\$35,822)
Debt Service Coverage Ratio	16.07	14.42	11.12	12.00	12.68	13.14	13.36
Beginning Cash Balance	\$360,000	\$782,767	\$1,268,390	\$1,472,573	\$1,964,493	\$2,327,223	\$2,727,721
Ending Cash Balance	\$782,767	\$1,268,390	\$1,472,573	\$1,964,493	\$2,327,223	\$2,727,721	\$3,281,831
Days Cash on Hand	367	541	571	692	746	795	869

### Proposed Rate Options

The proposed rate option for Storm Water in Saratoga Springs will have no increases from the current rates. Even with no rate increases, the general rate objectives considered in this analysis are met:

- Ensure sufficient revenues to cover all operating costs and maintain a debt coverage ratio of at least 1.25;<sup>6</sup>
- Maintain 180 days cash on hand on average and never get below 150 days cash on hand;
- Balance minimizing rates with minimizing new debt obligations when debt obligations are considered; and
- Proposed rates should be easy to implement and administer.

<sup>5</sup> Source: City of Saratoga Springs

<sup>6</sup> Debt coverage ratios are measured by comparing operating cash (revenues less operating expenses) to annual debt service obligations before capital costs.

The proposed storm water rate is structured to ensure that new capital improvements can be constructed, that inflationary operating costs can be met and that the storm water utility fund maintains at least 180 days cash on hand.

### ***Proposed Storm Water Rates***

The proposed storm water rate includes all categories at the same rate with no rate increases.

**TABLE 4-4: PROPOSED STORM WATER RATES**

	2022	2023	2024	2025	2026	2027	2028
	0%	0%	0%	0%	0%	0%	0%
Storm Water Rate (All Customers)	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00

With these proposed rates, the Storm Water Fund will maintain sustainability.

**TABLE 4-5: PROPOSED RATE INCREASE KEY RATIOS**

	2022	2023	2024	2025	2026	2027	2028
Net Revenues before Debt Service	\$766,938	\$687,837	\$530,556	\$572,416	\$604,860	\$626,949	\$637,645
Capital Expenses	(\$296,457)	(\$154,500)	(\$278,659)	(\$32,782)	(\$194,416)	(\$178,737)	(\$35,822)
Debt Service Coverage Ratio	16.07	14.42	11.12	12.00	12.68	13.14	13.36
Beginning Cash Balance	\$360,000	\$782,767	\$1,268,390	\$1,472,573	\$1,964,493	\$2,327,223	\$2,727,721
Ending Cash Balance	\$782,767	\$1,268,390	\$1,472,573	\$1,964,493	\$2,327,223	\$2,727,721	\$3,281,831
Days Cash on Hand	367	541	571	692	746	795	869

### **Impacts on Existing Water Users**

Existing ratepayers of a single-family home currently pay \$6.00 per month (\$72.00 annually). Under the proposed rates, the residential ratepayer would pay the same amount.

### **Debt Coverage Ratios**

Minimum debt coverage ratios are generally assumed to be 1.25. The proposed rate increases maintain at least this ratio.

### **Days Cash on Hand**

The proposed rate increases maintain the City's goal to keep 180 days cash on hand on average and never get below 150 days cash on hand.

## Chapter 5 - Street Lights Rates

### Background and Approach

The approach used in this analysis is commonly referred to as a “revenue sufficiency model.” All expenses (operating and capital) are first calculated, and then rates are structured to cover annual expenses, maintain sufficient debt service ratios, and to keep at least 180 days on hand in the street light utility fund.

### Operating Expenses

Growth in most operating expenses is projected at an average annual rate of 10 percent per year per budget line item, with salaries, employee benefits, admin charges, and fund balances at 7 percent. Any street light capital projects will grow at 15 percent. These growth percentages are based on input from City staff. Operational expenses include the new costs attributable to new development, as well as inflationary expenses.

### Outstanding Debt

There are no outstanding bond payments.

### Capital Projects

There are no planned capital projects.

### Cash Balances

The beginning cash balance in the Storm Water Fund is \$721,177.<sup>7</sup>

### Rate Structuring

Current Street Light rates are structured as follows:

**TABLE 5-1: CURRENT STREET LIGHT RATES**

	Monthly Amount
Single-Family Residential	\$2.83
Multi-family Residential	\$2.83
Non-Residential	\$2.83
Open Space Property	\$0.00
Agricultural Property	\$2.83

### Current Rate Projections

The current rate structure, if no rate increases were to occur and no new bonds issued is not sustainable. Financial projections for the current rates with no future rate increases or issuance of bonds are shown in the following table.

<sup>7</sup> Source: City of Saratoga Springs

**TABLE 5-2: CURRENT RATE KEY RATIOS**

	2022	2023	2024	2025	2026	2027	2028
Net Revenues before Debt Service	(\$87,070)	(\$75,240)	(\$68,516)	(\$67,520)	(\$72,956)	(\$85,623)	(\$106,423)
Capital Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Days Cash on Hand	398	315	248	191	139	91	42

### Proposed Rate Options

The proposed rate option for Street Lights in Saratoga Springs is a one-time increase from \$2.83 per month to \$3.50 per month. No bonds need to be issued. Primary goals are as follows:

- Maintain 180 days cash on hand on average and never get below 150 days cash on hand;
- Balance minimizing rates with minimizing new debt obligations when debt obligations are considered; and
- Proposed rates should be easy to implement and administer.

The proposed street light rate is structured to ensure that inflationary operating costs can be met and that the street light utility fund maintains at least 180 days cash on hand.

### Proposed Street Light Rates

Proposed rates are for an increase from \$2.83 per month to \$3.50 per month in 2023.

**TABLE 5-3: PROPOSED STREET LIGHT RATES**

	Monthly Amount
Single-Family Residential	\$3.50
Multi-family Residential	\$3.50
Non-Residential	\$3.50
Open Space Property	\$0.00
Agricultural Property	\$3.50

With these proposed rate increases, the Street Lights Fund will maintain sustainability.

**TABLE 5-4: PROPOSED RATE INCREASE KEY RATIOS**

	2022	2023	2024	2025	2026	2027	2028
Net Revenues before Debt Service	(\$87,070)	\$26,295	\$46,689	\$61,354	\$69,586	\$70,588	\$63,457
Capital Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Days Cash on Hand	398	378	369	366	364	360	350

### Impacts on Existing Street Light Users

Existing ratepayers of a single-family home, multi-family residential units, open space property, and agricultural property all currently pay \$2.83 per month (\$33.96 annually). The proposed rates would increase to \$3.50 monthly (\$42.00 annually).

### **Debt Coverage Ratios**

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Minimum debt coverage ratios are generally assumed to be 1.25. The proposed rate increases maintain at least this ratio.

### **Days Cash on Hand**

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The proposed rate increases maintain the City's goal to keep 180 days cash on hand on average and never get below 150 days cash on hand.

## Chapter 6 - PI Rates

### Background and Approach

With growth in the City, Saratoga Springs has proposed an increase in certain usage amounts in the PI rates. These proposed changes will help cover expenses from capital projects over the next 10 years while keeping a sufficient amount of days cash on hand.

The approach used in this analysis is commonly referred to as a “revenue sufficiency model.” All expenses (operating and capital) are first calculated, and then rates are structured to cover annual expenses, maintain sufficient debt service ratios, and to keep at least 180 days on hand in the storm water utility fund.

### Operating Expenses

Growth in operating expenses is projected at an average annual rate of 3 percent per year per budget line item. These growth percentages are based on input from City staff. Operational expenses include the new costs attributable to new development, as well as inflationary expenses.

### Outstanding Debt

There are two outstanding bond payments in the PI fund with an average payment of \$623,416 through 2024 for the Series 2014 Water Revenue and Refunding Bonds and average payment \$683,852 through 2037 for the Series 2016 Water Revenue Bonds. The average total payment per year for both of the bonds is \$1,307,268.

### Capital Projects

There are 34 capital projects anticipated between 2022 and 2032. While the costs shown in the table below are in \$2022, an inflation rate of three percent per year has been added to these projects in the financial model to cover the increased costs of construction for the year in which construction takes place.

**TABLE 6-1: PI CAPITAL PROJECTS**

Project ID	Cost	Year
Capital and Master Planning	\$43,203.42	2022
Capital and Master Planning	\$58,500.00	2023
Capital and Master Planning	\$58,500.00	2024
Capital and Master Planning	\$58,500.00	2025
Capital and Master Planning	\$58,500.00	2026
Capital and Master Planning	\$58,500.00	2027
Capital and Master Planning	\$58,500.00	2028
Capital and Master Planning	\$58,500.00	2029
Capital and Master Planning	\$58,500.00	2030
Capital and Master Planning	\$58,500.00	2031
Capital and Master Planning	\$58,500.00	2032
Equip Well #7	\$600,000.00	2022
Equip Well #7	\$850,543.00	2023
Northgate Waterlines 2,000 ft 8-inch	\$0.00	2022

Project ID	Cost	Year
Wildflower Zone 4 North 2.5 AF pond and 500 gpm Pump Station	\$50,310.00	2022
Lake Mtn South Zone 2 reservoir 5.5 AF 900 ft of 12-inch pipe and 2,200 lf of 18-in pipe	\$1,433,961	2022
Mt Saratoga North Zone 2 6 AF Pond and Pump Station	\$689,185.00	2022
Mt Saratoga North Zone 3 5.2 AF Pond and Pump Station	\$124,081.00	TBD
Perelle Secondary Waterline - Saratoga Road to 145 North	\$2,478.75	2022
Northshore Secondary Waterlines	\$0.00	TBD
Crossroads 12-inch Pipeline to Commerce Drive - with MAG widening project	\$0.00	Complete
Wildflower 5.5 AF Zone 3 Reservoir	\$0.00	Complete
Wildflower Zone 2/3 North 1,200 gpm Pumpstation	\$0.00	Complete
New Jacobs Ranch Well	\$3,707,496.00	2027
Equip Well #8 in Willow Park	\$2,736,279.00	2024
Wildflower Zone 3 Pipeline		TBD
Zone 1 North Pipeline Swap from Saratoga Road To Riverside Drive Via Pioneer Xing	\$403,650.00	2023
Pond 8 Expansion - Evans Lane - 16.7 AF to 29 AF	\$3,518,658.00	2026
Zone 1 8 AF pond in central part of City on SLR property. 17,400 LF of 24-in pipe and 3,300 LF of 16-in pipe. Property to expand to 20.9 AF at build out.	\$8,589,321.00	2028
Tickville ULDC Zone 1 3,500 gpm Pump Station and 10 AF Pond	\$5,757,921.00	2029
Lake Mtn Zone 1 South Pond 5.5 AF, Marina PS Upgrade to 7,750 gpm	\$1,170,000.00	2023
Lake Mtn Zone 1 South Pond 5.5 AF, Marina PS Upgrade to 7,750 gpm	\$7,733,232.00	2030
Buy Mclachlan Wells	\$438,750.00	2022
Canton Ridge Zone 3 Pond and Booster		TBD

### Cash Balances

The beginning cash balance in the PI Fund is \$4,500,000.<sup>8</sup>

### Rate Structuring

Current Street Light rates are structured as follows: .

<sup>8</sup> Source: City of Saratoga Springs

**TABLE 6-2: CURRENT PI RATES**

	Monthly Amount
Single-Family Residential	\$65.00
All other types of account	\$65.00
<b>Usage</b>	
0-75% of allotment	\$0.35
75% - 100% of allotment	\$1.00
100% - 150% of allotment	\$1.25
150% - 200% of allotment	\$2.00
200% - 250% of allotment	\$3.00
250%+ of allotment	\$3.80

### Current Rate Projections

The current rate structure, with no projected rate increases and no new bonds issued, does not meet the future needs of the PI Fund. The capital expenses required to maintain the current service level create a financial strain under current rates. Financial projections for the current rates with no future rate increases are shown in the following table. With no changes to the existing situation, the PI Fund will not have sufficient cash flows to cover its costs.

**TABLE 6-3: CURRENT RATE KEY RATIOS**

	2022	2023	2024	2025	2026	2027	2028
Net Revenues before Debt							
Service	\$1,717,964	\$3,916,509	\$3,388,343	\$3,432,028	\$3,471,017	\$3,504,980	\$3,533,560
Capital Expenses	(\$3,257,888)	(\$2,557,174)	(\$2,964,981)	(\$63,925)	(\$4,026,123)	(\$4,365,822)	(\$10,325,951)
Debt Service Coverage Ratio	1.31	2.99	2.60	2.63	2.66	2.68	2.70
Beginning Cash on Hand	\$4,500,000	\$1,653,313	\$1,703,693	\$821,898	\$2,885,549	\$1,024,339	(\$1,142,605)
Ending Cash on Hand	\$1,653,313	\$1,703,693	\$821,898	\$2,885,549	\$1,024,339	(\$1,142,605)	(\$9,244,148)
Days Cash on Hand	329	325	150	504	171	(183)	(1,412)

### Proposed Rate Options

The proposed rate option for PI in Saratoga Springs will increase the usage rates for 150%-200% allotment, 200%-250% of allotment, and 250%+ allotment. The general rate objectives considered in this analysis include:

- Maintain 180 days cash on hand on average and never get below 150 days cash on hand;
- Balance minimizing rates with minimizing new debt obligations when debt obligations are considered; and
- Proposed rates should be easy to implement and administer.



The proposed PI rate is structured to ensure that inflationary operating costs can be met and that the street light utility fund maintains at least 180 days cash on hand.

### **Proposed PI Rates**

The proposed PI rates have some rate increases over the next 10 years.

**TABLE 6-4: PROPOSED PI RATES**

	2022	2023	2024	2025	2026	2027	2028
	0%	0%	0%	0%	0%	0%	0%
Single-Family Residential	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00
	0%	0%	0%	0%	0%	0%	0%
All other types of account	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00
Usage	0%	0%	0%	0%	0%	0%	0%
0-75% of allotment	\$0.35	\$0.35	\$0.35	\$0.35	\$0.35	\$0.35	\$0.35
	0%	0%	0%	0%	0%	0%	0%
75% - 100% of allotment	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
	0%	0%	0%	0%	0%	0%	0%
100% - 150% of allotment	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25
	0%	2%	2%	2%	2%	2%	2%
150% - 200% of allotment	\$2.00	\$2.04	\$2.08	\$2.12	\$2.16	\$2.21	\$2.25
	0%	3%	3%	3%	3%	3%	3%
200% - 250% of allotment	\$3.00	\$3.09	\$3.18	\$3.28	\$3.38	\$3.48	\$3.58
	0%	4%	4%	4%	4%	4%	4%
250%+ of allotment	\$3.80	\$3.95	\$4.11	\$4.27	\$4.45	\$4.62	\$4.81

With these proposed rate increases, as well as the issuance of two bonds, the PI Fund will maintain sustainability.

**TABLE 6-5: PROPOSED RATE INCREASE KEY RATIOS**

	2022	2023	2024	2025	2026	2027	2028
Net Revenues before Debt Service	\$1,717,964	\$3,936,395	\$3,430,219	\$3,498,098	\$3,563,584	\$3,626,452	\$3,686,457
Capital Expenses	(\$3,257,888)	(\$2,557,174)	(\$2,964,981)	(\$63,925)	(\$4,026,123)	(\$4,365,822)	(\$10,325,951)
Debt Service Coverage Ratio	1.31	3.01	2.63	2.68	2.73	2.78	1.50
Beginning Cash on Hand	\$4,500,000	\$1,653,313	\$1,723,578	\$883,661	\$3,013,381	\$1,244,737	\$16,199,265
Ending Cash on Hand	\$1,653,313	\$1,723,578	\$883,661	\$3,013,381	\$1,244,737	\$16,199,265	\$7,107,951

	2022	2023	2024	2025	2026	2027	2028
Days Cash on Hand	329	329	161	527	208	2590	1086

### Proposed Debt

There are two proposed future bonds in the PI fund. The first bond would need to be issued in 2027 and would have a payment of roughly \$1,142,667 per year with a term of 20 years. The second bond would be issued in 2029 and would have a payment of approximately \$604,941 per year with a term of 20 years.

### Impacts on Existing PI Users

The proposed rates would keep base rates the same. The usage rates of 150%-200% of allotment, 200%-250% of allotment, and 200%+ of allotment will have increases starting in 2023 of 2%, 3%, and 4% respectively. Therefore, most users will not be impacted by the rate increase.

### Debt Coverage Ratios

Minimum debt coverage ratios are generally assumed to be 1.25. The proposed rate increases maintain at least this ratio other than in 2030 where it drops to 1.24 before increasing to 1.40 in 2031 and 1.60 in 2032.

### Days Cash on Hand

The proposed rate increases maintain the City's goal to keep 180 days cash on hand on average and never get below 150 days cash on hand.

**RESOLUTION NO. R22-75 (12-6-22)**

**A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF SARATOGA SPRINGS, UTAH ADOPTING  
2023 CITY COUNCIL REGULAR MEETING  
SCHEDULE ANNUAL NOTICE.**

**WHEREAS**, In accordance with the Open and Public Meetings Act, Utah Code Section 52-4-202 (2), this Resolution provides for public notice of the annual meeting schedule for the City Council for the upcoming year;

**WHEREAS**, the City Council may adjust the meeting schedule as necessary with proper public notice.

**NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE  
CITY OF SARATOGA SPRINGS, UTAH, THAT:**

1. The City Council will generally hold regular meetings on the first and third Tuesdays of each month in the City Hall Council Chambers located at 1307 North Commerce Drive, Suite 200, Saratoga Springs, Utah 84045, or electronically, at 6:00 p.m. on the dates entered on Exhibit A;

BE IT FURTHER RESOLVED that this resolution shall take effect immediately upon passage.

Passed on the 6<sup>th</sup> day of December, 2022.

\_\_\_\_\_  
Jim Miller, Mayor

Attest: \_\_\_\_\_  
Cindy LoPiccolo, City Recorder

**EXHIBIT A**



## **CITY OF SARATOGA SPRINGS, CITY COUNCIL 2023 ANNUAL MEETING SCHEDULE**

Meetings are generally scheduled to be held on the first and third Tuesdays of the month unless there is a conflict with a holiday, event, or conference, in which case an alternate date may be scheduled. City Council meetings generally begin at 6:00 p.m. and held in the City of Saratoga Springs City Hall Council Chambers located at 1307 North Commerce Drive, Suite 200, Saratoga Springs Utah 84045, or conducted electronically. A Work Session may be scheduled at 6:00 p.m. prior to a Policy Meeting which would immediately follow. Special Meetings may be scheduled. A scheduled meeting may be cancelled or re-scheduled. All meetings, work sessions, and special meetings are publicly noticed in accordance with the Utah Open and Public Meetings Act. Please refer to the agenda and meeting packet material posted on the Utah State Public Notice Website <https://www.utah.gov/pmn/> or the City Website <https://www.saratogaspringscity.com/AgendaCenter>

### **1ST MEETING IN MONTH**

**Tuesday, January 3**

**Tuesday, February 7**

**Tuesday, March 7**

No Meeting, Spring Break

**Tuesday, May 2**

**Tuesday, June 6**

No Meeting, 4<sup>th</sup> of July Holiday

**Tuesday, August 1**

**Tuesday, September 5**

No Meeting, Conference

No Meeting, Election Day

**Tuesday, December 5**

### **2ND MEETING IN MONTH**

**Tuesday, January 17**

**Tuesday, February 21**

**Tuesday, March 21**

**Tuesday, April 11**

**Tuesday, May 16**

**Tuesday, June 20**

**Tuesday, July 18**

**Tuesday, August 15** (if no Primary Election)

**Tuesday, September 19**

**Tuesday, October 17**

**Tuesday, November 21**

No Meeting, Christmas Holiday

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Cindy LoPiccolo, City Recorder MMC

Approved by the City Council:



## MINUTES – CITY COUNCIL MEETING

**Tuesday, November 15, 2022**

City of Saratoga Springs

City of Saratoga Springs City Offices

1307 North Commerce Drive, Suite 200, Saratoga Springs, Utah 84045

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### **City Council Policy Meeting**

**Call to Order:** Mayor Jim Miller called the meeting to order at 6:04 p.m.

### **Roll Call:**

**Pursuant to the COVID-19 Federal Guidelines, this Meeting will be conducted with some members participating electronically.**

**Present** Mayor Jim Miller, Council Members Chris Porter, Stephen Willden, and Ryan Poduska

**Absent** Council Members Michael McOmber and Christopher Carn

**Staff Present** City Manager Mark Christensen, Assistant City Manager Owen Jackson, City Attorney Kevin Thurman, Public Works Director Jeremy Lapin, Planning Director Sarah Carroll, Community Development Director Ken Young, Code Enforcement Officer Brad Davis, Planner Austin Roy, Senior Planner Kent Page and Deputy City Recorder Kayla Moss

**Invocation:** Council Member Porter

**Pledge of Allegiance:** Council Member Poduska

### **Presentation: North Point Solid Waste Service District 2022.**

The Council was presented with the history of the solid waste service district. They were also shown where the new landfills are that they can transfer waste to. A list of services that are provided were shown. A copy of this presentation can be found in the City Council packet posted online.

**Public Input:** None

**Reports:** Mayor Miller advised there was a flag ceremony done at Patriots Park for Veterans Day. They also added some names to the Veterans monument.

### **PUBLIC HEARING:**

#### **1. Drinking Water and Pressurized Irrigation Impact Fee Facilities Plan and Impact Fee Analysis IFFP/IFA Update; Ordinance 22-45 (11-15-22).**

Public Works Director Jeremy Lapin advised the IFFP was last updated in 2020. Construction costs raising so drastically created the need to update this again. There was an increase to the impact fees that matches construction prices. Culinary impact fees are going up 20% and secondary impact fees are going up 29%.

Mayor Miller opened the public hearing at 6:20 pm. There were no comments so the public hearing was closed.

Motion by Council Member Willden to approve Drinking Water and Pressurized Irrigation Impact Fee Facilities Plan and Impact Fee Analysis IFFP/IFA Update; Ordinance 22-45 (11-15-22) seconded by Council Member Porter.

Vote:

Council Member Chris Carn	Absent
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Council Member Chris Porter	Yes
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Council Member Ryan Poduska	Yes
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Council Member Stephen Willden	Yes
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Council Member Michael McOmber	Absent
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Motion carried 3-0.

#### CONSENT ITEMS:

1. **Sponsorship Agreement with Utah County for Construction Funding of the North Marina; Resolution R22-68 (11-15-22).**
2. **Election Ballot Drop Box Interlocal Agreement, Utah County; Resolution R22-69 (11-15-22).**
3. **City Council Meeting Minutes: November 1, 2022.**

Motion by Council Member Porter to approve Consent Items with any staff findings and conditions seconded by Council Member Poduska.

Vote:

Council Member Chris Carn	Absent
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Council Member Chris Porter	Yes
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Council Member Ryan Poduska	Yes
-----------------------------	-----

Council Member Stephen Willden	Yes
--------------------------------	-----

Council Member Michael McOmber	Absent
--------------------------------	--------

Motion carried 3-0.

#### BUSINESS ITEMS:

1. **River Walk at Saratoga Springs Rezone and Concept Plan, Stephanie Gricius Applicant, ~210 East Brookshire Drive (Southeast of Devonshire Park); Ordinance 22-46 (11-15-22).**

Senior Planner Kent Page presented this rezone and concept plan to the City Council. They would like to change the zone from R1-10 to R1-9. Staff recommends approval with findings and conditions.

Council Member Willden advised he doesn't have many concerns. However, when they are adding density to the City he likes to look at how the City may benefit from the development. He doesn't see that there are many benefits to allowing more density with this. He suggested having them develop an extra part of Riverside Drive and dedicating it to the City for public access.

City Attorney Kevin Thurman advised that it is up to the council to consider the rezone. They can discuss concessions with the developer, however, it needs to be voluntary changes.

Council Member Poduska asked why they are rezoning for only two additional lots.

Council advised that they would like to see something come back in the development agreement. They are open to what staff works out with the developer but they would like it discussed before the agreement is finalized.

Motion by Council Member Porter to approve the River Walk at Saratoga Springs Rezone and Concept Plan, Stephanie Gricius Applicant, ~210 East Brookshire Drive (Southeast of Devonshire Park); Ordinance

22-46 (11-15-22) with all staff findings and conditions adding condition 6 that it is conditional on the development agreement being brought to a later city council meeting and approved seconded by Council Member Poduska.

Vote:

Council Member Chris Carn	Absent
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Council Member Chris Porter	Yes
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Council Member Ryan Poduska	Yes
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Council Member Stephen Willden	Yes
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Council Member Michael McOmber	Absent
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Motion carried 3-0.

**2. The Viviano at Saratoga Springs Amendment to Community Plan and Village Plan, Benson Whitney, Property Reserve, Inc and Matt Baldwin, Property Reserve, Inc Applicants, ~487 West Pony Express Parkway (Across from Vista Heights Middle School, Kitty-Corner from Westlake High School); Ordinance 22-47 (11-15-22).**

Senior Planner Page advised the applicant asked for a change of the road width right-of-way. They would like to remove 59' from the language. They would like to add a note on certain conditions and when they will be used. They would also like to amend the last paragraph. These changes are listed in the packet posted on the website.

Motion by Council Member Willden to approve The Viviano at Saratoga Springs Amendment to Community Plan and Village Plan, Benson Whitney, Property Reserve, Inc and Matt Baldwin, Property Reserve, Inc Applicants, ~487 West Pony Express Parkway (Across from Vista Heights Middle School, Kitty-Corner from Westlake High School); Ordinance 22-47 (11-15-22) including any staff findings and conditions seconded by Council Member Poduska.

Vote:

Council Member Chris Carn	Absent
---------------------------	--------

Council Member Chris Porter	Yes
-----------------------------	-----

Council Member Ryan Poduska	Yes
-----------------------------	-----

Council Member Stephen Willden	Yes
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Council Member Michael McOmber	Absent
--------------------------------	--------

Motion carried 3-0.

**3. Code Amendment: Title 10.10.06 – Noise, City Initiated, City-Wide; Ordinance 22-48 (11-15-22).**

Code Enforcement Officer Brad Davis presented this item to the City Council. Staff identified some exceptions that need to be added to the code. They relate to open spaces and lawn maintenance and playing on park structures.

Motion by Council Member Poduska to approve the Code Amendment: Title 10.10.06 – Noise, City Initiated, City-Wide; Ordinance 22-48 (11-15-22) and was seconded by Council Member Willden.

Vote:

Council Member Chris Carn	Absent
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Council Member Chris Porter	Yes
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Council Member Ryan Poduska	Yes
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Council Member Stephen Willden	Yes
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Council Member Michael McOmber	Absent
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Motion carried 3-0.



149 **4. A Resolution of the City of Saratoga Springs Formally Initiating Proceedings Under the Pending**  
150 **Ordinance Doctrine in Utah Code Section 10-9A-590 and City Code Section 19.02.02(222) to Amend the**  
151 **Mixed Waterfront Ordinance in City Code Section 19.04.11, 19.04.12, 19.16.09; Resolution R22-70 (11-**  
152 **15-22).**

153 Planner Austin Roy presented this to the City Council. They have been getting a lot of interest from  
154 developers in the mixed waterfront zone. The changes included would affect the following; mixed use and  
155 multiuse, trails, a unified waterfront theme, open space and shops near the waterfront, simultaneous  
156 development of commercial and residential, neighborhood plan required, development agreement  
157 required, mixed waterfront design standards, balconies bays and windows required on waterside portion  
158 of buildings, and refueling stations are not to be a permitted use in the zone.

159  
160 City Attorney Thurman advised the Utah Code Section is actually 10-9A-509. He asked that they specify  
161 that when they approve the resolution.

162  
163 Council Member Poduska asked if there are any applications that this would not apply to when it is  
164 approved.

165  
166 Planning Director Carroll advised there is one application that was turned in earlier in the year that this  
167 wouldn't apply to but they can encourage elements of this.

168  
169 Motion by Council Member Willden to approve A Resolution of the City of Saratoga Springs Formally  
170 Initiating Proceedings Under Pending Ordinance Doctrine in Utah Code Section 10-9A-509 and City Code  
171 Section 19.02.02(222) to Amend Mixed Waterfront Ordinance in City Code Section 19.04.11, 19.04.12,  
172 19.16.09; Resolution R22-70 (11-15-22) including all staff findings and conditions and was seconded by  
173 Council Member Poduska.

174 Vote:

175 Council Member Chris Carn Absent

176 Council Member Chris Porter Yes

177 Council Member Ryan Poduska Yes

178 Council Member Stephen Willden Yes

179 Council Member Michael McOmber Absent

180 Motion carried 3-0.

181  
182 **CLOSED SESSION:**

183  
184 Motion by Council Member Poduska to enter into closed session for the purchase, exchange, or lease of  
185 property, discussion regarding deployment of security personnel, devices, or systems; pending or  
186 reasonably imminent litigation, the character, professional competence, or physical or mental health of  
187 an individual, was seconded by Council Member Porter.

188 Vote:

189 Council Member Chris Carn Absent

190 Council Member Chris Porter Yes

191 Council Member Ryan Poduska Yes

192 Council Member Stephen Willden Yes

193 Council Member Michael McOmber Absent

194 Motion carried 3-0.

195  
196 The meeting moved to closed session at 7:04 p.m.

Present: Mayor Miller, Council Members Willden, Porter, Carn, City Manager Mark Christensen, City Attorney Kevin Thurman, Assistant City Manager Owen Jackson, Planning Director Sarah Carroll, Community Development Director Ken Young, Public Works Director Ken Young and Deputy City Recorder Kayla Moss.

Closed Session adjourned at 7:14 p.m.

**ADJOURNMENT:**

There being no further business, Mayor Miller adjourned the meeting at 7:14 p.m.

---

Jim Miller, Mayor

Attest:

---

Cindy LoPiccolo, City Recorder  
Approved:



# MINUTES – Special City Council Meeting

**Tuesday, November 22, 2022**

City of Saratoga Springs

City of Saratoga Springs City Offices

1307 North Commerce Drive, Suite 200, Saratoga Springs, Utah 84045

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Call to Order. - Mayor Jim Miller called the meeting to order at 6:00 p.m.

## Roll Call.

Present: Mayor Jim Miller, present at anchor site. Council Members: Michael McOmber, Christopher Carn, Stephen Willden, and Ryan Poduska – present via electronic means.

Excused: Council Member Chris Porter.

Staff Present: City Manager Mark Christensen, Assistant City Manager Owen Jackson, City Attorney Kevin Thurman, Deputy City Recorder Nicolette Fike

## BOARD OF MUNICIPAL CANVASSERS

1. 2022 General Election Canvass for Saratoga Springs Proposition #4 and Saratoga Springs Bond Election; Resolution R22-71 (11-22-22).

Motion by Council Member Poduska to approve 2022 General Election Canvass for Saratoga Springs Proposition #4 and Saratoga Springs Bond Election; Resolution R22-71 (11-22-22). Seconded by Council Member Willden.

### Vote:

Council Member Chris Carn Yes

Council Member Ryan Poduska Yes

Council Member Stephen Willden Yes

Council Member Michael McOmber Yes

Absent: Council Member Chris Porter

Motion: Passed 4-0.

## ADJOURNMENT

There being no further business, Mayor Miller adjourned the meeting at 6:03 p.m.

---

Jim Miller, Mayor

Attest:

---

Cindy LoPiccolo, City Recorder

Approved:

One or more council members may participate by electronic telecommunication means such as phone, internet, etc. so that they may participate in and be counted as present for all meeting purposes, including the determination that a quorum is present.

**ORDINANCE NO. 22-50 (12-6-22)**

**AN ORDINANCE OF THE CITY OF SARATOGA SPRINGS,  
UTAH, ADOPTING AN AMENDMENT TO THE OFFICIAL  
ZONING MAP, AND APPROVING A DEVELOPMENT  
AGREEMENT SPECIFYING THE TERMS OF THE  
DEVELOPMENT OF CERTAIN REAL PROPERTY IN THE  
CITY (River Walk at Saratoga Springs)**

**WHEREAS**, Utah Code Chapter 10-9a allows municipalities to amend the general plan and the number, shape, boundaries, or area of any zoning district; and

**WHEREAS**, before the Saratoga Springs City Council approves any zoning or general plan amendments, the amendments must first be reviewed by the Saratoga Springs Planning Commission for its recommendation to the City Council; and

**WHEREAS**, on March 24, 2022, the Planning Commission held a public hearing after proper notice and publication to consider amendments to the City's Land Use Map of the General Plan as well as the City-wide zoning map for certain real property in the City of Saratoga Springs, which is described in Exhibit A ("Property"), and forwarded the item with a favorable recommendation; and

**WHEREAS**, on November 15, 2022, the City Council held a public meeting to consider the general plan land use map and zoning map amendments; and

**WHEREAS**, the City Council voted to approve the rezone subject to the terms of a development agreement, which agreement is attached as Exhibit B ("Agreement"); and

**WHEREAS**, pursuant to Utah Code § 10-9a-102, the City Council is authorized to enter into development agreements it considers necessary or appropriate for the use and development of land within the municipality; and

**WHEREAS**, the City desires to enter into the Agreement because the Agreement establishes planning principles, standards, and procedures to eliminate uncertainty in planning and guide the orderly development of the Property; and

**WHEREAS**, after due consideration, and after proper notice, and after conducting the requisite public hearing with the Planning Commission, the City Council, pursuant to its legislative authority under Utah Code Annotated § 10-9a-101, et seq., has determined that it is in the best interests of the residents of the City of Saratoga Springs that amendments to the Land Use Map of the General Plan and City-wide zoning map be made and that the Agreement be approved.

**NOW THEREFORE**, the City Council hereby ordains as follows:

**SECTION I – ENACTMENT**

The Property described in Exhibit A is hereby changed from R1-10 to R1-9 on the City's Zoning Map, subject to and conditioned on the owner of the Property entering into the development agreement attached as Exhibit B, which Agreement shall be recorded on the Property in the Office of the Utah County Recorder. City Staff is hereby instructed to amend the official City Zoning Map and Land Use Map accordingly and to record said Agreement, subject to payment of the recording costs by the property owner.

The City Manager is hereby authorized to sign the development agreement attached as Exhibit B. City Staff may make any non-substantive changes to the Agreement before execution but may not make any changes inconsistent with the conditions of approval adopted by the City Council.

## **SECTION II – AMENDMENT OF CONFLICTING ORDINANCES**

If any ordinances, resolutions, policies, or maps of the City of Saratoga Springs heretofore adopted are inconsistent herewith they are hereby amended to comply with the provisions hereof. If they cannot be amended to comply with the provisions hereof, they are hereby repealed.

## **SECTION III – EFFECTIVE DATE**

This ordinance shall take effect upon its passage by a majority vote of the Saratoga Springs City Council and following notice and publication as required by the Utah Code.

## **SECTION IV – SEVERABILITY**

If any section, subsection, sentence, clause, phrase, or portion of this ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such provision shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions of this ordinance.

## **SECTION V – PUBLIC NOTICE**

The Saratoga Springs Recorder is hereby ordered, in accordance with the requirements of Utah Code § 10-3-710—711, to do as follows:

- a. deposit a copy of this ordinance in the office of the City Recorder; and
- b. publish notice as follows:
  - i. publish a short summary of this ordinance on the Utah Public Notice Website created in Utah Code § 63F-1-701; or
  - ii. post a complete copy of this ordinance in 3 public places within the City.

**ADOPTED AND PASSED** by the City Council of the City of Saratoga Springs, Utah, this 6<sup>th</sup> day of December, 2022.

Signed: \_\_\_\_\_  
Jim Miller, Mayor

Attest: \_\_\_\_\_  
Cindy LoPiccolo, City Recorder

CITY COUNCIL VOTE AS RECORDED

Councilmembers:	Yes	No	Abstain	Excused
Chris Carn	_____	_____	_____	_____
Michael McOmber	_____	_____	_____	_____
Ryan Poduska	_____	_____	_____	_____
Chris Porter	_____	_____	_____	_____
Stephen Willden	_____	_____	_____	_____
Mayor Jim Miller (tie only)	_____	_____		

## **EXHIBIT A**

### Legal Description

#### **Property Description**

Portions of the Northeast Quarter of the Northeast Quarter of Section 23, and the Northwest Quarter of the Northwest Quarter of Section 24, Township 5 South, Range 1 West, Salt Lake Base and Meridian, described as follows:

Commencing South 444.99 feet and East 1370.59 feet (being also referenced as South 00°06'31" West 442.39 feet and South 89°53'29" East 1371.43 feet) from the North Quarter Corner of Section 23, Township 5 South, Range 1 West, Salt Lake Base and Meridian; thence East 1799.99 feet; thence South 4°31'00" East 126.72 feet; thence South 42°41'00" West 403.01 feet; thence West 1506.67 feet; thence North 4°4'15" West 423.65 feet to the point of beginning.

## **EXHIBIT B**

Development Agreement  
(please see next page for beginning)



WHEN RECORDED RETURN TO:

Saratoga Springs City Recorder  
1307 N. Commerce Drive, Suite 200  
Saratoga Springs, UT 84045

## **DEVELOPMENT AGREEMENT**

THIS DEVELOPMENT AGREEMENT ("Agreement") is made and entered into on \_\_\_\_\_, 20\_\_, by and between the City of Saratoga Springs, Utah, a Utah municipal corporation, hereinafter referred to as "City," and K. Paul Kuhn and Jennifer Kuhn, hereinafter referred to as "Developer."

### **RECITALS:**

**WHEREAS**, Developer owns approximately 16.469 acres of property located in the City of Saratoga Springs, Utah, which is more fully described in the property ownership map, vicinity map, and/or legal descriptions attached as Exhibit A ("Property"); and

**WHEREAS**, the Property is currently zoned R1-10. Developer wishes to develop the project known as River Walk at Saratoga Springs, which will consist 38 single-family residential dwelling lots ("Project"). Currently, the City claims that the proposed Project does not meet the R1-9 zone requirements and therefore would not be allowed in the R1-9 zone. The Developer disputes this contention. Developer also asserts that the City is requiring exactions of the Developer that violate the Developer's rights under the United States Constitution and Utah Constitution, that the City is not following its own code, and/or that the City is not following the Utah Land Use Development and Management Act ("LUDMA"). Therefore, in order to resolve any disputes between the City and Developer in connection with the Developer's development of the Project, and, as part of that resolution, to allow the Developer to obtain the R1-9 zoning designation for the Property, as provided in Title 19 of the City Code, as amended (the "Zoning Request") and to develop the Project as proposed, the parties have agreed to be voluntarily bound by this Agreement; and

**WHEREAS**, City desires to enter into this Agreement to avoid litigation, promote the health, welfare, safety, convenience, and economic prosperity of the inhabitants of the City through the establishment and administration of conditions and regulations concerning the use and development of the Property; and

**WHEREAS**, City desires to enter into this Agreement because the Agreement establishes planning principles, standards, and procedures to eliminate uncertainty in planning and guide the orderly development of the Property consistent with the City General Plan, the City Code, and the conditions imposed by the Planning Commission and City Council; and

**WHEREAS**, to assist City in its review of the Zoning Request and to ensure

development of the Project in accordance with Developer's representations to City, Developer and City desire to enter voluntarily into this Agreement, which sets forth the process and standards whereby Developer may develop the Project; and

**WHEREAS**, on July 28, 2017, City adopted a comprehensive update to its general plan ("General Plan") pursuant to Utah Code Annotated §§ 10-9a-401, et seq. A portion of the General Plan establishes development policies for the Property. Such development policies are consistent with the proposed Project; and

**WHEREAS**, on March 24, 2022, after a duly noticed public hearing, City's Planning Commission recommended approval of Developer's Zoning Request and reviewed the conceptual project plans, attached hereto as Exhibit D ("Concept Plan"), and forwarded the application to the City Council for its consideration, subject to the findings and conditions contained in the Staff Report, and written minutes attached hereto as Exhibit B; and

**WHEREAS**, on \_\_\_\_\_, the Saratoga Springs City Council ("City Council"), after holding a duly noticed public meeting and consideration of all comments from the public, neighborhood representatives, Developer, and City officials, approved Developer's Zoning Request, this Agreement, and reviewed the conceptual project plans, attached hereto as Exhibit D, subject to the findings and conditions contained in the Staff Report and written minutes attached hereto as Exhibit C; and

**WHEREAS**, the Concept Plan, attached as Exhibit D, among other things, identifies land uses and required road, landscaping, trail, storm drain, sewer, and water improvements; and

**WHEREAS**, to allow development of the Property for the benefit of Developer, to ensure City that the development of the Property will conform to applicable policies set forth in the General Plan, and to address concerns of property owners in proximity to the Property, Developer and City are each willing to abide by the terms and conditions set forth herein; and

**WHEREAS**, pursuant to its legislative authority under LUDMA, Utah Code Annotated § 10-9a-101, et seq., and after all required public notice and hearings and execution of this Agreement by Developer, the City Council, in exercising its legislative discretion, has determined that entering into this Agreement furthers the purposes of LUDMA, City's General Plan, and Title 19 of the City code (collectively, the "Public Purposes"). As a result of such determination, City has elected to process the Zoning Request and authorize the subsequent development thereunder in accordance with the provisions of this Agreement, and City has concluded that the terms and conditions set forth in this Agreement accomplish the Public Purposes referenced above and promote the health, safety, prosperity, security, and general welfare of the residents and taxpayers of City.

#### **AGREEMENT:**

Now, therefore, in consideration of the recitals above and the terms and conditions set forth below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City and Developer hereby agree as follows:

1. Effective Date. This Agreement shall become effective on the date it is executed by Developer and City (the "Effective Date"). The Effective Date shall be inserted in the introductory paragraph preceding the Recitals.
2. Affected Property. The property ownership map, vicinity map, and/or legal descriptions for the property are attached as Exhibit A. In the event of a conflict between the legal description and the property ownership map, the legal description shall take precedence. No other property may be added to or removed from this Agreement except by written amendment to this Agreement executed and approved by Developer and City.
3. Zone Change, Permitted Uses, and City Regulations. Subject to the terms of this Agreement, the future development of the Property shall be subject to the provisions of the R1-9 zone. Except as otherwise noted and specifically excepted in this Agreement, the Property shall comply with all "City Regulations," which is defined as "all City ordinances, regulations, specifications, and standards in effect at the time a complete preliminary plat, site plan, or development plan application is filed and all application fees are paid. City Regulations may include but are not limited to regulations regarding permitted uses, conditional uses, setbacks, frontage, height, access, required improvements, landscaping, and architectural and design requirements."
4. Reserved Legislative Powers. Nothing in this Agreement shall limit the future exercise of the police powers of City in enacting additional City Regulations, zoning, subdivision, development, growth management, platting, environmental, open space, transportation, and other land use plans, policies, ordinances, and regulations after the date of this Agreement. Notwithstanding the retained power of City to enact such legislation under its police power, such legislation shall not modify Developer's rights as set forth herein (the "Vested Rights") unless facts and circumstances are present that meet the compelling, countervailing public interest exception to the vested rights doctrine as set forth in *Western Land Equities, Inc. v. City of Logan*, 617 P.2d 388 (Utah 1988), or successor case law, and Utah Code Ann. § 10-9a-509(1)(a)(ii), as amended. Any such proposed change affecting Developer's rights shall be of general applicability to all development activity in City. Unless City declares an emergency, Developer shall be entitled to prior written notice and an opportunity to be heard with respect to the proposed change and its applicability to the Project. Nothing herein shall be construed to waive Developer's rights pursuant to Utah Code Ann § 10-9a-509 or successor statute.
5. Vested Rights Enumerated. The Developer's Vested Rights under this Agreement shall include the following: (a) the City's granting of the Zoning Request, as contemplated in this Agreement; (b) the right to develop the Property/Project with no less than a density of 38 single family dwelling units/lots ("the Density Entitlement") as shown in the Concept Plan attached as Exhibit D; (c) an impact fee credit of \$500,810.00 which Developer may use towards the payment of impacts fees due and payable under the City Regulations; and (d) an additional dollar-for-dollar impact fee credit in the amount of the Developer's cost(s) to construct and dedicate Riverside Drive as a 77-foot wide collector road as contemplated in Section 6.d of this Agreement.

6. Required Improvements. This Agreement does not in any way convey to Developer any capacity in any City system or infrastructure or the ability to develop the Property without the need for Developer to install and dedicate to City all required improvements necessary to service the Property, including without limitation the dedication of water rights and sources. Developer shall be responsible for paying all property taxes, including rollback taxes, prior to dedication or conveyance and prior to acceptance by City. Future development of the Property shall comply in all respects with all City Regulations with respect to the required infrastructure to service the Property, including but not limited to the installation of the City's minimum-sized infrastructure, whether or not the minimum size may have additional capacity. In addition, in consideration of granting the Developer the Vested Rights, Developer may be required to upsize certain infrastructure, as specified below. Not by way of limitation, the Developer shall be required to install and dedicate the following:

- a. **Water Rights and Sources.** Developer shall either convey or purchase from City sufficient water rights and sources to meet the requirements of City Regulations. Any conveyance of water rights and sources shall be subject to a water banking agreement prepared by the City Attorney. Water rights and sources conveyed shall not be recognized as credits in the City's system until a change application is approved by the Utah Division of Water Rights (DWRi). A change application typically takes a minimum of 6 months to be approved by DWRi. If Developer wishes to convey water rights to the City (in lieu of purchasing water from the City), final plats shall not be approved for recordation until a change application is approved. City shall not be obligated to sell Developer water rights and sources unless the City has sufficient unused water rights and sources, which shall be determined in City's sole discretion.
- b. **Water Facilities for Development.** At the time of plat recordation or site plan approval, Developer shall be responsible for the installation and dedication to City of all onsite and offsite culinary and secondary water improvements, including but not limited to storage, distribution, treatment, and fire flow facilities sufficient for the development of the Property in accordance with City Regulations. The required improvements for each plat shall be determined by the City and may be adjusted in accordance with City Regulations and any applicable law. Developer shall install an upsized 10-inch secondary waterline along the west side of Riverside Drive through the project, which waterline is required to service the needs of the Project and is not eligible for reimbursements through impact fee credits or otherwise except as expressly provided herein.
- c. **Sewer, Storm Drainage, and Roads.** At the time of plat recordation or site plan approval, Developer shall be responsible for the installation and dedication to City of all onsite and offsite sewer, storm drainage, and road improvements sufficient for the development of the Property in accordance with City Regulations. The required improvements for each plat or site plan shall be determined by the City Engineer at the time of plat or site plan submittal and may be adjusted in

accordance with City Regulations and any applicable law. The existing sewer and drainage pipelines shall be incorporated into the project layout and either located within the public ROW or be within protected open space and the City granted 20-foot easements. No City utility may be located within any residential lot. Developer shall construct and dedicate Riverside Drive as a 77-foot wide collector road connecting to the existing Riverside drive beginning at the south end of the project and extending north to the project's northern boundary.

- d. **Trail Improvements.** As an express condition of this Agreement and the Zoning Request, Developer shall dedicate to the City the land described as the "Reservation Corridor" in the Exhibit D Concept Plan, and shall be required to install and improve the trail improvements within the Reservation Corridor along the Jordan River and as more fully specified in Exhibit E. This shall satisfy the parks, trails, landscaping, and open space requirements of the City Regulations and/or under Title 19 of the City Code. The City shall maintain the Reservation Corridor, including the landscaping portion and trail improvements in perpetuity.
  - e. **Power Lines.** As an express condition of this Agreement and the Zoning Request, Developer shall be required to bury all power lines at Developer's own expense that are located on the Property, on the immediately-adjacent parcel, and/or along \_\_\_\_\_ Road as more fully shown on Exhibit F. This shall be in addition and not in lieu of all required roadway, landscaping, and trail improvements in accordance with City Regulations. Furthermore, as an express condition of this Agreement and the Zoning Request, Developer shall, if necessary, be required to apply for and receive a permit from Rocky Mountain Power and comply with all necessary requirements at Developer's sole cost. And, if necessary, Developer shall also be required to apply with and obtain approval from any government entity for encroachment onto any public right-of-way at Developer's sole cost.
7. **Final Project/Plat or Development Plan Approval.** Developer shall cause final plat and final project plans and specifications (including but not limited to site and building design plans) (the "Plans") to be prepared for the Project meeting City Regulations, this Agreement, including all exhibits, and any conditions of approval as specified in Exhibits B and C. In determining whether the Plans meet all requirements, Developer shall provide all information required by City Regulations, as well as any information which City staff reasonably requests, including, but not limited to, FEMA Letter(s) of Map Revision, Jurisdictional Determinations from the U.S. Army Corps of Engineers, or other evidence of compliance with City Regulations or applicable state or federal laws or regulations.
  8. **Standards for Approval.** City shall approve the Plans if such Plans meet the requirements of this Agreement and City Regulations in effect as of the date of this Agreement. Developer shall be required to proceed through the Preliminary Plat, Final Plat, and Site Plan approval process as specified by City Regulations to record a Final Plat with the Utah County Recorder and pay all recording fees.

9. Term. The term of this Agreement shall commence on the effective date of this Agreement and shall continue for a period of ten years. However, this Agreement may terminate earlier: (i) when certificates of occupancy have been issued for all buildings and/or dwelling units in the Project; provided, however, that any covenant included in this Agreement which is intended to run with the land shall survive this Agreement; or (ii) if Developer fails to proceed with the Project within a period of two years. "Failure to proceed with development" shall be defined as failure to submit a complete site plan or preliminary plat application meeting all current City regulations and failure to pay the City's application fees for such. Unless otherwise agreed to by City and Developer, Developer's Vested Rights contained in this Agreement expire at the end of the Term, or upon termination of this Agreement approved by City and Developer in a writing signed by all parties. However, this Agreement shall continue for perpetuity for any portions of the Property contained in a final plat approved by City and recorded on the property in the county recorder's office by Developer, unless City and Developer mutually agree otherwise in a writing signed by the parties. This Section 9 and Developer's Vested Rights are subject at all times to the City's reserved Legislative Powers, as explained in Section 4 of this Agreement.

10. Successors and Assigns.

- a. Change in Developer. This Agreement shall be binding on the successors and assigns of Developer. If the Property is transferred ("Transfer") to a third party ("Transferee"), Developer and the Transferee shall be jointly and severally liable for the performance of each of the obligations contained in this Agreement unless, prior to such Transfer, Developer provides to City a letter from Transferee acknowledging the existence of this Agreement and agreeing to be bound thereby. Said letter shall be signed by the Transferee, notarized, and delivered to City prior to the Transfer. Upon execution of the letter described above, the Transferee shall be substituted as Developer under this Agreement and the persons and/or entities executing this Agreement as Developer shall be released from any further obligations under this Agreement as to the transferred Property.
- b. Individual Lot or Unit Sales. Notwithstanding the provisions of Subparagraph 10.a., a transfer by Developer of a lot or unit located on the Property within a City approved and recorded plat shall not be deemed a Transfer as set forth above so long as Developer's obligations with respect to such lot or dwelling unit have been completed. In such event, Developer shall be released from any further obligations under this Agreement pertaining to such lot or dwelling unit.

11. Default.

- a. Events of Default. Upon the happening of one or more of the following events or conditions Developer or City, as applicable, shall be in default ("Default") under this Agreement:

- i. a warranty, representation, or statement made or furnished by Developer under this Agreement is intentionally false or misleading in any material respect when it was made;
- ii. a determination by City made upon the basis of substantial evidence that Developer has not complied in good faith with one or more of the material terms or conditions of this Agreement;
- iii. any other event, condition, act, or omission, either by City or Developer that violates the terms of, or materially interferes with the intent and objectives of this Agreement.

b. Procedure Upon Default.

- i. Upon the occurrence of Default, the non-defaulting party shall give the other party thirty days written notice specifying the nature of the alleged Default and, when appropriate, the manner in which said Default must be satisfactorily cured. In the event the Default cannot reasonably be cured within thirty days, the defaulting party shall have such additional time as may be necessary to cure such Default so long as the defaulting party takes significant action to begin curing such Default with such thirty day period and thereafter proceeds diligently to cure the Default. After proper notice and expiration of said thirty day or other appropriate cure period without cure, the non-defaulting party may declare the other party to be in breach of this Agreement and may take the action specified in Paragraph 11.c. herein. Failure or delay in giving notice of Default shall not constitute a waiver of any Default.
- ii. Any Default or inability to cure a Default caused by strikes, lockouts, labor disputes, pandemics, acts of God, inability to obtain labor or materials or reasonable substitutes, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other similar causes beyond the reasonable control of the party obligated to perform, shall excuse the performance by such party for a period equal to the period during which any such event prevented, delayed, or stopped any required performance or effort to cure a Default.

- c. Breach of Agreement. Upon Default as set forth in Subparagraphs 11.a. and 11.b. above, City may declare Developer to be in breach of this Agreement and City: (i) may withhold approval of any or all building permits or certificates of occupancy applied for in the Project, but not yet issued; and (ii) shall be under no obligation to approve or to issue any additional building permits or certificates of occupancy for any building within the Project until the breach has been corrected by Developer. In addition to such remedies, City or Developer may pursue whatever additional remedies it may have at law or in equity, including injunctive and other equitable relief.

12. Entire Agreement. This Agreement shall supersede all prior agreements with respect to the subject matter hereof, not incorporated herein, and all prior agreements and understandings are merged, integrated, and superseded by this Agreement. The following exhibits are attached to this Agreement and incorporated herein for all purposes:

**Exhibit A:** Property Ownership map, Vicinity Map, and/or Legal Descriptions

**Exhibit B:** Staff Report with Adopted Planning Commission Findings and Conditions of Approval, Report of Action (if applicable) and Planning Commission Written Minutes

**Exhibit C:** Staff Report with Adopted City Council Findings and Conditions of Approval, Report of Action (if applicable), and City Council Written Minutes

**Exhibit D:** Concept Plan

**Exhibit E:** Required Trail Improvements

**Exhibit F:** Power Poles Required to be Buried

**Exhibit G:** Design Requirements

13. General Terms and Conditions.

- a. Incorporation of Recitals. The Recitals contained in this Agreement, and the introductory paragraph preceding the Recitals, are hereby incorporated into this Agreement as if fully set forth herein.
- b. Recording of Agreement. This Agreement shall be recorded at Developer's expense to put prospective purchasers or other interested parties on notice as to the terms and provisions hereof.
- c. Severability. Each and every provision of this Agreement shall be separate, several, and distinct from each other provision hereof, and the invalidity, unenforceability, or illegality of any such provision shall not affect the enforceability of any other provision hereof.
- d. Time of Performance. Time shall be of the essence with respect to the duties imposed on the parties under this Agreement. Unless a time limit is specified for the performance of such duties, each party shall commence and perform its duties in a diligent manner in order to complete the same as soon as reasonably practicable.
- e. Construction of Agreement. This Agreement shall be construed so as to effectuate its public purpose of ensuring the Property is developed as set forth herein to



protect health, safety, and welfare of the citizens of City.

- f. State and Federal Law; Invalidity. The parties agree, intend, and understand that the obligations imposed by this Agreement are only such as are consistent with state and federal law. The parties further agree that if any provision of this Agreement becomes, in its performance, inconsistent with state or federal law or is declared invalid, this Agreement shall be deemed amended to the extent necessary to make it consistent with state or federal law, as the case may be, and the balance of the Agreement shall remain in full force and effect. If City's approval of the Project is held invalid by a court of competent jurisdiction this Agreement shall be null and void.
- g. Enforcement. The parties to this Agreement recognize that City has the right to enforce its rules, policies, regulations, ordinances, and the terms of this Agreement by seeking an injunction to compel compliance. In the event Developer violates the rules, policies, regulations, or ordinances of City or violates the terms of this Agreement, City may, without declaring a Default hereunder or electing to seek an injunction, and after thirty days written notice to correct the violation (or such longer period as may be established in the discretion of City or a court of competent jurisdiction if Developer has used its reasonable best efforts to cure such violation within such thirty days and is continuing to use its reasonable best efforts to cure such violation), take such actions as shall be deemed appropriate under law until such conditions have been rectified by Developer. City shall be free from any liability arising out of the exercise of its rights under this paragraph.
- h. No Waiver. Failure of a party hereto to exercise any right hereunder shall not be deemed a waiver of any such right and shall not affect the right of such party to exercise at some future time said right or any other right it may have hereunder. Unless this Agreement is amended by vote of the City Council taken with the same formality as the vote approving this Agreement, no officer, official, or agent of City has the power to amend, modify, or alter this Agreement or waive any of its conditions as to bind City by making any promise or representation not contained herein, except for minor amendments allowed per City Regulations.
- i. Amendment of Agreement. This Agreement shall not be modified or amended except in written form mutually agreed to and signed by each of the parties. No change shall be made to any provision of this Agreement unless this Agreement is amended pursuant to a vote of the City Council taken with the same formality as the vote approving this Agreement, except for minor amendments allowed per City regulations.
- j. Attorney Fees. Should any party hereto employ an attorney for the purpose of enforcing this Agreement or any judgment based on this Agreement, for any reason or in any legal proceeding whatsoever, including insolvency, bankruptcy, arbitration, declaratory relief or other litigation, including appeals or rehearings,

and whether or not an action has actually commenced, the prevailing party shall be entitled to receive from the other party thereto reimbursement for all attorneys' fees and all costs and expenses. Should any judgment or final order be issued in any proceeding, said reimbursement shall be specified therein.

- k. Notices. Any notices required or permitted to be given pursuant to this Agreement shall be deemed to have been sufficiently given or served for all purposes when presented personally, or four days after being sent by registered or certified mail, properly addressed to the parties as follows (or to such other address as the receiving party shall have notified the sending party in accordance with the provisions hereof):

To the Developer:	Dan McDonald, Esq. P.O. Box 1184 Pleasant Grove, UT 84062 Via Email: dan@mcdonaldfielding.com
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To the City:	City Manager City of Saratoga Springs 1307 N. Commerce Drive, Suite 200 Saratoga Springs, UT 84045
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- l. Applicable Law. This Agreement and the construction thereof, and the rights, remedies, duties, and obligations of the parties which arise hereunder are to be construed and enforced in accordance with the laws of the State of Utah.
- m. Execution of Agreement. This Agreement may be executed in multiple parts as originals or by facsimile copies of executed originals; provided, however, if executed and evidence of execution is made by facsimile copy, then an original shall be provided to the other party within seven days of receipt of said facsimile copy.
- n. Release. In consideration of the City's granting the Developer the Vested Rights and the other promises and covenants contained in this Agreement, Developer, on behalf of itself and its heirs, executors, administrators, elected and appointed representatives, agents, officers, managers, directors, members, shareholders, employees, attorneys, insurers and assigns, does hereby forever release, acquit and discharge the City and its administrators, agents, officers, managers, directors, employees, agents, attorneys, insurers and assigns, from any and all claims, demands, obligations, judgments, actions, causes of action and liabilities, in law or equity, for injuries, death, losses and damages, whether personal, property or economic, whether now known or unknown, including, but not limited to, claims or damages for just compensation restitution, inverse condemnation, or any other judicial or equitable relief which may arise from or are related to any activity connected to the development of the Property/Project, from the beginning

of time through the date of this Agreement.

- o. Hold Harmless and Indemnification. Developer agrees to defend, indemnify, and hold harmless City and its elected officials, officers, agents, employees, consultants, special counsel, and representatives from liability for claims, damages, causes of action, or any judicial or equitable relief which may arise from or be related to the Developer's activity in connection with the development of the Project, including the direct or indirect operations of Developer or its contractors, subcontractors, agents, employees, or other persons acting on its behalf which relates to development of the Project, or which arises out of claims for personal injury, including death, and claims for property damage arising out or related to the Developer's development of the Project. This includes any claims or suits related to the existence of hazardous, toxic, and/or contaminating materials on the Project and geological hazards.
  - i. Nothing in this Agreement shall be construed to mean that Developer shall defend, indemnify, or hold the City or its elected and appointed representatives, officers, agents and employees harmless from any claims of personal injury, death or property damage or other liabilities arising from: (i) the willful misconduct or negligent acts or omissions of the City, or its boards, officers, agents, or employees; and/or (ii) the negligent maintenance or repair by the City of improvements that have been offered for dedication and accepted by the City for maintenance
  - ii. City shall give written notice of any claim, demand, action or proceeding which is the subject of Developer's hold harmless agreement as soon as practicable but not later than thirty (30) days after the assertion or commencement of the claim, demand, action or proceeding. If any such notice is given, Developer shall be entitled to participate in the defense of such claim. Each party agrees to cooperate with the other in the defense of any claim and to minimize duplicative costs and expenses.
- p. Relationship of Parties. The contractual relationship between City and Developer arising out of this Agreement is one of independent contractor and not agency. This Agreement does not create a general partnership or joint venture. This Agreement does not create any third-party beneficiary rights. It is specifically understood by the parties that: (i) all rights of action and enforcement of the terms and conditions of this Agreement shall be reserved to City and Developer, (ii) the Project is a private development; (iii) City has no interest in or responsibilities for or duty to third parties concerning any improvements to the Property; and (iv) Developer shall have the full power and exclusive control of the Property subject to the obligations of Developer set forth in this Agreement.
- q. Annual Review. City may review progress pursuant to this Agreement at least once every twelve (12) months to determine if Developer has complied with the terms of this Agreement. If City finds, on the basis of substantial evidence, that

Developer has failed to comply with the terms hereof, City may declare Developer to be in Default as provided in Paragraph 10 herein. City's failure to review at least annually Developer's compliance with the terms and conditions of this Agreement shall not constitute or be asserted by any party as a Default under this Agreement by Developer or City.

- r. Institution of Legal Action. In addition to any other rights or remedies, either party may institute legal action to cure, correct, or remedy any Default or breach, to specifically enforce any covenants or agreements set forth in this Agreement or to enjoin any threatened or attempted violation of this Agreement; or to obtain any remedies consistent with the purpose of this Agreement. However, any remedy against the City shall be limited to specific performance only. Legal actions shall be instituted in the Fourth District Court, State of Utah, or in the Federal District Court for the District of Utah.
  
- s. Title and Authority. Developer expressly warrants and represents to City that Developer (i) owns all right, title and interest in and to the Property, or (ii) has the exclusive right to acquire such interest, and (iii) that prior to the execution of this Agreement no right, title or interest in the Property has been sold, assigned or otherwise transferred to any entity or individual other than to Developer. Developer further warrants and represents that no portion of the Property is subject to any lawsuit or pending legal claim of any kind. Developer warrants that the undersigned individuals have full power and authority to enter into this Agreement on behalf of Developer. Developer understands that City is relying on these representations and warranties in executing this Agreement.
  
- t. Headings for Convenience. All headings and captions used herein are for convenience only and are of no meaning in the interpretation or effect of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by City and by a duly authorized representative of Developer as of the date first written above.

Attest:

City of  
Saratoga Springs, a political subdivision of the State  
of Utah

\_\_\_\_\_  
City Recorder

By:\_\_\_\_\_  
Mayor

DEVELOPER, K. Paul Kuhn, an individual.

\_\_\_\_\_

State of Utah

County of \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_ 20\_\_ by \_\_\_\_\_, of \_\_\_\_\_, an individual.

\_\_\_\_\_  
Notary Public

DEVELOPER, Jennifer Kuhn, an individual.  
\_\_\_\_\_

State of Utah

County of \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_ 20\_\_ by \_\_\_\_\_, of \_\_\_\_\_, an individual.

\_\_\_\_\_  
Notary Public

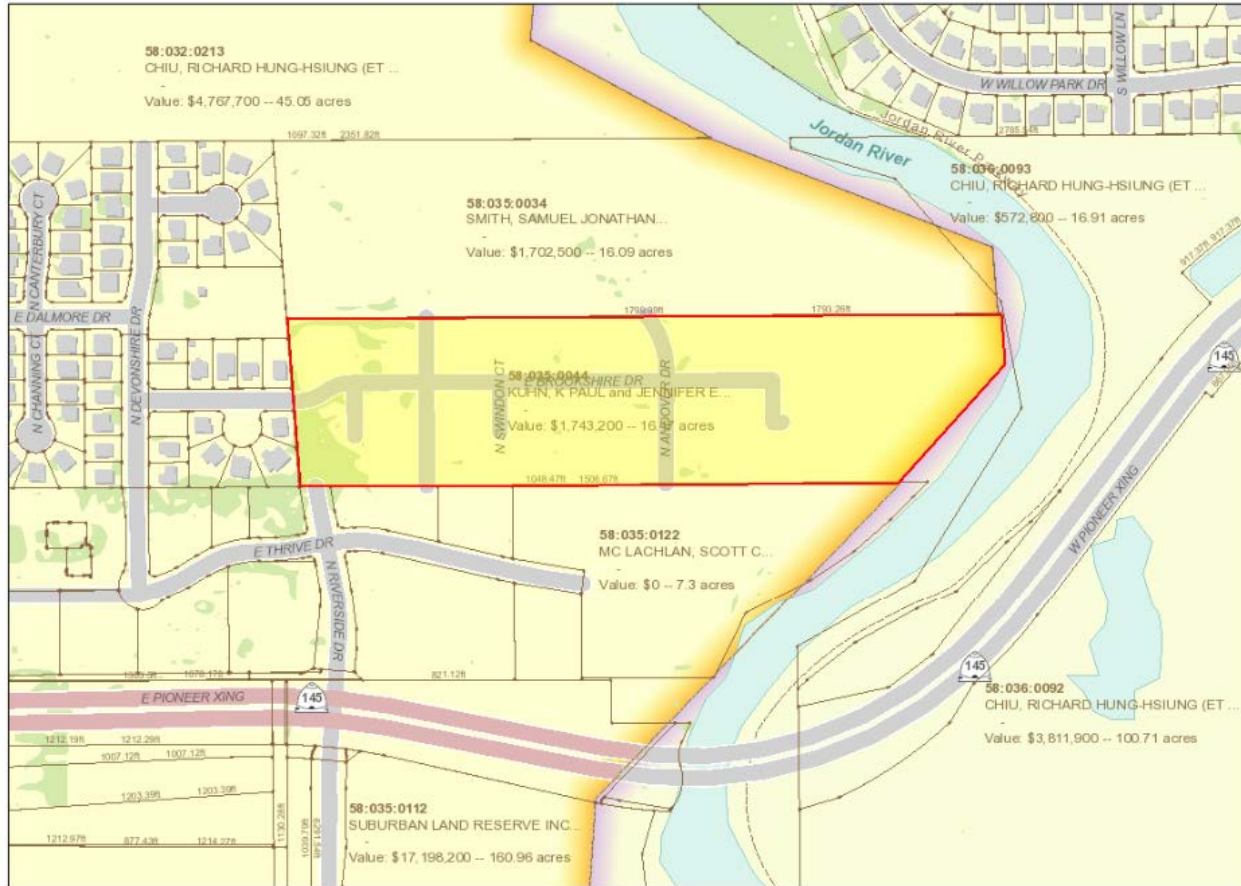
### **Exhibit "A"**

#### **Property Ownership map, Vicinity Map, and/or Legal Descriptions**

##### **Property Description**

Portions of the Northeast Quarter of the Northeast Quarter of Section 23, and the Northwest Quarter of the Northwest Quarter of Section 24, Township 5 South, Range 1 West, Salt Lake Base and Meridian, described as follows:

Commencing South 444.99 feet and East 1370.59 feet (being also referenced as South 00°06'31" West 442.39 feet and South 89°53'29" East 1371.43 feet) from the North Quarter Corner of Section 23, Township 5 South, Range 1 West, Salt Lake Base and Meridian; thence East 1799.99 feet; thence South 4°31'00" East 126.72 feet; thence South 42°41'00" West 403.01 feet; thence West 1506.67 feet; thence North 4°4'15" West 423.65 feet to the point of beginning.



# Utah County Parcel Map

Tax Parcel: 58:035:0044; 16.469 Acres

This cadastral map is generated from Utah County Recorder data. It is for reference only and no liability is assumed for any inaccuracies, incorrect data or variations with an actual survey

Date: 9/7/2021



**Exhibit “B”**

**Staff Report with Adopted Planning Commission Findings and Conditions of Approval,  
Report of Action (if applicable), and Written Minutes**

**[ON FILE WITH THE CITY RECORDER]**

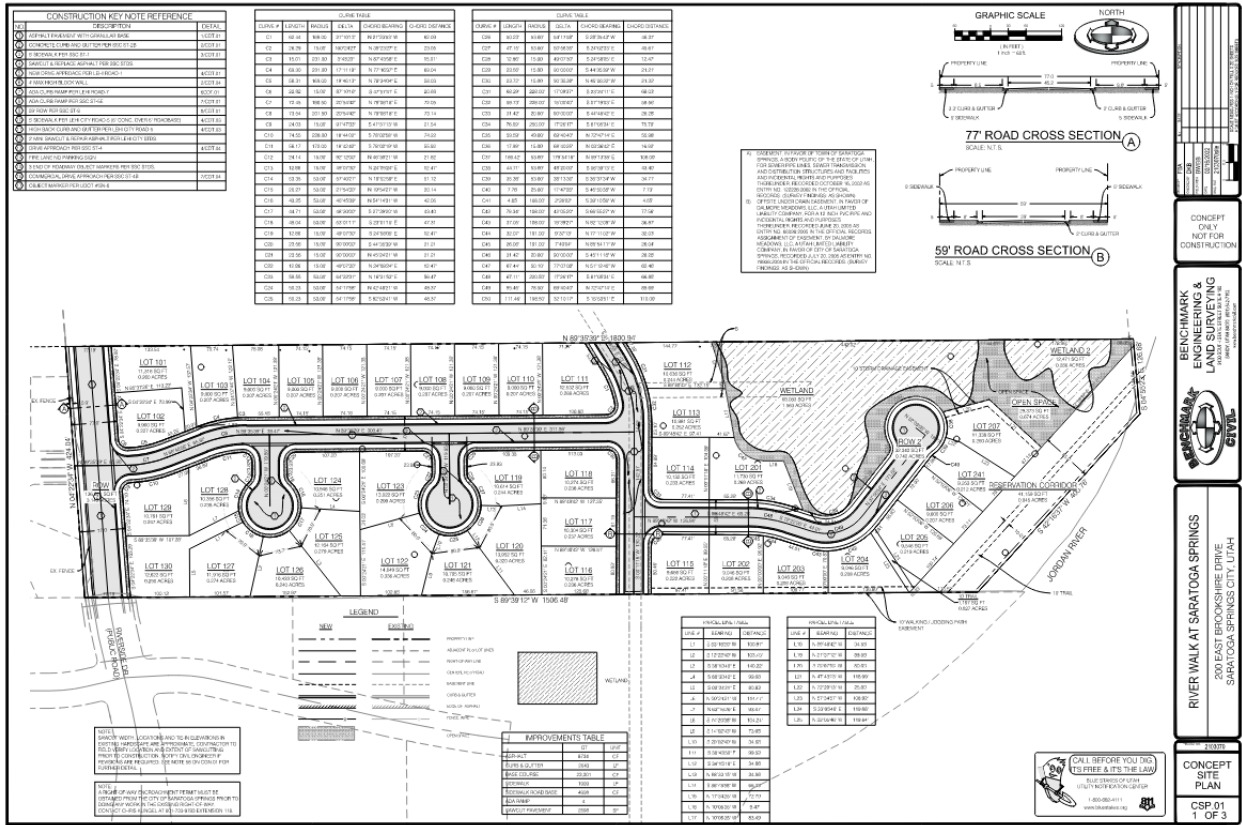
**Exhibit “C”**

**Staff Report with Adopted City Council Findings and Conditions of  
Approval, Report of Action (if applicable), City Council Written Minutes.**

**[ON FILE WITH THE CITY RECORDER]**



# Exhibit "D" Concept Plan



**Exhibit "E"**  
**Trail Improvements**



**Exhibit “F”**  
**Power Poles Required to be Buried**



## City Council Staff Report

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### Rider's Station

**General Plan Land Use Map Amendment from Community Commercial to Medium Density Residential  
Rezone from Community Commercial to MF-10 (Multi-family, 10 dwelling units per acre maximum)**

### Concept Plan Feedback

**December 6, 2022**

Report Date:	November 29, 2022
Applicant:	URE Fund 1 - Rider's Station, LLC, contact: Greg Cronin
Owner:	URE Fund 1 – Rider's Station, LLC
Location:	1193 West Fairfield Road
Major Street Access:	Fairfield Road
Parcel Number(s) & Size:	55:353:0006, 6.35 acres
Land Use Designation:	Community Commercial
Parcel Zoning:	Community Commercial
Adjacent Zoning/Land Use:	North: RA-5 (Residential Agriculture, 5 acre minimum per dwelling) / Rural Residential East: RA-5 / Low Density Residential South: PC (Planned Community) / Planned Community Mixed Use West: CC (Community Commercial) / Community Commercial
Current Use of Parcel:	Single-family residence with "Hobby Farm"
Adjacent Uses:	North & West: single-family / "hobby farming"; East: agriculture; South: agriculture
Previous Meetings:	Planning Commission Public Hearing, July 14, 2022
Previous Approvals:	Lot 2 (6.99 acres) of West Lake Estates Subdivision, County approval 1995
Land Use Authority:	City Council
Planner:	Kent Page, AICP, Senior Planner

- 
- A. Executive Summary:** The applicant requests the City amend 6.35 acres of the General Plan Land Use map from Community Commercial to Medium Density Residential and change the zoning from Community Commercial to MF-10 (Multi-family, 10 dwelling units per acre maximum). These changes would then permit the development of a plat similar to the Concept Plan depicted as Exhibit 3 -- it is important to remember that the proposed General Plan Amendment (GPA) and proposed rezone is just for the area depicted for the residential units; the concept plan depicted in Exhibit 3 shows the conceptual plan for the residential units adjacent to a concept

plan for the existing zoned community commercial. On July 14, 2022, after a Public Hearing, the Planning Commission recommended denial to the City Council.

**Staff Recommendation:** Staff recommends the City Council hold a public meeting, discuss General Plan amendment and rezone and choose from the options in Section “H” of this report. Options include approval with conditions, continuation, or denial.

- B. Background:** The project size is 6.35 acres. It is described as Lot 2 of Plat “C” of West Lake Estates Subdivision (parcel #55:353:0006). Plat “C” of West Lake Estates was recorded on October 5, 1995.

On July 14, 2022 the Planning Commission held a Public Hearing; copied below are the approved minutes:

**Public Hearing: Rider’s Station General Plan Amendment, 6.35 acres from Community Commercial to Medium Density Residential, Rezone from Community Commercial to MF-10 (Multi-family 10 units per acre), and Concept plan. Located at 1193 W. Fairfield Rd. Greg Cronin, applicant.** Senior Planner Kent Page presented the item. He noted that the proposed General Plan Amendment - and proposed rezone is just for the area depicted for the residential units; the concept plan depicted in Exhibit 3 shows the conceptual plan for the residential units adjacent to a concept plan for the existing zoned Community Commercial. Senior Planner Kent Page noted that as of the packet time, four written comments had been received which were included in the packet. He had responded to each of these emails with a phone call and/or email reply. Staff encourages neighboring residents and the applicant/property owner to meet together to mitigate concerns.

Greg Cronin was present as applicant. He introduced Steve Sowby their engineer. He shared that they are trying to master plan this to help mitigate traffic problems. He showed how they want to bring the trail into the development. He reviewed what the goal of Community Commercial was, not large retails, but small businesses to enhance the community. They want to take a smaller footprint of commercial and compliment it with high end townhomes, not apartment style housing. He noted they have been working on this for a year plus taking input from staff and goals from the General Plan to meet the land use and General Plan intents, walkability, transportation system, landscaping, etc. He noted this would help resolve issues with the road connected to them such as traffic going east to west, not north to south, office hours not commute times. It would be a greater level of infrastructure than they will impact. It will have a professional traffic study. He

noted sidewalks, road improvements, and they would be happy to meet with school board. He noted they can already do the commercial but by adding the residential it softens the area and they would help support the commercial area there. They want to create value for the community and their product. He feels this product would help improve the community as a long term investment.

A short break was taken at this time. Meeting resumed at 8:06 p.m.

Commissioner Cunningham read two emails for public comments that had been received just before the meeting:

Jordyn and Harry Leibovich were concerned about the rezoning for townhomes and the issues with traffic on Fairfield Rd.

Amy & Erik Bartlett Shared Concern with the traffic on Fairfield Rd. and the extra traffic that would come. They noted many cars speed on the road and feel it is very dangerous.

**Public Hearing Open** by Chairman Troy Cunningham

Katie Myers liked the concept of the master plan but noted that if they have sidewalks and things on Fairfield road, they will end at his development. There needs to be better safety for the residents. She noted that as detours are being put in place for current

Darrel Wendel thanked the commissioners for their decision on the previous item, as the owner. He wondered what would happen to the canal on this property and how others would be kept out but for those that needed to use it. He noted that for entrances onto Fairfield road, there is a small bridge over the canal only wide enough for one vehicle and would those dead end at Mountain View Corridor.

Chris Sorenson reiterated his concerns of the Fairfield road and understands the property rights to be able to develop your land. But the concerns on the road need to be addressed. At the rate it's growing Fairfield rd. would need to be increased to a 5 lane road, there are many things needed such as storm drain mitigation on the hill and he felt connecting to midland in the Edge development would help mitigate some of the burden. Edge did not address the needs along the road on their access for their development.

Aaron Evans commented that the commissioners were appointed and are responsible to the citizens. He understands that the developer would improve the road on their portion but no one is improving the road continuing east or west. He felt the City has not taken responsibility in making applicants responsible for improving the infrastructure to their development. It's overcrowded now and a bottleneck.

Joseph Herendeen noted they are moving to midland dr. and felt it was just as much a concern connecting to Fairfield rd. he suggested to eliminate all access points on Fairfield rd. and make the access only on Pony Express.

Sara Merrill appreciated commissioner comments on consistency and connectivity. She noted they have seen the City bow down to developers and this developed that don't make sense, they feel their trust has been breached before. She noted the City tells them to talk to the School District and the District says talk to the City and nothing gets solved. She commented the old plan had condos and they don't mind the Community Commercial but they don't want to baby step back to condos. She asked where the trail connected to the canal and people trespass onto their property. She asked they do more than just mention to the police because they have witnessed very dangerous conditions and the police have ignored their calls.

Shayna Devey felt there were too many access points onto Fairfield rd. and they should be limited. She noted she has asked the police to enforce and they don't see it. She would like police actually patrolling and so people can get ticketed. She would like to request a traffic study be done when school is in session. It shouldn't take so long to get out of their neighborhood to take kids to school. She wondered if Fairfield would dead end at UDOT and when they would know.

Saje Hurd appreciates the planning and noted his first home was a townhome. He asked how they would keep the feel of the plans they have, he's seen things change. He also asked about schools and adding more kids to the schools. He was concerned about the access points onto Fairfield rd. it's too dangerous.

Amy White shared concern about Fairfield rd. and the encroachment on her property. She would lose her greenbelt and agriculture. She felt if the city just would maintain the road it would make a difference.

Mary Ellen Evans agreed with comments made and all the comments in the previous item pertain to this application. She noted the school is a no bus school. She noted the road can't be widened without encroaching on current owners and their acreage.

**Public Hearing Closed** by Chairman Troy Cunningham

Community Development Director Young advised that we don't have a lot of answers on the Mountain View Corridor right now, it's not the City's project. There are some conceptual plans but they don't have answers yet. Engineer I Scott Petrik advised unless it becomes a capital improvement project it would remain the way it is until developers come into help.



Steve Sowby, with applicant, mentioned they could enter into a pioneering agreement with the City to help improve the sidewalk to the east, like they are with the storm drain. Applicant Craig Cronin felt it was a way to help move the development forward. Steve Sowby noted connections they were providing to help move a lot of the traffic off of Fairfield rd. They could do traffic studies while school was in session. They could try to move access points to Pony Express, but UDOT controls those access points and they are only allowed one every so many feet, the way it is set up now will minimize traffic also. They can create the right in right out that helps with traffic calming as well. He noted they will follow whatever rules there are for piping the canal. Many things can't be planned until a zone change is granted. Greg Cronin noted as far as the school, they are open to work with the School, the City and themselves for routes to help things. He noted this product type probably wouldn't bring in many families with small kids. They would look at anything that could be put into a pioneering agreement for critical needs. They would like to professionally manage the rentals.

Community Development Director Young noted with any rezone request there is a Development Agreement that is approved with the zone change. Senior Planner Kent Page noted they would like to tie the two parcels together if possible in a Development Agreement.

Commissioner McConkie noted the concept plan is nice and we've talked about a lot of things tonight but the question is to the rezone only at this point. He would recommend that staff look at the need for improvement of Fairfield Rd. He noted the City has discussed preserving some of the non-residential land uses in the General Plan. He would be more open to consider a rezone if the other property was rezoned.

Commissioner Ryan felt this area was right for improvement. He felt there were probably grants available for this area for improvements on this road, it has become the cart before the horse. We should be as proactive as possible. He felt working with our congressional representatives may be helpful for some earmarks. Commissioner Ryan asked about phasing. Greg Cronin, noted they don't have anything against that being part of the Development Agreement tying the two areas together. They don't have problem with commercial first and gaining the main entrance off Pony Express. They look at commercial viability to balance the area. Commissioner Ryan felt they could keep the Community Commercial and allow them to begin on this plan and hopefully in the interim address the issues with Fairfield Rd.

Commissioner Kilgore reminded everyone that a lot of the questions about planned roads and things are answered in the General Plan, roads and commercial areas etc. He received clarification on product allowed in the development; two story townhomes. Senior Planner Kent Page clarified that MF-10 is classified as medium density housing, not high density. Commissioner Kilgore discussed future connectivity to possible Community Commercial to the east, then the townhomes here would be sandwiched.

Commissioner Anderson noted that the situation on Fairfield will get worse before it gets better. He mentioned main collectors and how this area ties into them. He noted to attendees that they can also attend City Council meeting when this item comes up.

Commissioner Sprosty Burns received clarifications from the applicant to the developments and rental properties they are holding onto currently. She noted it was odd to deny 12 units and approve this. It feels like this is not in line with that but that somehow this is different. We need to look at why and when we are granting these variations. Commissioners joined in discussion on legislative process and supporting the needs of our community and meeting the standards that are set.

Commissioner Cunningham noted that with the General Plan committee, they talk about Live, Work, Play, work is something we need to work on; jobs here have less need for people to leave the City and the roads are less packed during commute. He noted the need to protect business areas. He is concerned that Prop 6 is getting close, with high density balancing too high.



Community Development Director Young advised that as they have looked at density and the General Plan they have identified concern with high density including approved and vested properties. They feel there are more than sufficient areas for residential and they need to reserve commercial areas. The General Plan is a well thought out guide and if they go against it they should have good reasoning for that.

Motion made by Commissioner McConkie to recommend denial to the City Council the request to amend the General Plan Land Map from Community Commercial to Medium Density Residential and rezone from Community Commercial to MF-10 on referenced 6.35 acre parcel at 1193 West Fairfield Road as outlined in the Exhibits with the findings and conditions in the staff report dated July 7, 2022. Seconded by Commissioner Ryan.

Yes: Bryce Anderson, Troy Cunningham, Bryce McConkie, Reed Ryan, Rachel Sprosty Burns.

No: Ken Kilgore.

Absent: Audrey Barton

Motion passed 5 - 1.

Commissioner Kilgore felt that there was sufficient reason to request and grant the rezone.

A short break was taken at this time. Meeting resumed at 10:13 p.m.

- C. **Specific Requests:** General Plan Land Use Map amendment from Community Commercial to Medium Density Residential and rezone from CC (Community Commercial) to MF-10 (Multi-family residential, 10 dwelling units per acre maximum).

D. **Process:**

**Rezone and General Plan Amendment**

The table in Section 19.13.04 outlines the process requirements of a General Plan amendment and/or rezone request. A public hearing is required with the Planning Commission who then makes a recommendation to the City Council. The City Council shall then either approve, continue, or deny the request.

**Concept Plan**

Section 19.17.02 states "Petitions for changes to the City's Zoning Map for all land use zones may be accompanied by an application for Concept Plan Review or Master Development Agreement approval pursuant to Chapter 19.13 of this Code."

Per Chapter 19.13 of the City Code, the process for a Concept Plan includes an informal review of the Concept Plan by both the Planning Commission and the City Council. The review shall be for comment only, no public hearing is required and no recommendation or action made.

A concept plan has been submitted with the rezone application and has been included with this staff report. The concept plan is non-binding upon the applicant and the City and does not address all concerns or requirements of the Land Development Code. A concept review is meant to understand the intent of the rezone and the future development plans of the applicant; high-level issues are reviewed such as density, landscaping percentage, road design, etc. Specific details relating to landscaping, elevations, and others are typically not reviewed at the concept level.

- E. Community Review:** The City meets or exceeds the public hearing notification requirements under State Code 10-9a-205. Notice was sent to property owners within 300 feet of the subject property. As of the date of this report four comments have been received by the public. Email comments may be submitted or the public may choose to attend the Planning Commission meeting. The notice has also been posted in the City building, [www.saratogspringscity.com](http://www.saratogspringscity.com), and at the State notice website [www.utah.gov/pmn/index.html](http://www.utah.gov/pmn/index.html).
- F. General Plan:** The land use designation of the property is Community Commercial. The applicant's request to change the zone from CC (Community Commercial) to MF-10 (Multi-family Residential, 10 dwelling units per acre maximum) is **not** consistent with the intent of the land use designation of Community Commercial so the land use map needs to be amended to coincide with the desired zone.

The City's General Plan (2017) gives the general characteristics of the Community Commercial land use as areas that:

include a variety of commercial uses which are well integrated into the community and are located in commercial clusters along major transportation corridors. Office components should be included as an integral part of developments in this district so as to capitalize on the benefits that can be enjoyed with a mixture of distinct but complementary land-uses. (p.8)

The proposed Rider's Station GPA/Rezone/Concept Plan is located along major transportation corridors – Pony Express Parkway and Fairfield Road. The proposed concept plan is for multi-family (MF-10); however, this concept plan is foresighted in also showing how a potential community commercial concept plan can provide synergy between both parcels.

The following are the general characteristics of the Medium Density Residential land use:

Residential developments at higher densities in neighborhoods that still maintain a suburban character. Designed to create a functional transition from one land-use to another. Developments in these areas should be constructed with urban streets and useable recreational features and lands. (p.8)

While the General Plan (p. 8) defines Medium Density Residential as: six to eight dwelling units per acre on 3,000 to 7,000 square foot lots, the Land Development Code (19.04.02) classifies the MF-10 zone as Medium Density Residential. It is important to remember that the General Plan is a guide while the Land Development Code is the ordinance.

The City's Land Development Code states that the purpose of the Community Commercial Zone is to:

allow for medium size commercial developments, near residential neighborhoods, with establishments that will serve the nearby community. Improvements such as trails,

seating, and lighting that would help create gathering spaces and promote pedestrian activity are expected in the Community Commercial zone. (19.04.09.2)

**Staff conclusion:**

Often, land use designations in general plans are drawn with “broad” strokes due to the amount of time detailed analysis take; it is reasoned that the “broad” strokes can be changed to “fine” strokes when/if better information can be provided.

**On November 28, 2022 staff received from the applicant a traffic study from Hales Engineering dated June 25, 2022; the Planning Commission did not received this study.** (Please see Exhibit 5.) Here are this study’s findings:

- It is anticipated that the project connection between Lehi-Fairfield Road and Pony Express Parkway all allow for better connectivity between the neighborhood to the west and destinations to the east of the project. With the completion of the Foothill Boulevard Freeway, this connection will be utilized even more.
- It is anticipated that the proposed residential townhome land use on the east end of the property will generate between 80% and 90% fewer daily and peak hour trips than the alternative commercial land uses. The residential use is anticipated to have a much lesser impact on the adjacent roadways.

Members of the Planning Commission, City Council, and Administration have expressed a desire to retain commercial zoning. Through Proposition 6 the City has placed a ratio of 73% single-family to 27% multi-family; this ratio is close to being met with 69.23% single-family.

When a proposal to change the land use and/or zoning on a particular property comes before the City it is good planning to examine closely the benefits to the City of the proposed change. **It is particularly the burden of the applicant to show with “fine” strokes how the proposed change is in the City’s best interest.**

The basic argument of the applicant is that the proposed concept plan of this 6.35 acre parcel being rezoned to MF-10 with the adjacent 12.04 acre parcel retaining Community Commercial zoning to the west is superior to the City than the current status of two Community Commercial parcels containing 18.39 acres for the following reasons:

1. Buffer between Community Commercial and RA-5 (Residential Agriculture, 5 acre minimum)
2. 18.39 acres of Community Commercial is more Community Commercial than can be economically supported.
3. The proposed rezone of the eastern parcel (6.35 acres) is too far away from the planned Pony Express Parkway signalized intersection adjacent to the western parcel for Community Commercial to be successful.
4. The Community Commercial concept plan (remember this concept plan showing Community Commercial is not part of any application) with the MF-10 concept plan will be more successful than if both parcels retain their Community Commercial zoning. The Community Commercial concept plan showing one, two,

and three story office and retail buildings will have more Community Commercial square footage than if the entire two parcels containing 18.39 acres would have if one story Community Commercial were sprawled across both parcels.

5. This application contains a detailed concept plan that has been staff reviewed to comply with the proposed MF-10 zoning and the current Land Management Code, and this application also shows a detailed concept plan of the adjacent property with how the two parcels can relate to each other.

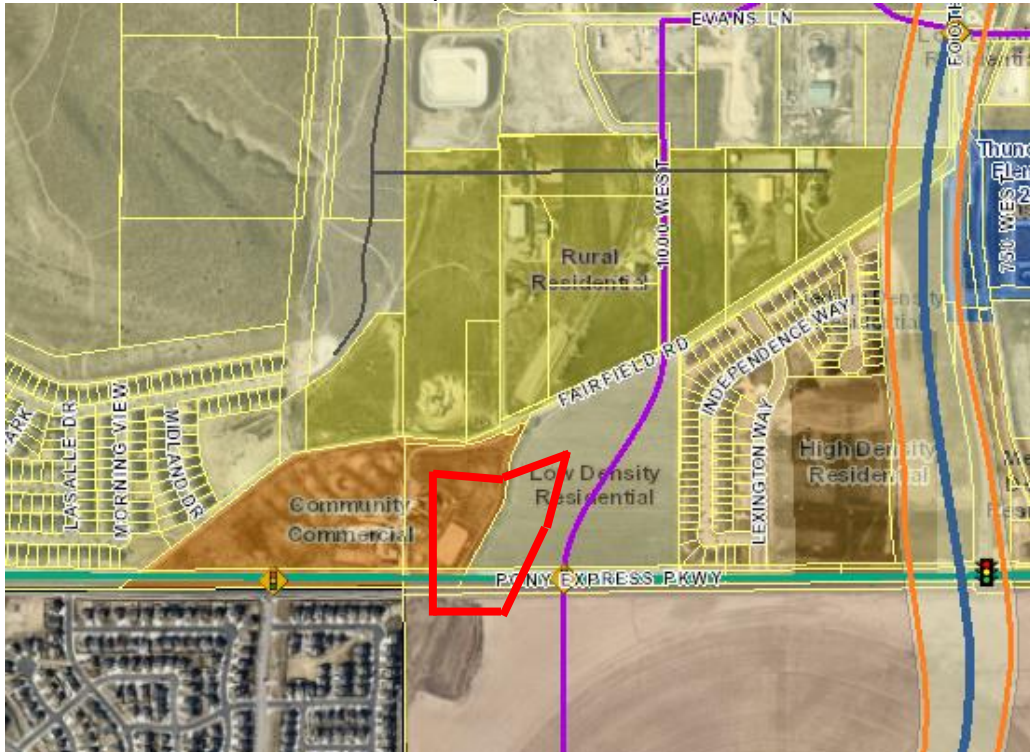
Doug Meldrum, Economic Development Director, comments that building multi-story office buildings would make the project more viable than just single story.

A concern that Doug Meldrum and Senior Planner, Kent Page, have is that often the residential development is built before the commercial. The proposed development agreement has the following language to address this concern:

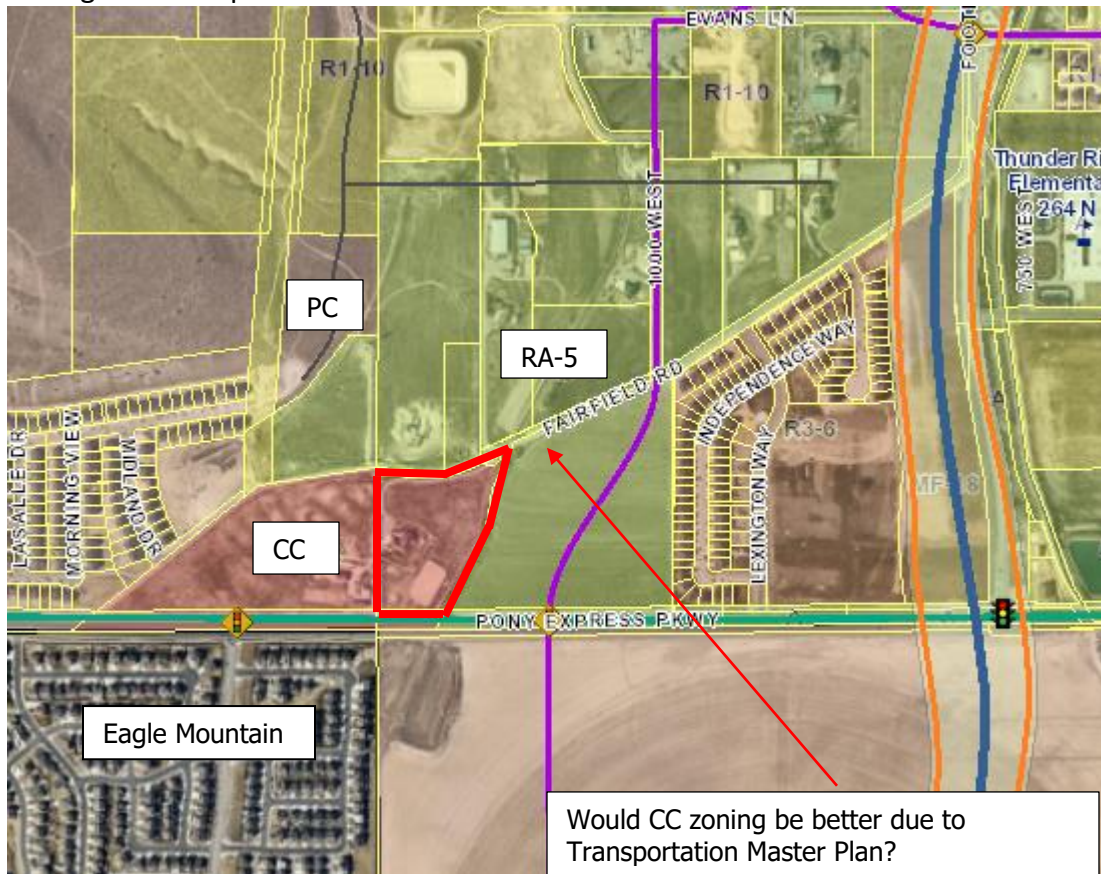
. . . the Developer agrees that all improvements including all underground utilities and streets on the commercially zoned property and on the residentially zoned property will be completed, and all commercial pads/lots will be completed, with horizontal site improvements before any residential building permit is issued.

Based on the City's Transportation Master Plan (2022), staff questions if the current **land use** designation of "Low Density Residential" for property to the east would be better suited for Community Commercial, and if the **zoning** for property to the east would be better suited for Community Commercial; please see planning maps below:

General Plan Land Use and Transportation Master Plan 2022



## Zoning and Transportation Master Plan 2022



### G. Code Criteria:

Rezone requests are legislative decisions. Therefore, the City Council has significant discretion when making a decision on such requests. Because of this legislative discretion, the Code criteria below are guidelines and are not binding.

#### 19.17.03. Planning Commission and City Council Review.

1. The Planning Commission reviews the petition and makes a recommendation to the City Council within 30 days of the receipt of the petition.

*Review and submission of necessary items required a review process longer than 30 days due to the staff workload.*

2. The Planning Commission shall recommend approval of the proposed amendments only when it finds the proposed amendment furthers the purpose of the Saratoga Springs Land Use Element of the General Plan and this Title. (\*Note, the Planning Commission reviewed this request when the former General Plan was in place; for consistency, this staff report also uses the former General Plan. The former and the current General Plans should not vary substantially affecting this rezone application review.)

*The Land Use Plan identifies desired land uses for all areas within the City of Saratoga Springs and provides a framework to guide future planning for the community—where people live, work, play, and shop. It supports a variety of land uses that can continue to make Saratoga Springs an attractive place to live and work, while preserving Saratoga Springs’ small-town charm. Stable and peaceful single-family neighborhoods are the “building block” of the community, with a mix of smaller and denser residential units in appropriate locations to help diversify the housing stock. Employment areas accommodate a diverse array of businesses and support well-paying jobs. The land use element of the General Plan indicates Community Commercial as the proposed land use. However, the General Plan is not a static document and is subject to review and change when appropriate.*

3. The Planning Commission shall provide the notice and hold a public hearing as required by Utah Code. For an application which concerns a specific parcel of property, the City shall provide the notice required by Chapter 19.13 regarding a public hearing.

*All required notices in compliance with State and local laws were sent or posted informing the public of the Planning Commission public hearing.*

#### **19.17.04. Gradual Transition of Uses and Density.**

It is the policy of the City Council, through exercising its zoning authority, to: (a) transition high intensity uses to help prevent the impacts of high density uses on low density areas; and (b) to limit inconsistent uses being located on adjacent parcels. The City Council may implement this policy using its zoning powers. Through amendments to the General Plan and the Zoning Map, the City Council intends to apply the following guidelines to implement this policy:

1. Residential lots, parcels, plats, or developments should not increase by more than 20% of density as compared to adjacent lots, zones, parcels, plats, or developments to enable a gradual change of density and uses. To appropriately transition, new lots should be equal to or larger than immediately adjacent existing platted lots.

**Staff finding:** it is conceivable that rezoning from Community Commercial to MF-10 may actually provide a better transition between the adjacent Community Commercial and RA-5 (Residential Agriculture, 5 acre minimum).

#### **2. Exceptions**

a. The City should avoid allowing high intensity uses (e.g., commercial, industrial, multi-family structures, etc.) adjacent to lower intensity uses (e.g., single family, low density residential, etc.), however may allow these uses to be located adjacent to each other if appropriate transitions and buffers are in place. Appropriate buffers and transitions include a combination of roadways, landscaping, building orientation and facades, increased setbacks, open spaces, parks, and trails.

**Staff finding:** see Staff finding comment immediately above

3. Despite these guidelines, the City Council recognizes that it will become necessary to allow high intensity next to low intensity uses in order to allow for the implementation of multiple

zones in the City. The City Council should use their best efforts to limit inconsistent uses and zones being located on adjacent parcels and to mitigate inconsistent uses and zones through transitions and buffers. **Staff finding:** consistent.

*Adjacent land uses to the west and north allow only one dwelling per five acres; however, property adjacent to the south side of Fairfield Road allows up to six dwelling units per acre. The 59-foot Fairfield Road ROW could be a logically buffer between these uses. Also the “West Lake Estates Plat C, Lot 1 Amended” is the only 5-acre platted subdivision to the west in this Residential Agriculture (RA-5) zone; it could be likely that additional land use and rezones applications will come for more properties in this area.*

#### **19.17.05. Consideration of General Plan, Ordinance, or Zoning Map Amendment.**

The Planning Commission and City Council shall consider, but not be bound by, the following criteria when deciding whether to recommend or grant a General Plan, ordinance, or zoning map amendment:

1. The proposed changes will conform to the Land Use Element and other provisions of the General Plan.

***The proposed rezone is not compatible with the Land Use Element of the General Plan; the General Plan calls for the land use to be Community Commercial, the proposed rezone is MF-10 (Multi-family, 10 dwelling units per acre maximum). However, the application does provide significant detail in how it supports objectives of the General Plan such as:***

- 1. A balance and synergy of uses – commercial, residential, transportation (biking, walking, public, walking)*
- 2. Quality of uses (great public spaces with quality landscaping, architectural design, durable materials)*
- 3. Potentially more affordable housing*
- 4. Buffer between community commercial and single-family residential neighborhoods*



Below is an aerial display of the proposed concept plan with nearby conceptual plans:



The applicant believes this application is compatible with the following highlighted statements from the General Plan – Land Use Section:

“...that preserves not only our community character but also our natural beauty and environment. Economic development is conducted with the objective of elevating quality of life by enhancing convenient access to goods and services. Residential development, meanwhile, emphasizes single-family home development while still providing for an adequate level of carefully located other housing options.”

“Objective: Establish compact, connected, and walkable community areas: In areas designated for mixed-use development, guide development to create compact, human-scaled neighborhoods and business districts that support walking, bicycling, and transit as viable means of transportation within and to and from the neighborhoods and districts. Objective: Manage land-use transitions: Plan for incremental geographic transitions between singlefamily residential neighborhoods, multi-family residential neighborhoods, commercial areas, and industrial areas”

“Image & Design Objective: Continue to create great streets and streetscapes: Implement design and construction of safe, attractive, and walkable streetscapes that allow for walking and bicycling in addition to automobiles and project a positive image of Saratoga



Springs. Objective: Continue to support planting and maintenance of trees in public spaces: As trees provide numerous benefits to urban spaces, continue to support the addition of trees in public spaces. Objective: Create great public spaces and places: Create a network of public spaces and gathering places (i.e., plazas, greenways) in major destinations. Objective: Ensure good design in future development: Continue to ensure that new developments utilize quality building materials, and employ architectural design that is in keeping with the existing character of the community. Objective: Promote sustainable building: Promote sustainable building design, site planning, and landscape design citywide.”

“High Density Residential: These areas are primarily residential in character and include a variety of housing types that are supported by nearby retail, civic, and employment uses. This use buffers single-family residential neighborhoods. Public facilities should connect to surrounding uses and major facilities should be buffered to residential uses. 9 – 18DU/ Acre, 2,500 to 8,700 square foot lots”

“Community Commercial: These areas include a variety of commercial uses which are well integrated into the community and are located in commercial clusters along major transportation corridors. Office components should be included as an integral part of developments in this district so as to capitalize on the benefits that can be enjoyed with a mixture of distinct but complementary land-uses”

“Areas intended to provide locations for employment and economic development opportunities. Uses include large and small scale offices, business parks, and supporting service retail. These areas can also serve as transitions between residential areas and major roadways”

“Multi-Family Residential Objective: **Locate new multi-family and increased density housing in appropriate areas: In order to support more shopping and dining opportunities,** and encourage investment in transportation system Saratoga Springs’ neighborhoods are the building blocks of the community, and their attractiveness, health, and character is vital to the success of Saratoga Springs and the everyday quality of life. The objectives of this element describe enhancing and protecting established neighborhood character, **while encouraging quality architectural design in master planned developments. improvements, provide for higher-density housing where appropriate in walkable mixed-use areas near shopping, offices, healthcare, and transportation centers”**

The applicant provides these additional points to consider:

- Market Feasibility of Community Commercial on the entire 14 plus acre land mass with on primary entrance. The economic development discussion highlighted that it is going to be a challenge to create a product that will have healthy long term rents and viability in the north 1/3 and eastern third of the parcel. It would take a large anchor to come in to support such a deep and wide footprint, and they are not candidates for this location due to the more significant nodes that are in the immediate area.
- Design is important: Community commercial users are more sensitive to the overall feel of the location. The design needs to create "place" and not just be a strip center type build that is less costly and less risky in the short term, but doesn't attract the service providers and retail that the size of a commercial project requires in order to be viable long term.

- In order to deliver the nicer, more quaint setting for 162,000 sq ft of commercial, we need to maximize the land use to get as much value from the less viable commercial portions by building the residential units in accordance to the existing MF10 zoning. This allows for increased investment in greater concentration of the Community Commercial uses nearest the critical traffic flow and adds to the well-being of the commercial tenants that will benefit from some integrated customers. As a developer, the residential helps maximize the overall land use allowing for the enhanced Community Commercial project.
- We will seek a right in - right out to increase the likelihood of success for the commercial/office that is going to be farthest east of the primary access point. This is sure to be an overall better assurance for the well-being long term of the development.
- The MF-10 residential parcel is intended to be a single lot site with a common owner and not a subdivision. It is our understanding that the parking as arranged in this area works in this situation. The design maximizes open space and the livability for the tenants. There is "place" designed for children to run and play and kick a soccer ball and socialize in a safe and playful area. We could rearrange the accommodate 20 foot drives, but the livability would diminish significantly. So for this reason, we feel this design is best and meets the mf-10 zone as a single lot development.
- Lastly, this is a plan that best maximizes the Community Commercial goal most efficiently, provides the most desired setting for Community Commercial tenant mix, and incorporates a needed housing product in a place that supports the well-being of the Commercial long term.

The applicant concludes that this application supports the General Plan with this statement:

As for the General Plan Map last published, the area was low-density residential and was then changed to Community Commercial. This is a choice that we support in concept and desire to provide a significant amount of Community Commercial as well as a good variety of commercial options. The idea that all 16+ acres are best served as Community Commercial is more area than we feel is needed to accomplish the commercial objectives of the general plan for this area. We feel that a well-designed commercial area of 10-11 acres is a significant amount of commercial and that the remaining 5-6 acres being designed as neighboring residential will meet multiple objectives highlighted above. We look forward to presenting this to city staff and council.

The applicant states that the proposed use is in line with the MF-10 zoning in the land use plan. All plat requirements relevant to the MF-10 zone have been met.

2. The proposed changes will not decrease or otherwise adversely affect the health, safety, convenience, morals, or general welfare of the public. **Staff finding: complies.**

*No adverse consequences are anticipated by changing the zone from CC (Community Commercial) to MF-10 (Multi-family, 10 dwelling units per acre).*

The applicant replies: "The proposed change will not decrease nor otherwise adversely affect the health, safety, convenience, morals, or general welfare of the public. This request will actually enhance each of the above in a very tangible and recognizable way."

3. The proposed changes will more fully carry out the general purposes and intent of this Title (Title 19 of the Land Management Code) and any other ordinance of the City. **Staff finding:** complies.

*The purpose of Title 19 is to preserve and promote the health, safety, morals, convenience, order, fiscal welfare, and the general welfare of the City, its present and future inhabitants, and the public generally. The proposed development comply with Title 19 in some respects; however, the latest concept plan does not comply with Title 19.*

The applicant replies:

The proposed change will more fully carry out the general purposes and intent of this Title and any other ordinance of the City. This proposed change will reflect the intent to create softer transitions between commercial and residential. It will align with the more current development designs that are encouraging live work options, more walkable communities, and better integrate moderate density multi-family throughout the community.

4. In balancing the interest of the petitioner with the interest of the public, community interests will be better served by making the proposed change. **Staff finding:** complies.

The applicant replies:

This proposal will balance the interest of the petitioner to provide high quality and appropriate amounts of community commercial product in relation to the current and future market conditions. This will serve the public best and will better serve the community interest to create more walkable and accessible community developments. This proposal to provide a cluster of townhouses with nice amenities and abundant open space, adjacent to a quality community commercial area, will create a healthy balance of uses of the land and transition to the planned trail system and neighboring residential zones.

Also, this design allows for the upscaling of the community commercial area to attract better commercial tenants for restaurant, retail, and office. While this 6 acres is zoned to be community commercial today, the number of commercial square footage we will provide on the neighboring parcel per the attached plat will be maximized for efficiency with multiple floor buildings and provide the amount of community commercial space expected from most projects that focus on a more cost effective single floor commercial development.

5. Any other reason that, subject to legislative discretion of the City Council, could advance the general welfare. **Staff finding:** it would be nice if the applicant could provide even greater/more detailed evidence that the concept plan submitted (with CC & MF-10) is truly superior **for the City** than leaving both parcels (12.04 acres & 6.35 acres) zoned CC.

### Concept Plan Review

Section 19.17.02 states “Petitions for changes to the City’s Zoning Map for all land use zones may be accompanied by an application for Concept Plan Review or Master Development Agreement approval pursuant to Chapter 19.13 of this Code.”

Per Chapter 19.13 of the City Code, the process for a Concept Plan includes an informal review of the Concept Plan by both the Planning Commission and the City Council. The reviews shall be for comment only, no public hearing is required and no recommendation or action made. The following is a review of the general standards required of the MF-10 zone.

<b>19.04.07. Land Use Regulations, MF-10 Residential Use Zone</b>			
<b>Category to be reviewed</b>	<b>Regulation</b>	<b>Determination</b>	<b>How</b>
Maximum Units per Acre	10 units per acre	<b>Complies</b>	9.29 units per acre
Footprint Development	allowed	<b>Complies</b>	All lots (including corner lots)
Minimum Building Separation	10 feet	<b>Complies</b>	Minimum 26’
Minimum Project Size	5 acres	<b>Complies</b>	6.35 acres
Minimum Common Area	35%	<b>Complies</b>	64.30%
Open Space (19.19.04)	Not a few	<b>May Comply</b>	Landscaped Area = 2.50 acres Dog Park Tot Lot Pavilion Pickleball Trail

### H. Public Comments

Staff has received the four written comments. Senior Planner, Kent Page, has responded to each of these emails with a phone call and/or email reply. These four comments reflect a misunderstanding of the application. Staff encourages neighboring residents and the applicant/property owner to meet together to mitigate concerns.

**From:** [noreply@civicplus.com](mailto:noreply@civicplus.com) [<mailto:noreply@civicplus.com>]  
**Sent:** Tuesday, July 5, 2022 10:50 PM  
**To:** Cheryl King <[CKing@saratogaspringscity.com](mailto:CKing@saratogaspringscity.com)>  
**Subject:** Online Form Submittal: Pending Applications Comment Form

## Pending Applications Comment Form

*Complete the following form to submit a question or comment about a pending application to the Planning and Zoning Department. The Planning and Zoning Department can also be reached at 801-766-9793.*

Name	Lucy Brower
Email Address	<a href="mailto:Hi5lucy@yahoo.com">Hi5lucy@yahoo.com</a>
Address	83 N Midland Dr
City	Saratoga Springs
State	Utah
Zip Code	84045
Phone Number	9139098641
Project Name	Riders Station
Comments	I live on midland Dr right by this proposed development. I'm concerned about multiple aspects of this proposal. This seems like a lot to cram into this small space right near a newly developed neighborhood. It'll add a lot of traffic and noise near our homes on midland Dr and Fairfield that concerns me because there are a lot of young children and families on our streets. Looking down the end of the road there will be just a big ugly building rather than a view of the temple and part of the valley. I have never seen 3 story office buildings near residential like this. I have spoken with many of my neighbors and almost all of them are upset by this proposal and we were all told this area would remain undeveloped. Many of us just purchased and/or built our homes here and this would've been a deal breaker for us had we known. I'm concerned this development will in turn lower our property value as well. I'm not opposed to something being done in the area but this proposal does not fit the current area at all or what my neighbors and I had hoped for.

**Sent:** Wednesday, July 6, 2022 9:33 AM

**To:** Cheryl King <[CKing@saratogaspringscity.com](mailto:CKing@saratogaspringscity.com)>

**Subject:** Online Form Submittal: Pending Applications Comment Form

## Pending Applications Comment Form

*Complete the following form to submit a question or comment about a pending application to the Planning and Zoning Department. The Planning and Zoning Department can also be reached at 801-766-9793.*

Name	Alex Condie
Email Address	<a href="mailto:acondie13@gmail.com">acondie13@gmail.com</a>
Address	49 N Morning View Dr
City	Saratoga Springs
State	UT
Zip Code	84045
Phone Number	4356193574

Project Name	Riders Station
Comments	I'm live in the Quailhill community at mount saratoga. Myself and many of our neighbors are unhappy about the proposed commercial space near our neighborhood. The first concern is traffic. Fairfield road is already hazardous enough to children, homeowners and pets without the additional burden of commercial vehicles. The second concern is that many people paid tens of thousands of dollars for unobstructed views of the lake/mountains and surrounding areas. I don't personally have much concern with smaller retail and restaurant spaces, but 3 story office buildings will be a huge issue for a lot of people, potentially negatively impacting their property value/appeal.

**Sent:** Wednesday, July 6, 2022 11:43 PM

**To:** Cheryl King <[CKing@saratogaspringscity.com](mailto:CKing@saratogaspringscity.com)>

**Subject:** Online Form Submittal: Pending Applications Comment Form

## Pending Applications Comment Form

*Complete the following form to submit a question or comment about a pending application to the Planning and Zoning Department. The Planning and Zoning Department can also be reached at 801-766-9793.*

Name	Clint Bowles
Email Address	<a href="mailto:clint.bowles@utah.edu">clint.bowles@utah.edu</a>
Address	62 N Midland Dr
City	Saratoga Springs
State	Ut
Zip Code	84045
Phone Number	8013589365

Project Name	Riders Station
Comments	<p>The pending application of Riders Station would put a massive 3 story office building literally 50ft away from the new house we recently closed on. The details of Riders Station were never brought up in our building process and we even had to pay a lot premium for the view that came with the lot. A view that would now be gone. I do realize the building process and lot premiums are not the cities problem. Though I feel like this development is way too close to residential. This development would also put an entrance to the business park on a small residential road (directly across the street from me). Putting this business park as close to residential as is proposed would also create traffic problems. We already have people speeding down Fairfield and on to Midland. (lots of kids in the area) With the new business park speeding would increase due to it being hard to distinguish residential from commercial because of how close this proposal is to the existing neighborhood. This plan literally puts a business park in multiple residents front yard. Would appreciate some consideration on this comment. Thank you!</p>

Sent: Wednesday, July 6, 2022 10:40 PM

To: Cheryl King <[CKing@saratogaspringscity.com](mailto:CKing@saratogaspringscity.com)>

Subject: Online Form Submittal: Pending Applications Comment Form

### Pending Applications Comment Form

*Complete the following form to submit a question or comment about a pending application to the Planning and Zoning Department. The Planning and Zoning Department can also be reached at 801-766-9793.*

Name	James Cook
Email Address	<a href="mailto:jcameroncook93@gmail.com">jcameroncook93@gmail.com</a>
Address	98 N Midland Dr
City	Saratoga Springs
State	UT
Zip Code	84045
Phone Number	Field not completed.

Project Name	Riders Station Concept Plan
Comments	<p>I strongly oppose the building of large 2 or 3 story office buildings within this plan. The buildings seem frankly unnecessary, will ruin the Quailhill neighborhood views, and will draw large amounts of traffic too close to the already busy neighborhood roads nearby.</p> <p>To be clear I don't necessarily oppose some businesses being developed there. Just not any large buildings that will draw a larger amount of traffic than other types of businesses. One of the 3 story office buildings is proposed to be built with a commercial drive approach literally right next to houses on Midland Dr for goodness sake.</p>

**I. Possible Motions:**

**Possible Motion to Approve**

I move to **approve** the Rider's Station rezone request with the conditions below:

**Findings**

1. The General Plan Land Use Map is proposed to be amended from Community Commercial to Medium Density Residential as outlined Section G of this report.
  2. The Zoning Map is proposed to be amended from CC (Community Commercial) to MF-10 (Multi-family Residential, 10 dwelling units per acre maximum) to on the whole better comply with the principles of the General Plan.
  3. The General Plan Land Use Map amendment and rezone will result in an increase in public health, safety, and welfare as outlined in the findings for approval in Section G of this report.
  4. All conditions of the City Engineer shall be met, including but not limited to those in the Staff report as Exhibit 2.
  5. All other Code requirements shall be met.
  6. A site plan shall be applied for to comply with the standards contained in the Land Development Code for such a request and any items contained with a City Council approved Development Agreement.
  7. The City and Developer will follow the attached Development Agreement.
  8. Any other findings as articulated by the City Council:
- 

**Possible Motion to Deny**

I move to **deny** the request to amend the General Plan Land Map from Community Commercial to Medium Density Residential and rezone from CC to MF-10 on referenced 6.35 acre parcel at 1193 West Fairfield Road as outlined in the Exhibits with the findings and conditions in the staff report dated November 29, 2022:

**Findings**

1. The General Plan Land Use Map amendment and rezone will result in a decrease in public health, safety, and welfare as outlined in the findings for approval in Section G of this report.
  2. The rezone request to MF-10 is not consistent with Chapter 19.17.04 of the Code, as articulated in the findings for approval in Section G of this report.
  3. Any other findings as articulated by the City Council:
-



**Possible Motion to Continue**

I move to **continue** the Rider's Station General Plan Land Use Map amendment and rezone requests to another meeting on [DATE], with direction to the applicant and Staff on information and/or changes needed to render a decision, as follows:

1. \_\_\_\_\_
2. \_\_\_\_\_

**J. Exhibits:**

- 1a. Current Land Use Designation of Rural Residential to Low Density Residential
- 1b. Current Zoning of Residential Agriculture (RA-5) to Low Density Residential (R1-10)
2. City Engineer's Staff Report
3. Concept Plan
4. Photographs
5. Traffic Study

## Exhibit 1a – General Plan Amendment Proposed Land Use Change from Community Commercial to Medium Density Residential

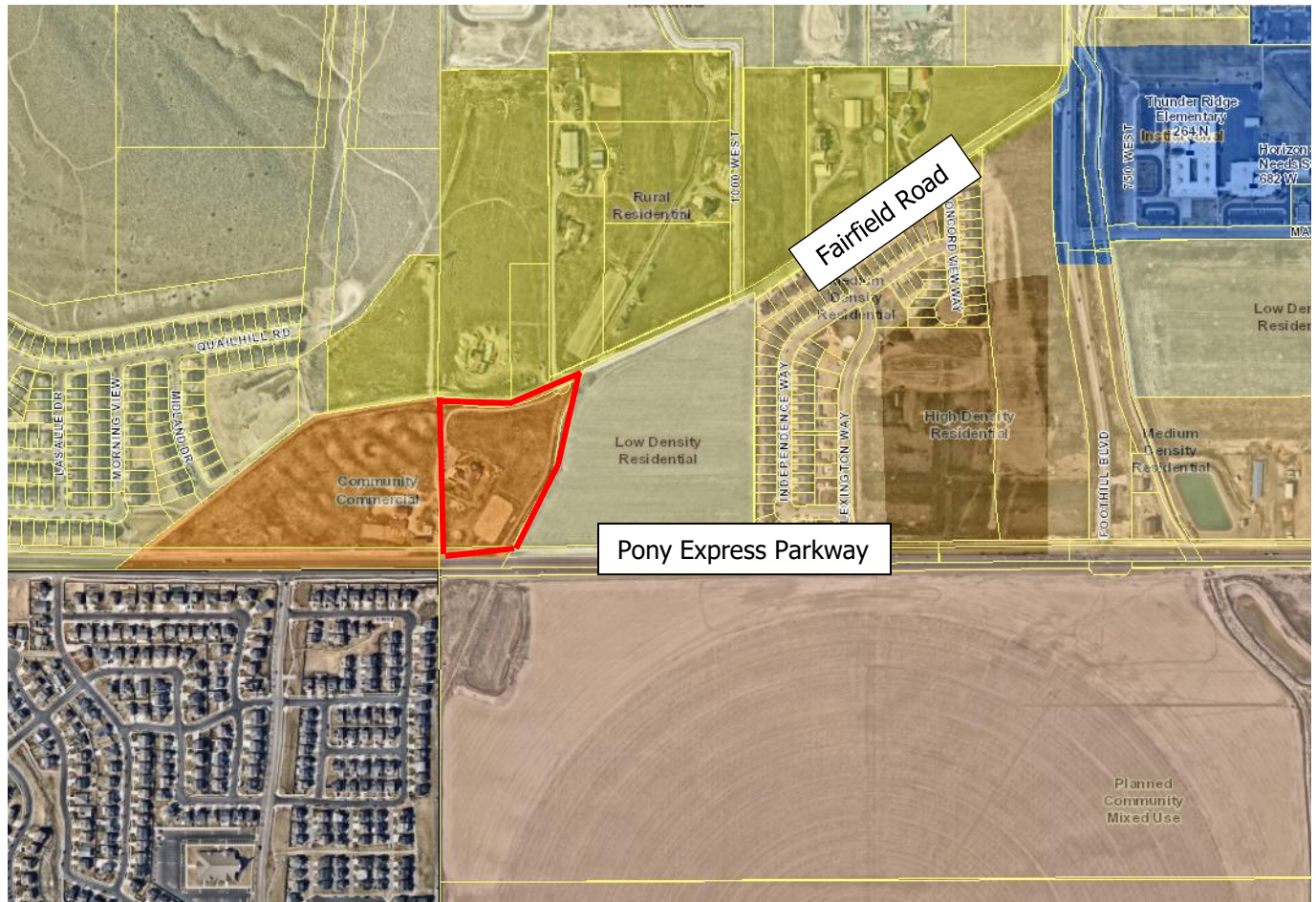
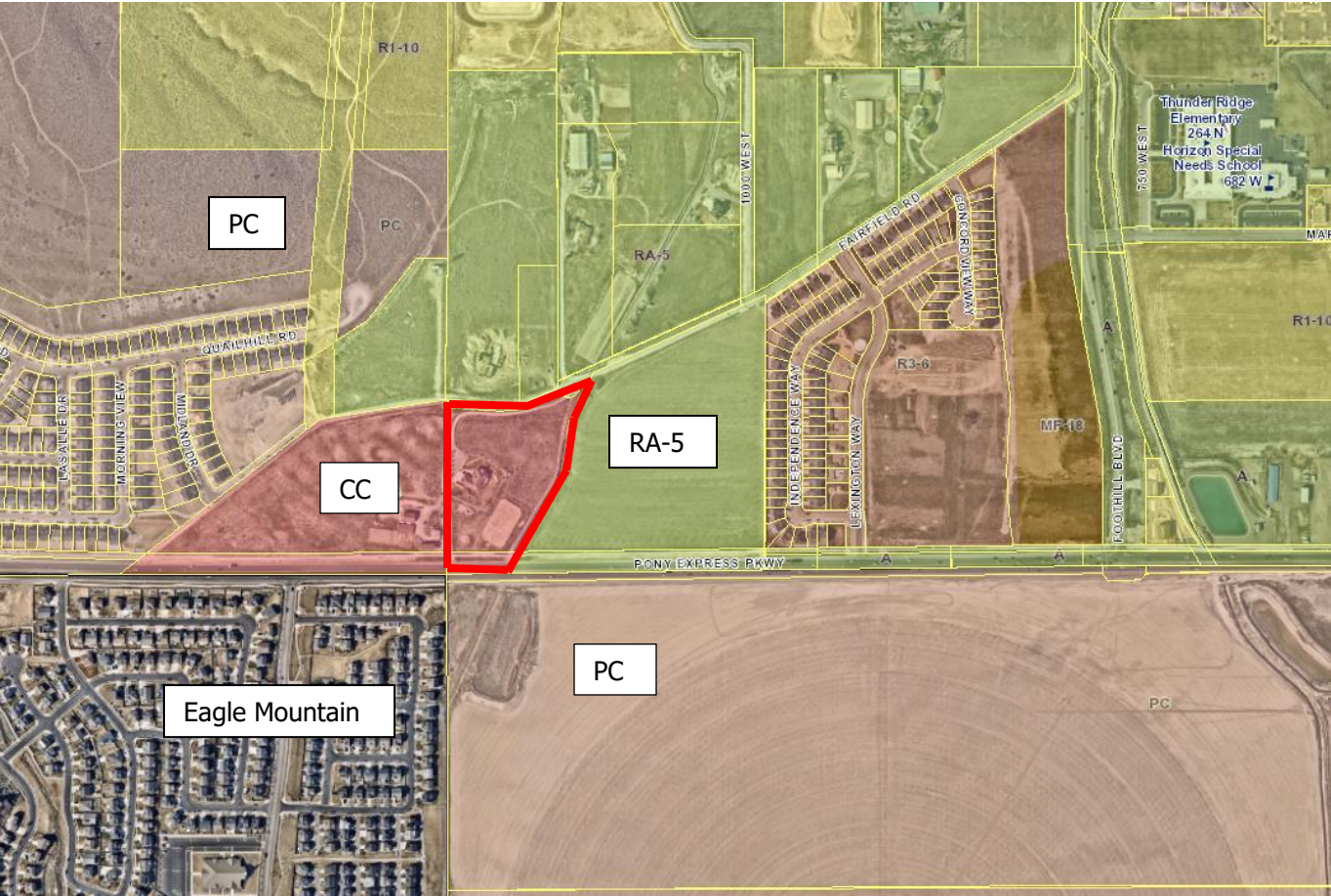


Exhibit 1b – Re-zone Proposal from Community Commercial to MF-10 (Multi-family, 10 dwelling units per acre maximum)





# Exhibit 2 – Engineer’s Staff Report

## Staff Report



SARATOGA  
SPRINGS

**Author:** Scott Petrik, Staff Engineer

**Subject:** Rider’s Station Townhomes – Concept Plan

**Date:** 14 July 2022

**Type of Item:** Concept Plan Review

### Description:

**A. Topic:** The applicant has submitted a concept plan application. Staff has reviewed the submittal and provides the following recommendations.

### B. Background:

*Applicant:* Greg Cronin  
*Request:* Concept Plan  
*Location:* 1193 W. Fairfield Rd.  
*Acreage:* 5.91 acres - 1 lot

**C. Recommendation:** Staff recommends the applicant address and incorporate the following items into the development of their project and construction drawings.

1. The City has insufficient information at this time to determine what project and system improvements will be necessary to service the developer’s property. As a result, this review does not reserve utility system capacity. Prior to, concurrent with, or subsequent to Final Plat Approval, the developer will be required to install all required infrastructure to service the property. In addition to all required project improvements, the developer may also be required to install any and all system improvements, subject to required impact fee credits.
2. Applicant will need to comply with recent changes to City code for “Private Drives”.
3. Developer shall install frontage improvements along Pony Express Parkway and Fairfield Road in accordance with City’s Transportation Master Plan.
4. Developer shall install and maintain landscaping along Pony Express frontage and trail corridor.
5. Developer shall note that no Storm drain line exists in Fairfield road. A Storm Drain outfall shall be extended down Fairfield Road with construction of PN3A and connect to the existing City SD line. SD line should be on the North side of Fairfield Road per Saratoga Springs standard drawing ST-7
6. Developer shall bury the existing overhead power lines within and along frontage of project.
7. Developer shall comply with all Low Impact Development standards in accordance with the Engineering standards and specifications.
8. Developer shall install a signal at the intersection of Pony Express Parkway and Woodhaven Blvd. Intersection shall be designed in accordance with Traffic Impact Study, AASHTO, and

City standards and specifications and a public road extended from Pony Express Parkway to Fairfield Road.

9. Private access roads shall use commercial drive approaches per standard detail ST-4B.
10. Developer shall Follow ST-30 and ST-31 for utility layout in private roadways
11. Developer shall ensure stormwater passes through an approved pre-treatment device prior to discharge to the City's storm drain. Approved pre-treatment devices meet the Washington State department of ecology's General Use Level Designation (GULD) or Conditional Use Level Designation (CULD)
12. Any existing wells or septic tanks shall be removed in accordance with City and State Standards.

Exhibit 3 – Concept Plan (date 3/28/22)

Area of parcel proposed

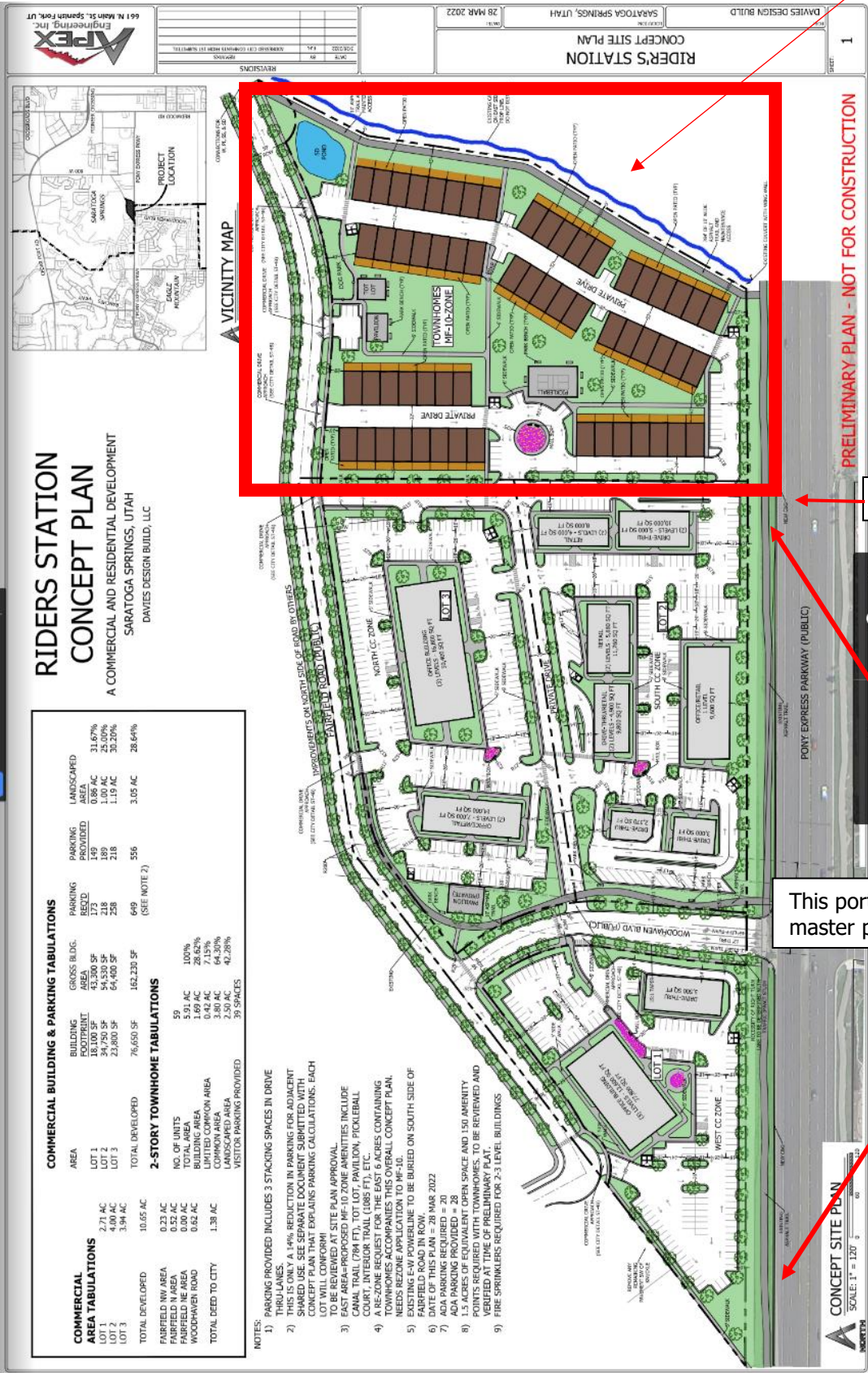




Exhibit 4 – Photographs (North, East, South, West – taken from parcel driveway)



Exhibit 4 (Continued)





Exhibit 4 (Continued)





Exhibit 4 (Continued)



# Exhibit 5 – Traffic Study

## MEMORANDUM

Date: June 25, 2022  
To: Saratoga Springs City  
From: Hales Engineering



**Subject: Saratoga Springs Riders Station Traffic Connectivity and Flow**

UT22-2279

The purpose of this memorandum is to summarize the connectivity and traffic flow evaluation for the Riders Station project, located on the north side of Pony Express Parkway at Woodhaven Boulevard.

### Woodhaven Boulevard / Pony Express Parkway Connection

A site plan for the Riders Station project (see Appendix A) shows a proposed connection between Lehi-Fairfield Road and Pony Express Parkway via Woodhaven Boulevard. It is anticipated that there will be a future signal at the Woodhaven Boulevard / Pony Express Parkway intersection. This connection will provide a more direct route for many of the roadway users that are currently routed between the neighborhood to the west and destinations to the east, such as Thunder Ridge Elementary and Horizon Schools on the east side of Foothill Boulevard via Lehi-Fairfield Road.

Future plans for Foothill Boulevard include the completion of the Foothill Freeway project, which would remove the ability for vehicles to route directly to the schools via Lehi-Fairfield Road due to the one-way frontage system which does not connect near the Schools. The project connection with Pony Express Parkway at Woodhaven Boulevard will allow for these roadway users to safely reroute to Pony Express Parkway to complete these trips.

### Land Use

The project includes residential townhome units on the eastern portion of the site. It is anticipated that these units will generate considerably less traffic than if the land were developed as commercial space similar to the rest of the project. According to data from the Institute of Transportation Engineers (ITE) *Trip Generation (11<sup>th</sup> Edition, 2021)*, the proposed 59 townhome units would generate approximately 400 daily trips, including 26 morning peak hour trips and 32 evening peak hour trips. It is anticipated that commercial space on the same land would generate approximately 2,310 daily trips, including 173 morning peak hour trips and 264 evening peak hour trips. Therefore, the proposed townhomes would generate 83% fewer daily trips, 85% fewer morning peak hour trips, and 88% fewer evening peak hour trips than the alternative commercial uses. The residential use is anticipated to have a much lesser impact on the adjacent roadways.

## **Conclusions**

The findings of this study are as follows:

- It is anticipated that the project connection between Lehi-Fairfield Road and Pony Express Parkway will allow for better connectivity between the neighborhood to the west and destinations to the east of the project. With the completion of the Foothill Boulevard Freeway, this connection will be utilized even more.
- It is anticipated that the proposed residential townhome land use on the east end of the property will generate between 80% and 90% fewer daily and peak hour trips than the alternative commercial land uses. The residential use is anticipated to have a much lesser impact on the adjacent roadways.

If you have any questions regarding this memorandum, please contact us at 801.766.4343.

**ORDINANCE NO. 22 - (12-05-22)**

**AN ORDINANCE OF THE CITY OF SARATOGA SPRINGS,  
UTAH, ADOPTING AN AMENDMENT TO THE LAND USE  
MAP OF THE GENERAL PLAN, ADOPTING AN  
AMENDMENT TO THE OFFICIAL ZONING MAP, AND  
APPROVING A DEVELOPMENT AGREEMENT  
SPECIFYING THE TERMS OF THE DEVELOPMENT OF  
CERTAIN REAL PROPERTY IN THE CITY (Rider's Station)**

**WHEREAS**, Utah Code Chapter 10-9a allows municipalities to amend the general plan and the number, shape, boundaries, or area of any zoning district; and

**WHEREAS**, before the Saratoga Springs City Council approves any zoning or general plan amendments, the amendments must first be reviewed by the Saratoga Springs Planning Commission for its recommendation to the City Council; and

**WHEREAS**, on July 14, 2022, the Planning Commission held a public hearing after proper notice and publication to consider amendments to the City's Land Use Map of the General Plan as well as the City-wide zoning map for certain real property in the City of Saratoga Springs, which is described in Exhibit A ("Property"), and forwarded the item with a unfavorable recommendation; and

**WHEREAS**, on December 6, 2022, the City Council held a public meeting to consider the general plan land use map and zoning map amendments; and

**WHEREAS**, the City Council voted to approve the rezone and general plan amendments subject to the terms of a development agreement, which agreement is attached as Exhibit B ("Agreement"); and

**WHEREAS**, pursuant to Utah Code § 10-9a-102, the City Council is authorized to enter into development agreements it considers necessary or appropriate for the use and development of land within the municipality; and

**WHEREAS**, the City desires to enter into the Agreement because the Agreement establishes planning principles, standards, and procedures to eliminate uncertainty in planning and guide the orderly development of the Property; and

**WHEREAS**, after due consideration, and after proper notice, and after conducting the requisite public hearing with the Planning Commission, the City Council, pursuant to its legislative authority under Utah Code Annotated § 10-9a-101, et seq., has determined that it is in the best interests of the residents of the City of Saratoga Springs that amendments to the Land Use Map of the General Plan and City-wide zoning map be made and that the Agreement be approved.

**NOW THEREFORE**, the City Council hereby ordains as follows:

## **SECTION I – ENACTMENT**

The Property described in Exhibit A is hereby changed from Community Commercial to Medium Density Residential on the City's Land Use Map of the General Plan and changed from Community Commercial to MF-10 (Multi-family, 10 dwelling units per acre maximum) on the City's Zoning Map, subject to and conditioned on the owner of the Property entering into the development agreement attached as Exhibit B, which Agreement shall be recorded on the Property in the Office of the Utah County Recorder. City Staff is hereby instructed to amend the official City Zoning Map and Land Use Map accordingly and to record said Agreement, subject to payment of the recording costs by the property owner.

The City Manager is hereby authorized to sign the development agreement attached as Exhibit B. City Staff may make any non-substantive changes to the Agreement before execution but may not make any changes inconsistent with the conditions of approval adopted by the City Council.

## **SECTION II – AMENDMENT OF CONFLICTING ORDINANCES**

If any ordinances, resolutions, policies, or maps of the City of Saratoga Springs heretofore adopted are inconsistent herewith they are hereby amended to comply with the provisions hereof. If they cannot be amended to comply with the provisions hereof, they are hereby repealed.

## **SECTION III – EFFECTIVE DATE**

This ordinance shall take effect upon its passage by a majority vote of the Saratoga Springs City Council and following notice and publication as required by the Utah Code.

## **SECTION IV – SEVERABILITY**

If any section, subsection, sentence, clause, phrase, or portion of this ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such provision shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions of this ordinance.

## **SECTION V – PUBLIC NOTICE**

The Saratoga Springs Recorder is hereby ordered, in accordance with the requirements of Utah Code § 10-3-710—711, to do as follows:

- a. deposit a copy of this ordinance in the office of the City Recorder; and
- b. publish notice as follows:
  - i. publish a short summary of this ordinance on the Utah Public Notice Website created in Utah Code § 63F-1-701; or
  - ii. post a complete copy of this ordinance in 3 public places within the City.

**ADOPTED AND PASSED** by the City Council of the City of Saratoga Springs, Utah,  
this \_\_\_\_ day of \_\_\_\_\_ 2022.

Signed: \_\_\_\_\_  
Jim Miller, Mayor

Attest: \_\_\_\_\_  
Cindy LoPiccolo, City Recorder

**VOTE**

Michael McOmber	_____
Chris Porter	_____
Stephen Willden	_____
Ryan Poduska	_____
Chris Carn	_____

## EXHIBIT A

### Legal Description

PT LOT 2, PLAT C, WEST LAKE ESTATES SUB DESCRIBED AS FOLLOWS:; COM N 698.97 FT & E 4.86 FT FR SW COR. SEC. 22, T5S, R1W, SLB&M.; S 85 DEG 7' 44" E 180.95 FT; ALONG A CURVE TO L (CHORD BEARS: N 80 DEG 26' 46" E 249.11 FT, RADIUS = 500.11 FT); N 66 DEG 1' 28" E 58.4 FT; ALONG A CURVE TO L (CHORD BEARS: N 72 DEG 27' 1" E 77.5 FT, RADIUS = 42.5 FT); ALONG A CURVE TO R (CHORD BEARS: N 16 DEG 1' 1" E 11.33 FT, RADIUS = 35.02 FT); N 66 DEG 1' 16" E 44.05 FT; S 25 DEG 4' 39" W 188.99 FT; S 9 DEG 2' 52" W 220.38 FT; S 29 DEG 5' 49" W 300.97 FT; S 27 DEG 28' 43" W 63.81 FT; S 89 DEG 33' 1" W 310.27 FT; N 0 DEG 23' 51" E 608.99 FT TO BEG. AREA 6.352 AC.



## **EXHIBIT B**

Development Agreement  
(please see next page for start)

WHEN RECORDED RETURN TO:

Saratoga Springs City Recorder  
1307 N. Commerce Drive, Suite 200  
Saratoga Springs, UT 84045

## **DEVELOPMENT AGREEMENT**

THIS DEVELOPMENT AGREEMENT ("Agreement") is made and entered into on \_\_\_\_\_, 20\_\_, by and between the City of Saratoga Springs, Utah, a Utah municipal corporation, hereinafter referred to as "City," and URE Fund 1 – Rider's Station, LLC, a Utah corporation/limited liability company; hereinafter referred to as "Developer."

### **RECITALS:**

**WHEREAS**, Developer owns or has the right to purchase 6.35 acres of property located in the City of Saratoga Springs, Utah, which is more fully described in the property ownership map, vicinity map, and/or legal descriptions attached as Exhibit A ("Property"); and

**WHEREAS**, the Property is currently zoned CC (Community Commercial. Developer wishes to develop the project known as Rider's Station, which will consist of 59, 2-story townhomes [describe the project] ("Project"). Currently, the proposed Project does not meet the CC zone requirements and therefore would not be allowed in the CC zone. Therefore, in order to develop the Project, Developer wishes to place the Property in the MF-10 (Multi-family, 10 dwelling units per acre maximum) zone, as provided in Title 19 of the City Code, as amended (the "Zoning Request") and wishes to be voluntarily bound by this Agreement in order to be able to develop the Project as proposed; and

**WHEREAS**, City desires to enter into this Agreement to promote the health, welfare, safety, convenience, and economic prosperity of the inhabitants of the City through the establishment and administration of conditions and regulations concerning the use and development of the Property; and

**WHEREAS**, City desires to enter into this Agreement because the Agreement establishes planning principles, standards, and procedures to eliminate uncertainty in planning and guide the orderly development of the Property consistent with the City General Plan, the City Code, and the conditions imposed by the Planning Commission and City Council; and

**WHEREAS**, to assist City in its review of the Rezoning Request and to ensure development of the Project in accordance with Developer's representations to City, Developer

and City desire to enter voluntarily into this Agreement, which sets forth the process and standards whereby Developer may develop the Project; and

**WHEREAS**, on July 28, 2017, City adopted a comprehensive update to its general plan ("General Plan") pursuant to Utah Code Annotated §§ 10-9a-401, et seq. A portion of the General Plan establishes development policies for the Property. Such development policies are consistent with the proposed Project; and

**WHEREAS**, on July 14, 2022, after a duly noticed public hearing, City's Planning Commission recommended 5 to 1 denial of Developer's Zoning Request and reviewed the conceptual project plans, attached hereto as Exhibit D ("Concept Plan"), and forwarded the application to the City Council for its consideration, subject to the findings and conditions contained in the Staff Report, and written minutes attached hereto as Exhibit B; and

**WHEREAS**, on \_\_\_\_\_, the Saratoga Springs City Council ("City Council"), after holding a duly noticed public meeting and consideration of all comments from the public, neighborhood representatives, Developer, and City officials, approved Developer's Zoning Request, this Agreement, and reviewed the conceptual project plans, attached hereto as Exhibit D, subject to the findings and conditions contained in the Staff Report and written minutes attached hereto as Exhibit C; and

**WHEREAS**, the Concept Plan, attached as Exhibit D, among other things, identifies land uses and required road, landscaping, trail, storm drain, sewer, and water improvements; and

**WHEREAS**, to allow development of the Property for the benefit of Developer, to ensure City that the development of the Property will conform to applicable policies set forth in the General Plan, and to address concerns of property owners in proximity to the Property, Developer and City are each willing to abide by the terms and conditions set forth herein; and

**WHEREAS**, pursuant to its legislative authority under Utah Code Annotated § 10-9a-101, et seq., and after all required public notice and hearings and execution of this Agreement by Developer, the City Council, in exercising its legislative discretion, has determined that entering into this Agreement furthers the purposes of the Utah Municipal Land Use, Development, and Management Act, City's General Plan, and Title 19 of the City code (collectively, the "Public Purposes"). As a result of such determination, City has elected to process the Rezoning Request and authorize the subsequent development thereunder in accordance with the provisions of this Agreement, and City has concluded that the terms and conditions set forth in this Agreement accomplish the Public Purposes referenced above and promote the health, safety, prosperity, security, and general welfare of the residents and taxpayers of City.

#### **AGREEMENT:**

Now, therefore, in consideration of the recitals above and the terms and conditions set

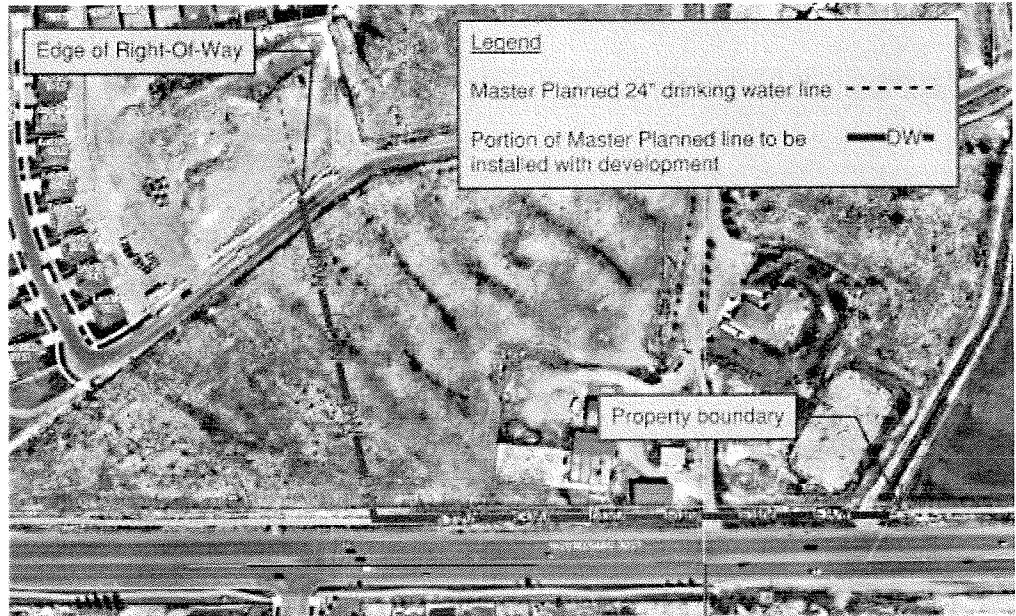
forth below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City and Developer hereby agree as follows:

1. Effective Date. This Agreement shall become effective on the date it is executed by Developer and City (the "Effective Date"). The Effective Date shall be inserted in the introductory paragraph preceding the Recitals.
2. Affected Property. The property ownership map, vicinity map, and/or legal descriptions for the property are attached as Exhibit A. In the event of a conflict between the legal description and the property ownership map, the legal description shall take precedence. No other property may be added to or removed from this Agreement except by written amendment to this Agreement executed and approved by Developer and City.
3. Zone Change, Permitted Uses, and City Regulations. Subject to the terms of this Agreement, the future development of the Property shall be subject to the provisions of the MF-10 zone. Except to the extent this Agreement is more restrictive, the Property shall comply with all "City Regulations," which is defined as "all City ordinances, regulations, specifications, and standards in effect at the time a complete preliminary plat, site plan, or development plan application is filed and all application fees are paid. City Regulations may include but are not limited to regulations regarding permitted uses, conditional uses, setbacks, frontage, height, access, required improvements, landscaping, and architectural and design requirements."
4. Reserved Legislative Powers. Nothing in this Agreement shall limit the future exercise of the police powers of City in enacting additional City Regulations, zoning, subdivision, development, growth management, platting, environmental, open space, transportation, and other land use plans, policies, ordinances, and regulations after the date of this Agreement. Notwithstanding the retained power of City to enact such legislation under its police power, such legislation shall not modify Developer's rights as set forth herein unless facts and circumstances are present that meet the compelling, countervailing public interest exception to the vested rights doctrine as set forth in *Western Land Equities, Inc. v. City of Logan*, 617 P.2d 388 (Utah 1988), or successor case law or statute. Any such proposed change affecting Developer's rights shall be of general applicability to all development activity in City. Unless City declares an emergency, Developer shall be entitled to prior written notice and an opportunity to be heard with respect to the proposed change and its applicability to the Project.
5. Required Improvements. This Agreement does not in any way convey to Developer any capacity in any City system or infrastructure or the ability to develop the Property without the need for Developer to install and dedicate to City all required improvements necessary to service the Property, including without limitation the dedication of water rights and sources. Developer shall be responsible for paying all property taxes, including rollback taxes, prior to dedication or conveyance and prior to acceptance by City. Future

development of the Property shall comply in all respects to all City Regulations with respect to the required infrastructure to service the Property, including but not limited to the installation of the City's minimum-sized infrastructure, whether or not the minimum size may have additional capacity. In addition, in consideration of granting the Zoning Request, Developer may be required to upsize certain infrastructure, as specified below. The City and Developer will enter into reimbursement agreements for improvements beyond the need of the development. Not by way of limitation, the Developer shall be required to install and dedicate the following:

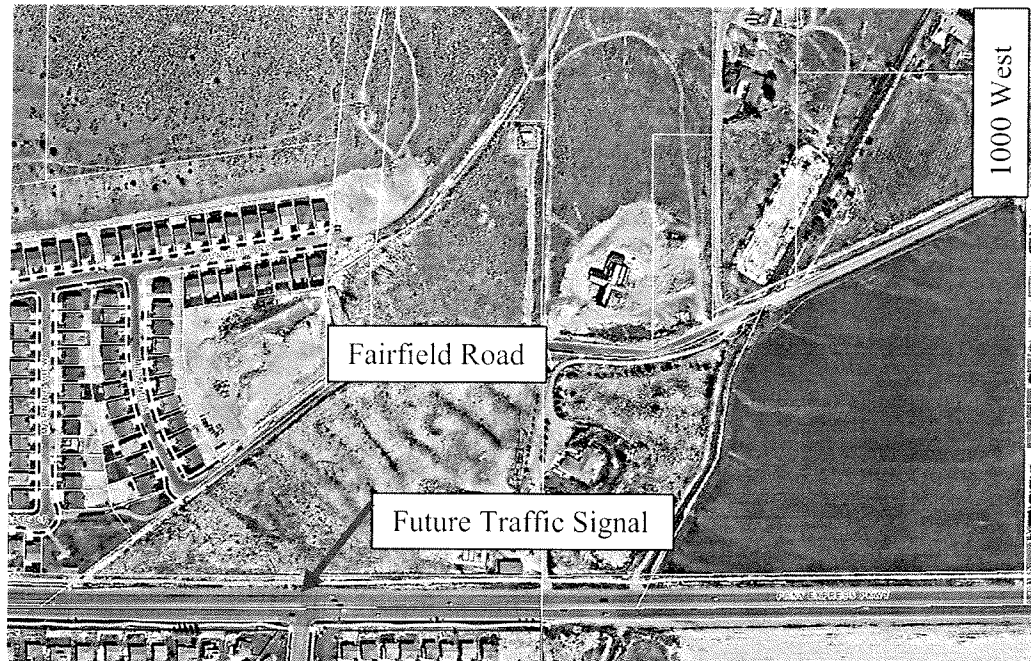
- a. **Water Rights and Sources.** Developer shall either convey or purchase from City sufficient water rights and sources to meet the requirements of City regulations. Any conveyance of water rights and sources shall be subject to a water banking agreement prepared by the City Attorney. Water rights and sources conveyed shall not be recognized as credits in the City's system until a change application is approved by the Utah Division of Water Rights (DWRi). A change application typically takes a minimum of 6 months to be approved by DWRi. If Developer wishes to convey water rights to the City (in lieu of purchasing water from the City), final plats shall not be approved for recordation until a change application is approved. City shall not be obligated to sell Developer water rights and sources unless the City has sufficient unused water rights and sources, which shall be determined in City's sole discretion.
- b. **Water Facilities for Development.** At the time of plat recordation or site plan approval, Developer shall be responsible for the installation and dedication to City of all onsite and off-site culinary and secondary water improvements, including but not limited to storage, distribution, treatment, and fire flow facilities sufficient for the development of the Property in accordance with City Regulations. The required improvements for each plat shall be determined by the City and may be adjusted in accordance with City Regulations and any applicable law.
  - i. The Developer shall install the master planned 24" drinking water line (DW05) through the development to the edge of the ROW at the parcel North of the Rider's Station development which is the planned master planned location for the City's future drinking water tank north of the Rider's Station development. (Please see Exhibit 1 below.)

### Exhibit 1. Drinking Water Line 24" (DW05)



- ii. Developer will be responsible for connecting the existing 8" drinking waterline on the north side of the development to the 8" drinking waterline at the intersection of 1000 West and Fairfield Road. (Please see Exhibit 2 below.)
- iii. Developer will be responsible for connecting the existing 6" secondary waterline on the north side of the development to 6" secondary waterline at the intersection of 1000 West and Fairfield Road. (Please see Exhibit 2 below.)

## Exhibit 2



- c. **Sewer, Storm Drainage, and Roads.** At the time of plat recordation or site plan approval, Developer shall be responsible for the installation and dedication to City of all onsite and offsite sewer, storm drainage, and road improvements sufficient for the development of the Property in accordance with City Regulations. The required improvements for each plat or site plan shall be determined by the City Engineer at the time of plat or site plan submittal and may be adjusted in accordance with City Regulations and any applicable law. During the first commercial or residential phase of development, the Developer agrees:
- i. to fully improve and dedicate to the City the full half-width of Fairfield Road and Pony Express Parkway including curb, gutter, sidewalk, streetlights, and drainage, according to City Standards and Specifications, along the entire frontage of the rezone property and the adjacent property to the west.
  - ii. to install a public road per City Standards from the proposed traffic signal light at Pony Express to Fairfield Road; Master Planned utilities should be installed within this right-of-way. Please see Exhibit 2 above.
- d. **Trails.**
- i. **Canal Trail.** As an express condition of this Agreement and the Zoning Request, Developer shall be required to install and improve the trail improvements along existing canal on the east side of the property.(Please see Canal Trail Exhibit below.) and as more fully specified in Exhibit E. This shall be in addition to and not in lieu of all

required landscaping/open space improvements according to City Regulations. Developer may receive credits towards the City's landscaping/open space requirements for the installation of the trail improvements per City regulations, or alternatively Developer may choose to receive Parks, Trails, and Open Space impact fee credits, if applicable. Developer shall not receive both landscaping/open space credit under Title 19 of the City Code and impact fee credits. Developer, or current owner(s) of the Property, shall maintain the landscaping portion of trail improvements in perpetuity including repairing and replacing the vegetation, repairing and replacing all necessary irrigation infrastructure and improvements, and providing snow removal to ensure that the public is able to safely use and access the trail at all times. Developer shall also be responsible for installing landscaping and maintaining any unimproved areas between Developer's property and the pavement surface of Fairfield Road. City shall be responsible for the perpetual repair and replacement of the trail surface.

#### **Canal Trail**



ii. Master Planned Pedestrian / Bicycle Plan 2016 and Trails Master Plan 2021. The Developer will install according to City standards pedestrian and bicycle trails according to the 2016 Master Planned Pedestrian / Bicycle Plan and the Trails Master Plan 2021.



**2016 Master Planned Pedestrian / Bicycle Plan and 2021 Trails  
Master Plan**



- e. **Power Lines.** As an express condition of this Agreement and the Zoning Request, Developer shall be required to bury all power lines within the development and bury distribution lines at Developer's own expense that are located on the Property, on the immediately-adjacent parcel to the west, and/or along Fairfield Road as shown below in red/yellow line and photographed on Exhibit F. This shall be in addition and not in lieu of all required roadway, landscaping, and trail improvements in accordance with City Regulations. Furthermore, as an express condition of this Agreement and the Zoning Request, Developer shall be required to apply for and receive a permit from Rocky Mountain Power and comply with all necessary requirements at Developer's sole cost. Developer shall also be required to apply with and obtain approval from any government entity for encroachment onto any public right-of-way at Developer's sole cost.

#### Overhead Powerlines



f. **Canal to be Piped.** According to Title 19.14.03.5, The Developer shall pipe the canal running along or on top of the east boundary according to the City Engineer's approval.

g. **Traffic Signal.** The Developer shall pay for and install proportionate share of Transportation Master Planned' (2022) traffic signal at the proposed Woodhaven Blvd. (on Concept Plan) and Pony Express Parkway. The Developer will work with the City of Saratoga Springs and the City of Eagle Mountain in planning for and coordinating this installation.

#### Future Traffic Signal



6. Final Project/Plat or Development Plan Approval. Developer shall cause final plat and final project plans and specifications (including but not limited to site and building design plans) (the "Plans") to be prepared for the Project meeting City Regulations, this

Agreement, including all exhibits, and any conditions of approval as specified in Exhibits B and C. In determining whether the Plans meet all requirements, Developer shall provide all information required by City Regulations, as well as any information which City staff reasonably requests. As a condition of approval, the Developer agrees that all improvements including all underground utilities and streets on the commercially zoned property and on the residentially zoned property will be completed, and all commercial pads/lots will be completed with horizontal site improvements before any residential building permit is issued.

7. Standards for Approval. City shall approve the Plans if such Plans meet the requirements of this Agreement and City Regulations. Developer shall be required to proceed through the Preliminary Plat, Final Plat, and Site Plan approval process as specified by City Regulations to record a Final Plat with the Utah County Recorder and pay all recording fees.
8. Term. The term of this Agreement shall commence on the effective date of this Agreement and shall continue for a period of ten years. However, this Agreement shall terminate earlier: (i) when certificates of occupancy have been issued for all buildings and/or dwelling units in the Project; provided, however, that any covenant included in this Agreement which is intended to run with the land shall survive this Agreement; or (ii) if Developer fails to proceed with the Project within a period of two years. "Failure to proceed with development" shall be defined as failure to submit a complete site plan or preliminary plat application meeting all current City regulations and failure to pay the City's application fees for such. If this Agreement is terminated due to Developer's failure to proceed with the Project, then this Agreement and the zoning on the Property shall revert to CC Zone. Unless otherwise agreed to by City and Developer, Developer's vested interests and rights contained in this Agreement expire at the end of the Term, or upon termination of this Agreement approved by City and Developer in writing. However, this Agreement shall continue for perpetuity for any portions of the property contained in a final plat approved by City and recorded on the property in the county recorder's office by Developer, unless City and Developer mutually agree otherwise in writing.
9. Successors and Assigns.
  - a. Change in Developer. This Agreement shall be binding on the successors and assigns of Developer. If the Property is transferred ("Transfer") to a third party ("Transferee"), Developer and the Transferee shall be jointly and severally liable for the performance of each of the obligations contained in this Agreement unless, prior to such Transfer, Developer provides to City a letter from Transferee acknowledging the existence of this Agreement and agreeing to be bound thereby. Said letter shall be signed by the Transferee, notarized, and delivered to City prior to the Transfer. Upon execution of the letter described above, the Transferee shall

be substituted as Developer under this Agreement and the persons and/or entities executing this Agreement as Developer shall be released from any further obligations under this Agreement as to the transferred Property.

- b. Individual Lot or Unit Sales. Notwithstanding the provisions of Subparagraph 9.a., a transfer by Developer of a lot or unit located on the Property within a City approved and recorded plat shall not be deemed a Transfer as set forth above so long as Developer's obligations with respect to such lot or dwelling unit have been completed. In such event, Developer shall be released from any further obligations under this Agreement pertaining to such lot or dwelling unit.

10. Default.

- a. Events of Default. Upon the happening of one or more of the following events or conditions Developer or City, as applicable, shall be in default ("Default") under this Agreement:
  - i. a warranty, representation, or statement made or furnished by Developer under this Agreement is intentionally false or misleading in any material respect when it was made;
  - ii. a determination by City made upon the basis of substantial evidence that Developer has not complied in good faith with one or more of the material terms or conditions of this Agreement;
  - iii. any other event, condition, act, or omission, either by City or Developer that violates the terms of, or materially interferes with the intent and objectives of this Agreement.
- b. Procedure Upon Default.
  - i. Upon the occurrence of Default, the non-defaulting party shall give the other party thirty days written notice specifying the nature of the alleged Default and, when appropriate, the manner in which said Default must be satisfactorily cured. In the event the Default cannot reasonably be cured within thirty days, the defaulting party shall have such additional time as may be necessary to cure such Default so long as the defaulting party takes significant action to begin curing such Default with such thirty day period and thereafter proceeds diligently to cure the Default. After proper notice and expiration of said thirty day or other appropriate cure period without cure, the non-defaulting party may declare the other party to be in breach of this Agreement and may take the action specified in Paragraph 10.c. herein. Failure or delay in giving notice of Default shall not constitute a waiver of any Default.
  - ii. Any Default or inability to cure a Default caused by strikes, lockouts,

labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other similar causes beyond the reasonable control of the party obligated to perform, shall excuse the performance by such party for a period equal to the period during which any such event prevented, delayed, or stopped any required performance or effort to cure a Default.

- c. Breach of Agreement. Upon Default as set forth in Subparagraphs 10.a. and 10.b. above, City may declare Developer to be in breach of this Agreement and City: (i) may withhold approval of any or all building permits or certificates of occupancy applied for in the Project, but not yet issued; and (ii) shall be under no obligation to approve or to issue any additional building permits or certificates of occupancy for any building within the Project until the breach has been corrected by Developer. In addition to such remedies, City or Developer may pursue whatever additional remedies it may have at law or in equity, including injunctive and other equitable relief.

- 11. Entire Agreement. This Agreement shall supersede all prior agreements with respect to the subject matter hereof, not incorporated herein, and all prior agreements and understandings are merged, integrated, and superseded by this Agreement. The following exhibits are attached to this Agreement and incorporated herein for all purposes:

**Exhibit A:** Property Ownership map, Vicinity Map, and/or Legal Descriptions

**Exhibit B:** Staff Report with Adopted Planning Commission Findings and Conditions of Approval, and Planning Commission Approved Minutes

**Exhibit C:** Staff Report with Adopted City Council Findings and Conditions of Approval, , and City Council Written Minutes

**Exhibit D:** Concept Plan

**Exhibit E:** Required Trail Improvements

**Exhibit F:** Power Poles Required to be Buried

- 12. General Terms and Conditions.

- a. Incorporation of Recitals. The Recitals contained in this Agreement, and the introductory paragraph preceding the Recitals, are hereby incorporated into this Agreement as if fully set forth herein.
- b. Recording of Agreement. This Agreement shall be recorded at Developer's expense to put prospective purchasers or other interested parties on notice as to the terms and provisions hereof.
- c. Severability. Each and every provision of this Agreement shall be separate, several, and distinct from each other provision hereof, and the invalidity, unenforceability, or illegality of any such provision shall not affect the enforceability of any other provision hereof.
- d. Time of Performance. Time shall be of the essence with respect to the duties imposed on the parties under this Agreement. Unless a time limit is specified for the performance of such duties, each party shall commence and perform its duties in a diligent manner in order to complete the same as soon as reasonably practicable.
- e. Construction of Agreement. This Agreement shall be construed so as to effectuate its public purpose of ensuring the Property is developed as set forth herein to protect health, safety, and welfare of the citizens of City.
- f. State and Federal Law; Invalidity. The parties agree, intend, and understand that the obligations imposed by this Agreement are only such as are consistent with state and federal law. The parties further agree that if any provision of this Agreement becomes, in its performance, inconsistent with state or federal law or is declared invalid, this Agreement shall be deemed amended to the extent necessary to make it consistent with state or federal law, as the case may be, and the balance of the Agreement shall remain in full force and effect. If City's approval of the Project is held invalid by a court of competent jurisdiction this Agreement shall be null and void.
- g. Enforcement. The parties to this Agreement recognize that City has the right to enforce its rules, policies, regulations, ordinances, and the terms of this Agreement by seeking an injunction to compel compliance. In the event Developer violates the rules, policies, regulations, or ordinances of City or violates the terms of this Agreement, City may, without declaring a Default hereunder or electing to seek an injunction, and after thirty days written notice to correct the violation (or such longer period as may be established in the discretion of City or a court of competent jurisdiction if Developer has used its reasonable best efforts to cure such violation within such thirty days and is continuing to use its reasonable best efforts to cure such violation), take such actions as shall be

deemed appropriate under law until such conditions have been rectified by Developer. City shall be free from any liability arising out of the exercise of its rights under this paragraph.

- h. No Waiver. Failure of a party hereto to exercise any right hereunder shall not be deemed a waiver of any such right and shall not affect the right of such party to exercise at some future time said right or any other right it may have hereunder. Unless this Agreement is amended by vote of the City Council taken with the same formality as the vote approving this Agreement, no officer, official, or agent of City has the power to amend, modify, or alter this Agreement or waive any of its conditions as to bind City by making any promise or representation not contained herein, except for minor amendments allowed per City Regulations.
- i. Amendment of Agreement. This Agreement shall not be modified or amended except in written form mutually agreed to and signed by each of the parties. No change shall be made to any provision of this Agreement unless this Agreement is amended pursuant to a vote of the City Council taken with the same formality as the vote approving this Agreement, except for minor amendments allowed per City regulations.
- j. Attorney Fees. Should any party hereto employ an attorney for the purpose of enforcing this Agreement or any judgment based on this Agreement, for any reason or in any legal proceeding whatsoever, including insolvency, bankruptcy, arbitration, declaratory relief or other litigation, including appeals or rehearings, and whether or not an action has actually commenced, the prevailing party shall be entitled to receive from the other party thereto reimbursement for all attorneys' fees and all costs and expenses. Should any judgment or final order be issued in any proceeding, said reimbursement shall be specified therein.
- k. Notices. Any notices required or permitted to be given pursuant to this Agreement shall be deemed to have been sufficiently given or served for all purposes when presented personally, or four days after being sent by registered or certified mail, properly addressed to the parties as follows (or to such other address as the receiving party shall have notified the sending party in accordance with the provisions hereof):

To the Developer:

URE Fund 1 – Rider's Station, LLC  
Attn: Greg Cronin  
3400 North Mayflower Avenue Suite 350  
Lehi, UT 84043

To the City:

City Manager  
City of Saratoga Springs  
1307 N. Commerce Drive, Suite 200  
Saratoga Springs, UT 84045

- l. Applicable Law. This Agreement and the construction thereof, and the rights, remedies, duties, and obligations of the parties which arise hereunder are to be construed and enforced in accordance with the laws of the State of Utah.
- m. Execution of Agreement. This Agreement may be executed in multiple parts as originals or by facsimile copies of executed originals; provided, however, if executed and evidence of execution is made by facsimile copy, then an original shall be provided to the other party within seven days of receipt of said facsimile copy.
- n. Hold Harmless and Indemnification. Developer agrees to defend, indemnify, and hold harmless City and its elected officials, officers, agents, employees, consultants, special counsel, and representatives from liability for claims, damages, just compensation restitution, inverse condemnation, or any judicial or equitable relief which may arise from or are related to any activity connected with the Project, including approval of the Project, the direct or indirect operations of Developer or its contractors, subcontractors, agents, employees, or other persons acting on its behalf which relates to the Project, or which arises out of claims for personal injury, including health, and claims for property damage. This includes any claims or suits related to the existence of hazardous, toxic, and/or contaminating materials on the Project and geological hazards.
  - i. Nothing in this Agreement shall be construed to mean that Developer shall defend, indemnify, or hold the City or its elected and appointed representatives, officers, agents and employees harmless from any claims of personal injury, death or property damage or other liabilities arising from: (i) the willful misconduct or negligent acts or omissions of the City, or its boards, officers, agents, or employees; and/or (ii) the negligent maintenance or repair by the City of improvements that have been offered for dedication and accepted by the City for maintenance
  - ii. City shall give written notice of any claim, demand, action or proceeding which is the subject of Developer's hold harmless agreement as soon as practicable but not later than thirty (30) days after the assertion or commencement of the claim, demand, action or proceeding. If any such notice is given, Developer shall be entitled to participate in the defense of such claim. Each party agrees to cooperate with the other in the defense of



any claim and to minimize duplicative costs and expenses.

- o. Relationship of Parties. The contractual relationship between City and Developer arising out of this Agreement is one of independent contractor and not agency. This Agreement does not create any third-party beneficiary rights. It is specifically understood by the parties that: (i) all rights of action and enforcement of the terms and conditions of this Agreement shall be reserved to City and Developer, (ii) the Project is a private development; (iii) City has no interest in or responsibilities for or duty to third parties concerning any improvements to the Property; and (iv) Developer shall have the full power and exclusive control of the Property subject to the obligations of Developer set forth in this Agreement.
- p. Annual Review. City may review progress pursuant to this Agreement at least once every twelve (12) months to determine if Developer has complied with the terms of this Agreement. If City finds, on the basis of substantial evidence, that Developer has failed to comply with the terms hereof, City may declare Developer to be in Default as provided in Paragraph 10 herein. City's failure to review at least annually Developer's compliance with the terms and conditions of this Agreement shall not constitute or be asserted by any party as a Default under this Agreement by Developer or City.
- q. Institution of Legal Action. In addition to any other rights or remedies, either party may institute legal action to cure, correct, or remedy any Default or breach, to specifically enforce any covenants or agreements set forth in this Agreement or to enjoin any threatened or attempted violation of this Agreement; or to obtain any remedies consistent with the purpose of this Agreement. However, any remedy against the City shall be limited to specific performance only. Legal actions shall be instituted in the Fourth District Court, State of Utah, or in the Federal District Court for the District of Utah.
- r. Title and Authority. Developer expressly warrants and represents to City that Developer (i) owns all right, title and interest in and to the Property, or (ii) has the exclusive right to acquire such interest, and (iii) that prior to the execution of this Agreement no right, title or interest in the Property has been sold, assigned or otherwise transferred to any entity or individual other than to Developer. Developer further warrants and represents that no portion of the Property is subject to any lawsuit or pending legal claim of any kind. Developer warrants that the undersigned individuals have full power and authority to enter into this Agreement on behalf of Developer. Developer understands that City is relying on these representations and warranties in executing this Agreement.
- s. Headings for Convenience. All headings and captions used herein are for convenience only and are of no meaning in the interpretation or effect of this

Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by City and by a duly authorized representative of Developer as of the date first written above.

Attest:

City of Saratoga Springs, a political subdivision of  
the State of Utah

\_\_\_\_\_  
City Recorder

By: \_\_\_\_\_  
Mayor

DEVELOPER, UBA, a Utah  
corporation/limited liability company/partnership.

By: [Signature]

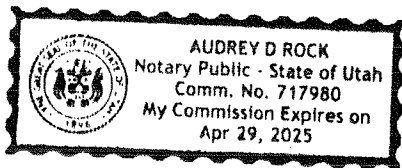
Its: Entitlements Director

State of Utah

County of Utah

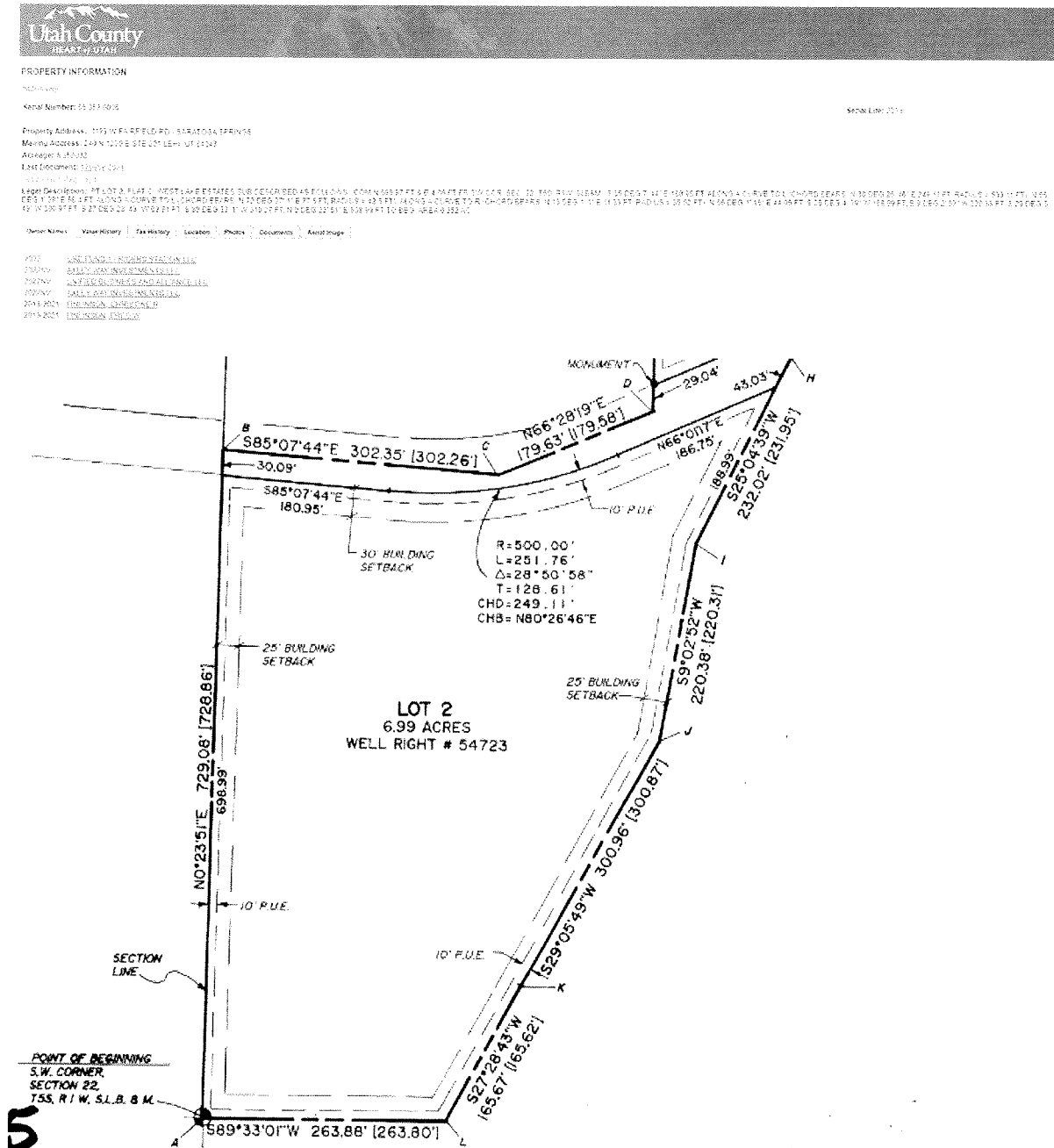
The foregoing instrument was acknowledged before me this 29 day of  
November 2022 by Greg Cronin of UBA, a Utah  
corporation/limited liability company/partnership.

Audrey D Rock  
Notary Public

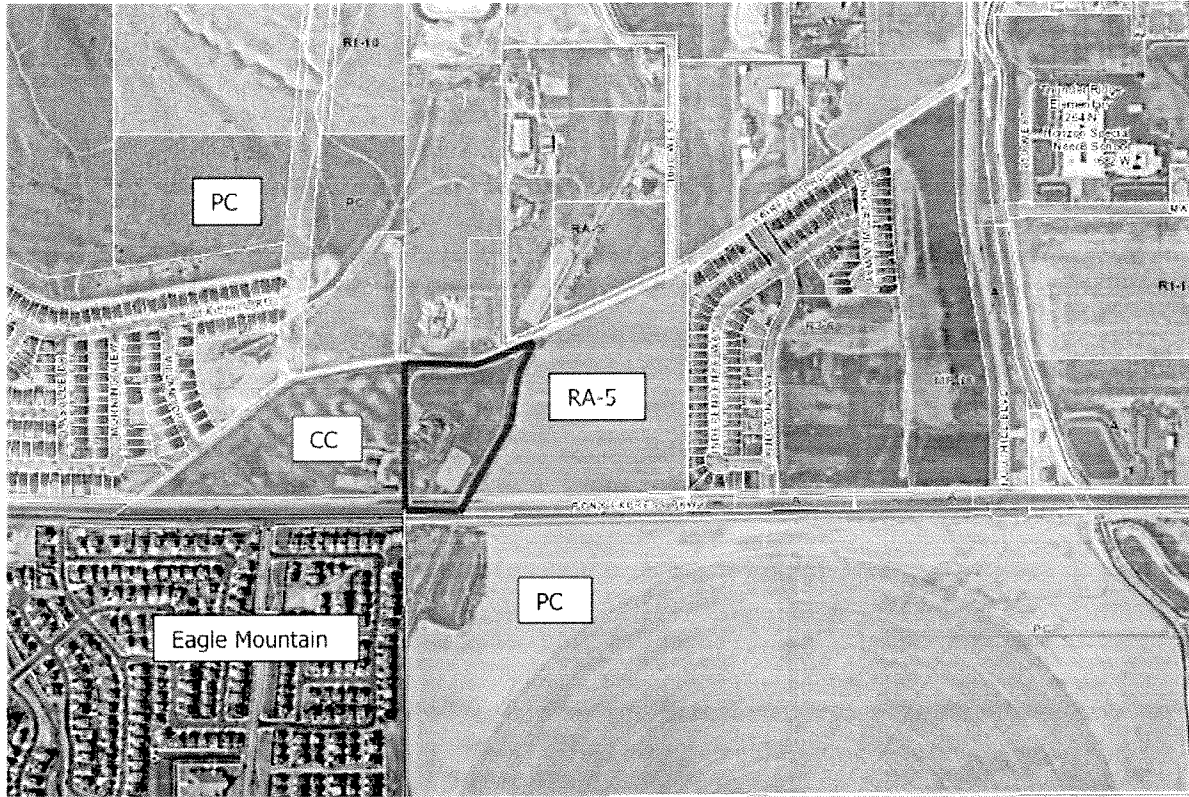


## Exhibit "A"

## Property Ownership map, Legal Descriptions, Vicinity Zoning Map



## Vicinity Zoning Map



**Exhibit “B”**

**Staff Report (Planning & Engineering) with Adopted Planning Commission  
Findings and Conditions of Approval, and Approved Minutes**

**(next 20 pages)**



SARATOGA  
SPRINGS  
PLANNING

## Planning Commission Staff Report

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### Rider's Station

**General Plan Land Use Map Amendment from Community Commercial to Medium Density Residential  
Rezone from Community Commercial to MF-10 (Multi-family, 10 dwelling units per acre maximum)**

### Concept Plan Feedback

**July 14, 2022**

### Public Hearing

Report Date:	July 7, 2022
Applicant:	UBA – URE Fund 1 - Rider's Station, LLC, contact: Greg Cronin
Owner:	UBA – URE Fund 1 – Rider's Station, LLC
Location:	1193 West Fairfield Road
Major Street Access:	Fairfield Road
Parcel Number(s) & Size:	55:353:0006, 6.35 acres
Land Use Designation:	Community Commercial
Parcel Zoning:	Community Commercial
Adjacent Zoning/Land Use:	North: RA-5 (Residential Agriculture, 5 acre minimum per dwelling) / Rural Residential East: RA-5 / Low Density Residential South: PC (Planned Community) / Planned Community Mixed Use West: CC (Community Commercial) / Community Commercial
Current Use of Parcel:	Single-family residence with "Hobby Farm"
Adjacent Uses:	North & West: single-family / "hobby farming"; East: agriculture; South: agriculture
Previous Meetings:	None
Previous Approvals:	Lot 2 (6.99 acres) of West Lake Estates Subdivision, County approval 1995
Land Use Authority:	City Council
Future Routing:	City Council
Planner:	Kent Page, AICP, Senior Planner

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- A. Executive Summary:** The applicant requests the City amend 6.35 acres of the General Plan Land Use map from Community Commercial to Medium Density Residential and change the zoning from Community Commercial to MF-10 (Multi-family, 10 dwelling units per acre maximum). These changes would then permit the development of a plat similar to the Concept Plan depicted as Exhibit 3 -- it is important to remember that the proposed General Plan Amendment (GPA)

Kent Page, AICP, Planning Director  
kpage@saratogaspringscity.com  
1307 North Commerce Drive, Suite 200 • Saratoga Springs, Utah 84045  
801-766-9793 x137 • 801-766-9794 fax

and proposed rezone is just for the area depicted for the residential units; the concept plan depicted in Exhibit 3 shows the conceptual plan for the residential units adjacent to a concept plan for the existing zoned community commercial.

**Staff Recommendation:** Staff recommends the Planning Commission hold a public hearing, discuss General Plan amendment and rezone and forward a recommendation to the City Council.

- B. Background:** The project size is 6.35 acres. It is described as Lot 2 of Plat "C" of West Lake Estates Subdivision (parcel #55:353:0006). Plat "C" of West Lake Estates was recorded on October 5, 1995.
- C. Specific Requests:** General Plan Land Use Map amendment from Community Commercial to Medium Density Residential and rezone from CC (Community Commercial) to MF-10 (Multi-family residential, 10 dwelling units per acre maximum). The Planning Commission must address and recommend to the City Council whether or not this location is suitable for the proposed land use and zone.
- D. Process:**  
**Rezone and General Plan Amendment**  
The table in Section 19.13.04 outlines the process requirements of a General Plan amendment and/or rezone request. A public hearing is required with the Planning Commission who then makes a recommendation to the City Council. The City Council shall then either approve, continue, or deny the request.
- Concept Plan**  
Section 19.17.02 states "Petitions for changes to the City's Zoning Map for all land use zones may be accompanied by an application for Concept Plan Review or Master Development Agreement approval pursuant to Chapter 19.13 of this Code."
- Per Chapter 19.13 of the City Code, the process for a Concept Plan includes an informal review of the Concept Plan by both the Planning Commission and the City Council. The review shall be for comment only, no public hearing is required and no recommendation or action made.
- A concept plan has been submitted with the rezone application and has been included with this staff report. The concept plan is non-binding upon the applicant and the City and does not address all concerns or requirements of the Land Development Code. A concept review is meant to understand the intent of the rezone and the future development plans of the applicant; high-level issues are reviewed such as density, landscaping percentage, road design, etc. Specific details relating to landscaping, elevations, and others are typically not reviewed at the concept level.
- E. Community Review:** The City meets or exceeds the public hearing notification requirements under State Code 10-9a-205. Notice was sent to property owners within 300 feet of the subject property. As of the date of this report four comments have been received by the public. Email comments may be submitted or the public may choose to attend the Planning Commission

meeting. The notice has also been posted in the City building, [www.saratogspringscity.com](http://www.saratogspringscity.com), and at the State notice website [www.utah.gov/pmn/index.html](http://www.utah.gov/pmn/index.html).

- F. General Plan:** The land use designation of the property is Community Commercial. The applicant's request to change the zone from CC (Community Commercial) to MF-10 (Multi-family Residential, 10 dwelling units per acre maximum) is **not** consistent with the intent of the land use designation of Community Commercial so the land use map needs to be amended to coincide with the desired zone.

The City's General Plan (2017) gives the general characteristics of the Community Commercial land use as areas that:

include a variety of commercial uses which are well integrated into the community and are located in commercial clusters along major transportation corridors. Office components should be included as an integral part of developments in this district so as to capitalize on the benefits that can be enjoyed with a mixture of distinct but complementary land-uses. (p.8)

The proposed Rider's Station GPA/Rezone/Concept Plan is located along major transportation corridors – Pony Express Parkway and Fairfield Road. The proposed concept plan is for multi-family (MF-10); however, this concept plan is foresighted in also showing how a potential community commercial concept plan can provide synergy between both parcels.

The following are the general characteristics of the Medium Density Residential land use:

Residential developments at higher densities in neighborhoods that still maintain a suburban character. Designed to create a functional transition from one land-use to another. Developments in these areas should be constructed with urban streets and useable recreational features and lands. (p.8)

While the General Plan (p. 8) defines Medium Density Residential as: six to eight dwelling units per acre on 3,000 to 7,000 square foot lots, the Land Development Code (19.04.02) classifies the MF-10 zone as Medium Density Residential. It is important to remember that the General Plan is a guide while the Land Development Code is the ordinance.

The City's Land Development Code states that the purpose of the Community Commercial Zone is to:

allow for medium size commercial developments, near residential neighborhoods, with establishments that will serve the nearby community. Improvements such as trails, seating, and lighting that would help create gathering spaces and promote pedestrian activity are expected in the Community Commercial zone. (19.04.09.2)



**Staff conclusion:**

Often, land use designations in general plans are drawn with "broad" strokes due to the amount of time detailed analysis take; it is reasoned that the "broad" strokes can be changed to "fine" strokes when/if better information can be provided.

Members of the Planning Commission, City Council, and Administration have expressed a desire to retain commercial zoning. Through Proposition 6 the City has placed a ratio of 73% single-family to 27% multi-family; this ratio is close to being met with 69.23% single-family.

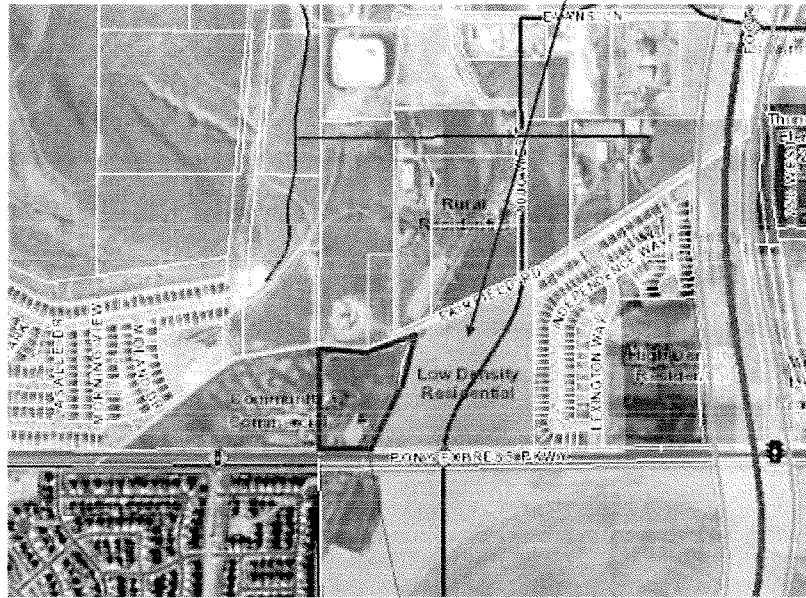
When a proposal to change the land use and/or zoning on a particular property comes before the City it is good planning to examine closely the benefits to the City of the proposed change. **It is particularly the burden of the applicant to show with "fine" strokes how the proposed change is in the City's best interest.**

The basic argument of the applicant is that the proposed concept plan of this 6.35 acre parcel being rezoned to MF-10 with the adjacent 12.04 acre parcel retaining Community Commercial zoning to the west is superior to the City than the current status of two Community Commercial parcels containing 18.39 acres for the following reasons:

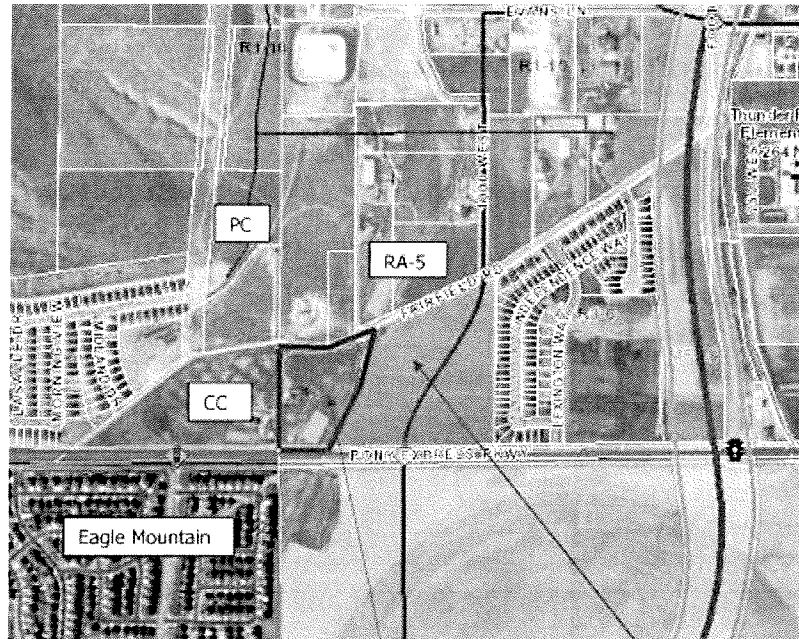
1. Buffer between Community Commercial and RA-5 (Residential Agriculture, 5 acre minimum)
2. 18.39 acres of Community Commercial is more Community Commercial than can be economically supported.
3. The proposed rezone of the eastern parcel (6.35 acres) is too far away from the planned Pony Express Parkway signalized intersection adjacent to the western parcel for Community Commercial to be successful.
4. The Community Commercial concept plan (remember this concept plan showing Community Commercial is not part of any application) with the MF-10 concept plan will be more successful than if both parcels retain their Community Commercial zoning. The Community Commercial concept plan showing one, two, and three story office and retail buildings will have more Community Commercial square footage than if the entire two parcels containing 18.39 acres would have if one story Community Commercial were sprawled across both parcels.
5. This application contains a detailed concept plan that has been staff reviewed to comply with the proposed MF-10 zoning and the current Land Management Code, and this application also shows a detailed concept plan of the adjacent property with how the two parcels can relate to each other.

Doug Meldrum, Economic Development Director, comments that building multi-story office buildings would make the project more viable than just single story. A concern that Doug Meldrum and Senior Planner, Kent Page, have is that often the residential development is built before the commercial; it would be great if a development agreement for the residential zone could be structured to bind the building of the commercial (on the adjacent parcel) before the residential on this property (similar in densities and design as the concept plan).

Based on the City's Transportation Master Plan (2022), staff questions if the current **land use** designation of "Low Density Residential" for property to the east would be better suited for Community Commercial, and if the **zoning** for property to the east would be better suited for Community Commercial; please see planning maps below:



Land Use, TMP 2022, & Application Property



Zoning, TMP 2022, & Application Property

Property to the East. Would CC zoning be better due to Transportation Master Plan?

**G. Code Criteria:**

Rezoning requests are legislative decisions. Therefore, the City Council has significant discretion when making a decision on such requests. Because of this legislative discretion, the Code criteria below are guidelines and are not binding.

**19.17.03. Planning Commission and City Council Review.**

1. The Planning Commission reviews the petition and makes a recommendation to the City Council within 30 days of the receipt of the petition.

*Review and submission of necessary items required a review process longer than 30 days due to the staff workload.*

2. The Planning Commission shall recommend approval of the proposed amendments only when it finds the proposed amendment furthers the purpose of the Saratoga Springs Land Use Element of the General Plan and this Title.

*The Land Use Plan identifies desired land uses for all areas within the City of Saratoga Springs and provides a framework to guide future planning for the community—where*

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*people live, work, play, and shop. It supports a variety of land uses that can continue to make Saratoga Springs an attractive place to live and work, while preserving Saratoga Springs' small-town charm. Stable and peaceful single-family neighborhoods are the "building block" of the community, with a mix of smaller and denser residential units in appropriate locations to help diversify the housing stock. Employment areas accommodate a diverse array of businesses and support well-paying jobs. The land use element of the General Plan indicates Community Commercial as the proposed land use. However, the General Plan is not a static document and is subject to review and change when appropriate.*

3. The Planning Commission shall provide the notice and hold a public hearing as required by Utah Code. For an application which concerns a specific parcel of property, the City shall provide the notice required by Chapter 19.13 regarding a public hearing.

*All required notices in compliance with State and local laws were sent or posted informing the public of the Planning Commission public hearing.*

**19.17.04. Gradual Transition of Uses and Density.**

It is the policy of the City Council, through exercising its zoning authority, to: (a) transition high intensity uses to help prevent the impacts of high density uses on low density areas; and (b) to limit inconsistent uses being located on adjacent parcels. The City Council may implement this policy using its zoning powers. Through amendments to the General Plan and the Zoning Map, the City Council intends to apply the following guidelines to implement this policy:

1. Residential lots, parcels, plats, or developments should not increase by more than 20% of density as compared to adjacent lots, zones, parcels, plats, or developments to enable a gradual change of density and uses. To appropriately transition, new lots should be equal to or larger than immediately adjacent existing platted lots.

**Staff finding:** it is conceivable that rezoning from Community Commercial to MF-10 may actually provide a better transition between the adjacent Community Commercial and RA-5 (Residential Agriculture, 5 acre minimum).

2. Exceptions

a. The City should avoid allowing high intensity uses (e.g., commercial, industrial, multi-family structures, etc.) adjacent to lower intensity uses (e.g., single family, low density residential, etc.), however may allow these uses to be located adjacent to each other if appropriate transitions and buffers are in place. Appropriate buffers and transitions include a combination of roadways, landscaping, building orientation and facades, increased setbacks, open spaces, parks, and trails.

**Staff finding:** see Staff finding comment immediately above

3. Despite these guidelines, the City Council recognizes that it will become necessary to allow high intensity next to low intensity uses in order to allow for the implementation of multiple zones in the City. The City Council should use their best efforts to limit inconsistent uses and

zones being located on adjacent parcels and to mitigate inconsistent uses and zones through transitions and buffers. **Staff finding:** consistent.

*Adjacent land uses to the west and north allow only one dwelling per five acres; however, property adjacent to the south side of Fairfield Road allows up to six dwelling units per acre. The 59-foot Fairfield Road ROW could be a logically buffer between these uses. Also the "West Lake Estates Plat C, Lot 1 Amended" is the only 5-acre platted subdivision to the west in this Residential Agriculture (RA-5) zone; it could be likely that additional land use and rezones applications will come for more properties in this area.*

#### **19.17.05. Consideration of General Plan, Ordinance, or Zoning Map Amendment.**

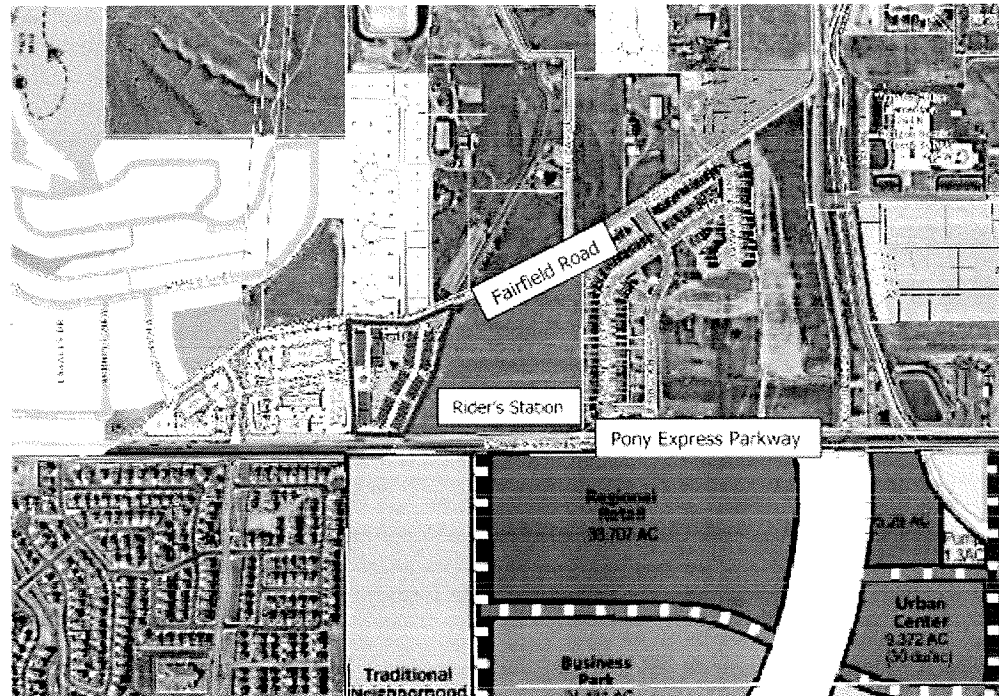
The Planning Commission and City Council shall consider, but not be bound by, the following criteria when deciding whether to recommend or grant a General Plan, ordinance, or zoning map amendment:

1. The proposed changes will conform to the Land Use Element and other provisions of the General Plan.

***The proposed rezone is not compatible with the Land Use Element of the General Plan; the General Plan calls for the land use to be Community Commercial, the proposed rezone is MF-10 (Multi-family, 10 dwelling units per acre maximum). However, the application does provide significant detail in how it supports objectives of the General Plan such as:***

- 1. A balance and synergy of uses – commercial, residential, transportation (biking, walking, public, walking)***
- 2. Quality of uses (great public spaces with quality landscaping, architectural design, durable materials)***
- 3. Potentially more affordable housing***
- 4. Buffer between community commercial and single-family residential neighborhoods***

Below is an aerial display of the proposed concept plan with nearby conceptual plans:



The applicant believes this application is compatible with the following highlighted statements from the General Plan – Land Use Section:

"...that preserves not only our community character but also our natural beauty and environment. Economic development is conducted with the objective of elevating quality of life by enhancing convenient access to goods and services. Residential development, meanwhile, emphasizes single-family home development while still providing for an adequate level of carefully located other housing options."

**Objective: Establish compact, connected, and walkable community areas:** In areas designated for mixed-use development, guide development to create compact, human-scaled neighborhoods and business districts that support walking, bicycling, and transit as viable means of transportation within and to and from the neighborhoods and districts.

**Objective: Manage land-use transitions:** Plan for incremental geographic transitions between singlefamily residential neighborhoods, multi-family residential neighborhoods, commercial areas, and industrial areas"

**"Image & Design Objective:** Continue to create great streets and streetscapes; Implement design and construction of safe, attractive, and walkable streetscapes that allow for walking and bicycling in addition to automobiles and project a positive image of Saratoga

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Springs. Objective: Continue to support planting and maintenance of trees in public spaces: As trees provide numerous benefits to urban spaces, continue to support the addition of trees in public spaces. Objective: Create great public spaces and places: Create a network of public spaces and gathering places (i.e., plazas, greenways) in major destinations. Objective: Ensure good design in future development: Continue to ensure that new developments utilize quality building materials, and employ architectural design that is in keeping with the existing character of the community. Objective: Promote sustainable building: Promote sustainable building design, site planning, and landscape design citywide."

"High Density Residential: These areas are primarily residential in character and include a variety of housing types that are supported by nearby retail, civic, and employment uses. This use buffers single-family residential neighborhoods. Public facilities should connect to surrounding uses and major facilities should be buffered to residential uses. 9 – 18DU/ Acre, 2,500 to 8,700 square foot lots"

"Community Commercial: These areas include a variety of commercial uses which are well integrated into the community and are located in commercial clusters along major transportation corridors. Office components should be included as an integral part of developments in this district so as to capitalize on the benefits that can be enjoyed with a mixture of distinct but complementary land-uses"

"Areas intended to provide locations for employment and economic development opportunities. Uses include large and small scale offices, business parks, and supporting service retail. These areas can also serve as transitions between residential areas and major roadways"

"Multi-Family Residential Objective: **Locate new multi-family and increased density housing in appropriate areas; in order to support more shopping and dining opportunities**, and encourage investment in transportation system Saratoga Springs' neighborhoods are the building blocks of the community, and their attractiveness, health, and character is vital to the success of Saratoga Springs and the everyday quality of life. The objectives of this element describe enhancing and protecting established neighborhood character, **while encouraging quality architectural design in master planned developments, improvements, provide for higher-density housing where appropriate in walkable mixed-use areas near shopping, offices, healthcare, and transportation centers"**

The applicant provides these additional points to consider:

- Market Feasibility of Community Commercial on the entire 14 plus acre land mass with on primary entrance. The economic development discussion highlighted that it is going to be a challenge to create a product that will have healthy long term rents and viability in the north 1/3 and eastern third of the parcel. It would take a large anchor to come in to support such a deep and wide footprint, and they are not candidates for this location due to the more significant nodes that are in the immediate area.
- Design is important: Community commercial users are more sensitive to the overall feel of the location. The design needs to create "place" and not just be a strip center type build that is less costly and less risky in the short term, but doesn't attract the service providers and retail that the size of a commercial project requires in order to be viable long term.

- In order to deliver the nicer, more quaint setting for 162,000 sq ft of commercial, we need to maximize the land use to get as much value from the less viable commercial portions by building the residential units in accordance to the existing MF10 zoning. This allows for increased investment in greater concentration of the Community Commercial uses nearest the critical traffic flow and adds to the well-being of the commercial tenants that will benefit from some integrated customers. As a developer, the residential helps maximize the overall land use allowing for the enhanced Community Commercial project.
- We will seek a right in - right out to increase the likelihood of success for the commercial/office that is going to be farthest east of the primary access point. This is sure to be an overall better assurance for the well-being long term of the development.
- The MF-10 residential parcel is intended to be a single lot site with a common owner and not a subdivision. It is our understanding that the parking as arranged in this area works in this situation. The design maximizes open space and the livability for the tenants. There is "place" designed for children to run and play and kick a soccer ball and socialize in a safe and playful area. We could rearrange the accommodate 20 foot drives, but the livability would diminish significantly. So for this reason, we feel this design is best and meets the mf-10 zone as a single lot development.
- Lastly, this is a plan that best maximizes the Community Commercial goal most efficiently, provides the most desired setting for Community Commercial tenant mix, and incorporates a needed housing product in a place that supports the well-being of the Commercial long term.

The applicant concludes that this application supports the General Plan with this statement:

As for the General Plan Map last published, the area was low-density residential and was then changed to Community Commercial. This is a choice that we support in concept and desire to provide a significant amount of Community Commercial as well as a good variety of commercial options. The idea that all 16+ acres are best served as Community Commercial is more area than we feel is needed to accomplish the commercial objectives of the general plan for this area. We feel that a well-designed commercial area of 10-11 acres is a significant amount of commercial and that the remaining 5-6 acres being designed as neighboring residential will meet multiple objectives highlighted above. We look forward to presenting this to city staff and council.

The applicant states that the proposed use is in line with the MF-10 zoning in the land use plan. All plat requirements relevant to the MF-10 zone have been met.

2. The proposed changes will not decrease or otherwise adversely affect the health, safety, convenience, morals, or general welfare of the public. **Staff finding: complies.**

*No adverse consequences are anticipated by changing the zone from CC (Community Commercial) to MF-10 (Multi-family, 10 dwelling units per acre).*

The applicant replies: "The proposed change will not decrease nor otherwise adversely affect the health, safety, convenience, morals, or general welfare of the public. This request will actually enhance each of the above in a very tangible and recognizable way."



3. The proposed changes will more fully carry out the general purposes and intent of this Title (Title 19 of the Land Management Code) and any other ordinance of the City. **Staff finding:** complies.

*The purpose of Title 19 is to preserve and promote the health, safety, morals, convenience, order, fiscal welfare, and the general welfare of the City, its present and future inhabitants, and the public generally. The proposed development comply with Title 19 in some respects; however, the latest concept plan does not comply with Title 19.*

The applicant replies:

The proposed change will more fully carry out the general purposes and intent of this Title and any other ordinance of the City. This proposed change will reflect the intent to create softer transitions between commercial and residential. It will align with the more current development designs that are encouraging live work options, more walkable communities, and better integrate moderate density multi-family throughout the community.

4. In balancing the interest of the petitioner with the interest of the public, community interests will be better served by making the proposed change. **Staff finding:** complies.

The applicant replies:

This proposal will balance the interest of the petitioner to provide high quality and appropriate amounts of community commercial product in relation to the current and future market conditions. This will serve the public best and will better serve the community interest to create more walkable and accessible community developments. This proposal to provide a cluster of townhouses with nice amenities and abundant open space, adjacent to a quality community commercial area, will create a healthy balance of uses of the land and transition to the planned trail system and neighboring residential zones.

Also, this design allows for the upscaling of the community commercial area to attract better commercial tenants for restaurant, retail, and office. While this 6 acres is zoned to be community commercial today, the number of commercial square footage we will provide on the neighboring parcel per the attached plat will be maximized for efficiency with multiple floor buildings and provide the amount of community commercial space expected from most projects that focus on a more cost effective single floor commercial development.

5. Any other reason that, subject to legislative discretion of the City Council, could advance the general welfare. **Staff finding:** it would be nice if the applicant could provide even greater/more detailed evidence that the concept plan submitted (with CC & MF-10) is truly superior for the City than leaving both parcels (12.04 acres & 6.35 acres) zoned CC.

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#### Concept Plan Review

Section 19.17.02 states "Petitions for changes to the City's Zoning Map for all land use zones may be accompanied by an application for Concept Plan Review or Master Development Agreement approval pursuant to Chapter 19.13 of this Code."

Per Chapter 19.13 of the City Code, the process for a Concept Plan includes an informal review of the Concept Plan by both the Planning Commission and the City Council. The reviews shall be for comment only, no public hearing is required and no recommendation or action made. The following is a review of the general standards required of the MF-10 zone.

19.04.07. Land Use Regulations, MF-10 Residential Use Zone			
Category to be reviewed	Regulation	Determination	How
Maximum Units per Acre	10 units per acre	Complies	9.29 units per acre
Footprint Development	allowed	Complies	All lots (including corner lots)
Minimum Building Separation	10 feet	Complies	Minimum 26'
Minimum Project Size	5 acres	Complies	6.35 acres
Minimum Common Area	35%	Complies	64.30%
Open Space (19.19.04)	Not a few	May Comply	Landscaped Area = 2.50 acres Dog Park Tot Lot Pavilion Pickleball Trail

#### H. Public Comments

As of publication of this Staff Report, staff has received the following four written comments. Senior Planner, Kent Page, has responded to each of these emails with a phone call and/or email reply. These four comments reflect a misunderstanding of the application. Staff encourages neighboring residents and the applicant/property owner to meet together to mitigate concerns.

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From: [noreply@cityplus.com](mailto:noreply@cityplus.com) [mailto:[noreply@cityplus.com](mailto:noreply@cityplus.com)]  
Sent: Tuesday, July 5, 2022 10:50 PM  
To: Cheryl King <[CKing@saratogaspringscity.com](mailto:CKing@saratogaspringscity.com)>  
Subject: Online Form Submittal: Pending Applications Comment Form

### Pending Applications Comment Form

*Complete the following form to submit a question or comment about a pending application to the Planning and Zoning Department. The Planning and Zoning Department can also be reached at 801-766-9733*

Name Lucy Brower  
Email Address [lucybrower@yahoo.com](mailto:lucybrower@yahoo.com)  
Address 83 N Midland Dr  
City Saratoga Springs  
State Utah  
Zip Code 84645  
Phone Number 9139098643

Project Name Riders Station

Comments I live on midland Dr right by this proposed development. I'm concerned about multiple aspects of this proposal. This seems like a lot to cram into this small space right near a heavily developed neighborhood. It'll add a lot of traffic and noise near our homes on midland Dr and Fairfield that concerns me because there are a lot of young children and families on our streets. Looking down the end of the road there will be just a big ugly building rather than a view of the temple and part of the valley. I have never seen 3 story office buildings near residential like this. I have spoken with many of my neighbors and almost all of them are upset by this proposal and we were all told this area would remain undeveloped. Many of us just purchased and/or built our homes here and this would've been a deal breaker for us had we known. I'm concerned this development will in turn lower our property value as well. I'm not opposed to something being done in the area but this proposal does not fit the current area at all or what my neighbors and I had hoped for.

Sent: Wednesday, July 3, 2012 9:33 AM  
To: Chen-Yen King <YKing@saratogaspringscity.com>  
Subject: Online Form Submitted: Pending Applications Comment Form

#### Pending Applications Comment Form

Complete the following form to submit a question or comment about a pending application to the Planning and Zoning Department. The Planning and Zoning Department can also be reached at 801-786-9793.

Name	Alex Conde
Email Address	alexcon1@gmail.com
Address	48 N. Mounting View Dr.
City	Saratoga Springs
State	UT
Zip Code	84045
Phone Number	4356123574
Project Name	Riders Station
Comments	I'm live in the Quailhill community at mount saratoga. Myself and many of our neighbors are unhappy about the proposed commercial space near our neighborhood. The first concern is traffic. Fairfield road is already hazardous enough to children, homeowners and pets without the additional burden of commercial vehicles. The second concern is that many people paid tens of thousands of dollars for unobstructed views of the lake/mountains and surrounding areas. I don't personally have much concern with smaller retail and restaurant spaces, but 3 story office buildings will be a huge issue for a lot of people, potentially negatively impacting their property value/appeal.

Sent: Wednesday, July 3, 2012 11:43 PM  
To: Chen-Yen King <YKing@saratogaspringscity.com>  
Subject: Online Form Submitted: Pending Applications Comment Form

#### Pending Applications Comment Form

Complete the following form to submit a question or comment about a pending application to the Planning and Zoning Department. The Planning and Zoning Department can also be reached at 801-786-9793.

Name	Clm Bowles
Email Address	clm.bowles@utah.edu
Address	62 N Midland Dr
City	Saratoga Springs
State	Ut
Zip Code	84045
Phone Number	8013609585

**Project Name**

Riders Station

**Comments**

The pending application of Riders Station would put a massive 3 story office building literally 50ft away from the new house we recently closed on. The details of Riders Station were never brought up in our building process and we even had to pay a lot premium for the view that came with the lot. A view that would now be gone. I do realize the building process and lot premiums are not the cities problem. Though I feel like this development is way too close to residential. This development would also put an entrance to the business park on a small residential road (directly across the street from me). Putting this business park as close to residential as is proposed would also create traffic problems. We already have people speeding down Fairfield and on to Midland (lots of kids in the area). With the new business park speeding would increase due to it being hard to distinguish residential from commercial because of how close this proposal is to the existing neighborhood. This plan literally puts a business park in multiple residents front yard. Would appreciate some consideration on this comment. Thank you!

Sent: Wednesday, July 5, 2022 10:40 PM  
To: Cheryl King <[CKing@saratogaspringcity.com](mailto:CKing@saratogaspringcity.com)>  
Subject: Online Form Submitted: Pending Applications Comment Form

**Pending Applications Comment Form**

*Complete the following form to submit a question or comment about a pending application to the Planning and Zoning Department. The Planning and Zoning Department can also be reached at 801-766-9793.*

Name James Cook  
Email Address [jamescook93@gmail.com](mailto:jamescook93@gmail.com)  
Address 86 N Midland Dr  
City Saratoga Springs  
State UT  
Zip Code 84035  
Phone Number Field not completed

**Project Name**

Riders Station Concept Plan

**Comments**

I strongly oppose the building of large 2 or 3 story office buildings within this plan. The buildings seem frankly unnecessary, will ruin the Quail Hill neighborhood views, and will draw large amounts of traffic too close to the already busy neighborhood roads nearby.

To be clear I don't necessarily oppose some businesses being developed there. Just not any large buildings that will draw a larger amount of traffic than other types of businesses. One of the 3 story office buildings is proposed to be built with a commercial drive approach literally right next to houses on Midland Dr for goodness sakes.

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I. **Possible Motions:**

**Possible Motion for Recommendation of Approval**

"I move to recommend **approval** of the Rider's Station request with the conditions below:

**Findings**

1. The General Plan Land Use Map is proposed to be amended from Community Commercial to Medium Density Residential as outlined Section G of this report.
  2. The Zoning Map is proposed to be amended from CC (Community Commercial) to MF-10 (Multi-family Residential, 10 dwelling units per acre maximum) to on the whole better comply with the principles of the General Plan.
  3. The General Plan Land Use Map amendment and rezone will result in an increase in public health, safety, and welfare as outlined in the findings for approval in Section G of this report.
  4. All conditions of the City Engineer shall be met, including but not limited to those in the Staff report as Exhibit 2.
  5. All other Code requirements shall be met.
  6. A site plan shall be applied for to comply with the standards contained in the Land Development Code for such a request and any items contained with a City Council approved Development Agreement.
  7. A Development Agreement shall require the building of Community Commercial on the adjacent property similar to the provided concept plan before building on this 6.35 acre parcel.
  8. Any other findings as articulated by the Planning Commission:
- 

**Possible Motion for Recommendation of Denial**

I move to recommend **denial** to the City Council the request to amend the General Plan Land Map from Community Commercial to Medium Density Residential and rezone from CC to MF-10 on referenced 6.35 acre parcel at 1193 West Fairfield Road as outlined in the Exhibits with the findings and conditions in the staff report dated July 7, 2022:

**Findings**

1. The General Plan Land Use Map amendment and rezone will result in a decrease in public health, safety, and welfare as outlined in the findings for approval in Section G of this report.
  2. The rezone request to MF-10 is not consistent with Chapter 19.17.04 of the Code, as articulated in the findings for approval in Section G of this report.
  3. Any other findings as articulated by the Planning Commission:
-

**Possible Motion for Continuance**

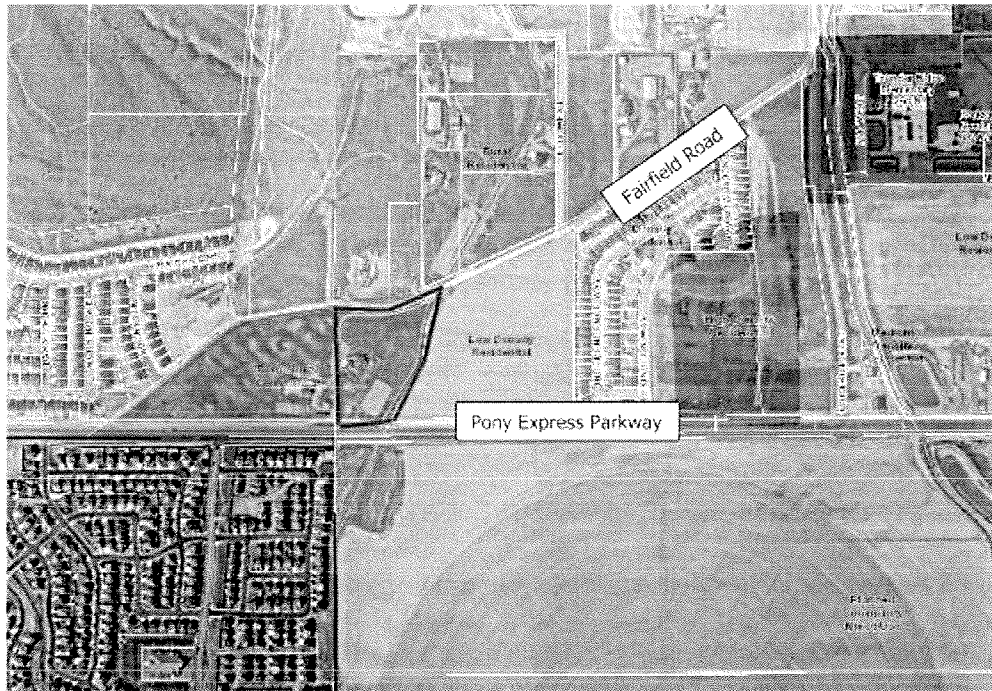
The Planning Commission may also choose to continue the item. "I move to **continue** the Rider's Station request to another meeting on [DATE], with direction to the applicant and Staff on information and/or changes needed to render a decision, as follows:

1. \_\_\_\_\_
2. \_\_\_\_\_

**J. Exhibits:**

- 1a. Current Land Use Designation of Rural Residential to Low Density Residential
- 1b. Current Zoning of Residential Agriculture (RA-5) to Low Density Residential (R1-10)
2. City Engineer's Staff Report
3. Concept Plan
4. Photographs

Exhibit 1a – General Plan Amendment Proposed Land Use  
Change from Community Commercial to Medium Density  
Residential







## Exhibit 2 – Engineer’s Staff Report

### Staff Report

Author: Scott Petrik, Staff Engineer  
Subject: Rider’s Station Townhomes – Concept Plan  
Date: 14 July 2022  
Type of Item: Concept Plan Review



SARATOGA  
SPRINGS

#### Description:

- A. **Topic:** The applicant has submitted a concept plan application. Staff has reviewed the submittal and provides the following recommendations.
- B. **Background:**
- |                   |                              |
|-------------------|------------------------------|
| <i>Applicant:</i> | <i>Greg Cronin</i>           |
| <i>Request:</i>   | <i>Concept Plan</i>          |
| <i>Location:</i>  | <i>1193 W. Fairfield Rd.</i> |
| <i>Acreage:</i>   | <i>5.91 acres - 1 lot</i>    |
- C. **Recommendation:** Staff recommends the applicant address and incorporate the following items into the development of their project and construction drawings.
1. The City has insufficient information at this time to determine what project and system improvements will be necessary to service the developer’s property. As a result, this review does not reserve utility system capacity. Prior to, concurrent with, or subsequent to Final Plat Approval, the developer will be required to install all required infrastructure to service the property. In addition to all required project improvements, the developer may also be required to install any and all system improvements, subject to required impact fee credits.
  2. Applicant will need to comply with recent changes to City code for “Private Drives”.
  3. Developer shall install frontage improvements along Pony Express Parkway and Fairfield Road in accordance with City’s Transportation Master Plan.
  4. Developer shall install and maintain landscaping along Pony Express frontage and trail corridor.
  5. Developer shall note that no Storm drain line exists in Fairfield road. A Storm Drain outfall shall be extended down Fairfield Road with construction of PN3A and connect to the existing City SD line. SD line should be on the North side of Fairfield Road per Saratoga Springs standard drawing ST-7
  6. Developer shall bury the existing overhead power lines within and along frontage of project.
  7. Developer shall comply with all Low Impact Development standards in accordance with the Engineering standards and specifications.
  8. Developer shall install a signal at the intersection of Pony Express Parkway and Woodhaven Blvd. Intersection shall be designed in accordance with Traffic Impact Study, AASHTO, and

City standards and specifications and a public road extended from Pony Express Parkway to Fairfield Road.

9. Private access roads shall use commercial drive approaches per standard detail ST-4B.
10. Developer shall Follow ST-30 and ST-31 for utility layout in private roadways
11. Developer shall ensure stormwater passes through an approved pre-treatment device prior to discharge to the City's storm drain. Approved pre-treatment devices meet the Washington State department of ecology's General Use Level Designation (GULD) or Conditional Use Level Designation (CULD)
12. Any existing wells or septic tanks shall be removed in accordance with City and State Standards.

## Area of parcel proposed



Exhibit 4 – Photographs (North, East, South, West – taken from parcel driveway)



Exhibit 4 (Continued)



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Exhibit 4 (Continued)

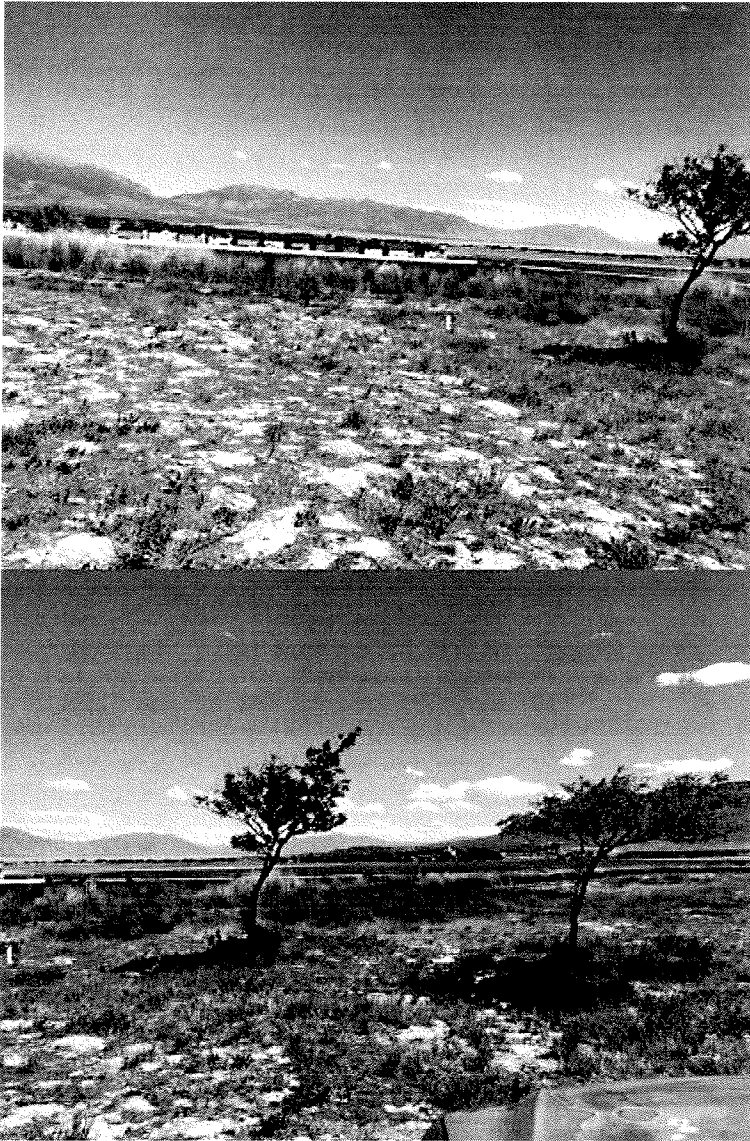
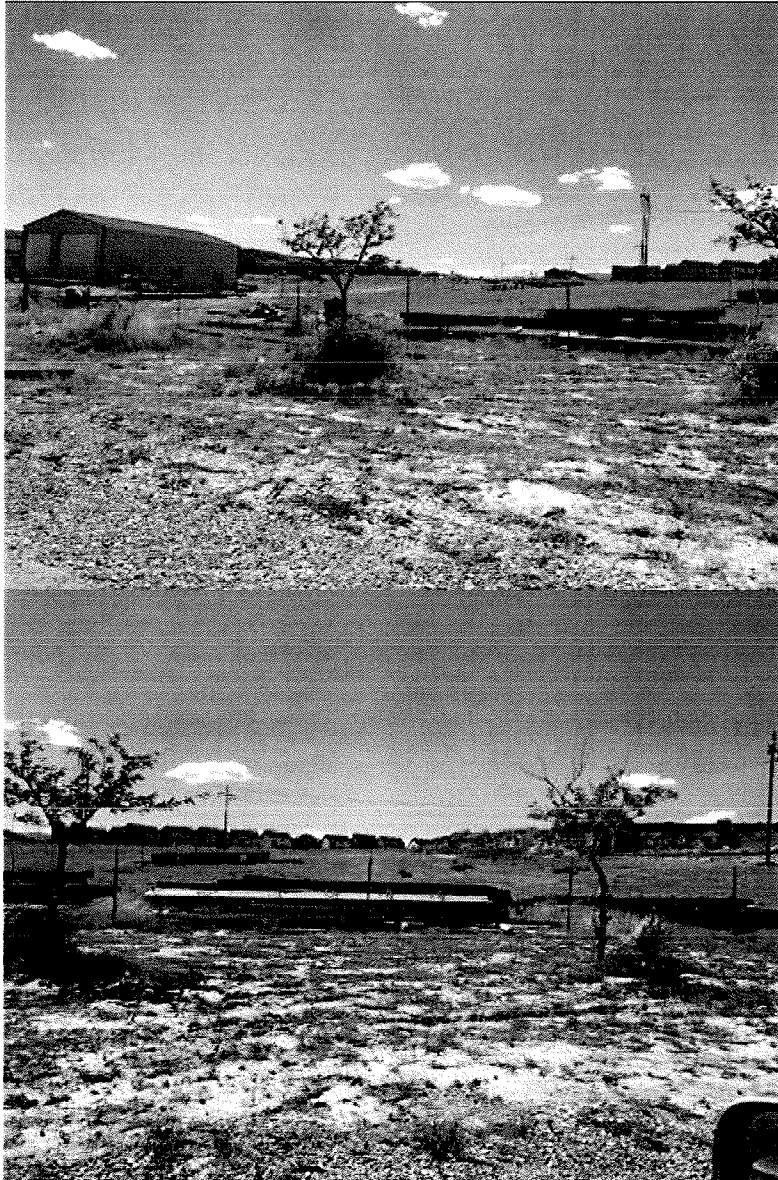




Exhibit 4 (Continued)





## Approved Minutes

5. **Public Hearing: Rider's Station General Plan Amendment, 6.35 acres from Community Commercial to Medium Density Residential, Rezone from Community Commercial to MF-10 (Multi-family 10 units per acre), and Concept plan. Located at 1193 W. Fairfield Rd. Greg Cronin, applicant.** Senior Planner Kent Page presented the item. He noted that the proposed General Plan Amendment - and proposed rezone is just for the area depicted for the residential units; the concept plan depicted in Exhibit 3 shows the conceptual plan for the residential units adjacent to a concept plan for the existing zoned Community Commercial.

Senior Planner Kent Page noted that as of the packet time, four written comments had been received which were included in the packet. He had responded to each of these emails with a phone call and/or email reply. Staff encourages neighboring residents and the applicant/property owner to meet together to mitigate concerns.

Greg Cronin was present as applicant. He introduced Steve Sowby their engineer. He shared that they are trying to master plan this to help mitigate traffic problems. He showed how they want to bring the trail into the development. He reviewed what the goal of Community Commercial was, not large retails, but small businesses to enhance the community. They want to take a smaller footprint of commercial and compliment it with high end townhomes, not apartment style housing. He noted they have been working on this for a year plus taking input from staff and goals from the General Plan to meet the land use and General Plan intents, walkability, transportation system, landscaping, etc. He noted this would help resolve issues with the road connected to them such as traffic going east to west, not north to south, office hours not commute times. It would be a greater level of infrastructure than they will impact. It will have a professional traffic study. He

noted sidewalks, road improvements, and they would be happy to meet with school board. He noted they can already do the commercial but by adding the residential it softens the area and they would help support the commercial area there. They want to create value for the community and their product. He feels this product would help improve the community as a long term investment.

A short break was taken at this time. Meeting resumed at 8:06 p.m.

Commissioner Cunningham read two emails for public comments that had been received just before the meeting:

Jordyn and Harry Leibovich were concerned about the rezoning for townhomes and the issues with traffic on Fairfield Rd.

Amy & Erik Bartlett Shared Concern with the traffic on Fairfield Rd. and the extra traffic that would come. They noted many cars speed on the road and feel it is very dangerous.

**Public Hearing Open by Chairman Troy Cunningham**

Katie Myers liked the concept of the master plan but noted that if they have sidewalks and things on Fairfield road, they will end at his development. There needs to be better safety for the residents. She noted that as detours are being put in place for current

Daniel Wendel thanked the commissioners for their decision on the previous item, as the owner. He wondered what would happen to the canal on this property and how others would be kept out but for those that needed to use it. He noted that for entrances onto Fairfield road, there is a small bridge over the canal only wide enough for one vehicle and would those dead end at Mountain View Corridor.

Chris Sorenson reiterated his concerns of the Fairfield road and understands the property rights to be able to develop your land. But the concerns on the road need to be addressed. At the rate it's growing Fairfield rd. would need to be increased to a 5 lane road, there are many things needed such as storm drain mitigation on the hill and he felt connecting to midland in the Edge development would help mitigate some of the burden. Edge did not address the needs along the road on their access for their development.

Aaron Evans commented that the commissioners were appointed and are responsible to the citizens. He understands that the developer would improve the road on their portion but no one is improving the road continuing east or west. He felt the City has not taken responsibility in making applicants responsible for improving the infrastructure to their development. It's overcrowded now and a bottleneck.

Joseph Herendeen noted they are moving to midland dr. and felt it was just as much a concern connecting to Fairfield rd. he suggested to eliminate all access points on Fairfield rd. and make the access only on Pony Express.

Sara Merrill appreciated commissioner comments on consistency and connectivity. She noted they have seen the City bow down to developers and this developed that don't make sense, they feel their trust has been breached before. She noted the City tells them to talk to the School District and the District says talk to the City and nothing gets solved. She commented the old plan had condos and they don't mind the Community Commercial but they don't want to baby step back to condos. She asked where the trail connected to the canal and people trespass onto their property. She asked they do more than just mention to the police because they have witnessed very dangerous conditions and the police have ignored their calls.

Shayna Devey felt there were too many access points onto Fairfield rd. and they should be limited. She noted she has asked the police to enforce and they don't see it. She would like police actually patrolling and so people can get ticketed. She would like to request a traffic study be done when school is in session. It shouldn't take so long to get out of their neighborhood to take kids to school. She wondered if Fairfield would dead end at UDOT and when they would know.

Saje Hurd appreciates the planning and noted his first home was a townhome. He asked how they would keep the feel of the plans they have, he's seen things change. He also asked about schools and adding more kids to the schools. He was concerned about the access points onto Fairfield rd. it's too dangerous.

Amy White shared concern about Fairfield rd. and the encroachment on her property. She would lose her greenbelt and agriculture. She felt if the city just would maintain the road it would make a difference.

Mary Ellen Evans agreed with comments made and all the comments in the previous item pertain to this application. She noted the school is a no bus school. She noted the road can't be widened without encroaching on current owners and their acreage.

**Public Hearing Closed by Chairman Troy Cunningham**

Community Development Director Young advised that we don't have a lot of answers on the Mountain View Corridor right now, it's not the City's project. There are some conceptual plans but they don't have answers yet. Engineer I Scott Petrik advised unless it becomes a capital improvement project it would remain the way it is until developers come into help.

Steve Sowby, with applicant, mentioned they could enter into a pioneering agreement with the City to help improve the sidewalk to the east, like they are with the storm drain. Applicant Craig Cronin felt it was a way to help move the development forward. Steve Sowby noted connections they were providing to help move a lot of the traffic off of Fairfield rd. They could do traffic studies while school was in session. They could try to move access points to Pony Express, but UDOT controls those access points and they are only allowed one every so many feet, the way it is set up now will minimize traffic also. They can create the right in right out that helps with traffic calming as well. He noted they will follow whatever rules there are for piping the canal. Many things can't be planned until a zone change is granted. Greg Cronin noted as far as the school, they are open to work with the School, the City and themselves for routes to help things. He noted this product type probably wouldn't bring in many families with small kids. They would look at anything that could be put into a pioneering agreement for critical needs. They would like to professionally manage the rentals.

Community Development Director Young noted with any rezone request there is a Development Agreement that is approved with the zone change. Senior Planner Kent Page noted they would like to tie the two parcels together if possible in a Development Agreement.

Commissioner McConkie noted the concept plan is nice and we've talked about a lot of things tonight but the question is to the rezone only at this point. He would recommend that staff look at the need for improvement of Fairfield Rd. He noted the City has discussed preserving some of the non-residential land uses in the General Plan. He would be more open to consider a rezone if the other property was rezoned.

Commissioner Ryan felt this area was right for improvement. He felt there were probably grants available for this area for improvements on this road, it has become the cart before the horse. We should be as proactive as possible. He felt working with our congressional representatives may be helpful for some earmarks. Commissioner Ryan asked about phasing. Greg Cronin, noted they don't have anything against that being part of the Development Agreement tying the two areas together. They don't have problem with commercial first and gaining the main entrance off Pony Express. They look at commercial viability to balance the area. Commissioner Ryan felt they could keep the Community Commercial and allow them to begin on this plan and hopefully in the interim address the issues with Fairfield Rd.

Commissioner Kilgore reminded everyone that a lot of the questions about planned roads and things are answered in the General Plan, roads and commercial areas etc. He received clarification on product allowed in the development; two story townhomes. Senior Planner Kent Page clarified that MF 10 is classified as medium density housing, not high density. Commissioner Kilgore discussed future connectivity to possible Community Commercial to the east, then the townhomes here would be sandwiched.

Commissioner Anderson noted that the situation on Fairfield will get worse before it gets better. He mentioned main collectors and how this area ties into them. He noted to attendees that they can also attend City Council meeting when this item comes up.

Commissioner Sprosty Burns received clarifications from the applicant to the developments and rental properties they are holding onto currently. She noted it was odd to deny 12 units and approve this. It feels like this is not in line with that but that somehow this is different. We need to look at why and when we are granting these variations. Commissioners joined in discussion on legislative process and supporting the needs of our community and meeting the standards that are set.

Commissioner Cunningham noted that with the General Plan committee, they talk about Live, Work, Play; work is something we need to work on; jobs here have less need for people to leave the City and the roads are less packed during commute. He noted the need to protect business areas. He is concerned that Prop 6 is getting close, with high density balancing too high.

Community Development Director Young advised that as they have looked at density and the General Plan they have identified concern with high density including approved and vested properties. They feel there are more than sufficient areas for residential and they need to reserve commercial areas. The General Plan is a well thought out guide and if they go against it they should have good reasoning for that.

Motion made by Commissioner McConkie to recommend denial to the City Council the request to amend the General Plan Land Map from Community Commercial to Medium Density Residential and rezone from Community Commercial to MF-10 on referenced 6.35 acre parcel at 1193 West Fairfield Road as outlined in the Exhibits with the findings and conditions in the staff report dated July 7, 2022. Seconded by Commissioner Ryan.

Yes: Bryce Anderson, Troy Cunningham, Bryce McConkie, Reed Ryan, Rachel Sprosty Burns.

No: Ken Kilgore.

Absent: Audrey Barton

Motion passed 5 - 1.

Commissioner Kilgore felt that there was sufficient reason to request and grant the rezone.

**Exhibit “C”**

**Staff Report with Adopted City Council Findings and Conditions of  
Approval, Report of Action (if applicable), City Council Written Minutes.**

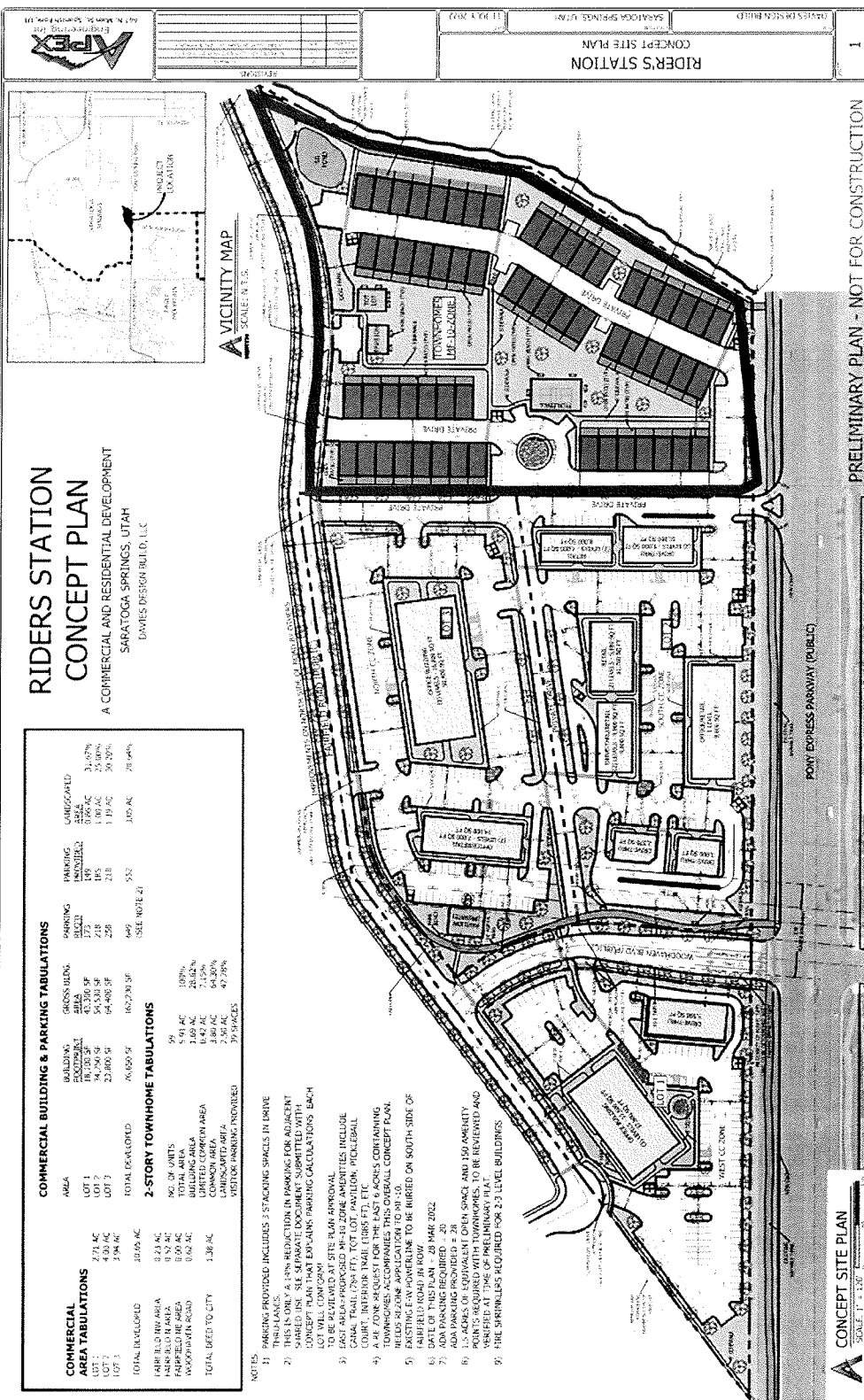
**[ON FILE WITH THE CITY RECORDER]**

**Exhibit “D”**

**Concept Plan (Outlined in Red)**

**(Next Page)**

**RIDERS STATION  
CONCEPT PLAN**  
A COMMERCIAL AND RESIDENTIAL DEVELOPMENT  
SARATOGA SPRINGS, UTAH  
DAVIES DESIGN BUILD, LLC

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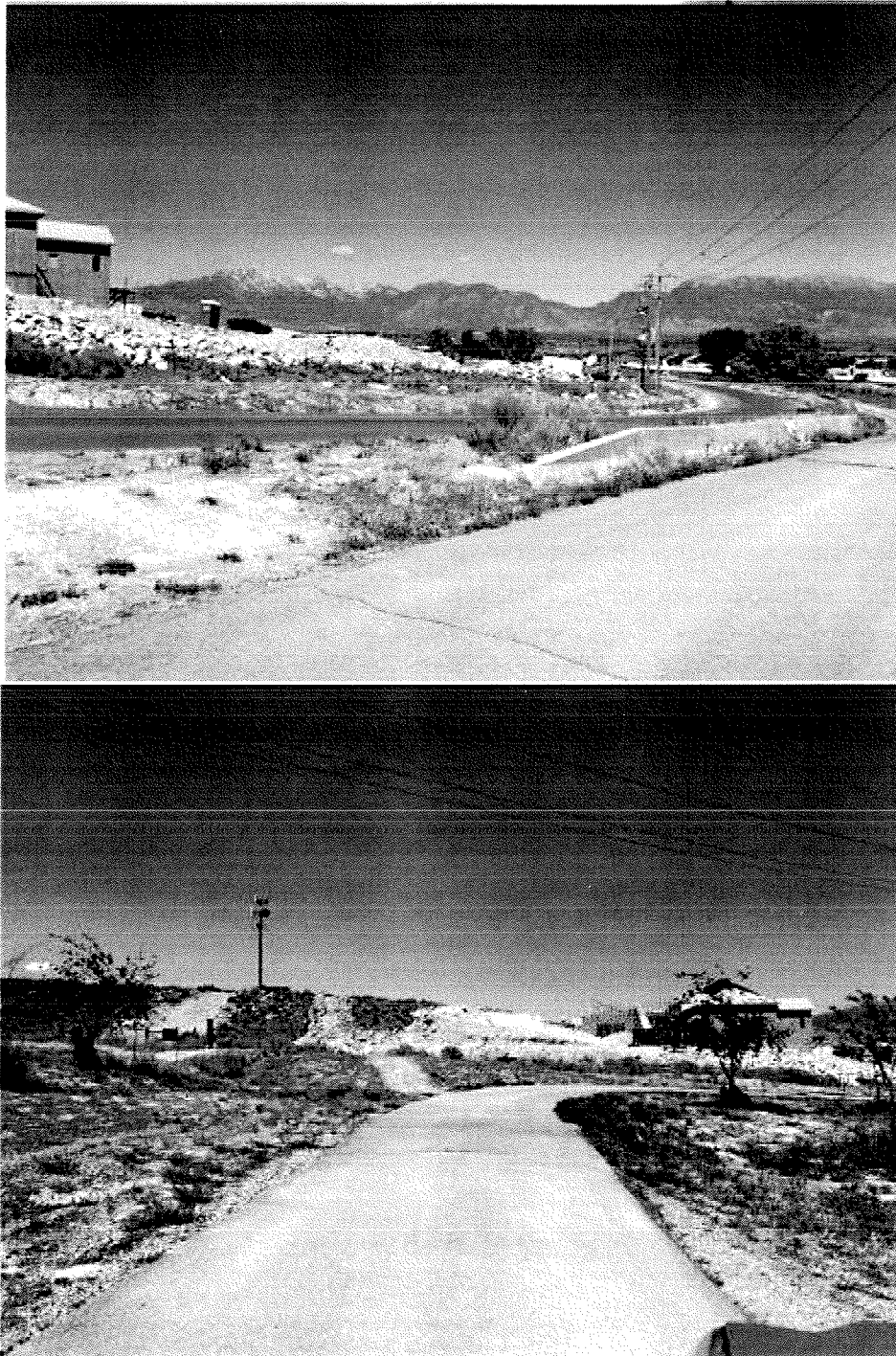
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**Exhibit "F"**  
**Power Poles Required to be Buried**



Exhibit "F" (Continued)



**ORDINANCE NO. 22-51 (12-6-22)**

**AN ORDINANCE OF THE CITY OF SARATOGA SPRINGS,  
UTAH, ADOPTING AN AMENDMENT TO THE LAND USE  
MAP OF THE GENERAL PLAN, ADOPTING AN  
AMENDMENT TO THE OFFICIAL ZONING MAP, AND  
APPROVING A DEVELOPMENT AGREEMENT  
SPECIFYING THE TERMS OF THE DEVELOPMENT OF  
CERTAIN REAL PROPERTY IN THE CITY (Rider's Station)**

**WHEREAS**, Utah Code Chapter 10-9a allows municipalities to amend the general plan and the number, shape, boundaries, or area of any zoning district; and

**WHEREAS**, before the Saratoga Springs City Council approves any zoning or general plan amendments, the amendments must first be reviewed by the Saratoga Springs Planning Commission for its recommendation to the City Council; and

**WHEREAS**, on July 14, 2022, the Planning Commission held a public hearing after proper notice and publication to consider amendments to the City's Land Use Map of the General Plan as well as the City-wide zoning map for certain real property in the City of Saratoga Springs, which is described in Exhibit A ("Property"), and forwarded the item with a unfavorable recommendation; and

**WHEREAS**, on December 6, 2022, the City Council held a public meeting to consider the general plan land use map and zoning map amendments; and

**WHEREAS**, the City Council voted to approve the rezone and general plan amendments subject to the terms of a development agreement, which agreement is attached as Exhibit B ("Agreement"); and

**WHEREAS**, pursuant to Utah Code § 10-9a-102, the City Council is authorized to enter into development agreements it considers necessary or appropriate for the use and development of land within the municipality; and

**WHEREAS**, the City desires to enter into the Agreement because the Agreement establishes planning principles, standards, and procedures to eliminate uncertainty in planning and guide the orderly development of the Property; and

**WHEREAS**, after due consideration, and after proper notice, and after conducting the requisite public hearing with the Planning Commission, the City Council, pursuant to its legislative authority under Utah Code Annotated § 10-9a-101, et seq., has determined that it is in the best interests of the residents of the City of Saratoga Springs that amendments to the Land Use Map of the General Plan and City-wide zoning map be made and that the Agreement be approved.

**NOW THEREFORE**, the City Council hereby ordains as follows:

## **SECTION I – ENACTMENT**

The Property described in Exhibit A is hereby changed from Community Commercial to Medium Density Residential on the City's Land Use Map of the General Plan and changed from Community Commercial to MF-10 (Multi-family, 10 dwelling units per acre maximum) on the City's Zoning Map, subject to and conditioned on the owner of the Property entering into the development agreement attached as Exhibit B, which Agreement shall be recorded on the Property in the Office of the Utah County Recorder. City Staff is hereby instructed to amend the official City Zoning Map and Land Use Map accordingly and to record said Agreement, subject to payment of the recording costs by the property owner.

The City Manager is hereby authorized to sign the development agreement attached as Exhibit B. City Staff may make any non-substantive changes to the Agreement before execution but may not make any changes inconsistent with the conditions of approval adopted by the City Council.

## **SECTION II – AMENDMENT OF CONFLICTING ORDINANCES**

If any ordinances, resolutions, policies, or maps of the City of Saratoga Springs heretofore adopted are inconsistent herewith they are hereby amended to comply with the provisions hereof. If they cannot be amended to comply with the provisions hereof, they are hereby repealed.

## **SECTION III – EFFECTIVE DATE**

This ordinance shall take effect upon its passage by a majority vote of the Saratoga Springs City Council and following notice and publication as required by the Utah Code.

## **SECTION IV – SEVERABILITY**

If any section, subsection, sentence, clause, phrase, or portion of this ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such provision shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions of this ordinance.

## **SECTION V – PUBLIC NOTICE**

The Saratoga Springs Recorder is hereby ordered, in accordance with the requirements of Utah Code § 10-3-710—711, to do as follows:

- a. deposit a copy of this ordinance in the office of the City Recorder; and
- b. publish notice as follows:
  - i. publish a short summary of this ordinance on the Utah Public Notice Website created in Utah Code § 63F-1-701; or
  - ii. post a complete copy of this ordinance in 3 public places within the City.

**ADOPTED AND PASSED** by the City Council of the City of Saratoga Springs, Utah,  
this 6<sup>th</sup> day of December, 2022.

Signed: \_\_\_\_\_  
Jim Miller, Mayor

Attest: \_\_\_\_\_  
Cindy LoPiccolo, City Recorder

**CITY COUNCIL VOTE AS RECORDED**

Councilmembers:	Yes	No	Abstain	Excused
Chris Carn	_____	_____	_____	_____
Michael McOmber	_____	_____	_____	_____
Ryan Poduska	_____	_____	_____	_____
Chris Porter	_____	_____	_____	_____
Stephen Willden	_____	_____	_____	_____
Mayor Jim Miller (tie only)	_____	_____		

## **EXHIBIT A**

### **Legal Description**

PT LOT 2, PLAT C, WEST LAKE ESTATES SUB DESCRIBED AS FOLLOWS:: COM N 698.97 FT & E 4.86 FT FR SW COR. SEC. 22, T5S, R1W, SLB&M.; S 85 DEG 7' 44" E 180.95 FT; ALONG A CURVE TO L (CHORD BEARS: N 80 DEG 26' 46" E 249.11 FT, RADIUS = 500.11 FT); N 66 DEG 1' 28" E 58.4 FT; ALONG A CURVE TO L (CHORD BEARS: N 72 DEG 27' 1" E 77.5 FT, RADIUS = 42.5 FT); ALONG A CURVE TO R (CHORD BEARS: N 16 DEG 1' 1" E 11.33 FT, RADIUS = 35.02 FT); N 66 DEG 1' 16" E 44.05 FT; S 25 DEG 4' 39" W 188.99 FT; S 9 DEG 2' 52" W 220.38 FT; S 29 DEG 5' 49" W 300.97 FT; S 27 DEG 28' 43" W 63.81 FT; S 89 DEG 33' 1" W 310.27 FT; N 0 DEG 23' 51" E 608.99 FT TO BEG. AREA 6.352 AC.

## **EXHIBIT B**

Development Agreement  
(please see next page for start)

WHEN RECORDED RETURN TO:

Saratoga Springs City Recorder  
1307 N. Commerce Drive, Suite 200  
Saratoga Springs, UT 84045

## **DEVELOPMENT AGREEMENT**

THIS DEVELOPMENT AGREEMENT ("Agreement") is made and entered into on \_\_\_\_\_, 20\_\_, by and between the City of Saratoga Springs, Utah, a Utah municipal corporation, hereinafter referred to as "City," and URE Fund 1 – Rider's Station, LLC, a Utah corporation/limited liability company; hereinafter referred to as "Developer."

### **RECITALS:**

**WHEREAS**, Developer owns or has the right to purchase 6.35 acres of property located in the City of Saratoga Springs, Utah, which is more fully described in the property ownership map, vicinity map, and/or legal descriptions attached as Exhibit A ("Property"); and

**WHEREAS**, the Property is currently zoned CC (Community Commercial. Developer wishes to develop the project known as Rider's Station, which will consist of 59, 2-story townhomes [describe the project] ("Project"). Currently, the proposed Project does not meet the CC zone requirements and therefore would not be allowed in the CC zone. Therefore, in order to develop the Project, Developer wishes to place the Property in the MF-10 (Multi-family, 10 dwelling units per acre maximum) zone, as provided in Title 19 of the City Code, as amended (the "Zoning Request") and wishes to be voluntarily bound by this Agreement in order to be able to develop the Project as proposed; and

**WHEREAS**, City desires to enter into this Agreement to promote the health, welfare, safety, convenience, and economic prosperity of the inhabitants of the City through the establishment and administration of conditions and regulations concerning the use and development of the Property; and

**WHEREAS**, City desires to enter into this Agreement because the Agreement establishes planning principles, standards, and procedures to eliminate uncertainty in planning and guide the orderly development of the Property consistent with the City General Plan, the City Code, and the conditions imposed by the Planning Commission and City Council; and

**WHEREAS**, to assist City in its review of the Rezoning Request and to ensure development of the Project in accordance with Developer's representations to City, Developer



and City desire to enter voluntarily into this Agreement, which sets forth the process and standards whereby Developer may develop the Project; and

**WHEREAS**, on July 28, 2017, City adopted a comprehensive update to its general plan (“General Plan”) pursuant to Utah Code Annotated §§ 10-9a-401, et seq. A portion of the General Plan establishes development policies for the Property. Such development policies are consistent with the proposed Project; and

**WHEREAS**, on July 14, 2022, after a duly noticed public hearing, City’s Planning Commission recommended 5 to 1 denial of Developer’s Zoning Request and reviewed the conceptual project plans, attached hereto as Exhibit D (“Concept Plan”), and forwarded the application to the City Council for its consideration, subject to the findings and conditions contained in the Staff Report, and written minutes attached hereto as Exhibit B; and

**WHEREAS**, on \_\_\_\_\_, the Saratoga Springs City Council (“City Council”), after holding a duly noticed public meeting and consideration of all comments from the public, neighborhood representatives, Developer, and City officials, approved Developer’s Zoning Request, this Agreement, and reviewed the conceptual project plans, attached hereto as Exhibit D, subject to the findings and conditions contained in the Staff Report and written minutes attached hereto as Exhibit C; and

**WHEREAS**, the Concept Plan, attached as Exhibit D, among other things, identifies land uses and required road, landscaping, trail, storm drain, sewer, and water improvements; and

**WHEREAS**, to allow development of the Property for the benefit of Developer, to ensure City that the development of the Property will conform to applicable policies set forth in the General Plan, and to address concerns of property owners in proximity to the Property, Developer and City are each willing to abide by the terms and conditions set forth herein; and

**WHEREAS**, pursuant to its legislative authority under Utah Code Annotated § 10-9a-101, et seq., and after all required public notice and hearings and execution of this Agreement by Developer, the City Council, in exercising its legislative discretion, has determined that entering into this Agreement furthers the purposes of the Utah Municipal Land Use, Development, and Management Act, City’s General Plan, and Title 19 of the City code (collectively, the “Public Purposes”). As a result of such determination, City has elected to process the Rezoning Request and authorize the subsequent development thereunder in accordance with the provisions of this Agreement, and City has concluded that the terms and conditions set forth in this Agreement accomplish the Public Purposes referenced above and promote the health, safety, prosperity, security, and general welfare of the residents and taxpayers of City.

#### **AGREEMENT:**

Now, therefore, in consideration of the recitals above and the terms and conditions set

forth below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City and Developer hereby agree as follows:

1. Effective Date. This Agreement shall become effective on the date it is executed by Developer and City (the “Effective Date”). The Effective Date shall be inserted in the introductory paragraph preceding the Recitals.
2. Affected Property. The property ownership map, vicinity map, and/or legal descriptions for the property are attached as Exhibit A. In the event of a conflict between the legal description and the property ownership map, the legal description shall take precedence. No other property may be added to or removed from this Agreement except by written amendment to this Agreement executed and approved by Developer and City.
3. Zone Change, Permitted Uses, and City Regulations. Subject to the terms of this Agreement, the future development of the Property shall be subject to the provisions of the MF-10 zone. Except to the extent this Agreement is more restrictive, the Property shall comply with all “City Regulations,” which is defined as “all City ordinances, regulations, specifications, and standards in effect at the time a complete preliminary plat, site plan, or development plan application is filed and all application fees are paid. City Regulations may include but are not limited to regulations regarding permitted uses, conditional uses, setbacks, frontage, height, access, required improvements, landscaping, and architectural and design requirements.”
4. Reserved Legislative Powers. Nothing in this Agreement shall limit the future exercise of the police powers of City in enacting additional City Regulations, zoning, subdivision, development, growth management, platting, environmental, open space, transportation, and other land use plans, policies, ordinances, and regulations after the date of this Agreement. Notwithstanding the retained power of City to enact such legislation under its police power, such legislation shall not modify Developer’s rights as set forth herein unless facts and circumstances are present that meet the compelling, countervailing public interest exception to the vested rights doctrine as set forth in *Western Land Equities, Inc. v. City of Logan*, 617 P.2d 388 (Utah 1988), or successor case law or statute. Any such proposed change affecting Developer’s rights shall be of general applicability to all development activity in City. Unless City declares an emergency, Developer shall be entitled to prior written notice and an opportunity to be heard with respect to the proposed change and its applicability to the Project.
5. Required Improvements. This Agreement does not in any way convey to Developer any capacity in any City system or infrastructure or the ability to develop the Property without the need for Developer to install and dedicate to City all required improvements necessary to service the Property, including without limitation the dedication of water rights and sources. Developer shall be responsible for paying all property taxes, including rollback taxes, prior to dedication or conveyance and prior to acceptance by City. Future

development of the Property shall comply in all respects to all City Regulations with respect to the required infrastructure to service the Property, including but not limited to the installation of the City's minimum-sized infrastructure, whether or not the minimum size may have additional capacity. In addition, in consideration of granting the Zoning Request, Developer may be required to upsize certain infrastructure, as specified below. The City and Developer will enter into reimbursement agreements for improvements beyond the need of the development. Not by way of limitation, the Developer shall be required to install and dedicate the following:

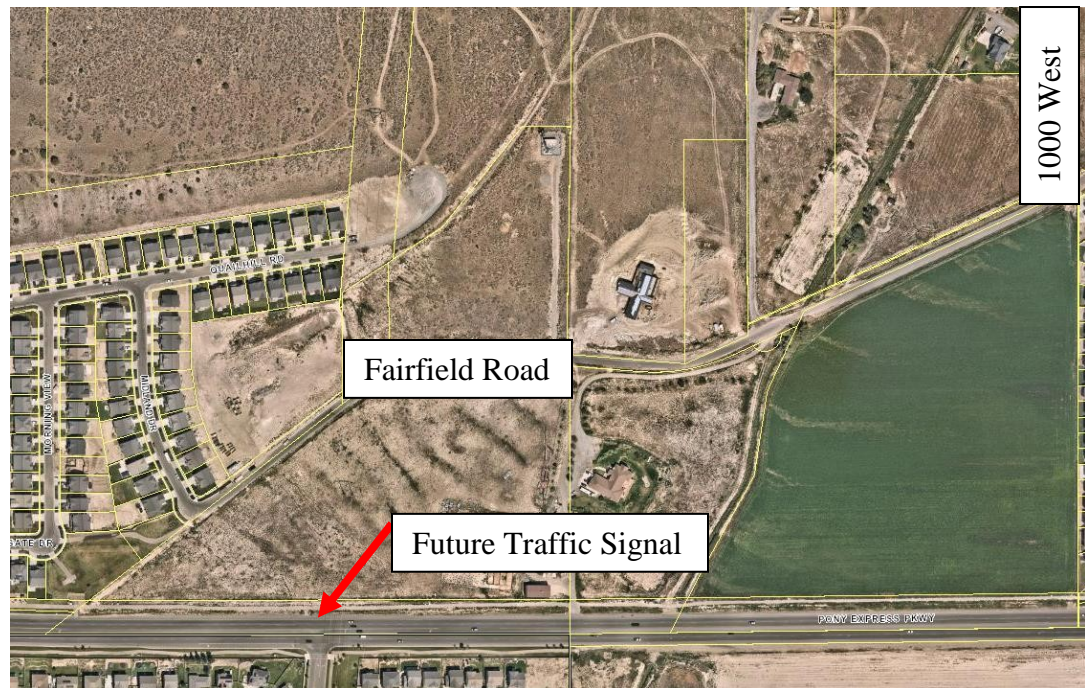
- a. **Water Rights and Sources.** Developer shall either convey or purchase from City sufficient water rights and sources to meet the requirements of City regulations. Any conveyance of water rights and sources shall be subject to a water banking agreement prepared by the City Attorney. Water rights and sources conveyed shall not be recognized as credits in the City's system until a change application is approved by the Utah Division of Water Rights (DWRi). A change application typically takes a minimum of 6 months to be approved by DWRi. If Developer wishes to convey water rights to the City (in lieu of purchasing water from the City), final plats shall not be approved for recordation until a change application is approved. City shall not be obligated to sell Developer water rights and sources unless the City has sufficient unused water rights and sources, which shall be determined in City's sole discretion.
- b. **Water Facilities for Development.** At the time of plat recordation or site plan approval, Developer shall be responsible for the installation and dedication to City of all onsite and off-site culinary and secondary water improvements, including but not limited to storage, distribution, treatment, and fire flow facilities sufficient for the development of the Property in accordance with City Regulations. The required improvements for each plat shall be determined by the City and may be adjusted in accordance with City Regulations and any applicable law.
  - i. The Developer shall install the master planned 24" drinking water line (DW05) through the development to the edge of the ROW at the parcel North of the Rider's Station development which is the planned master planned location for the City's future drinking water tank north of the Rider's Station development. (Please see Exhibit 1 below.)

### Exhibit 1. Drinking Water Line 24" (DW05)



- ii. Developer will be responsible for connecting the existing 8" drinking waterline on the north side of the development to the 8" drinking waterline at the intersection of 1000 West and Fairfield Road. (Please see Exhibit 2 below.)
- iii. Developer will be responsible for connecting the existing 6" secondary waterline on the north side of the development to 6" secondary waterline at the intersection of 1000 West and Fairfield Road. (Please see Exhibit 2 below.)

## Exhibit 2



- c. **Sewer, Storm Drainage, and Roads.** At the time of plat recordation or site plan approval, Developer shall be responsible for the installation and dedication to City of all onsite and offsite sewer, storm drainage, and road improvements sufficient for the development of the Property in accordance with City Regulations. The required improvements for each plat or site plan shall be determined by the City Engineer at the time of plat or site plan submittal and may be adjusted in accordance with City Regulations and any applicable law. During the first commercial or residential phase of development, the Developer agrees:
- i. to fully improve and dedicate to the City the full half-width of Fairfield Road and Pony Express Parkway including curb, gutter, sidewalk, streetlights, and drainage, according to City Standards and Specifications, along the entire frontage of the rezone property and the adjacent property to the west.
  - ii. to install a public road per City Standards from the proposed traffic signal light at Pony Express to Fairfield Road; Master Planned utilities should be installed within this right-of-way. Please see Exhibit 2 above.
- d. **Trails.**
- i. Canal Trail. As an express condition of this Agreement and the Zoning Request, Developer shall be required to install and improve the trail improvements along existing canal on the east side of the property.(Please see Canal Trail Exhibit below.) and as more fully specified in Exhibit E. This shall be in addition to and not in lieu of all



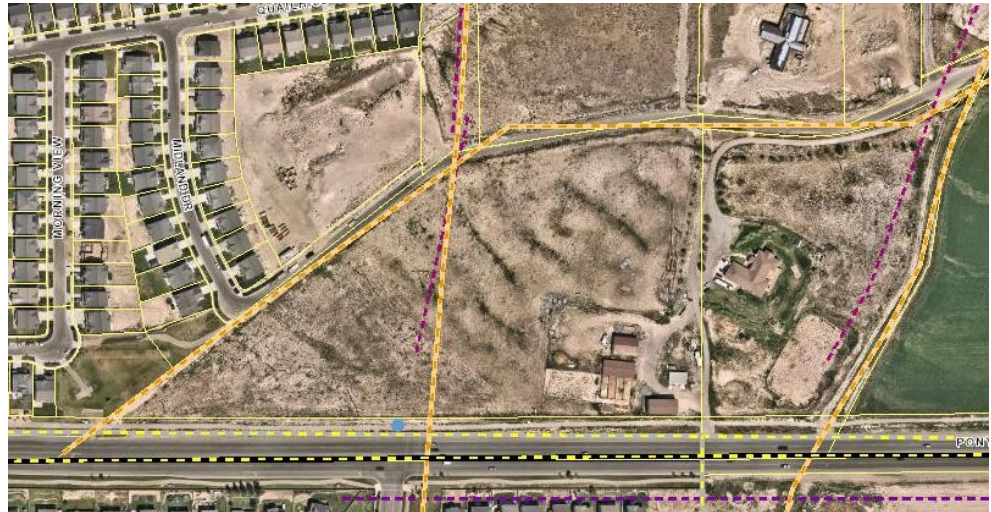
required landscaping/open space improvements according to City Regulations. Developer may receive credits towards the City's landscaping/open space requirements for the installation of the trail improvements per City regulations, or alternatively Developer may choose to receive Parks, Trails, and Open Space impact fee credits, if applicable. Developer shall not receive both landscaping/open space credit under Title 19 of the City Code and impact fee credits. Developer, or current owner(s) of the Property, shall maintain the landscaping portion of trail improvements in perpetuity including repairing and replacing the vegetation, repairing and replacing all necessary irrigation infrastructure and improvements, and providing snow removal to ensure that the public is able to safely use and access the trail at all times. Developer shall also be responsible for installing landscaping and maintaining any unimproved areas between Developer's property and the pavement surface of Fairfield Road. City shall be responsible for the perpetual repair and replacement of the trail surface.

#### **Canal Trail**



- ii. Master Planned Pedestrian / Bicycle Plan 2016 and Trails Master Plan 2021. The Developer will install according to City standards pedestrian and bicycle trails according to the 2016 Master Planned Pedestrian / Bicycle Plan and the Trails Master Plan 2021.

## 2016 Master Planned Pedestrian / Bicycle Plan and 2021 Trails Master Plan



- e. **Power Lines.** As an express condition of this Agreement and the Zoning Request, Developer shall be required to bury all power lines within the development and bury distribution lines at Developer's own expense that are located on the Property, on the immediately-adjacent parcel to the west, and/or along Fairfield Road as shown below in red/yellow line and photographed on Exhibit F. This shall be in addition and not in lieu of all required roadway, landscaping, and trail improvements in accordance with City Regulations. Furthermore, as an express condition of this Agreement and the Zoning Request, Developer shall be required to apply for and receive a permit from Rocky Mountain Power and comply with all necessary requirements at Developer's sole cost. Developer shall also be required to apply with and obtain approval from any government entity for encroachment onto any public right-of-way at Developer's sole cost.



### Overhead Powerlines



f. **Canal to be Piped.** According to Title 19.14.03.5, The Developer shall pipe the canal running along or on top of the east boundary according to the City Engineer's approval.

g. **Traffic Signal.** The Developer shall pay for and install proportionate share of Transportation Master Planned' (2022) traffic signal at the proposed Woodhaven Blvd. (on Concept Plan) and Pony Express Parkway. The Developer will work with the City of Saratoga Springs and the City of Eagle Mountain in planning for and coordinating this installation.

### Future Traffic Signal



6. Final Project/Plat or Development Plan Approval. Developer shall cause final plat and final project plans and specifications (including but not limited to site and building design plans) (the "Plans") to be prepared for the Project meeting City Regulations, this



Agreement, including all exhibits, and any conditions of approval as specified in Exhibits B and C. In determining whether the Plans meet all requirements, Developer shall provide all information required by City Regulations, as well as any information which City staff reasonably requests. As a condition of approval, the Developer agrees that all improvements including all underground utilities and streets on the commercially zoned property and on the residentially zoned property will be completed, and all commercial pads/lots will be completed with horizontal site improvements before any residential building permit is issued.

7. Standards for Approval. City shall approve the Plans if such Plans meet the requirements of this Agreement and City Regulations. Developer shall be required to proceed through the Preliminary Plat, Final Plat, and Site Plan approval process as specified by City Regulations to record a Final Plat with the Utah County Recorder and pay all recording fees.
8. Term. The term of this Agreement shall commence on the effective date of this Agreement and shall continue for a period of ten years. However, this Agreement shall terminate earlier: (i) when certificates of occupancy have been issued for all buildings and/or dwelling units in the Project; provided, however, that any covenant included in this Agreement which is intended to run with the land shall survive this Agreement; or (ii) if Developer fails to proceed with the Project within a period of two years. "Failure to proceed with development" shall be defined as failure to submit a complete site plan or preliminary plat application meeting all current City regulations and failure to pay the City's application fees for such. If this Agreement is terminated due to Developer's failure to proceed with the Project, then this Agreement and the zoning on the Property shall revert to CC Zone. Unless otherwise agreed to by City and Developer, Developer's vested interests and rights contained in this Agreement expire at the end of the Term, or upon termination of this Agreement approved by City and Developer in writing. However, this Agreement shall continue for perpetuity for any portions of the property contained in a final plat approved by City and recorded on the property in the county recorder's office by Developer, unless City and Developer mutually agree otherwise in writing.
9. Successors and Assigns.
  - a. Change in Developer. This Agreement shall be binding on the successors and assigns of Developer. If the Property is transferred ("Transfer") to a third party ("Transferee"), Developer and the Transferee shall be jointly and severally liable for the performance of each of the obligations contained in this Agreement unless, prior to such Transfer, Developer provides to City a letter from Transferee acknowledging the existence of this Agreement and agreeing to be bound thereby. Said letter shall be signed by the Transferee, notarized, and delivered to City prior to the Transfer. Upon execution of the letter described above, the Transferee shall

be substituted as Developer under this Agreement and the persons and/or entities executing this Agreement as Developer shall be released from any further obligations under this Agreement as to the transferred Property.

- b. Individual Lot or Unit Sales. Notwithstanding the provisions of Subparagraph 9.a., a transfer by Developer of a lot or unit located on the Property within a City approved and recorded plat shall not be deemed a Transfer as set forth above so long as Developer's obligations with respect to such lot or dwelling unit have been completed. In such event, Developer shall be released from any further obligations under this Agreement pertaining to such lot or dwelling unit.

10. Default.

- a. Events of Default. Upon the happening of one or more of the following events or conditions Developer or City, as applicable, shall be in default ("Default") under this Agreement:
  - i. a warranty, representation, or statement made or furnished by Developer under this Agreement is intentionally false or misleading in any material respect when it was made;
  - ii. a determination by City made upon the basis of substantial evidence that Developer has not complied in good faith with one or more of the material terms or conditions of this Agreement;
  - iii. any other event, condition, act, or omission, either by City or Developer that violates the terms of, or materially interferes with the intent and objectives of this Agreement.
- b. Procedure Upon Default.
  - i. Upon the occurrence of Default, the non-defaulting party shall give the other party thirty days written notice specifying the nature of the alleged Default and, when appropriate, the manner in which said Default must be satisfactorily cured. In the event the Default cannot reasonably be cured within thirty days, the defaulting party shall have such additional time as may be necessary to cure such Default so long as the defaulting party takes significant action to begin curing such Default with such thirty day period and thereafter proceeds diligently to cure the Default. After proper notice and expiration of said thirty day or other appropriate cure period without cure, the non-defaulting party may declare the other party to be in breach of this Agreement and may take the action specified in Paragraph 10.c. herein. Failure or delay in giving notice of Default shall not constitute a waiver of any Default.
  - ii. Any Default or inability to cure a Default caused by strikes, lockouts,

labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other similar causes beyond the reasonable control of the party obligated to perform, shall excuse the performance by such party for a period equal to the period during which any such event prevented, delayed, or stopped any required performance or effort to cure a Default.

- c. Breach of Agreement. Upon Default as set forth in Subparagraphs 10.a. and 10.b. above, City may declare Developer to be in breach of this Agreement and City: (i) may withhold approval of any or all building permits or certificates of occupancy applied for in the Project, but not yet issued; and (ii) shall be under no obligation to approve or to issue any additional building permits or certificates of occupancy for any building within the Project until the breach has been corrected by Developer. In addition to such remedies, City or Developer may pursue whatever additional remedies it may have at law or in equity, including injunctive and other equitable relief.

11. Entire Agreement. This Agreement shall supersede all prior agreements with respect to the subject matter hereof, not incorporated herein, and all prior agreements and understandings are merged, integrated, and superseded by this Agreement. The following exhibits are attached to this Agreement and incorporated herein for all purposes:

**Exhibit A:** Property Ownership map, Vicinity Map, and/or Legal Descriptions

**Exhibit B:** Staff Report with Adopted Planning Commission Findings and Conditions of Approval, and Planning Commission Approved Minutes

**Exhibit C:** Staff Report with Adopted City Council Findings and Conditions of Approval, , and City Council Written Minutes

**Exhibit D:** Concept Plan

**Exhibit E:** Required Trail Improvements

**Exhibit F:** Power Poles Required to be Buried

12. General Terms and Conditions.

- a. Incorporation of Recitals. The Recitals contained in this Agreement, and the introductory paragraph preceding the Recitals, are hereby incorporated into this Agreement as if fully set forth herein.
- b. Recording of Agreement. This Agreement shall be recorded at Developer's expense to put prospective purchasers or other interested parties on notice as to the terms and provisions hereof.
- c. Severability. Each and every provision of this Agreement shall be separate, several, and distinct from each other provision hereof, and the invalidity, unenforceability, or illegality of any such provision shall not affect the enforceability of any other provision hereof.
- d. Time of Performance. Time shall be of the essence with respect to the duties imposed on the parties under this Agreement. Unless a time limit is specified for the performance of such duties, each party shall commence and perform its duties in a diligent manner in order to complete the same as soon as reasonably practicable.
- e. Construction of Agreement. This Agreement shall be construed so as to effectuate its public purpose of ensuring the Property is developed as set forth herein to protect health, safety, and welfare of the citizens of City.
- f. State and Federal Law; Invalidity. The parties agree, intend, and understand that the obligations imposed by this Agreement are only such as are consistent with state and federal law. The parties further agree that if any provision of this Agreement becomes, in its performance, inconsistent with state or federal law or is declared invalid, this Agreement shall be deemed amended to the extent necessary to make it consistent with state or federal law, as the case may be, and the balance of the Agreement shall remain in full force and effect. If City's approval of the Project is held invalid by a court of competent jurisdiction this Agreement shall be null and void.
- g. Enforcement. The parties to this Agreement recognize that City has the right to enforce its rules, policies, regulations, ordinances, and the terms of this Agreement by seeking an injunction to compel compliance. In the event Developer violates the rules, policies, regulations, or ordinances of City or violates the terms of this Agreement, City may, without declaring a Default hereunder or electing to seek an injunction, and after thirty days written notice to correct the violation (or such longer period as may be established in the discretion of City or a court of competent jurisdiction if Developer has used its reasonable best efforts to cure such violation within such thirty days and is continuing to use its reasonable best efforts to cure such violation), take such actions as shall be

deemed appropriate under law until such conditions have been rectified by Developer. City shall be free from any liability arising out of the exercise of its rights under this paragraph.

- h. No Waiver. Failure of a party hereto to exercise any right hereunder shall not be deemed a waiver of any such right and shall not affect the right of such party to exercise at some future time said right or any other right it may have hereunder. Unless this Agreement is amended by vote of the City Council taken with the same formality as the vote approving this Agreement, no officer, official, or agent of City has the power to amend, modify, or alter this Agreement or waive any of its conditions as to bind City by making any promise or representation not contained herein, except for minor amendments allowed per City Regulations.
- i. Amendment of Agreement. This Agreement shall not be modified or amended except in written form mutually agreed to and signed by each of the parties. No change shall be made to any provision of this Agreement unless this Agreement is amended pursuant to a vote of the City Council taken with the same formality as the vote approving this Agreement, except for minor amendments allowed per City regulations.
- j. Attorney Fees. Should any party hereto employ an attorney for the purpose of enforcing this Agreement or any judgment based on this Agreement, for any reason or in any legal proceeding whatsoever, including insolvency, bankruptcy, arbitration, declaratory relief or other litigation, including appeals or rehearings, and whether or not an action has actually commenced, the prevailing party shall be entitled to receive from the other party thereto reimbursement for all attorneys' fees and all costs and expenses. Should any judgment or final order be issued in any proceeding, said reimbursement shall be specified therein.
- k. Notices. Any notices required or permitted to be given pursuant to this Agreement shall be deemed to have been sufficiently given or served for all purposes when presented personally, or four days after being sent by registered or certified mail, properly addressed to the parties as follows (or to such other address as the receiving party shall have notified the sending party in accordance with the provisions hereof):

To the Developer:

URE Fund 1 – Rider's Station, LLC  
Attn: Greg Cronin  
3400 North Mayflower Avenue Suite 350  
Lehi, UT 84043

To the City:

City Manager  
City of Saratoga Springs  
1307 N. Commerce Drive, Suite 200  
Saratoga Springs, UT 84045

- l. Applicable Law. This Agreement and the construction thereof, and the rights, remedies, duties, and obligations of the parties which arise hereunder are to be construed and enforced in accordance with the laws of the State of Utah.
- m. Execution of Agreement. This Agreement may be executed in multiple parts as originals or by facsimile copies of executed originals; provided, however, if executed and evidence of execution is made by facsimile copy, then an original shall be provided to the other party within seven days of receipt of said facsimile copy.
- n. Hold Harmless and Indemnification. Developer agrees to defend, indemnify, and hold harmless City and its elected officials, officers, agents, employees, consultants, special counsel, and representatives from liability for claims, damages, just compensation restitution, inverse condemnation, or any judicial or equitable relief which may arise from or are related to any activity connected with the Project, including approval of the Project, the direct or indirect operations of Developer or its contractors, subcontractors, agents, employees, or other persons acting on its behalf which relates to the Project, or which arises out of claims for personal injury, including health, and claims for property damage. This includes any claims or suits related to the existence of hazardous, toxic, and/or contaminating materials on the Project and geological hazards.
  - i. Nothing in this Agreement shall be construed to mean that Developer shall defend, indemnify, or hold the City or its elected and appointed representatives, officers, agents and employees harmless from any claims of personal injury, death or property damage or other liabilities arising from: (i) the willful misconduct or negligent acts or omissions of the City, or its boards, officers, agents, or employees; and/or (ii) the negligent maintenance or repair by the City of improvements that have been offered for dedication and accepted by the City for maintenance
  - ii. City shall give written notice of any claim, demand, action or proceeding which is the subject of Developer's hold harmless agreement as soon as practicable but not later than thirty (30) days after the assertion or commencement of the claim, demand, action or proceeding. If any such notice is given, Developer shall be entitled to participate in the defense of such claim. Each party agrees to cooperate with the other in the defense of

any claim and to minimize duplicative costs and expenses.

- o. Relationship of Parties. The contractual relationship between City and Developer arising out of this Agreement is one of independent contractor and not agency. This Agreement does not create any third-party beneficiary rights. It is specifically understood by the parties that: (i) all rights of action and enforcement of the terms and conditions of this Agreement shall be reserved to City and Developer, (ii) the Project is a private development; (iii) City has no interest in or responsibilities for or duty to third parties concerning any improvements to the Property; and (iv) Developer shall have the full power and exclusive control of the Property subject to the obligations of Developer set forth in this Agreement.
- p. Annual Review. City may review progress pursuant to this Agreement at least once every twelve (12) months to determine if Developer has complied with the terms of this Agreement. If City finds, on the basis of substantial evidence, that Developer has failed to comply with the terms hereof, City may declare Developer to be in Default as provided in Paragraph 10 herein. City's failure to review at least annually Developer's compliance with the terms and conditions of this Agreement shall not constitute or be asserted by any party as a Default under this Agreement by Developer or City.
- q. Institution of Legal Action. In addition to any other rights or remedies, either party may institute legal action to cure, correct, or remedy any Default or breach, to specifically enforce any covenants or agreements set forth in this Agreement or to enjoin any threatened or attempted violation of this Agreement; or to obtain any remedies consistent with the purpose of this Agreement. However, any remedy against the City shall be limited to specific performance only. Legal actions shall be instituted in the Fourth District Court, State of Utah, or in the Federal District Court for the District of Utah.
- r. Title and Authority. Developer expressly warrants and represents to City that Developer (i) owns all right, title and interest in and to the Property, or (ii) has the exclusive right to acquire such interest, and (iii) that prior to the execution of this Agreement no right, title or interest in the Property has been sold, assigned or otherwise transferred to any entity or individual other than to Developer. Developer further warrants and represents that no portion of the Property is subject to any lawsuit or pending legal claim of any kind. Developer warrants that the undersigned individuals have full power and authority to enter into this Agreement on behalf of Developer. Developer understands that City is relying on these representations and warranties in executing this Agreement.
- s. Headings for Convenience. All headings and captions used herein are for convenience only and are of no meaning in the interpretation or effect of this

Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by City and by a duly authorized representative of Developer as of the date first written above.

Attest:

City of Saratoga Springs, a political subdivision of  
the State of Utah

\_\_\_\_\_  
City Recorder

By: \_\_\_\_\_  
Mayor

DEVELOPER, \_\_\_\_\_, a Utah  
corporation/limited liability company/partnership.

By: \_\_\_\_\_

Its: \_\_\_\_\_

State of Utah

County of \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_day of  
\_\_\_\_\_ 20\_\_by \_\_\_\_\_, of \_\_\_\_\_, a Utah  
corporation/limited liability company/partnership.

\_\_\_\_\_  
Notary Public



## Exhibit "A"

### Property Ownership map, Legal Descriptions, Vicinity Zoning Map

**Utah County**  
 HEART of UTAH

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**PROPERTY INFORMATION**

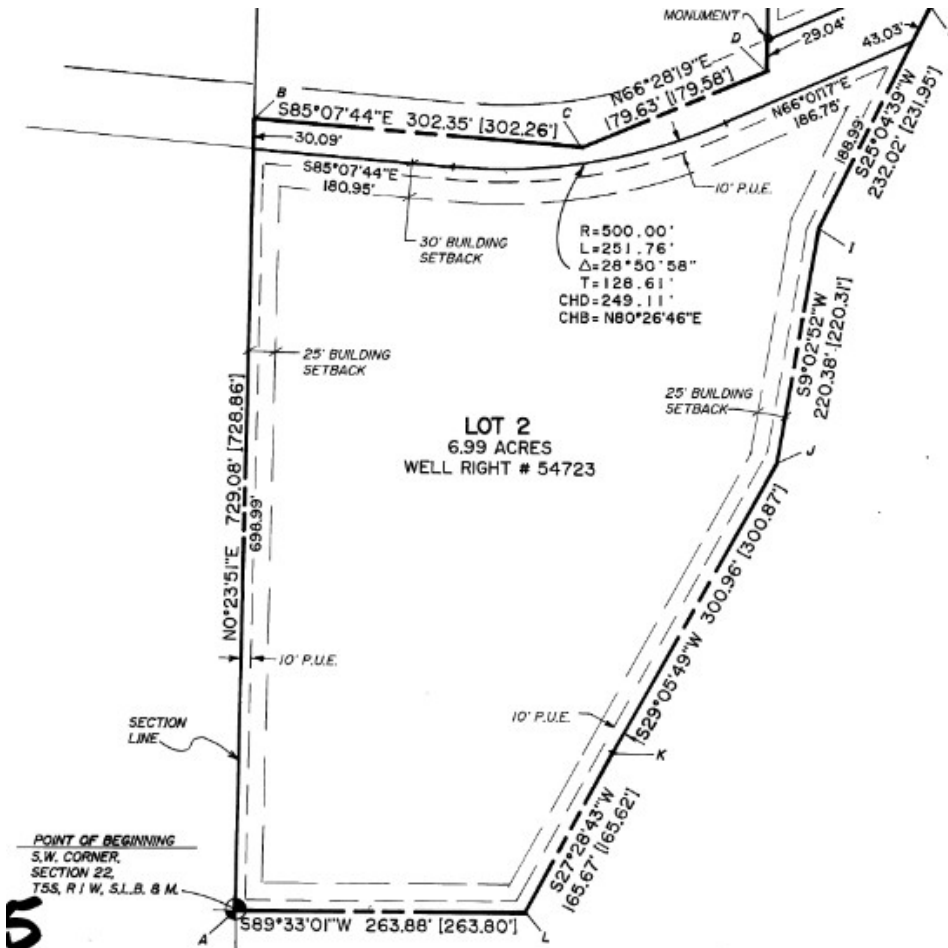
[mobile view](#)

Serial Number: 55 353 0006 Serial Life: 2013

Property Address: 1193 W FAIRFIELD RD - SARATOGA SPRINGS  
 Mailing Address: 240 N 1200 E STE 201 LEHI, UT 84043  
 Acreage: 6.352032  
 Last Document: 176659-2021  
 Subdivision Map File:

**Legal Description:** PT LOT 2, PLAT C, WEST LAKE ESTATES SUB DESCRIBED AS FOLLOWS: COM N 688.97 FT & E 4.86 FT FR SW COR, SEC 22, T5S, R1W, BL8&M, S 35 DEG 7' 44" E 180.95 FT ALONG A CURVE TO L (CHORD BEARS: N 80 DEG 20' 40" E 249.11 FT, RADIUS = 500.11 FT); N 66 DEG 1' 25" E 58.4 FT ALONG A CURVE TO L (CHORD BEARS: N 72 DEG 37' 1" E 77.5 FT, RADIUS = 42.5 FT); ALONG A CURVE TO R (CHORD BEARS: N 19 DEG 1' 1" E 11.33 FT, RADIUS = 35.02 FT); N 60 DEG 1' 10" E 44.95 FT, S 25 DEG 4' 30" W 188.99 FT, S 9 DEG 2' 52" W 220.38 FT, S 29 DEG 9' 49" W 300.97 FT, S 27 DEG 28' 43" W 63.81 FT, S 89 DEG 33' 1" W 310.27 FT, N 0 DEG 23' 51" E 608.99 FT TO BEG. AREA 6.352 AC.

Owner Names	Value History	Tax History	Location	Photos	Documents	Aerial Image
2022	USE FUND 1 - RIDERS STATION LLC					
2021HV	AXLEY WAY INVESTMENTS LLC					
2021HV	UNITED BUSINESS AND ALLIANCE LLC					
2021HV	AXLEY WAY INVESTMENTS LLC					
2013-2021	EDMONSON, CHRISTINE B					
2013-2021	EDMONSON, FRED W					



## Vicinity Zoning Map



**Exhibit “B”**

**Staff Report (Planning & Engineering) with Adopted Planning Commission  
Findings and Conditions of Approval, and Approved Minutes**

**(next 20 pages)**



SARATOGA  
SPRINGS  
PLANNING

## Planning Commission Staff Report

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### Rider's Station

**General Plan Land Use Map Amendment from Community Commercial to Medium Density Residential  
Rezone from Community Commercial to MF-10 (Multi-family, 10 dwelling units per acre maximum)**

### Concept Plan Feedback

**July 14, 2022**

### Public Hearing

Report Date:	July 7, 2022
Applicant:	UBA – URE Fund 1 - Rider's Station, LLC, contact: Greg Cronin
Owner:	UBA – URE Fund 1 – Rider's Station, LLC
Location:	1193 West Fairfield Road
Major Street Access:	Fairfield Road
Parcel Number(s) & Size:	55:353:0006, 6.35 acres
Land Use Designation:	Community Commercial
Parcel Zoning:	Community Commercial
Adjacent Zoning/Land Use:	North: RA-5 (Residential Agriculture, 5 acre minimum per dwelling) / Rural Residential East: RA-5 / Low Density Residential South: PC (Planned Community) / Planned Community Mixed Use West: CC (Community Commercial) / Community Commercial
Current Use of Parcel:	Single-family residence with "Hobby Farm"
Adjacent Uses:	North & West: single-family / "hobby farming"; East: agriculture; South: agriculture
Previous Meetings:	None
Previous Approvals:	Lot 2 (6.99 acres) of West Lake Estates Subdivision, County approval 1995
Land Use Authority:	City Council
Future Routing:	City Council
Planner:	Kent Page, AICP, Senior Planner

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- A. Executive Summary:** The applicant requests the City amend 6.35 acres of the General Plan Land Use map from Community Commercial to Medium Density Residential and change the zoning from Community Commercial to MF-10 (Multi-family, 10 dwelling units per acre maximum). These changes would then permit the development of a plat similar to the Concept Plan depicted as Exhibit 3 -- it is important to remember that the proposed General Plan Amendment (GPA)

Kent Page, AICP, Planning Director  
kpage@saratogaspringscity.com  
1307 North Commerce Drive, Suite 200 • Saratoga Springs, Utah 84045  
801-766-9793 x137 • 801-766-9794 fax

and proposed rezone is just for the area depicted for the residential units; the concept plan depicted in Exhibit 3 shows **the** conceptual plan for the residential units adjacent to a concept plan for the existing zoned community commercial.

**Staff Recommendation:** Staff recommends the Planning Commission hold a public hearing, discuss General Plan amendment and rezone and forward a recommendation to the City Council.

- B. **Background:** The project size is 6.35 acres. It is described as Lot 2 of Plat "C" of West Lake Estates Subdivision (parcel #55:353:0006). Plat "C" of West Lake Estates was recorded on October 5, 1995.
- C. **Specific Requests:** General Plan Land Use Map amendment from Community Commercial to Medium Density Residential and rezone from CC (Community Commercial) to MF-10 (Multi-family residential, 10 dwelling units per acre maximum). The Planning Commission must address and recommend to the City Council whether or not this location is suitable for the proposed land use and zone.

D. **Process:**

**Rezone and General Plan Amendment**

The table in Section 19.13.04 outlines the process requirements of a General Plan amendment and/or rezone request. A public hearing is required with the Planning Commission who then makes a recommendation to the City Council. The City Council shall then either approve, continue, or deny the request.

**Concept Plan**

Section 19.17.02 states "Petitions for changes to the City's Zoning Map for all land use zones may be accompanied by an application for Concept Plan Review or Master Development Agreement approval pursuant to Chapter 19.13 of this Code."

Per Chapter 19.13 of the City Code, the process for a Concept Plan includes an informal review of the Concept Plan by both the Planning Commission and the City Council. The review shall be for comment only, no public hearing is required and no recommendation or action made.

A concept plan has been submitted with the rezone application and has been included with this staff report. The concept plan is non-binding upon the applicant and the City and does not address all concerns or requirements of the Land Development Code. A concept review is meant to understand the intent of the rezone and the future development plans of the applicant; high-level issues are reviewed such as density, landscaping percentage, road design, etc. Specific details relating to landscaping, elevations, and others are typically not reviewed at the concept level.

- E. **Community Review:** The City meets or exceeds the public hearing notification requirements under State Code 10-9a-205. Notice was sent to property owners within 300 feet of the subject property. As of the date of this report four comments have been received by the public. Email comments may be submitted or the public may choose to attend the Planning Commission



meeting. The notice has also been posted in the City building, [www.saratogspringscity.com](http://www.saratogspringscity.com), and at the State notice website [www.utah.gov/pmn/index.html](http://www.utah.gov/pmn/index.html).

- F. **General Plan:** The land use designation of the property is Community Commercial. The applicant's request to change the zone from CC (Community Commercial) to MF-10 (Multi-family Residential, 10 dwelling units per acre maximum) is **not** consistent with the intent of the land use designation of Community Commercial so the land use map needs to be amended to coincide with the desired zone.

The City's General Plan (2017) gives the general characteristics of the Community Commercial land use as areas that:

include a variety of commercial uses which are well integrated into the community and are located in commercial clusters along major transportation corridors. Office components should be included as an integral part of developments in this district so as to capitalize on the benefits that can be enjoyed with a mixture of distinct but complementary land-uses. (p.8)

The proposed Rider's Station GPA/Rezone/Concept Plan is located along major transportation corridors – Pony Express Parkway and Fairfield Road. The proposed concept plan is for multi-family (MF-10); however, this concept plan is foresighted in also showing how a potential community commercial concept plan can provide synergy between both parcels.

The following are the general characteristics of the Medium Density Residential land use:

Residential developments at higher densities in neighborhoods that still maintain a suburban character. Designed to create a functional transition from one land-use to another. Developments in these areas should be constructed with urban streets and useable recreational features and lands. (p.8)

While the General Plan (p. 8) defines Medium Density Residential as: six to eight dwelling units per acre on 3,000 to 7,000 square foot lots, the Land Development Code (19.04.02) classifies the MF-10 zone as Medium Density Residential. It is important to remember that the General Plan is a guide while the Land Development Code is the ordinance.

The City's Land Development Code states that the purpose of the Community Commercial Zone is to:

allow for medium size commercial developments, near residential neighborhoods, with establishments that will serve the nearby community. Improvements such as trails, seating, and lighting that would help create gathering spaces and promote pedestrian activity are expected in the Community Commercial zone. (19.04.09.2)

**Staff conclusion:**

Often, land use designations in general plans are drawn with “broad” strokes due to the amount of time detailed analysis take; it is reasoned that the “broad” strokes can be changed to “fine” strokes when/if better information can be provided.

Members of the Planning Commission, City Council, and Administration have expressed a desire to retain commercial zoning. Through Proposition 6 the City has placed a ratio of 73% single-family to 27% multi-family; this ratio is close to being met with 69.23% single-family.

When a proposal to change the land use and/or zoning on a particular property comes before the City it is good planning to examine closely the benefits to the City of the proposed change. **It is particularly the burden of the applicant to show with “fine” strokes how the proposed change is in the City’s best interest.**

The basic argument of the applicant is that the proposed concept plan of this 6.35 acre parcel being rezoned to MF-10 with the adjacent 12.04 acre parcel retaining Community Commercial zoning to the west is superior to the City than the current status of two Community Commercial parcels containing 18.39 acres for the following reasons:

1. Buffer between Community Commercial and RA-5 (Residential Agriculture, 5 acre minimum)
2. 18.39 acres of Community Commercial is more Community Commercial than can be economically supported.
3. The proposed rezone of the eastern parcel (6.35 acres) is too far away from the planned Pony Express Parkway signalized intersection adjacent to the western parcel for Community Commercial to be successful.
4. The Community Commercial concept plan (remember this concept plan showing Community Commercial is not part of any application) with the MF-10 concept plan will be more successful than if both parcels retain their Community Commercial zoning. The Community Commercial concept plan showing one, two, and three story office and retail buildings will have more Community Commercial square footage than if the entire two parcels containing 18.39 acres would have if one story Community Commercial were sprawled across both parcels.
5. This application contains a detailed concept plan that has been staff reviewed to comply with the proposed MF-10 zoning and the current Land Management Code, and this application also shows a detailed concept plan of the adjacent property with how the two parcels can relate to each other.

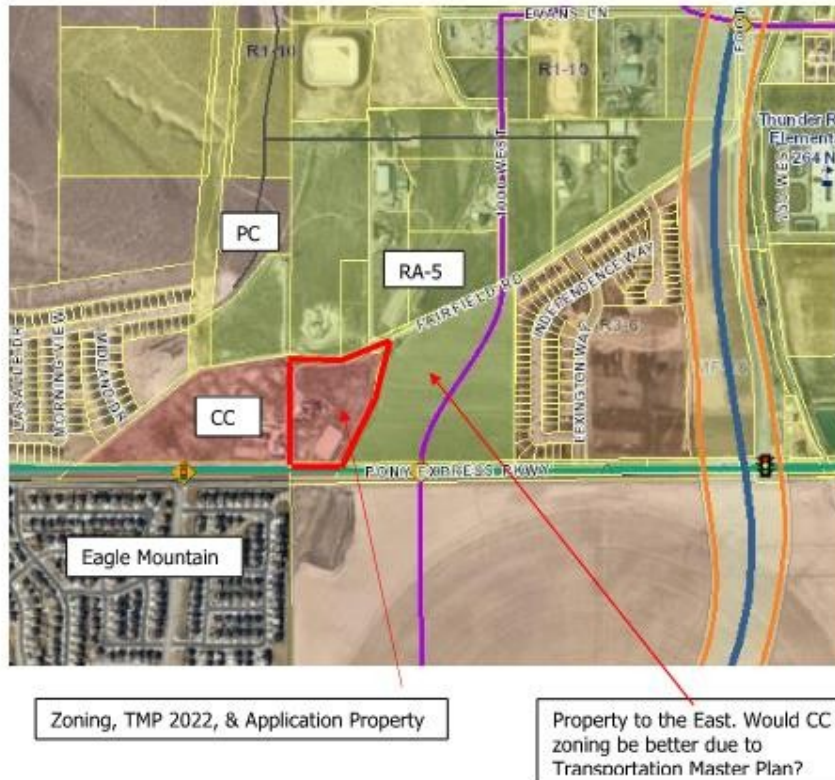
Doug Meldrum, Economic Development Director, comments that building multi-story office buildings would make the project more viable than just single story. A concern that Doug Meldrum and Senior Planner, Kent Page, have is that often the residential development is built before the commercial; it would be great if a development agreement for the residential zone could be structured to bind the building of the commercial (on the adjacent parcel) before the residential on this property (similar in densities and design as the concept plan).

Based on the City's Transportation Master Plan (2022), staff questions if the current **land use** designation of "Low Density Residential" for property to the east would be better suited for Community Commercial, and if the **zoning** for property to the east would be better suited for Community Commercial; please see planning maps below:



Land Use, TMP 2022, & Application Property





**G. Code Criteria:**

Rezone requests are legislative decisions. Therefore, the City Council has significant discretion when making a decision on such requests. Because of this legislative discretion, the Code criteria below are guidelines and are not binding.

**19.17.03. Planning Commission and City Council Review.**

1. The Planning Commission reviews the petition and makes a recommendation to the City Council within 30 days of the receipt of the petition.

*Review and submission of necessary items required a review process longer than 30 days due to the staff workload.*

2. The Planning Commission shall recommend approval of the proposed amendments only when it finds the proposed amendment furthers the purpose of the Saratoga Springs Land Use Element of the General Plan and this Title.

*The Land Use Plan identifies desired land uses for all areas within the City of Saratoga Springs and provides a framework to guide future planning for the community—where*

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*people live, work, play, and shop. It supports a variety of land uses that can continue to make Saratoga Springs an attractive place to live and work, while preserving Saratoga Springs' small-town charm. Stable and peaceful single-family neighborhoods are the "building block" of the community, with a mix of smaller and denser residential units in appropriate locations to help diversify the housing stock. Employment areas accommodate a diverse array of businesses and support well-paying jobs. The land use element of the General Plan indicates Community Commercial as the proposed land use. However, the General Plan is not a static document and is subject to review and change when appropriate.*

3. The Planning Commission shall provide the notice and hold a public hearing as required by Utah Code. For an application which concerns a specific parcel of property, the City shall provide the notice required by Chapter 19.13 regarding a public hearing.

*All required notices in compliance with State and local laws were sent or posted informing the public of the Planning Commission public hearing.*

**19.17.04. Gradual Transition of Uses and Density.**

It is the policy of the City Council, through exercising its zoning authority, to: (a) transition high intensity uses to help prevent the impacts of high density uses on low density areas; and (b) to limit inconsistent uses being located on adjacent parcels. The City Council may implement this policy using its zoning powers. Through amendments to the General Plan and the Zoning Map, the City Council intends to apply the following guidelines to implement this policy:

1. Residential lots, parcels, plats, or developments should not increase by more than 20% of density as compared to adjacent lots, zones, parcels, plats, or developments to enable a gradual change of density and uses. To appropriately transition, new lots should be equal to or larger than immediately adjacent existing platted lots.

**Staff finding:** it is conceivable that rezoning from Community Commercial to MF-10 may actually provide a better transition between the adjacent Community Commercial and RA-5 (Residential Agriculture, 5 acre minimum).

2. Exceptions

a. The City should avoid allowing high intensity uses (e.g., commercial, industrial, multi-family structures, etc.) adjacent to lower intensity uses (e.g., single family, low density residential, etc.), however may allow these uses to be located adjacent to each other if appropriate transitions and buffers are in place. Appropriate buffers and transitions include a combination of roadways, landscaping, building orientation and facades, increased setbacks, open spaces, parks, and trails.

**Staff finding:** see Staff finding comment immediately above

3. Despite these guidelines, the City Council recognizes that it will become necessary to allow high intensity next to low intensity uses in order to allow for the implementation of multiple zones in the City. The City Council should use their best efforts to limit inconsistent uses and

zones being located on adjacent parcels and to mitigate inconsistent uses and zones through transitions and buffers. **Staff finding:** consistent.

*Adjacent land uses to the west and north allow only one dwelling per five acres; however, property adjacent to the south side of Fairfield Road allows up to six dwelling units per acre. The 59-foot Fairfield Road ROW could be a logically buffer between these uses. Also the "West Lake Estates Plat C, Lot 1 Amended" is the only 5-acre platted subdivision to the west in this Residential Agriculture (RA-5) zone; it could be likely that additional land use and rezones applications will come for more properties in this area.*

#### **19.17.05. Consideration of General Plan, Ordinance, or Zoning Map Amendment.**

The Planning Commission and City Council shall consider, but not be bound by, the following criteria when deciding whether to recommend or grant a General Plan, ordinance, or zoning map amendment:

1. The proposed changes will conform to the Land Use Element and other provisions of the General Plan.

*The proposed rezone is not compatible with the Land Use Element of the General Plan; the General Plan calls for the land use to be Community Commercial, the proposed rezone is MF-10 (Multi-family, 10 dwelling units per acre maximum). However, the application does provide significant detail in how it supports objectives of the General Plan such as:*

1. *A balance and synergy of uses – commercial, residential, transportation (biking, walking, public, walking)*
2. *Quality of uses (great public spaces with quality landscaping, architectural design, durable materials)*
3. *Potentially more affordable housing*
4. *Buffer between community commercial and single-family residential neighborhoods*



Below is an aerial display of the proposed concept plan with nearby conceptual plans:



The applicant believes this application is compatible with the following highlighted statements from the General Plan – Land Use Section:

"...that preserves not only our community character but also our natural beauty and environment. Economic development is conducted with the objective of elevating quality of life by enhancing convenient access to goods and services. Residential development, meanwhile, emphasizes single-family home development while still providing for an adequate level of carefully located other housing options."

"Objective: Establish compact, connected, and walkable community areas: In areas designated for mixed-use development, guide development to create compact, human-scaled neighborhoods and business districts that support walking, bicycling, and transit as viable means of transportation within and to and from the neighborhoods and districts. Objective: Manage land-use transitions: Plan for incremental geographic transitions between singlefamily residential neighborhoods, multi-family residential neighborhoods, commercial areas, and industrial areas"

"Image & Design Objective: Continue to create great streets and streetscapes: Implement design and construction of safe, attractive, and walkable streetscapes that allow for walking and bicycling in addition to automobiles and project a positive image of Saratoga

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Springs. Objective: Continue to support planting and maintenance of trees in public spaces: As trees provide numerous benefits to urban spaces, continue to support the addition of trees in public spaces. Objective: Create great public spaces and places: Create a network of public spaces and gathering places (i.e., plazas, greenways) in major destinations. Objective: Ensure good design in future development: Continue to ensure that new developments utilize quality building materials, and employ architectural design that is in keeping with the existing character of the community. Objective: Promote sustainable building: Promote sustainable building design, site planning, and landscape design citywide."

"High Density Residential: These areas are primarily residential in character and include a variety of housing types that are supported by nearby retail, civic, and employment uses. This use buffers single-family residential neighborhoods. Public facilities should connect to surrounding uses and major facilities should be buffered to residential uses. 9 – 18DU/ Acre, 2,500 to 8,700 square foot lots"

"Community Commercial: These areas include a variety of commercial uses which are well integrated into the community and are located in commercial clusters along major transportation corridors. Office components should be included as an integral part of developments in this district so as to capitalize on the benefits that can be enjoyed with a mixture of distinct but complementary land-uses"

"Areas intended to provide locations for employment and economic development opportunities. Uses include large and small scale offices, business parks, and supporting service retail. These areas can also serve as transitions between residential areas and major roadways"

"Multi-Family Residential Objective: **Locate new multi-family and increased density housing in appropriate areas: In order to support more shopping and dining opportunities**, and encourage investment in transportation system Saratoga Springs' neighborhoods are the building blocks of the community, and their attractiveness, health, and character is vital to the success of Saratoga Springs and the everyday quality of life. The objectives of this element describe enhancing and protecting established neighborhood character, **while encouraging quality architectural design in master planned developments. improvements, provide for higher-density housing where appropriate in walkable mixed-use areas near shopping, offices, healthcare, and transportation centers"**

The applicant provides these additional points to consider:

- Market Feasibility of Community Commercial on the entire 14 plus acre land mass with on primary entrance. The economic development discussion highlighted that it is going to be a challenge to create a product that will have healthy long term rents and viability in the north 1/3 and eastern third of the parcel. It would take a large anchor to come in to support such a deep and wide footprint, and they are not candidates for this location due to the more significant nodes that are in the immediate area.
- Design is important: Community commercial users are more sensitive to the overall feel of the location. The design needs to create "place" and not just be a strip center type build that is less costly and less risky in the short term, but doesn't attract the service providers and retail that the size of a commercial project requires in order to be viable long term.



- In order to deliver the nicer, more quaint setting for 162,000 sq ft of commercial, we need to maximize the land use to get as much value from the less viable commercial portions by building the residential units in accordance to the existing MF10 zoning. This allows for increased investment in greater concentration of the Community Commercial uses nearest the critical traffic flow and adds to the well-being of the commercial tenants that will benefit from some integrated customers. As a developer, the residential helps maximize the overall land use allowing for the enhanced Community Commercial project.
- We will seek a right in - right out to increase the likelihood of success for the commercial/office that is going to be farthest east of the primary access point. This is sure to be an overall better assurance for the well-being long term of the development.
- The MF-10 residential parcel is intended to be a single lot site with a common owner and not a subdivision. It is our understanding that the parking as arranged in this area works in this situation. The design maximizes open space and the livability for the tenants. There is "place" designed for children to run and play and kick a soccer ball and socialize in a safe and playful area. We could rearrange the accommodate 20 foot drives, but the livability would diminish significantly. So for this reason, we feel this design is best and meets the mf-10 zone as a single lot development.
- Lastly, this is a plan that best maximizes the Community Commercial goal most efficiently, provides the most desired setting for Community Commercial tenant mix, and incorporates a needed housing product in a place that supports the well-being of the Commercial long term.

The applicant concludes that this application supports the General Plan with this statement:

As for the General Plan Map last published, the area was low-density residential and was then changed to Community Commercial. This is a choice that we support in concept and desire to provide a significant amount of Community Commercial as well as a good variety of commercial options. The idea that all 16+ acres are best served as Community Commercial is more area than we feel is needed to accomplish the commercial objectives of the general plan for this area. We feel that a well-designed commercial area of 10-11 acres is a significant amount of commercial and that the remaining 5-6 acres being designed as neighboring residential will meet multiple objectives highlighted above. We look forward to presenting this to city staff and council.

The applicant states that the proposed use is in line with the MF-10 zoning in the land use plan. All plat requirements relevant to the MF-10 zone have been met.

2. The proposed changes will not decrease or otherwise adversely affect the health, safety, convenience, morals, or general welfare of the public. **Staff finding: complies.**

*No adverse consequences are anticipated by changing the zone from CC (Community Commercial) to MF-10 (Multi-family, 10 dwelling units per acre).*

The applicant replies: "The proposed change will not decrease nor otherwise adversely affect the health, safety, convenience, morals, or general welfare of the public. This request will actually enhance each of the above in a very tangible and recognizable way."

3. The proposed changes will more fully carry out the general purposes and intent of this Title (Title 19 of the Land Management Code) and any other ordinance of the City. **Staff finding:** complies.

*The purpose of Title 19 is to preserve and promote the health, safety, morals, convenience, order, fiscal welfare, and the general welfare of the City, its present and future inhabitants, and the public generally. The proposed development comply with Title 19 in some respects; however, the latest concept plan does not comply with Title 19.*

The applicant replies:

The proposed change will more fully carry out the general purposes and intent of this Title and any other ordinance of the City. This proposed change will reflect the intent to create softer transitions between commercial and residential. It will align with the more current development designs that are encouraging live work options, more walkable communities, and better integrate moderate density multi-family throughout the community.

4. In balancing the interest of the petitioner with the interest of the public, community interests will be better served by making the proposed change. **Staff finding:** complies.

The applicant replies:

This proposal will balance the interest of the petitioner to provide high quality and appropriate amounts of community commercial product in relation to the current and future market conditions. This will serve the public best and will better serve the community interest to create more walkable and accessible community developments. This proposal to provide a cluster of townhouses with nice amenities and abundant open space, adjacent to a quality community commercial area, will create a healthy balance of uses of the land and transition to the planned trail system and neighboring residential zones.

Also, this design allows for the upscaling of the community commercial area to attract better commercial tenants for restaurant, retail, and office. While this 6 acres is zoned to be community commercial today, the number of commercial square footage we will provide on the neighboring parcel per the attached plat will be maximized for efficiency with multiple floor buildings and provide the amount of community commercial space expected from most projects that focus on a more cost effective single floor commercial development.

5. Any other reason that, subject to legislative discretion of the City Council, could advance the general welfare. **Staff finding:** it would be nice if the applicant could provide even greater/more detailed evidence that the concept plan submitted (with CC & MF-10) is truly superior **for the City** than leaving both parcels (12.04 acres & 6.35 acres) zoned CC.

**Concept Plan Review**

Section 19.17.02 states "Petitions for changes to the City's Zoning Map for all land use zones may be accompanied by an application for Concept Plan Review or Master Development Agreement approval pursuant to Chapter 19.13 of this Code."

Per Chapter 19.13 of the City Code, the process for a Concept Plan includes an informal review of the Concept Plan by both the Planning Commission and the City Council. The reviews shall be for comment only, no public hearing is required and no recommendation or action made. The following is a review of the general standards required of the MF-10 zone.

19.04.07. Land Use Regulations, MF-10 Residential Use Zone			
Category to be reviewed	Regulation	Determination	How
Maximum Units per Acre	10 units per acre	<b>Complies</b>	9.29 units per acre
Footprint Development	allowed	<b>Complies</b>	All lots (including corner lots)
Minimum Building Separation	10 feet	<b>Complies</b>	Minimum 26'
Minimum Project Size	5 acres	<b>Complies</b>	6.35 acres
Minimum Common Area	35%	<b>Complies</b>	64.30%
Open Space (19.19.04)	Not a few	<b>May Comply</b>	Landscaped Area = 2.50 acres Dog Park Tot Lot Pavilion Pickleball Trail

**H. Public Comments**

As of publication of this Staff Report, staff has received the following four written comments. Senior Planner, Kent Page, has responded to each of these emails with a phone call and/or email reply. These four comments reflect a misunderstanding of the application. Staff encourages neighboring residents and the applicant/property owner to meet together to mitigate concerns.



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**From:** [noreply@civicplus.com](mailto:noreply@civicplus.com) [mailto:noreply@civicplus.com]  
**Sent:** Tuesday, July 5, 2022 10:50 PM  
**To:** Cheryl King <[CKing@saratogaspringscity.com](mailto:CKing@saratogaspringscity.com)>  
**Subject:** Online Form Submittal: Pending Applications Comment Form

### Pending Applications Comment Form

*Complete the following form to submit a question or comment about a pending application to the Planning and Zoning Department. The Planning and Zoning Department can also be reached at 801-766-9793.*

Name	Lucy Brower
Email Address	<a href="mailto:HL5lucy@yahoo.com">HL5lucy@yahoo.com</a>
Address	83 N Midland Dr
City	Saratoga Springs
State	Utah
Zip Code	84045
Phone Number	9139096641

Project Name	Riders Station
Comments	<p>I live on midland Dr right by this proposed development. I'm concerned about multiple aspects of this proposal. This seems like a lot to cram into this small space right near a newly developed neighborhood. It'll add a lot of traffic and noise near our homes on midland Dr and Fairfield that concerns me because there are a lot of young children and families on our streets. Looking down the end of the road there will be just a big ugly building rather than a view of the temple and part of the valley. I have never seen 3 story office buildings near residential like this. I have spoken with many of my neighbors and almost all of them are upset by this proposal and we were all told this area would remain undeveloped. Many of us just purchased and/or built our homes here and this would've been a deal breaker for us had we known. I'm concerned this development will in turn lower our property value as well. I'm not opposed to something being done in the area but this proposal does not fit the current area at all or what my neighbors and I had hoped for.</p>

Sent: Wednesday, July 6, 2022 9:33 AM  
To: Cheryl King <[CKing@saratogaspingscity.com](mailto:CKing@saratogaspingscity.com)>  
Subject: Online Form Submittal: Pending Applications Comment Form

#### Pending Applications Comment Form

Complete the following form to submit a question or comment about a pending application to the Planning and Zoning Department. The Planning and Zoning Department can also be reached at 801-786-9793.

Name	Alex Condie
Email Address	<a href="mailto:acondie12@gmail.com">acondie12@gmail.com</a>
Address	49 N Morning View Dr
City	Saratoga Springs
State	UT
Zip Code	84045
Phone Number	4356193574
Project Name	Riders Station
Comments	I'm live in the Quailhill community at mount saratoga. Myself and many of our neighbors are unhappy about the proposed commercial space near our neighborhood. The first concern is traffic. Fairfield road is already hazardous enough to children, homeowners and pets without the additional burden of commercial vehicles. The second concern is that many people paid tens of thousands of dollars for unobstructed views of the lake/mountains and surrounding areas. I don't personally have much concern with smaller retail and restaurant spaces, but 3 story office buildings will be a huge issue for a lot of people, potentially negatively impacting their property value/appeal.

Sent: Wednesday, July 6, 2022 11:43 PM  
To: Cheryl King <[CKing@saratogaspingscity.com](mailto:CKing@saratogaspingscity.com)>  
Subject: Online Form Submittal: Pending Applications Comment Form

#### Pending Applications Comment Form

Complete the following form to submit a question or comment about a pending application to the Planning and Zoning Department. The Planning and Zoning Department can also be reached at 801-786-9793.

Name	Clint Bowles
Email Address	<a href="mailto:clint.bowles@utah.edu">clint.bowles@utah.edu</a>
Address	62 N Midland Dr
City	Saratoga Springs
State	Ut
Zip Code	84045
Phone Number	8013589365

Project Name	Riders Station
Comments	<p>The pending application of Riders Station would put a massive 3 story office building literally 50ft away from the new house we recently closed on. The details of Riders Station were never brought up in our building process and we even had to pay a lot premium for the view that came with the lot. A view that would now be gone. I do realize the building process and lot premiums are not the cities problem. Though I feel like this development is way too close to residential. This development would also put an entrance to the business park on a small residential road (directly across the street from me). Putting this business park as close to residential as is proposed would also create traffic problems. We already have people speeding down Fairfield and on to Midland. (lots of kids in the area) With the new business park speeding would increase due to it being hard to distinguish residential from commercial because of how close this proposal is to the existing neighborhood. This plan literally puts a business park in multiple residents front yard. Would appreciate some consideration on this comment. Thank you!</p>

Sent: Wednesday, July 6, 2022 10:40 PM  
 To: Cheryl King <[CKing@saratogaspringscity.com](mailto:CKing@saratogaspringscity.com)>  
 Subject: Online Form Submittal: Pending Applications Comment Form

#### Pending Applications Comment Form

*Complete the following form to submit a question or comment about a pending application to the Planning and Zoning Department. The Planning and Zoning Department can also be reached at 801-766-9793*

Name	James Cook
Email Address	<a href="mailto:jcameroncook93@gmail.com">jcameroncook93@gmail.com</a>
Address	98 N Midland Dr
City	Saratoga Springs
State	UT
Zip Code	84045
Phone Number	Field not completed

Project Name	Riders Station Concept Plan
Comments	<p>I strongly oppose the building of large 2 or 3 story office buildings within this plan. The buildings seem frankly unnecessary, will ruin the Quailhill neighborhood views, and will draw large amounts of traffic too close to the already busy neighborhood roads nearby.</p> <p>To be clear I don't necessarily oppose some businesses being developed there. Just not any large buildings that will draw a larger amount of traffic than other types of businesses. One of the 3 story office buildings is proposed to be built with a commercial drive approach literally right next to houses on Midland Dr for goodness sake</p>

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**I. Possible Motions:**

**Possible Motion for Recommendation of Approval**

"I move to recommend **approval** of the Rider's Station request with the conditions below:

**Findings**

1. The General Plan Land Use Map is proposed to be amended from Community Commercial to Medium Density Residential as outlined Section G of this report.
  2. The Zoning Map is proposed to be amended from CC (Community Commercial) to MF-10 (Multi-family Residential, 10 dwelling units per acre maximum) to on the whole better comply with the principles of the General Plan.
  3. The General Plan Land Use Map amendment and rezone will result in an increase in public health, safety, and welfare as outlined in the findings for approval in Section G of this report.
  4. All conditions of the City Engineer shall be met, including but not limited to those in the Staff report as Exhibit 2.
  5. All other Code requirements shall be met.
  6. A site plan shall be applied for to comply with the standards contained in the Land Development Code for such a request and any items contained with a City Council approved Development Agreement.
  7. A Development Agreement shall require the building of Community Commercial on the adjacent property similar to the provided concept plan before building on this 6.35 acre parcel.
  8. Any other findings as articulated by the Planning Commission:
- 

**Possible Motion for Recommendation of Denial**

I move to recommend **denial** to the City Council the request to amend the General Plan Land Map from Community Commercial to Medium Density Residential and rezone from CC to MF-10 on referenced 6.35 acre parcel at 1193 West Fairfield Road as outlined in the Exhibits with the findings and conditions in the staff report dated July 7, 2022:

**Findings**

1. The General Plan Land Use Map amendment and rezone will result in a decrease in public health, safety, and welfare as outlined in the findings for approval in Section G of this report.
  2. The rezone request to MF-10 is not consistent with Chapter 19.17.04 of the Code, as articulated in the findings for approval in Section G of this report.
  3. Any other findings as articulated by the Planning Commission:
-

**Possible Motion for Continuance**

The Planning Commission may also choose to continue the item. "I move to **continue** the Rider's Station request to another meeting on [DATE], with direction to the applicant and Staff on information and/or changes needed to render a decision, as follows:

1. \_\_\_\_\_
2. \_\_\_\_\_

**J. Exhibits:**

- 1a. Current Land Use Designation of Rural Residential to Low Density Residential
- 1b. Current Zoning of Residential Agriculture (RA-5) to Low Density Residential (R1-10)
2. City Engineer's Staff Report
3. Concept Plan
4. Photographs

Exhibit 1a – General Plan Amendment Proposed Land Use Change from Community Commercial to Medium Density Residential





Exhibit 1b – Re-zone Proposal from Community Commercial to MF-10 (Multi-family, 10 dwelling units per acre maximum)



## Exhibit 2 – Engineer’s Staff Report

### Staff Report

**Author:** Scott Petrik, Staff Engineer  
**Subject:** Rider’s Station Townhomes – Concept Plan  
**Date:** 14 July 2022  
**Type of Item:** Concept Plan Review



SARATOGA  
SPRINGS

#### Description:

**A. Topic:** The applicant has submitted a concept plan application. Staff has reviewed the submittal and provides the following recommendations.

#### **B. Background:**

*Applicant:* Greg Cronin  
*Request:* Concept Plan  
*Location:* 1193 W. Fairfield Rd.  
*Acreage:* 5.91 acres - 1 lot

**C. Recommendation:** Staff recommends the applicant address and incorporate the following items into the development of their project and construction drawings.

1. The City has insufficient information at this time to determine what project and system improvements will be necessary to service the developer’s property. As a result, this review does not reserve utility system capacity. Prior to, concurrent with, or subsequent to Final Plat Approval, the developer will be required to install all required infrastructure to service the property. In addition to all required project improvements, the developer may also be required to install any and all system improvements, subject to required impact fee credits.
2. Applicant will need to comply with recent changes to City code for “Private Drives”.
3. Developer shall install frontage improvements along Pony Express Parkway and Fairfield Road in accordance with City’s Transportation Master Plan.
4. Developer shall install and maintain landscaping along Pony Express frontage and trail corridor.
5. Developer shall note that no Storm drain line exists in Fairfield road. A Storm Drain outfall shall be extended down Fairfield Road with construction of PN3A and connect to the existing City SD line. SD line should be on the North side of Fairfield Road per Saratoga Springs standard drawing ST-7
6. Developer shall bury the existing overhead power lines within and along frontage of project.
7. Developer shall comply with all Low Impact Development standards in accordance with the Engineering standards and specifications.
8. Developer shall install a signal at the intersection of Pony Express Parkway and Woodhaven Blvd. Intersection shall be designed in accordance with Traffic Impact Study, AASHTO, and

- 21 -



City standards and specifications and a public road extended from Pony Express Parkway to Fairfield Road.

9. Private access roads shall use commercial drive approaches per standard detail ST-4B.
10. Developer shall Follow ST-30 and ST-31 for utility layout in private roadways
11. Developer shall ensure stormwater passes through an approved pre-treatment device prior to discharge to the City's storm drain. Approved pre-treatment devices meet the Washington State department of ecology's General Use Level Designation (GULD) or Conditional Use Level Designation (CULD)
12. Any existing wells or septic tanks shall be removed in accordance with City and State Standards.



Exhibit 4 – Photographs (North, East, South, West – taken from parcel driveway)



Exhibit 4 (Continued)





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Exhibit 4 (Continued)



Exhibit 4 (Continued)



## Approved Minutes

5. **Public Hearing: Rider's Station General Plan Amendment, 6.35 acres from Community Commercial to Medium Density Residential, Rezone from Community Commercial to MF-10 (Multi-family 10 units per acre), and Concept plan. Located at 1193 W. Fairfield Rd. Greg Cronin, applicant.** Senior Planner Kent Page presented the item. He noted that the proposed General Plan Amendment - and proposed rezone is just for the area depicted for the residential units; the concept plan depicted in Exhibit 3 shows the conceptual plan for the residential units adjacent to a concept plan for the existing zoned Community Commercial.

Senior Planner Kent Page noted that as of the packet time, four written comments had been received which were included in the packet. He had responded to each of these emails with a phone call and/or email reply. Staff encourages neighboring residents and the applicant/property owner to meet together to mitigate concerns.

Greg Cronin was present as applicant. He introduced Steve Sowby their engineer. He shared that they are trying to master plan this to help mitigate traffic problems. He showed how they want to bring the trail into the development. He reviewed what the goal of Community Commercial was, not large retails, but small businesses to enhance the community. They want to take a smaller footprint of commercial and compliment it with high end townhomes, not apartment style housing. He noted they have been working on this for a year plus taking input from staff and goals from the General Plan to meet the land use and General Plan intents, walkability, transportation system, landscaping, etc. He noted this would help resolve issues with the road connected to them such as traffic going east to west, not north to south, office hours not commute times. It would be a greater level of infrastructure than they will impact. It will have a professional traffic study. He



noted sidewalks, road improvements, and they would be happy to meet with school board. He noted they can already do the commercial but by adding the residential it softens the area and they would help support the commercial area there. They want to create value for the community and their product. He feels this product would help improve the community as a long term investment.

A short break was taken at this time. Meeting resumed at 8:06 p.m.

Commissioner Cunningham read two emails for public comments that had been received just before the meeting:

Jordyn and Harry Leibovich were concerned about the rezoning for townhomes and the issues with traffic on Fairfield Rd.

Amy & Erik Bartlett Shared Concern with the traffic on Fairfield Rd. and the extra traffic that would come. They noted many cars speed on the road and feel it is very dangerous.

**Public Hearing Open** by Chairman Troy Cunningham

Katie Myers liked the concept of the master plan but noted that if they have sidewalks and things on Fairfield road, they will end at his development. There needs to be better safety for the residents. She noted that as detours are being put in place for current

Darrel Wendel thanked the commissioners for their decision on the previous item, as the owner. He wondered what would happen to the canal on this property and how others would be kept out but for those that needed to use it. He noted that for entrances onto Fairfield road, there is a small bridge over the canal only wide enough for one vehicle and would those dead end at Mountain View Corridor.

Chris Sorenson reiterated his concerns of the Fairfield road and understands the property rights to be able to develop your land. But the concerns on the road need to be addressed. At the rate it's growing Fairfield rd. would need to be increased to a 5 lane road, there are many things needed such as storm drain mitigation on the hill and he felt connecting to midland in the Edge development would help mitigate some of the burden. Edge did not address the needs along the road on their access for their development.

Aaron Evans commented that the commissioners were appointed and are responsible to the citizens. He understands that the developer would improve the road on their portion but no one is improving the road continuing east or west. He felt the City has not taken responsibility in making applicants responsible for improving the infrastructure to their development. It's overcrowded now and a bottleneck.

Joseph Herendeen noted they are moving to midland dr. and felt it was just as much a concern connecting to Fairfield rd. he suggested to eliminate all access points on Fairfield rd. and make the access only on Pony Express.

Sara Merrill appreciated commissioner comments on consistency and connectivity. She noted they have seen the City bow down to developers and this developed that don't make sense, they feel their trust has been breached before. She noted the City tells them to talk to the School District and the District says talk to the City and nothing gets solved. She commented the old plan had condos and they don't mind the Community Commercial but they don't want to baby step back to condos. She asked where the trail connected to the canal and people trespass onto their property. She asked they do more than just mention to the police because they have witnessed very dangerous conditions and the police have ignored their calls.

Shayna Devey felt there were too many access points onto Fairfield rd. and they should be limited. She noted she has asked the police to enforce and they don't see it. She would like police actually patrolling and so people can get ticketed. She would like to request a traffic study be done when school is in session. It shouldn't take so long to get out of their neighborhood to take kids to school. She wondered if Fairfield would dead end at UDOT and when they would know.

Saje Hurd appreciates the planning and noted his first home was a townhome. He asked how they would keep the feel of the plans they have, he's seen things change. He also asked about schools and adding more kids to the schools. He was concerned about the access points onto Fairfield rd. it's too dangerous.



Amy White shared concern about Fairfield rd. and the encroachment on her property. She would lose her greenbelt and agriculture. She felt if the city just would maintain the road it would make a difference.

Mary Ellen Evans agreed with comments made and all the comments in the previous item pertain to this application. She noted the school is a no bus school. She noted the road can't be widened without encroaching on current owners and their acreage.

**Public Hearing Closed by Chairman Troy Cunningham**

Community Development Director Young advised that we don't have a lot of answers on the Mountain View Corridor right now, it's not the City's project. There are some conceptual plans but they don't have answers yet. Engineer I Scott Petrik advised unless it becomes a capital improvement project it would remain the way it is until developers come into help.

Steve Sowby, with applicant, mentioned they could enter into a pioneering agreement with the City to help improve the sidewalk to the east, like they are with the storm drain. Applicant Craig Cronin felt it was a way to help move the development forward. Steve Sowby noted connections they were providing to help move a lot of the traffic off of Fairfield rd. They could do traffic studies while school was in session. They could try to move access points to Pony Express, but UDOT controls those access points and they are only allowed one every so many feet, the way it is set up now will minimize traffic also. They can create the right in right out that helps with traffic calming as well. He noted they will follow whatever rules there are for piping the canal. Many things can't be planned until a zone change is granted. Greg Cronin noted as far as the school, they are open to work with the School, the City and themselves for routes to help things. He noted this product type probably wouldn't bring in many families with small kids. They would look at anything that could be put into a pioneering agreement for critical needs. They would like to professionally manage the rentals.

Community Development Director Young noted with any rezone request there is a Development Agreement that is approved with the zone change. Senior Planner Kent Page noted they would like to tie the two parcels together if possible in a Development Agreement.

Commissioner McConkie noted the concept plan is nice and we've talked about a lot of things tonight but the question is to the rezone only at this point. He would recommend that staff look at the need for improvement of Fairfield Rd. He noted the City has discussed preserving some of the non-residential land uses in the General Plan. He would be more open to consider a rezone if the other property was rezoned.

Commissioner Ryan felt this area was right for improvement. He felt there were probably grants available for this area for improvements on this road, it has become the cart before the horse. We should be as proactive as possible. He felt working with our congressional representatives may be helpful for some earmarks. Commissioner Ryan asked about phasing. Greg Cronin, noted they don't have anything against that being part of the Development Agreement tying the two areas together. They don't have problem with commercial first and gaining the main entrance off Pony Express. They look at commercial viability to balance the area. Commissioner Ryan felt they could keep the Community Commercial and allow them to begin on this plan and hopefully in the interim address the issues with Fairfield Rd.

Commissioner Kilgore reminded everyone that a lot of the questions about planned roads and things are answered in the General Plan, roads and commercial areas etc. He received clarification on product allowed in the development; two story townhomes. Senior Planner Kent Page clarified that MF-10 is classified as medium density housing, not high density. Commissioner Kilgore discussed future connectivity to possible Community Commercial to the east, then the townhomes here would be sandwiched.

Commissioner Anderson noted that the situation on Fairfield will get worse before it gets better. He mentioned main collectors and how this area ties into them. He noted to attendees that they can also attend City Council meeting when this item comes up.

Commissioner Sprosty Burns received clarifications from the applicant to the developments and rental properties they are holding onto currently. She noted it was odd to deny 12 units and approve this. It feels like this is not in line with that but that somehow this is different. We need to look at why and when we are granting these variations. Commissioners joined in discussion on legislative process and supporting the needs of our community and meeting the standards that are set.

Commissioner Cunningham noted that with the General Plan committee, they talk about Live, Work, Play, work is something we need to work on; jobs here have less need for people to leave the City and the roads are less packed during commute. He noted the need to protect business areas. He is concerned that Prop 6 is getting close, with high density balancing too high.

Community Development Director Young advised that as they have looked at density and the General Plan they have identified concern with high density including approved and vested properties. They feel there are more than sufficient areas for residential and they need to reserve commercial areas. The General Plan is a well thought out guide and if they go against it they should have good reasoning for that.

Motion made by Commissioner McConkie to recommend denial to the City Council the request to amend the General Plan Land Map from Community Commercial to Medium Density Residential and rezone from Community Commercial to MF-10 on referenced 6.35 acre parcel at 1193 West Fairfield Road as outlined in the Exhibits with the findings and conditions in the staff report dated July 7, 2022. Seconded by Commissioner Ryan.

Yes: Bryce Anderson, Troy Cunningham, Bryce McConkie, Reed Ryan, Rachel Sprosty Burns.

No: Ken Kilgore.

Absent: Audrey Barton

Motion passed 5 - 1.

Commissioner Kilgore felt that there was sufficient reason to request and grant the rezone.

**Exhibit “C”**

**Staff Report with Adopted City Council Findings and Conditions of Approval, Report of Action (if applicable), City Council Written Minutes.**

**[ON FILE WITH THE CITY RECORDER]**

**Exhibit “D”**

**Concept Plan (Outlined in Red)**

**(Next Page)**





## Exhibit "E"

### Trail Improvements



**Exhibit “F”**  
**Power Poles Required to be Buried**





Exhibit “F” (Continued)







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**Code Amendment**

**Chapter 19.20 Internal Accessory Dwelling Unit – Map Review Process**

**December 6, 2022**

**Public Hearing**

Report Date: November 23, 2022  
Applicant: City Initiated  
Previous Meeting: None  
Land Use Authority: City Council  
Previous Meeting: None  
Author: Ken R. Young, AICP, Community Development Director

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**A. Executive Summary:**

Last September, the City Council approved a Code amendment regarding Internal Accessory Dwelling Units (IADU) in residential zones in compliance with recent State of Utah Legislative changes, which allows the City to prohibit IADUs (exempt) on up to 25% of residential properties in the city. Council direction since that time has sought amendments to the Code regarding the process to amend the official IADU Map including the addition of noticing requirements and fees, and review criteria.

These proposed amendments provide more specific direction to the criteria that will be required and reviewed for future IADU map amendment applications.

In a related matter, at the September 22, 2022 meeting the Planning Commission posed questions regarding the impacts of IADUs and whether there have been studies performed which might provide guidance for the approval of such applications. Staff has looked again into what might be found that could be helpful. Very little is available in terms of studies or related information at both state and national planning organizations. The attached Exhibit A includes a summary of what we have found.

**B. Specific Request:**

**19.20.04. Permitted Locations of IADUs.**

The City may prohibit an IADU in up to 25% of the residential area of the City. Locations within the City where IADUs are prohibited, or approved in compliance with Section 19.20, are identified on the map in this Chapter [and on the City's website](#). The IADU map may be modified from time to time by the City Council in accordance with the same procedural requirements of a land use ordinance.

1. Neighborhood Map Amendment Request Process.

- a. Requests to amend the map, including the addition or removal of a neighborhood or residential subdivision to or from areas designated as IADU-prohibited or residential zoning with IADU potential, may be considered by the City Council following the submittal of an application by either:
  - i. The board of a home owners association (HOA) representing the area of the request. Applicants shall attach a copy of the official, approved minutes of a board meeting where a majority voted to support the request; or
  - ii. A representative of a non-HOA neighborhood defined by a residential subdivision plat or plats. Applicants shall attach a signed petition or other document(s) of official certification representing at least sixty-six percent (66%) of the home owners in the neighborhood in support of the request.
  - iii. The Planning Commission shall forward to the City Council a recommendation concerning the request following a public hearing. Notice of the public hearing shall be sent to all properties within the subject neighborhood as well as to all properties which abut that plat.
  - iv. An application fee for an IADU Map amendment request shall be charged in an amount to be established by a resolution of the City Council in an amount representing the approximate average cost of reviewing and processing such applications. This fee shall be included in the City's Consolidate Fee Schedule.
- b. Any requests to amend the map to permit IADUs in neighborhoods or residential subdivisions having roads that were built under lesser than the current standards shall require approval by the City Fire Marshall and the City Engineer.
- c. The applicant shall submit a report that identifies how the projected number of IADUs added to the neighborhood may impact density issues, traffic and infrastructure. The City Fire Marshal and City Engineering Staff shall review all IADU Map Amendment applications and recommend to the City Council conditions of approval based on the Fire Code or Engineering Standards related to traffic, roadway, infrastructure, or safety issues created by IADUs being allowed in the respective neighborhood or residential subdivision.

2. Development Requirements for New Development Areas.

- a. To the extent allowed by State law, new residential development plans that include the permitting of IADUs may be required to provide for any or all of the following: 1) wider roads, with widths up to the maximum permitted under Utah State Code, 2) infrastructure with increased sewer and water capacity, 3) increased off-street

parking, or 4) other measures deemed necessary to mitigate for increased impacts from IADUs.

**C. Process:**

Section 19.17.03 of the Code outlines the process and criteria for an amendment:

- a. The Planning Commission shall review the petition and make its recommendation to the City Council within thirty days of the receipt of the petition.

***Complies.*** *This is a City initiated proposal and has been presented for a recommendation to the City Council.*

- b. The Planning Commission shall recommend adoption of proposed amendments only where it finds the proposed amendment furthers the purpose of the Saratoga Springs Land Use Element of the General Plan and that changed conditions make the proposed amendment necessary to fulfill the purposes of this Title.

***Complies.*** *Please see Sections E and F of this report.*

- c. The Planning Commission and City Council shall provide the notice and hold a public hearing (Planning Commission) as required by the Utah Code. For an application which concerns a specific parcel of property, the City shall provide the notice required by Chapter 19.13 for a public hearing.

***Complies.*** *Please see Section D of this report.*

- d. For an application which does not concern a specific parcel of property, the City shall provide the notice required for a public hearing except that notice is not required to be sent to property owners directly affected by the application or to property owners within 300 feet of the property included in the application.

***Complies.*** *Please see Section D of this report.*

**D. Community Review:**

This item was noticed per State requirements as a Planning Commission public hearing. As of the date of this report, no public input has been received. The notice has also been posted in the City building, [www.saratogaspringscity.com](http://www.saratogaspringscity.com), and [www.utah.gov/pmn/index.html](http://www.utah.gov/pmn/index.html).

**E. General Plan:**

**Land Use Element – General Goals**

The General Plan has stated goals of responsible growth management, orderly and efficient development that is compatible with both the natural and built environment, establishment of a strong community identity in the City of Saratoga Springs, and implementation of ordinances and guidelines to assure quality of development.

**Moderate Income Housing Element**

The Moderate Income Housing element is a state-required section of the City's General Plan. In 2019, the City Council adopted from several options the "strategy" to provide moderate income housing options through the adoption of an accessory dwelling unit ordinance.

**Staff conclusion: Consistent.** *The proposed changes will still ensure quality of development, maintain community identity, ensure quality development through the maintenance of high standards, and require mitigation of impacts to existing/proposed development.*

**F. Code Criteria:**

**Code amendments are a legislative decision and grants the City Council significant discretion when considering changes to the Code.**

The criteria for an ordinance (Code) change are outlined below and act as guidance to the Council and to the Commission in making a recommendation. Note that the criteria is not binding.

**19.17.05 Consideration of General Plan, Ordinance, or Zoning Map Amendment**

The Planning Commission and City Council shall consider, but not be bound by, the following criteria when deciding whether to recommend or grant a General Plan, ordinance, or zoning map amendment:

1. The proposed change will conform to the Land Use Element and other provisions of the General Plan;  
**Consistent.** *See Section E of this report.*
2. the proposed change will not decrease nor otherwise adversely affect the health, safety, convenience, morals, or general welfare of the public;  
**Consistent.** *The amendments will not adversely affect the health and welfare of the general public.*
3. the proposed change will more fully carry out the general purposes and intent of this Title and any other ordinance of the City; and  
**Consistent.** *The stated purposes of the Code are found in section 19.01.04:*
  1. The purpose of this Title, and for which reason it is deemed necessary, and for which it is designed and enacted, is to preserve and promote the health, safety, morals, convenience, order, fiscal welfare, and the general welfare of the City, its present and future inhabitants, and the public generally, and in particular to:
    - a. encourage and facilitate the orderly growth and expansion of the City;
    - b. secure economy in governmental expenditures;
    - c. provide adequate light, air, and privacy to meet the ordinary or common requirements of happy, convenient, and comfortable living of the municipality's inhabitants, and to foster a wholesome social environment;
    - d. enhance the economic well-being of the municipality and its inhabitants;
    - e. facilitate adequate provisions for transportation, water, sewer,

- schools, parks, recreation, storm drains, and other public requirements;
- f. prevent the overcrowding of land, the undue concentration of population, and promote environmentally friendly open space;
- g. stabilize and conserve property values;
- h. encourage the development of an attractive and beautiful community; and
- i. promote the development of the City of Saratoga Springs in accordance with the Land Use Element of the General Plan.

**Consistent.** *The proposed amendment will ensure an effective development review process both benefiting the City, developers, and the public.*

- 4. in balancing the interest of the petitioner with the interest of the public, community interests will be better served by making the proposed change.

**Consistent.** *The amendments will provide additional clarity and effectiveness of the Code and better enhance the consistency in development review.*

**G. Planning Commission Recommendation:**

The Planning Commission reviewed this request in a public hearing on November 10, 2022 and recommend approval.

**H. Motions:**

**Positive**

Motion: “Based upon the evidence and explanations received today, I move to **approve** proposed amendment to Title 19 with the findings and conditions in the staff report dated November 23, 2022:”

**Findings:**

- 1. The amendments are consistent with Section 19.17.05.1, General Plan, as outlined in Sections E and F of this report and incorporated herein by reference.
- 2. The amendments are consistent with Section 19.17.05.2 as outlined in Section F of this report and incorporated herein by reference.
- 3. The amendments are consistent with Section 19.17.05.3 as outlined in Section F of this report and incorporated herein by reference.
- 4. The amendments are consistent with Section 19.17.05.4 as outlined in Section F of this report, and incorporated herein by reference.

**Conditions:**

- 1. The amendments shall be edited as directed by the City Council:
  - a. \_\_\_\_\_
  - b. \_\_\_\_\_

**Option 1 – Continuance**

Vote to **continue** all or some of the Code amendments to the next meeting, with specific feedback and direction to Staff on changes needed to render a decision.

Motion: “I move to continue the amendments to Title 19 to the [DATE] City Council meeting with the following direction on additional information needed and/or changes to the draft:

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_

**Option 2 – Denial**

Vote to deny all or some of the proposed Code amendments

Motion: “Based upon the evidence and explanations received today, I move to **deny** for the proposed amendments to all or some of the Title 19 amendments with the Findings below:

**Findings**

- 1. The amendments do not comply with Section 19.17.05, sub paragraphs 1, 2, 3, and/or 4, as articulated by the City Council:
- 2. \_\_\_\_\_

## **EXHIBIT A**

### **Staff Research on Impacts of IADUs**

#### **Utah League of Cities and Towns, Meg Ryan:**

There is nothing definitive just anecdotal at this point for Utah. Jake Young who used to work at the SLCO was working on ADU's and he kindly sent me this info below. In addition, I would add these two sites.

<https://turnercenter.berkeley.edu/research-and-policy/regulating-adus-in-california-local-approaches-outcomes/>

<https://accessorydwellings.org/>

#### **Jake Young, formerly with SL County:**

- Research with SL Co showed that cities in Utah with easy to follow ADU programs have at most 5% of ADUs for single family homes. That is certainly a small number.
- Quite often ADU space is converted space, the space or rooms were at one point used by children and now rented out. Not all ADUs are being used as additional space.
- ADUs are typically small and used by limited households 1-2 people.
- ADUs don't add additional landscape and therefore cities that use culinary ADUs do not have culinary or secondary landscape water demands (60%).
- The State has deemed it critical that cities don't require more than one more parking space, hence you can't assume every ADU has two cars (although some certainly do).
- To date I have heard of no cities with ADUs citing inadequate infrastructure through research.

Portland research is helpful.

[https://pdxscholar.library.pdx.edu/iss\\_pub/118/](https://pdxscholar.library.pdx.edu/iss_pub/118/) - Key Survey Results from ADU Occupants:

- 70% own 1 car
- 66% of their units are 1 bedroom or studio
- 51% are single
- 43% have 2 adults
- 90% have no children
- 79% have a 4 yr degree+
- Reason chose to live in ADU = 50% cost of living, 41% = to live in a neighborhood

#### **American Planning Association:**

1. When asked if they had any data on long-term impacts of IADUs, a contact from the APA responded that he was not aware of any longitudinal studies of any specific effect of internal ADUs. He asked the question if we have impacts that we are most interested in.
2. Searching the APA Site, we found:
  - a. PAS Quick Notes No. 19: Accessory Dwelling Units  
[quick notes \(planning-org-uploaded-media.s3.amazonaws.com\)](https://planning-org-uploaded-media.s3.amazonaws.com/quick-notes)

“Public resistance to ADUs usually takes the form of a perceived concern that they might transform the character of the neighborhood, increase density, add to traffic, make parking on the street more difficult, increase school enrollment, and put additional pressure on fire and police service, parks, or water and wastewater. However, communities that have allowed ADUs find that these perceived fears are mostly unfounded or overstated when ADUs are actually built.”

b. Research Knowledgebase: Accessory Dwelling Units [Accessory Dwelling Units \(planning.org\)](https://www.planning.org)

“...some residents of these [single-family] areas may be concerned about ADUs changing the character of their neighborhoods or overburdening existing infrastructure. The research\* to date does not support fears about lower property values or parking shortages. Conversely, there are some indications that ADUs do increase the supply of affordable housing and do make significant economic contributions to their host communities, through construction activity and property taxes.”

\*“Meanwhile, I have found zero objective evidence supporting two specific fears often mentioned by ADU opponents: parking problems and declines in property values. This is not to deny those things could ever happen – perhaps new evidence will emerge – but there is no basis for them right now.” - *Martin John Brown, researcher and consultant on environment and housing.*



**ORDINANCE NO. 22-52 (12-6-22)**

**AN ORDINANCE OF THE CITY OF SARATOGA SPRINGS,  
UTAH, (“CITY”) ADOPTING AMENDMENTS TO TITLE 19 OF  
THE SARATOGA SPRINGS CITY CODE, AND ESTABLISHING  
AN EFFECTIVE DATE**

**WHEREAS**, on September 6, 2011, pursuant to Utah Code § 10-3-707, the City Council of the City of Saratoga Springs, Utah (“City Council”) codified ordinances previously adopted, including Title 19, and in accordance with state law, adopted an Internal Accessory Dwelling Unit (“IADU”) map identifying areas in the City where IADUs are prohibited; and

**WHEREAS**, pursuant to authority granted in Utah Code Annotated § 10-3-701 *et seq.*, the City Council may adopt and amend laws, ordinances, regulations, and codes that comprise the regulatory, penal, and administrative ordinances of the City of Saratoga Springs; and

**WHEREAS**, the City Council reviewed the City Code and finds that further amendments to the City Code and the adoption of a revised IADU map are necessary and desirable to accomplish the purposes in Utah Code Annotated § 10-3-701 *et seq.*; and

**WHEREAS**, pursuant to Utah Code Chapter 10-9a, a legislative body such as the City Council may enact or amend land use regulations and adopt a revised IADU map so long as such advances the purposes in Chapter 10-9a and a duly-noticed public hearing was first held by the planning commission; and

**WHEREAS**, the Saratoga Springs Planning Commission held a public hearing, after the required public notice, on November 10, 2022, and forwarded a positive recommendation to the City Council; and

**WHEREAS**, the City Council, on December 6, 2022, reviewed the Planning Commission’s recommendation and all public comment received at the Planning Commission public hearing; and

**WHEREAS**, the City Council hereby finds that the amendments attached as Exhibit A advance the purposes of Utah Code Chapter 10-9a and further the public health, safety, and welfare of Saratoga Springs residents.

**NOW THEREFORE**, the City Council ordains as follows:

**SECTION I – ENACTMENT**

The amendments to Title 19 of the City Code attached as Exhibit A and the revised IADU map attached as Exhibit B, incorporated herein by this reference, are hereby enacted.

**SECTION I – ENACTMENT**

The amendments to Title 19 of the City Code attached as Exhibit A, incorporated herein by this reference, are hereby enacted.

## **SECTION II – AMENDMENT OF CONFLICTING ORDINANCES**

If any ordinances, resolutions, policies, or zoning maps of the City of Saratoga Springs heretofore adopted are inconsistent herewith they are hereby amended to comply with the provisions hereof. If they cannot be amended to comply with the provisions hereof, they are hereby repealed.

## **SECTION III – EFFECTIVE DATE**

This ordinance shall take effect upon its passage by a majority vote of the Saratoga Springs City Council and following notice and publication as required by the Utah Code.

## **SECTION IV – SEVERABILITY**

If any section, subsection, sentence, clause, phrase, or portion of this ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such provision shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions of this ordinance.

## **SECTION V – PUBLIC NOTICE**

The Saratoga Springs Recorder is hereby ordered, in accordance with the requirements of Utah Code §§ 10-3-710–711, to do as follows:

- a. deposit a copy of this ordinance in the office of the City Recorder; and
- b. publish notice as follows:
  - i. publish a short summary of this ordinance for at least one publication in a newspaper of general circulation in the City; or
  - ii. post a complete copy of this ordinance in three public places within the City.

**ADOPTED AND PASSED** by the City Council of the City of Saratoga Springs, Utah, this 6<sup>th</sup> day of December, 2022.

Signed: \_\_\_\_\_  
Jim Miller, Mayor

Attest: \_\_\_\_\_  
Cindy LoPiccolo, City Recorder

CITY COUNCIL VOTE AS RECORDED

Councilmembers:	Yes	No	Abstain	Excused
Chris Carn	_____	_____	_____	_____
Michael McOmber	_____	_____	_____	_____
Ryan Poduska	_____	_____	_____	_____
Chris Porter	_____	_____	_____	_____
Stephen Willden	_____	_____	_____	_____
Mayor Jim Miller (tie only)	_____	_____		

## **EXHIBIT A**

### **19.20.04. Permitted Locations of IADUs.**

The City may prohibit an IADU in up to 25% of the residential area of the City. Locations within the City where IADUs are prohibited, or approved in compliance with Section 19.20, are identified on the map in this Chapter and on the City's website. The IADU map may be modified from time to time by the City Council in accordance with the same procedural requirements of a land use ordinance.

#### **1. Neighborhood Map Amendment Request Process.**

- a. Requests to amend the map, including the addition or removal of a neighborhood or residential subdivision to or from areas designated as IADU-prohibited or residential zoning with IADU potential, may be considered by the City Council following the submittal of an application by either:
  - i. The board of a home owners association (HOA) representing the area of the request. Applicants shall attach a copy of the official, approved minutes of a board meeting where a majority voted to support the request; or
  - ii. A representative of a non-HOA neighborhood defined by a residential subdivision plat or plats. Applicants shall attach a signed petition or other document(s) of official certification representing at least sixty-six percent (66%) of the home owners in the neighborhood in support of the request.
  - iii. The Planning Commission shall forward to the City Council a recommendation concerning the request following a public hearing. Notice of the public hearing shall be sent to all properties within the subject neighborhood as well as to all properties which abut that plat.
  - iv. An application fee for an IADU Map amendment request shall be charged in an amount to be established by a resolution of the City Council in an amount representing the approximate average cost of reviewing and processing such applications. This fee shall be included in the City's Consolidate Fee Schedule.
- b. Any requests to amend the map to permit IADUs in neighborhoods or residential subdivisions having roads that were built under lesser than the current standards shall require approval by the City Fire Marshall and the City Engineer.
- c. The applicant shall submit a report that identifies how the projected number of IADUs added to the neighborhood may impact density issues, traffic and

infrastructure. The City Fire Marshal and City Engineering Staff shall review all IADU Map Amendment applications and recommend to the City Council conditions of approval based on the Fire Code or Engineering Standards related to traffic, roadway, infrastructure, or safety issues created by IADUs being allowed in the respective neighborhood or residential subdivision.

2. Development Requirements for New Development Areas.

- a. To the extent allowed by State law, new residential development plans that include the permitting of IADUs may be required to provide for any or all of the following: 1) wider roads, with widths up to the maximum permitted under Utah State Code, 2) infrastructure with increased sewer and water capacity, 3) increased off-street parking, or 4) other measures deemed necessary to mitigate for increased impacts from IADUs.



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**Code Amendment**

**Chapter 19.02 and 19.05 Accessory Structures**

**December 6, 2022**

**Public Hearing**

Report Date: November 23, 2022  
Applicant: City Initiated  
Previous Meeting: None  
Land Use Authority: City Council  
Previous Meeting: None  
Author: Ken R. Young, AICP, Community Development Director

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**A. Executive Summary:**

Recent building permits issued for the construction of accessory buildings / structures in residential areas has brought to light the need for modifications in zoning code provisions relating to these structures. The proposed amendments will provide improved criteria for the quality of construction and compatibility of accessory buildings / structures in residential neighborhoods.

**B. Specific Request:**

To amend certain section of the City Code relating to accessory structures, as shown in the attached Exhibit A.

**C. Process:**

Section 19.17.03 of the Code outlines the process and criteria for an amendment:

- a. The Planning Commission shall review the petition and make its recommendation to the City Council within thirty days of the receipt of the petition.

***Complies.*** This is a City initiated proposal and has been presented for a recommendation to the City Council.

- b. The Planning Commission shall recommend adoption of proposed amendments only where it finds the proposed amendment furthers the purpose of the Saratoga Springs Land Use Element of the General Plan and that changed conditions make the proposed amendment necessary to fulfill the purposes of this Title.

***Complies.*** Please see Sections E and F of this report.

- c. The Planning Commission and City Council shall provide the notice and hold a public hearing (Planning Commission) as required by the Utah Code. For an application which

concerns a specific parcel of property, the City shall provide the notice required by Chapter 19.13 for a public hearing.

***Complies.*** Please see Section D of this report.

- d. For an application which does not concern a specific parcel of property, the City shall provide the notice required for a public hearing except that notice is not required to be sent to property owners directly affected by the application or to property owners within 300 feet of the property included in the application.

***Complies.*** Please see Section D of this report.

**D. Community Review:**

This item was noticed per State requirements as a Planning Commission public hearing. As of the date of this report, no public input has been received. The notice has also been posted in the City building, [www.saratogaspringscity.com](http://www.saratogaspringscity.com), and [www.utah.gov/pmn/index.html](http://www.utah.gov/pmn/index.html).

**E. General Plan:**

**Land Use Element – General Goals**

The General Plan has stated goals of responsible growth management, orderly and efficient development that is compatible with both the natural and built environment, establishment of a strong community identity in the City of Saratoga Springs, and implementation of ordinances and guidelines to assure quality of development.

***Staff conclusion: Consistent.*** The proposed changes will still ensure quality of development, maintain community identity, ensure quality development through the maintenance of high standards, and require mitigation of impacts to existing/proposed development.

**F. Code Criteria:**

**Code amendments are a legislative decision and grants the City Council significant discretion when considering changes to the Code.**

The criteria for an ordinance (Code) change are outlined below and act as guidance to the Council and to the Commission in making a recommendation. Note that the criteria is not binding.

**19.17.05 Consideration of General Plan, Ordinance, or Zoning Map Amendment**

The Planning Commission and City Council shall consider, but not be bound by, the following criteria when deciding whether to recommend or grant a General Plan, ordinance, or zoning map amendment:

1. The proposed change will conform to the Land Use Element and other provisions of the General Plan;  
***Consistent.*** See Section E of this report.
2. the proposed change will not decrease nor otherwise adversely affect the

health, safety, convenience, morals, or general welfare of the public;

**Consistent.** *The amendments will not adversely affect the health and welfare of the general public.*

3. the proposed change will more fully carry out the general purposes and intent of this Title and any other ordinance of the City; and

**Consistent.** *The stated purposes of the Code are found in section 19.01.04:*

1. The purpose of this Title, and for which reason it is deemed necessary, and for which it is designed and enacted, is to preserve and promote the health, safety, morals, convenience, order, fiscal welfare, and the general welfare of the City, its present and future inhabitants, and the public generally, and in particular to:
  - a. encourage and facilitate the orderly growth and expansion of the City;
  - b. secure economy in governmental expenditures;
  - c. provide adequate light, air, and privacy to meet the ordinary or common requirements of happy, convenient, and comfortable living of the municipality's inhabitants, and to foster a wholesome social environment;
  - d. enhance the economic well-being of the municipality and its inhabitants;
  - e. facilitate adequate provisions for transportation, water, sewer, schools, parks, recreation, storm drains, and other public requirements;
  - f. prevent the overcrowding of land, the undue concentration of population, and promote environmentally friendly open space;
  - g. stabilize and conserve property values;
  - h. encourage the development of an attractive and beautiful community; and
  - i. promote the development of the City of Saratoga Springs in accordance with the Land Use Element of the General Plan.

**Consistent.** *The proposed amendment will ensure an effective development review process both benefiting the City, developers, and the public.*

4. in balancing the interest of the petitioner with the interest of the public, community interests will be better served by making the proposed change.

**Consistent.** *The amendments will provide additional clarity and effectiveness of the Code and better enhance the consistency in development review.*

**G. Planning Commission Recommendation:**

The Planning Commission reviewed this request in a public hearing on November 10, 2022 and recommend approval.

**H. Motions:**



## Positive Recommendation

Motion: “Based upon the evidence and explanations received today, I move to **approve** proposed amendment to Title 19 with the findings and conditions in the staff report dated October 25, 2022:”

### Findings:

1. The amendments are consistent with Section 19.17.05.1, General Plan, as outlined in Sections E and F of this report and incorporated herein by reference.
2. The amendments are consistent with Section 19.17.05.2 as outlined in Section F of this report and incorporated herein by reference.
3. The amendments are consistent with Section 19.17.05.3 as outlined in Section F of this report and incorporated herein by reference.
4. The amendments are consistent with Section 19.17.05.4 as outlined in Section F of this report, and incorporated herein by reference.

### Conditions:

1. The amendments shall be edited as directed by the City Council:
  - a. \_\_\_\_\_
  - b. \_\_\_\_\_

## Option 1 – Continuance

Vote to **continue** all or some of the Code amendments to the next meeting, with specific feedback and direction to Staff on changes needed to render a decision.

Motion: “I move to continue the amendments to Title 19 to the [DATE] City Council meeting with the following direction on additional information needed and/or changes to the draft:

1. \_\_\_\_\_
2. \_\_\_\_\_

## Option 2 – Denial

Vote to deny all or some of the proposed Code amendments

Motion: “Based upon the evidence and explanations received today, I move to **deny** for the proposed amendments to all or some of the Title 19 amendments with the Findings below:

### Findings

1. The amendments do not comply with Section 19.17.05, sub paragraphs 1, 2, 3, and/or 4, as articulated by the City Council:
2. \_\_\_\_\_

## EXHIBIT A

### Accessory Structures Code Amendments

#### 19.02.02. Definitions.

As used in this Title:

2. **“Accessory Building” or “Accessory Structure”** means a building or structure that:
  - a. is clearly incidental to and found in connection with a principal or main building;
  - b. is subordinate to and serves a principal or main building;
  - c. is subordinate in area, extent, or purpose to the principal or main building served;
  - d. is located on the same lot as the principal or main building served; and
  - e. contributes to the comfort, convenience, or necessity of the occupants, business, or industry in the principal or main building, and
  - f. does not include storage containers.

283. **“Structure, Accessory,”** see **“Accessory Structure”**

#### 19.05.02. General Supplemental Regulations.

1. **Semi-Private Recreation Clubs.** The Land Use Authority may permit the use of land in any zone for semi-private swimming clubs, tennis courts, or other recreational facilities providing that in all such cases, the following conditions are met:
  - a. the facilities shall be owned and maintained by the members; and
  - b. a minimum of seventy-five percent of the membership must be residents of the neighborhood or section of the subdivision.
2. **Yard Space, Open Space, Setbacks, and Other Requirements for One Building Only.** Required yards or open space around an existing building shall not be considered as providing yard or open space for any other building for the purpose of complying with the provisions of this Title. In addition, yards or other open space on an adjoining lot shall not be considered as providing a yard or open space on a lot whereon a building is to be erected or established. Areas needed to meet the width, depth, yard, area, parking, or other requirements of this Title for a lot or building may not be sold or leased away from such lot or building.
3. **Every Dwelling on a Lot.** Every dwelling structure shall be located and maintained on a separate lot or parcel having no less than the minimum area, width, depth, and frontage required by this Title for the zone in which the dwelling structure is located, except that group dwelling complexes or other more flexible requirements as permitted by this Title, may vary from this requirement.
  - a. Lots or parcels for which a development permit has been issued or for which a subdivision has received preliminary plat approval, and for which on-site development activity has begun, may no longer obtain a building permit for a dwelling based upon the original lot.
  - b. Lots or parcels for which preliminary plat approval has been given, but which development permit has either expired or been vacated by request of the property owner, may again obtain a building permit for the original lot.

4. **Lot Standards.** Except as otherwise provided in this Title, every lot within the City shall have such area and the required frontage upon a dedicated public or approved private street, as is required in this Title, before a building permit may be issued.
5. **Exceptions to Building Height Limitations.** Penthouse or roof structures for the housing of elevators, stairways, tanks, ventilating fans, or similar equipment required to operate and maintain the building, fire, or parapet walls, skylights, towers, steeples, flagpoles, chimneys, smokestacks, water tanks, theater lofts, silos, solar collectors, solar louvers and reflectors, or similar structures may be erected above the height limits herein prescribed, but no space above the height limits shall be allowed for purposes of providing additional floor space, nor shall it provide for human occupancy.
6. **Approval of Culinary Water Supply and Sewage Disposal Required.** Where either a supply of piped water under pressure, approved for use by the City, or a connection to an approved sanitary sewer system is not available, no building permit shall be issued until the proposed plan for sewage disposal and the proposed source of water supply has been approved by the City of Saratoga Springs and County Health Department.
7. **Buildings in Flood Plain.** All buildings and structures intended for human occupancy shall be constructed at least one (1) foot above the base flood elevation of Zone A as defined on the FEMA Flood Insurance Map.
8. **Effect of Transportation Master Plan on Location of Structures.** No building lot shall be created and no structure shall be erected within the location of a proposed street, road, highway, or right-of-way as shown on the City's currently-approved Transportation Master Plan.
9. **Location of Agricultural Accessory Structures.** Except as otherwise provided in Title 19, no barn, silo, equipment shed, storage building, or similar accessory building or accessory structure to an agricultural use of land may be constructed or relocated closer than ten feet to any side or rear boundary line or closer than 100 feet to any public street or any dwelling on adjacent properties. Reductions to the 100 foot requirement may be granted by the Land Use Authority on a case-by-case basis through a Site Plan Review using the process and criteria outlined in Chapter 19.14.
10. **Minimum Height of Dwellings.** In those zones allowing dwellings, no dwelling shall be erected where more than ten percent of its main floor area is, or will be, below the finished surface grade. No basement houses shall be permitted.
11. **Property Access Requirements.** No building permit shall be issued for a building that is to be constructed on a lot or parcel that does not either abut a dedicated public street or highway or a private roadway to allow for police, fire, and emergency services.
12. **Height of Accessory Buildings and Accessory Structures.** In all zones except for the A, RA-5, and RR zones, no accessory building or accessory structure shall be taller than any main structure or dwelling.
13. **Substandard Lots.** The requirements of this Title as to minimum lot area or lot width shall not be construed to prevent the use of a single-family dwelling on any lot or parcel of land in the event that such lot has been held in separate ownership since adoption of these regulations and meets the definition of nonconforming use or structure in the Utah Code.
14. **Swimming Pool (private).** Private swimming pools may be allowed in any residential zone as an accessory use if the following requirements are met:
  - a. it is an accessory use in a residential zone and is located within a side or rear yard;
  - b. it is intended and is to be used solely for the enjoyment of the occupants and guests of dwelling or dwellings on the property on which it is located;

- c. it may not be located closer than five feet to any property line of the property on which it is located;
  - d. shall not be located within any public utility easement;
  - e. the swimming pool, or the entire property on which it is located, shall be walled or fenced to a minimum height of six feet. Where a swimming pool is located less than thirty feet from any property line, the pool shall be enclosed within a view obstructing wall or fence not less than six feet in height. Vegetation on or near a fence or wall shall not be considered view obstructing. All gates on said fences shall be fitted with a latching device located on the interior side of the gate;
  - f. where a swimming pool is completely enclosed in a building, the location requirements for accessory and main buildings shall apply. Where a swimming pool is to be located in the near vicinity of any septic tank or sewage disposal drain field, the location must be approved by the Utah County Health Department; and
  - g. any pool lighting shall be installed and directed in such a manner as to not cause disturbance to neighboring residents.
15. **Sports Court (private).** No sports court shall be allowed in any zone except as an accessory use and unless it complies with the following conditions and requirements:
- a. it is an accessory use to a main building and is located within the side or rear yard thereof;
  - b. it is intended and is to be used solely for the enjoyment of the occupants and guests of the principal use of the property on which it is located;
  - c. it may not be located closer than five feet to any property line of the property on which it is located.
  - d. in a corner lot where the rear lot line is coterminous with a side lot line of an adjoining lot, it shall be located not less than twenty feet from such lot line;
  - e. any court lighting shall be installed and directed in such a manner as to not cause disturbance to neighboring residents; and
  - f. the hours of operation shall be from 8:00 a.m. to 10:00 p.m.
16. **Skateboard Ramp (private).** No skateboard ramp shall be allowed in any zone in the City except as an accessory use and unless it complies with the following conditions and requirements:
- a. it is an accessory use to a main building and is located within the side or rear yard thereof;
  - b. it is intended and is to be used solely for the enjoyment of the occupants and guests of the principal use of the property on which it is located. No commercial or advertised use of the ramp shall be permitted and no donations or contributions shall be solicited or received for use of or attendance at ramp activities;
  - c. it may not be located closer than twenty feet to any property line of the property on which it is located. It shall be not less than thirty feet from any neighbor's dwelling or twenty feet from any side lot line of any adjacent vacant lot;
  - d. on a corner lot where the rear lot line is coterminous with a side lot line of an adjacent lot, it shall be located not less than twenty feet from such lot line;
  - e. the hours of operation shall be from 8:00 a.m. to 10:00 p.m.;
  - f. ramp lighting shall not be installed more than six feet above ground level and shall be directed in such a manner as to not cause disturbance to neighboring residents;

- g. the ramp shall be of such a scale and design and constructed of materials which will minimize noise, vibration, and other nuisance factors commonly associated with ramp usage. Portions of the ramp may be located below ground level, but in no case shall any portion of the ramp exceed six feet in height above ground level, excluding handrails. The ramp shall comply with all pertinent sections of the Building Code and all land use requirements of accessory structures and a building permit shall be obtained; and
  - h. the ramp must be inside an enclosure or within an enclosed yard.
17. **Private Spas.** A private spa is an accessory use to a main building and shall be located within the side or rear yard thereof.
18. **Structure located within a Public Utility Easement.** On a case by case basis the City Engineer, City Building Official, and Planning Director may consider allowing a permanent structure within a public utility easement. This applies to buildings and structures requiring a building permit according to the International Building Code, and in-ground construction such as pools. The applicant will be required to obtain a waiver letter from each affected utility company including the City of Saratoga Springs. The applicant will also be required to sign a deed restriction/affidavit form which indicates that these restrictions run with the land. This document will be recorded prior to City approval and issuance of a building permit.
- a. Structures not requiring a building permit according to the International Building Code are subject to the requirements of Section 19.05.11.
19. **Model Homes.** Model homes may be constructed in approved and recorded residential subdivisions when water, power, and sewer services are available to the site. Sites for model homes must also have improved, all-weather, vehicular access as approved by the City Engineer. Model homes may not be occupied as a dwelling until a permanent Certificate of Occupancy has been issued by the City.

#### **19.05.06. Keeping Chickens in the R1-40, R1-20, and R1-10 Zones.**

- 1. Residents in the R1-40, R1-20, and R1-10 zones may keep and maintain chickens on their property subject to the requirements of this Section and any other applicable provision of this Code. This Section prohibits the keeping of other fowl (e.g. pheasants, turkeys, peacocks, etc.). Keeping of chickens shall be permitted within the R1-40, R1-20, and R1-10 zones; however, this ordinance does not supersede any covenants, conditions, restrictions (CC&Rs), bylaws, or other protective covenants of any subdivision.
- 2. The guidelines and requirements of this Section are intended to:
  - a. minimize nuisance to neighboring property owners;
  - b. prevent rodent, insect, vermin, and pest proliferation;
  - c. prevent the spread of disease; and
  - d. allow residents to provide for themselves and produce food for the exclusive benefit of their families.
- 3. The following standards of care are required where the provisions of this Section apply:
  - a. Hen chickens (but not roosters) may be kept on a non-nuisance basis for the sole purpose of producing eggs, with no sale or income resulting from the keeping of chickens. For purposes of this Subsection only, chickens adversely affecting the physical health, which physical health

condition must be documented, of an individual of an adjacent lot owner shall be considered a nuisance.

- b. Up to ten hen chickens may be kept on any one lot or parcel.
  - c. Chickens may be kept on properties containing a single family dwelling only.
  - d. Chickens shall be confined within a secure outdoor enclosed area. A fenced back yard does not meet this requirement.
  - e. All enclosures, pens, coops, and run areas shall be maintained in good condition so as to keep it rodent and predator resistant from all sides, including burrowing.
  - f. Manure and odor producing excrement shall be removed from all enclosures, pens, coops and run areas as necessary to prevent any odor detectable at a property line. Furthermore, such manure and excrement shall be bagged and disposed of properly, and onsite composting of such shall be prohibited.
  - g. All enclosures, pens, coops, and run areas shall be kept and maintained in a clean and sanitary condition.
  - h. All enclosures, pens, coops, and run areas shall be located to the rear of the main dwelling or in an interior side yard. There shall be no visible evidence of chickens from neighboring properties from ground level. All enclosures, pens, coops, run areas, or compost piles which may contain chicken waste shall be located at least ten feet from any property line, six feet from the main dwelling on the property, and at least thirty feet from the nearest residential dwelling on adjoining properties.
  - i. All animal food storage shall be completely secured from insects, rodents, and other vermin.
  - j. Clean water shall be available to the chickens at all times.
  - k. Dead birds or rotting eggs shall be removed within ten hours and in accordance with Title 9 of the City Code.
  - l. Slaughtering of chickens shall not be visible to adjoining property owners or the public. Section 9.01.09 of the City Code shall not be applicable to the slaughtering of chickens as long as such slaughtering is done in a humane manner.
4. The following standards for Runs, Structures, and Coops shall apply:
- a. Keeping of chickens shall require construction and utilization of a run area and a coop. The coop shall be constructed to provide adequate shelter and space for chickens to roost. Run areas shall be connected to the coop and provide some method by which chickens are not allowed to roam freely beyond the run area. This would include the possibility of flying out of the run area. Run areas must also prevent intrusion, including burrowing, from predatory animals.
  - b. Structures and coops used for keeping and feeding chickens shall be designed and constructed as follows:
    - i. with solid walls on all sides, exclusive of openings for animals and access to animals;
    - ii. with a solid roof;
    - iii. so as to prevent intrusion, including burrowing from all types of rodents, vermin, and predatory animals;
    - iv. that they resemble typical accessory buildings or accessory structures and are not unsightly;

- v. using building materials and coloration compliant with requirements within subdivision CC&Rs or, if there are no such CC&Rs, consistent with the materials used for the primary residence; and
- vi. that they be appropriately secured or anchored to the ground.
- c. For structures or coops of large enough size, or those being altered, that would require a building permit, the owner shall apply for and be issued a permit by the City prior to construction or alteration.
- d. Any electrical installation for a structure or coop must comply with current electrical codes.

**19.05.11. Accessory Buildings and Accessory Structures in Residential Development.**

Accessory buildings and accessory structures may be placed on residential lots subject to the standards in the applicable zone districts as outlined in Chapter 19.04, and the standards of this section.

1. All accessory buildings and accessory structures shall meet the following standards:
  - a. In all residential zones except for the A, RA-5, and RR zones, the maximum building height for buildings or structures with a footprint of over two hundred (200) square feet shall be twenty five feet (25') or the height of the primary structure, whichever is more restrictive shall not be taller than any main structure or dwelling for buildings with a building permit, or fifteen feet for buildings not requiring a building permit of two hundred (200) square feet or less;
  - b. shall be of color and construction compatible with and similar to the primary structure. Buildings over two hundred (200) square feet shall be built of durable materials, except metal on the exterior, and shall include a wainscot, siding, or similar architectural feature covering a minimum of thirty percent (30%) of all building sides (except door areas), made of similar materials used on the primary structure; and
  - c. shall be regularly maintained in a clean and well-kept manner; and
  - d. shall not drain onto adjacent properties or onto public property; and
  - e. shall not be located in a required clear view triangle as outlined in Section 19.06; and
  - f. shall have a minimum twenty foot long driveway if housing a car, truck, RV, or other automobile.
  - g. accessory structures requiring a building permit shall not be located over a PUE, unless an encroachment is approved by City Public Works.
2. Accessory buildings and accessory structures requiring a building permit according to the International Building Code:
  - a. shall meet the accessory building and accessory structure setbacks identified in the applicable zone district, and
  - b. shall not occupy more than 30% of any side or rear yard, subject to the lot coverage limitations of the applicable zone district.
3. Accessory buildings and accessory structures not requiring a building permit according to the International Building Code shall not be required to meet interior side yard and rear yard setbacks, and street-side yard setbacks for corner lots where the rear property line abuts the rear property line of the adjacent lot. Exemptions from permit requirements of this code shall not be deemed to grant

authorization for any work to be done in any manner in violation of the provisions of this code or any other laws or ordinances of this jurisdiction. If placed within a required setback, such buildings:

- a. are placed at the property owners' risk per Utah Code Chapter 54-3; and
- b. shall have a maximum height of ten feet, as measured from the finished grade of the surface directly beneath the building to the highest point of the building roof; and
- c. shall not have openings facing adjoining properties; and
- d. shall have minimum one-hour fire rated construction for surfaces facing adjoining properties; and
- e. shall not be used for the housing of animals or birds; and
- f. if within the street side-yard setback, shall not have openings facing the street side property line.



THIS



NOT THAT



#### 19.05.11. Accessory Buildings in Residential Development.

Accessory buildings may be placed on residential lots subject to the standards in the applicable zone districts as outlined in Chapter 19.04, and the standards of this section.

1. All accessory buildings shall meet the following standards:

a. In all zones except for the A, RA-5, and RR zones, shall not be taller than any main structure or dwelling for buildings with a building permit, or fifteen feet for buildings not requiring a building permit;

b. shall be of color and construction compatible with and similar to the primary structure; and

c. shall be regularly maintained in a clean and well-kept manner; and

d. shall not drain onto adjacent properties or onto public property; and

e. shall not be located in a required clear view triangle as outlined in Section 19.06; and

f. shall have a minimum twenty foot long driveway if housing a car, truck, RV, or other automobile.

g. accessory structures requiring a building permit shall not be located over a PUE.

**ORDINANCE NO. 22-53 (12-6-22)**

**AN ORDINANCE OF THE CITY OF SARATOGA SPRINGS, UTAH,  
("CITY") ADOPTING AMENDMENTS TO CHAPTERS 19.02 , 19.04,  
AND 19.05 OF TITLE 19 OF THE SARATOGA SPRINGS CITY  
CODE RELATING TO ACCESSORY STRUCTURES AND  
ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, on September 6, 2011, pursuant to Utah Code § 10-3-707, the City Council of the City of Saratoga Springs, Utah ("City Council") codified ordinances previously adopted; and

**WHEREAS**, pursuant to authority granted in Utah Code Annotated § 10-3-701 et seq., the City Council may adopt and amend laws, ordinances, regulations, and codes that comprise the regulatory, penal, and administrative ordinances of the City of Saratoga Springs; and

**WHEREAS**, the City Council reviewed the City Code and finds that further amendments to the City Code are necessary to accomplish the purposes in Utah Code Annotated § 10-3-701 et seq.; and

**WHEREAS**, pursuant to Utah Code Chapter 10-9a, a legislative body such as the City Council may enact or amend land use regulations so long as such advances the purposes in Chapter 10-9a and a duly-noticed public hearing was first held by the planning commission; and

**WHEREAS**, the Saratoga Springs Planning Commission held a public hearing, after the required public notice, on November 10, 2022, and forwarded a recommendation to the City Council with recommended amendments; and

**WHEREAS**, the City Council, on December 6, 2022, reviewed the Planning Commission's recommendation and all public comment received at the Planning Commission public hearing; and

**WHEREAS**, the City Council hereby finds that the amendments attached as Exhibit A advance the purposes of Utah Code Chapter 10-9a and further the public health, safety, and welfare of Saratoga Springs residents.

**NOW THEREFORE**, the City Council ordains as follows:

**SECTION I – ENACTMENT**

The amendments to Title 19 of the City Code attached as Exhibit A, incorporated herein by this reference, are hereby enacted.

**SECTION II – AMENDMENT OF CONFLICTING ORDINANCES**

If any ordinances, resolutions, policies, or zoning maps of the City of Saratoga Springs heretofore adopted are inconsistent herewith they are hereby amended to comply with the

provisions hereof. If they cannot be amended to comply with the provisions hereof, they are hereby repealed.

### **SECTION III – EFFECTIVE DATE**

This ordinance shall take effect upon its passage by a majority vote of the Saratoga Springs City Council and following notice and publication as required by the Utah Code.

### **SECTION IV – SEVERABILITY**

If any section, subsection, sentence, clause, phrase, or portion of this ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such provision shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions of this ordinance.

### **SECTION V – PUBLIC NOTICE**

The Saratoga Springs Recorder is hereby ordered, in accordance with the requirements of Utah Code §§ 10-3-710–711, to do as follows:

- a. deposit a copy of this ordinance in the office of the City Recorder; and
- b. publish notice as follows:
  - i. publish a short summary of this ordinance for at least one publication in a newspaper of general circulation in the City; or
  - ii. post a complete copy of this ordinance in three public places within the City.

**ADOPTED AND PASSED** by the City Council of the City of Saratoga Springs, Utah, this 6<sup>th</sup> day of December, 2022.

Signed: \_\_\_\_\_  
Jim Miller, Mayor

Attest: \_\_\_\_\_  
Cindy LoPiccolo, City Recorder

### **CITY COUNCIL VOTE AS RECORDED**

Councilmembers:	Yes	No	Abstain	Excused
Chris Carn	_____	_____	_____	_____
Michael McOmber	_____	_____	_____	_____
Ryan Poduska	_____	_____	_____	_____
Chris Porter	_____	_____	_____	_____
Stephen Willden	_____	_____	_____	_____
Mayor Jim Miller (tie only)	_____	_____		

## **EXHIBIT A**

### **19.02.02. Definitions.**

As used in this Title:

2. **“Accessory Building” or “Accessory Structure”** means a building or structure that:
- is clearly incidental to and found in connection with a principal or main building;
  - is subordinate to and serves a principal or main building;
  - is subordinate in area, extent, or purpose to the principal or main building served;
  - is located on the same lot as the principal or main building served; and
  - contributes to the comfort, convenience, or necessity of the occupants, business, or industry in the principal or main building, and
  - does not include storage containers.

**293. “Structure, Accessory,” see “Accessory Structure”**

### **19.04.07. Land Use Regulations, Agricultural and Residential Zones.**

#### **1. Table Summary of Land Use Regulation, Agricultural and Residential Zones.**

<b>19.04.07. Land Use Regulation, Agricultural and Residential Zones.</b>													
<b>1. Table Summary of Land Use Regulations, Agricultural and Residential Zones.</b>													
	<b>A</b>	<b>RA-5</b>	<b>RR</b>	<b>R1-40</b>	<b>R1-20</b>	<b>R1-10</b>	<b>R1-9</b>	<b>R2-8</b>	<b>R3-6</b>	<b>MF-10</b>	<b>MF-14</b>	<b>MF-18</b>	<b>MR</b>
<b>Maximum Units per Acre</b>	<b>1 unit/ 5 acre</b>	<b>1 unit/ 5 acres</b>	<b>1 unit/ acre</b>	<b>1 unit/ acre</b>	<b>2 units/ acre</b>	<b>3 units/ acre</b>	<b>4 units/ acre</b>	<b>5 units/ acre<sup>2</sup></b>	<b>6 units/ acre<sup>2</sup></b>	<b>10 units/ acre<sup>2</sup></b>	<b>14 units/ acre<sup>2</sup></b>	<b>18 units/ acre<sup>2</sup></b>	<b>8 units/ acre<sup>5</sup></b>
<b>Minimum Lot Sizes, Residential<sup>6</sup></b>	5 acres	5 acres	1 acre	1 acre	14,000 sq.ft.	10,000 sq.ft.	9,000 sq.ft.	8,000 sq.ft.	6,000 sq.ft.	5,000 sq.ft.	5,000 sq.ft.	5,000 sq.ft.	3,200 sq.ft.
<b>Minimum Lot Size, Non-residential</b>	5 acres	5 acres	1 acre	1 acre	30,000 sq.ft.	30,000 sq.ft.	30,000 sq.ft.	30,000 sq.ft.	30,000 sq.ft.	30,000 sq.ft.	30,000 sq.ft.	30,000 sq.ft.	10,000 sq.ft.
<b>Footprint Development :</b>	N/A	N/A	N/A	N/A	N/A	N/A	allowe d	allowe d	allowe d	allowed	allowed	allowed	allowed
<b>Minimum Building Separation</b>							10'	10'	10'	10'	10'	10'	10'

Minimum Project Size							5 acres	5 acres	5 acres	5 acres	5 acres	5 acres	50 Acres
Maximum Lot Coverage	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	Per NP <sup>4</sup>
Primary Structure Maximum Height	35'	35'	35'	35'	35'	35'	35'	35'	35'	35'	40'	40'	35' for SF 40' for TH 45' for stacked #
<b>Maximum Accessory Structure Height: <del>see 19.05.11</del></b> <u>200 sq. ft. and over = 25' or the height of the primary structure, whichever is more restrictive</u> <u>Under 200 sq. ft. = 15'</u>													
Minimum Dwelling Size	1,000 sq.ft.	1,000 sq.ft.	1,000 sq.ft.	1,000 sq.ft.	1,000 sq.ft.	1,000 sq.ft.	1,000 sq.ft.	1,000 sq.ft.	1,000 sq.ft.	1,000 sq.ft.	800 sq.ft.	800 sq.ft.	800 sq.ft.
Minimum Lot Width	250'	250'	100'	100'	90'	70'	70'	60'	50'	50'	50'	50'	50'
Minimum Lot Frontage <sup>3</sup>				75'	35'	35'	35'	35'	35'	35'	35'	35'	Per NP
Minimum Open Space Frontage	35'	35'	35'	35'	35'	35'	35'	35'	35'	35'	35'	35'	Per NP
	A	RA-5	RR	R1-40	R1-20	R1-10	R1-9	R2-8	R3-6	MF-10	MF-14	MF-18	MR
<b>Minimum Setbacks for Primary Structures:</b>													<b>See ##</b>
Front <sup>1</sup>	50'	50'	35'	35'	25', An enclosed entry or porch may encroach up to 5' into the required setback				25' to garage, 20' to front plane of the building				20'
Street side	50'	50'	35'	35'	20'	20'	20'	20'	20'	20'	20'	20'	20'
Interior Side	12'	12'	12'	12'	8'/20' (min/c ombin ed)	8'/20' (min/c ombin ed)	8'/16' (min/c ombin ed)	6'/12' (min/c ombin ed)	10' between buildings, 5' between exterior walls and property lines.				
Non-residential Interior Side	25'	25'	25'	25'	25'	25'	25'	25'	25'	25'	25'	25'	25'

Rear <sup>1</sup>	25'	25'	25'	25'	25'	25'	20'	20'	20' between buildings, 20' between exterior walls and property lines.				
Non-residential Rear	25'	25'	25'	25'	25'	25'	20'	20'	30'	30'	30'	30'	20'
<b>Minimum Setbacks for Accessory Structures:</b>													
Front							Same as principal structure						
Street side							Same as principal structure						
Interior Side (200 sq. ft. and over)	25'	12'	12'	12'	<u>2' 5'</u>	<u>2' 5'</u>	<u>2' 5'</u>	<u>2' 5'</u>	<u>2' 5'</u>	<u>2' 5'</u>	<u>2' 5'</u>	<u>2' 5'</u>	<u>2' 5'</u>
Interior Side (Under 200 sq. ft.)	<u>25'</u>	<u>12'</u>	<u>12'</u>	<u>12'</u>	<u>2'</u>	<u>2'</u>	<u>2'</u>	<u>2'</u>	<u>2'</u>	<u>2'</u>	<u>2'</u>	<u>2'</u>	<u>2'</u>
Rear (200 sq. ft. and over)	25'	12'	12'	12'	<u>2' 5'</u>	<u>2' 5'</u>	<u>2' 5'</u>	<u>2' 5'</u>	<u>2' 5'</u>	<u>2' 5'</u>	<u>2' 5'</u>	<u>2' 5'</u>	<u>2' 5'</u>
Rear (Under 200 sq. ft.)	<u>25'</u>	<u>12'</u>	<u>12'</u>	<u>12'</u>	<u>2'</u>	<u>2'</u>	<u>2'</u>	<u>2'</u>	<u>2'</u>	<u>2'</u>	<u>2'</u>	<u>2'</u>	<u>2'</u>
Distance from a Residence	Structures housing animals shall be 60' from neighboring residences, 5' for all other structures					5' from dwelling							
	A	RA-5	RR	R1-40	R1-20	R1-10	R1-9	R2-8	R3-6	MF-10	MF-14	MF-18	MR

<sup>1</sup> An unenclosed entry, porch, or deck may encroach up to five feet into either the required front setback or rear setback and up to three feet into the required side setback.

<sup>2</sup> No density shall be calculated on sensitive lands

<sup>3</sup> Frontage exceptions: flag lots and lots on shared driveways subject to the standards in 19.12

<sup>4</sup> NP refers to the Neighborhood Plan as required in the Mixed Residential Zone per 19.04.13

<sup>5</sup> Up to 12 units per acre may be considered in the MR Zone per 19.04.13.4

<sup>6</sup> Corner lots in the R1-10, R1-9, R2-8, R3-6, MR-10, MF-14, and MF-18 zones shall be ten percent larger than the minimum required of the zone.

#SF means single family, TH means townhomes and stacked means stacked multifamily units

##Setback reductions may be considered at the time of Neighborhood Plan Approval per 19.04.13

## 19.04.10. Land Use Regulations, Non-Residential and Mixed Use Zones.

**1. Table Summary of Land Use Regulations, Non-Residential Zones.**

	NC	CC	RC	HC	OW	I	BP	I/C	PSBL
<b>Minimum Development Size</b>					40,000 sq. ft.	10 acres	3 acres		
<b>Minimum Lot Size</b>	15,000 sq. ft.	20,000 sq. ft.	30,000 sq. ft.	20,000 sq. ft.	20,000 sq. ft.	20,000 sq. ft.	30,000 sq. ft.	20,000 sq. ft.	10 acres
<b>Minimum Setback Requirements:</b>									
Front/Corner Side	25'	25'	10'	20'	20'	30'	10'	25'	50'
Interior Sides	15' or height of building, whichever is greater, when adjacent to a residential zone	10' or height of building, whichever is greater, when adjacent to a residential zone	10' or height of building, whichever is greater, when adjacent to a residential zone	15' or height of building, whichever is greater, when adjacent to a residential zone	10' or height of building, whichever is greater, when adjacent to a residential zone	15' or height of building, whichever is greater, when adjacent to a residential zone	Equal to height of building where adjacent to a residential, MU or MW zone with a 20' minimum. 20' next to all other zones	25'	50'
Rear	25' or height of building, whichever is greater, when adjacent to a residential zone	25' or height of building, whichever is greater, when adjacent to a residential zone	30' or height of building, whichever is greater, when adjacent to a residential zone	30' or height of building, whichever is greater, when adjacent to a residential zone	30' where adjacent to a residential, MU or MW zone. 20' next to all other zones	50' where adjacent to a residential, MU or MW zone. 20' next to all other zones	25' or height of building, whichever is greater, when adjacent to a residential zone	25'	50'
Exceptions Allowed	yes	yes	no	no	no	no	no	no	no
Minimum Building Separation				20'	20'	20'	20' between single story, 30' between two or more stories	20'	



	NC	CC	RC	HC	OW	I	BP	I/C	PSBL
<b>Minimum Lot Width</b>	100'	100'		70'	70'		80'	80'	
<b>Minimum Lot Frontage</b>	100'	100'					80'	80'	
<b>Maximum Height of Structures</b>	35'	40'	50'	40', or 45' for buildings that consist of 50% office space or more	40'	50'	75'	50'	35'
<b>Maximum Lot Coverage</b>	50%	50%	50%	50%	50%	50%	50%	50%	80% for parking lot and buildings
<b>Minimum Building Size</b>			1,000 sq. ft.						
<b>Maximum Building Footprint Size</b>	15,000 sq. ft.			50,000 sq. ft. max for each building within developments less than 20 acres in size <sup>1,2</sup>	Vested with rezoning, see 19.04.09 (5); otherwise 80,000 sq. ft.	100,000 sq. ft.			
<ol style="list-style-type: none"> <li>One building of 80,000 sq. ft. maximum is permitted for every 20 contiguous acres within the same development. i.e. 40 contiguous acres is required for two buildings that are each 80,000 sq. ft. maximum.</li> <li>These limits shall not be applied to "Retail, Big Box," "Office, Professional," or "Office, Medical and Health Care" which may be any size in the HC zone.</li> </ol>									

## 2. Table Summary of Land Use Regulations, Mixed Use Zone.

	<b>MU</b>
<b>Maximum Units per Acre</b>	<b>14 units/acre for residential portion of project**</b>
<b>Minimum Project Size</b>	<b>5 acres</b>
<b>Minimum Lot Size:</b>	
Non-residential	15,000 sq. ft.
Single Family Lots	5,000 sq. ft.
Two-Family and Three-Family Dwellings	6,000 sq. ft.
Multi-Family Dwellings	see footprint development requirements
Footprint Development	Allowed
Residential Above Commercial	15,000 sq. ft.
<b>Minimum Setback Requirements:</b>	
Mixed use buildings:	first floor: 10' around the perimeter second floor: 20' around the perimeter third floor: 30' around the perimeter fourth floor: 40' around the perimeter
Residential and Commercial Buildings:	
Front*	20'
Interior Sides for residential single family and footprint development	10' between buildings, 5' between exterior walls and property lines.
Interior sides for residential two-family, three-family, multi-family	10' between buildings
Interior Sides for non-residential	10'
Rear*	20'
Corner Side	15'
Accessory <del>Building</del> Structure Setbacks	front and corner side: same as primary structure, Rear and interior side: 5'
<b>Minimum Lot Width</b>	<b>50'</b>
<b>Minimum Lot Frontage:</b>	
Residential	35'

Non-residential	60'
Mixed use buildings	100'
<b>Maximum Height of Structures</b>	Four Stories, 45'
<b>Maximum Lot Coverage</b>	50%
<b>Minimum Dwelling Size</b>	1,000 sq. ft. above grade (not to include any garage space)

\*An unenclosed entry, porch, or deck may encroach up to five feet into either the required front setback or rear setback **and up to two feet into the required side setback.**

\*\* No density shall be calculated on sensitive lands

#### **19.05.02. General Supplemental Regulations.**

1. **Semi-Private Recreation Clubs.** The Land Use Authority may permit the use of land in any zone for semi-private swimming clubs, tennis courts, or other recreational facilities providing that in all such cases, the following conditions are met:
  - a. the facilities shall be owned and maintained by the members; and
  - b. a minimum of seventy-five percent of the membership must be residents of the neighborhood or section of the subdivision.
2. **Yard Space, Open Space, Setbacks, and Other Requirements for One Building Only.** Required yards or open space around an existing building shall not be considered as providing yard or open space for any other building for the purpose of complying with the provisions of this Title. In addition, yards or other open space on an adjoining lot shall not be considered as providing a yard or open space on a lot whereon a building is to be erected or established. Areas needed to meet the width, depth, yard, area, parking, or other requirements of this Title for a lot or building may not be sold or leased away from such lot or building.
3. **Every Dwelling on a Lot.** Every dwelling structure shall be located and maintained on a separate lot or parcel having no less than the minimum area, width, depth, and frontage required by this Title for the zone in which the dwelling structure is located, except that group dwelling complexes or other more flexible requirements as permitted by this Title, may vary from this requirement.
  - a. Lots or parcels for which a development permit has been issued or for which a subdivision has received preliminary plat approval, and for which on-site development activity has begun, may no longer obtain a building permit for a dwelling based upon the original lot.
  - b. Lots or parcels for which preliminary plat approval has been given, but which development permit has either expired or been vacated by request of the property owner, may again obtain a building permit for the original lot.
4. **Lot Standards.** Except as otherwise provided in this Title, every lot within the City shall have such area and the required frontage upon a dedicated public or approved private street, as is required in this Title, before a building permit may be issued.

5. **Exceptions to Building Height Limitations.** Penthouse or roof structures for the housing of elevators, stairways, tanks, ventilating fans, or similar equipment required to operate and maintain the building, fire, or parapet walls, skylights, towers, steeples, flagpoles, chimneys, smokestacks, water tanks, theater lofts, silos, solar collectors, solar louvers and reflectors, or similar structures may be erected above the height limits herein prescribed, but no space above the height limits shall be allowed for purposes of providing additional floor space, nor shall it provide for human occupancy.
6. **Approval of Culinary Water Supply and Sewage Disposal Required.** Where either a supply of piped water under pressure, approved for use by the City, or a connection to an approved sanitary sewer system is not available, no building permit shall be issued until the proposed plan for sewage disposal and the proposed source of water supply has been approved by the City of Saratoga Springs and County Health Department.
7. **Buildings in Flood Plain.** All buildings and structures intended for human occupancy shall be constructed at least one (1) foot above the base flood elevation of Zone A as defined on the FEMA Flood Insurance Map.
8. **Effect of Transportation Master Plan on Location of Structures.** No building lot shall be created and no structure shall be erected within the location of a proposed street, road, highway, or right-of-way as shown on the City's currently-approved Transportation Master Plan.
9. **Location of Agricultural Accessory Structures.** Except as otherwise provided in Title 19, no barn, silo, equipment shed, storage building, or similar accessory building or accessory structure to an agricultural use of land may be constructed or relocated closer than ten feet to any side or rear boundary line or closer than 100 feet to any public street or any dwelling on adjacent properties. Reductions to the 100 foot requirement may be granted by the Land Use Authority on a case-by-case basis through a Site Plan Review using the process and criteria outlined in Chapter 19.14.
10. **Minimum Height of Dwellings.** In those zones allowing dwellings, no dwelling shall be erected where more than ten percent of its main floor area is, or will be, below the finished surface grade. No basement houses shall be permitted.
11. **Property Access Requirements.** No building permit shall be issued for a building that is to be constructed on a lot or parcel that does not either abut a dedicated public street or highway or a private roadway to allow for police, fire, and emergency services.
12. **Height of Accessory Buildings and Accessory Structures.** In all zones except for the A, RA-5, and RR zones, no accessory building or accessory structure shall be taller than any main structure or dwelling.
13. **Substandard Lots.** The requirements of this Title as to minimum lot area or lot width shall not be construed to prevent the use of a single-family dwelling on any lot or parcel of land in the event that such lot has been held in separate ownership since adoption of these regulations and meets the definition of nonconforming use or structure in the Utah Code.
14. **Swimming Pool (private).** Private swimming pools may be allowed in any residential zone as an accessory use if the following requirements are met:
  - a. it is an accessory use in a residential zone and is located within a side or rear yard;
  - b. it is intended and is to be used solely for the enjoyment of the occupants and guests of dwelling or dwellings on the property on which it is located;
  - c. it may not be located closer than five feet to any property line of the property on which it is located;

- d. shall not be located within any public utility easement;
  - e. the swimming pool, or the entire property on which it is located, shall be walled or fenced to a minimum height of six feet. Where a swimming pool is located less than thirty feet from any property line, the pool shall be enclosed within a view obstructing wall or fence not less than six feet in height. Vegetation on or near a fence or wall shall not be considered view obstructing. All gates on said fences shall be fitted with a latching device located on the interior side of the gate;
  - f. where a swimming pool is completely enclosed in a building, the location requirements for accessory and main buildings shall apply. Where a swimming pool is to be located in the near vicinity of any septic tank or sewage disposal drain field, the location must be approved by the Utah County Health Department; and
  - g. any pool lighting shall be installed and directed in such a manner as to not cause disturbance to neighboring residents.
15. **Sports Court (private).** No sports court shall be allowed in any zone except as an accessory use and unless it complies with the following conditions and requirements:
- a. it is an accessory use to a main building and is located within the side or rear yard thereof;
  - b. it is intended and is to be used solely for the enjoyment of the occupants and guests of the principal use of the property on which it is located;
  - c. it may not be located closer than five feet to any property line of the property on which it is located.
  - d. in a corner lot where the rear lot line is coterminous with a side lot line of an adjoining lot, it shall be located not less than twenty feet from such lot line;
  - e. any court lighting shall be installed and directed in such a manner as to not cause disturbance to neighboring residents; and
  - f. the hours of operation shall be from 8:00 a.m. to 10:00 p.m.
16. **Skateboard Ramp (private).** No skateboard ramp shall be allowed in any zone in the City except as an accessory use and unless it complies with the following conditions and requirements:
- a. it is an accessory use to a main building and is located within the side or rear yard thereof;
  - b. it is intended and is to be used solely for the enjoyment of the occupants and guests of the principal use of the property on which it is located. No commercial or advertised use of the ramp shall be permitted and no donations or contributions shall be solicited or received for use of or attendance at ramp activities;
  - c. it may not be located closer than twenty feet to any property line of the property on which it is located. It shall be not less than thirty feet from any neighbor's dwelling or twenty feet from any side lot line of any adjacent vacant lot;
  - d. on a corner lot where the rear lot line is coterminous with a side lot line of an adjacent lot, it shall be located not less than twenty feet from such lot line;
  - e. the hours of operation shall be from 8:00 a.m. to 10:00 p.m.;
  - f. ramp lighting shall not be installed more than six feet above ground level and shall be directed in such a manner as to not cause disturbance to neighboring residents;
  - g. the ramp shall be of such a scale and design and constructed of materials which will minimize noise, vibration, and other nuisance factors commonly associated with ramp

usage. Portions of the ramp may be located below ground level, but in no case shall any portion of the ramp exceed six feet in height above ground level, excluding handrails. The ramp shall comply with all pertinent sections of the Building Code and all land use requirements of accessory structures and a building permit shall be obtained; and

h. the ramp must be inside an enclosure or within an enclosed yard.

17. **Private Spas.** A private spa is an accessory use to a main building and shall be located within the side or rear yard thereof.

18. **Structure located within a Public Utility Easement.** On a case by case basis the City Engineer, City Building Official, and Planning Director may consider allowing a permanent structure within a public utility easement. This applies to buildings and structures requiring a building permit according to the International Building Code, and in-ground construction such as pools. The applicant will be required to obtain a waiver letter from each affected utility company including the City of Saratoga Springs. The applicant will also be required to sign a deed restriction/affidavit form which indicates that these restrictions run with the land. This document will be recorded prior to City approval and issuance of a building permit.

a. Structures not requiring a building permit according to the International Building Code are subject to the requirements of Section 19.05.11.

19. **Model Homes.** Model homes may be constructed in approved and recorded residential subdivisions when water, power, and sewer services are available to the site. Sites for model homes must also have improved, all-weather, vehicular access as approved by the City Engineer. Model homes may not be occupied as a dwelling until a permanent Certificate of Occupancy has been issued by the City.

#### **19.05.06. Keeping Chickens in the R1-40, R1-20, and R1-10 Zones.**

1. Residents in the R1-40, R1-20, and R1-10 zones may keep and maintain chickens on their property subject to the requirements of this Section and any other applicable provision of this Code. This Section prohibits the keeping of other fowl (e.g. pheasants, turkeys, peacocks, etc.). Keeping of chickens shall be permitted within the R1-40, R1-20, and R1-10 zones; however, this ordinance does not supersede any covenants, conditions, restrictions (CC&Rs), bylaws, or other protective covenants of any subdivision.

2. The guidelines and requirements of this Section are intended to:

- a. minimize nuisance to neighboring property owners;
- b. prevent rodent, insect, vermin, and pest proliferation;
- c. prevent the spread of disease; and
- d. allow residents to provide for themselves and produce food for the exclusive benefit of their families.

3. The following standards of care are required where the provisions of this Section apply:

- a. Hen chickens (but not roosters) may be kept on a non-nuisance basis for the sole purpose of producing eggs, with no sale or income resulting from the keeping of chickens. For purposes of this Subsection only, chickens adversely affecting the physical health, which physical health condition must be documented, of an individual of an adjacent lot owner shall be considered a nuisance.
- b. Up to ten hen chickens may be kept on any one lot or parcel.

- c. Chickens may be kept on properties containing a single family dwelling only.
  - d. Chickens shall be confined within a secure outdoor enclosed area. A fenced back yard does not meet this requirement.
  - e. All enclosures, pens, coops, and run areas shall be maintained in good condition so as to keep it rodent and predator resistant from all sides, including burrowing.
  - f. Manure and odor producing excrement shall be removed from all enclosures, pens, coops and run areas as necessary to prevent any odor detectable at a property line. Furthermore, such manure and excrement shall be bagged and disposed of properly, and onsite composting of such shall be prohibited.
  - g. All enclosures, pens, coops, and run areas shall be kept and maintained in a clean and sanitary condition.
  - h. All enclosures, pens, coops, and run areas shall be located to the rear of the main dwelling or in an interior side yard. There shall be no visible evidence of chickens from neighboring properties from ground level. All enclosures, pens, coops, run areas, or compost piles which may contain chicken waste shall be located at least ten feet from any property line, six feet from the main dwelling on the property, and at least thirty feet from the nearest residential dwelling on adjoining properties.
  - i. All animal food storage shall be completely secured from insects, rodents, and other vermin.
  - j. Clean water shall be available to the chickens at all times.
  - k. Dead birds or rotting eggs shall be removed within ten hours and in accordance with Title 9 of the City Code.
  - l. Slaughtering of chickens shall not be visible to adjoining property owners or the public. Section 9.01.09 of the City Code shall not be applicable to the slaughtering of chickens as long as such slaughtering is done in a humane manner.
4. The following standards for Runs, Structures, and Coops shall apply:
- a. Keeping of chickens shall require construction and utilization of a run area and a coop. The coop shall be constructed to provide adequate shelter and space for chickens to roost. Run areas shall be connected to the coop and provide some method by which chickens are not allowed to roam freely beyond the run area. This would include the possibility of flying out of the run area. Run areas must also prevent intrusion, including burrowing, from predatory animals.
  - b. Structures and coops used for keeping and feeding chickens shall be designed and constructed as follows:
    - i. with solid walls on all sides, exclusive of openings for animals and access to animals;
    - ii. with a solid roof;
    - iii. so as to prevent intrusion, including burrowing from all types of rodents, vermin, and predatory animals;
    - iv. that they resemble typical accessory buildings or accessory structures and are not unsightly;
    - v. using building materials and coloration compliant with requirements within subdivision CC&Rs or, if there are no such CC&Rs, consistent with the materials used for the primary residence; and

- vi. that they be appropriately secured or anchored to the ground.
- c. For structures or coops of large enough size, or those being altered, that would require a building permit, the owner shall apply for and be issued a permit by the City prior to construction or alteration.
- d. Any electrical installation for a structure or coop must comply with current electrical codes.

**19.05.11. Accessory Buildings and Accessory Structures in Residential Development.**

Accessory buildings and accessory structures may be placed on residential lots subject to the standards in the applicable zone districts as outlined in Chapter 19.04, and the standards of this section.

1. All accessory buildings and accessory structures shall meet the following standards:
  - a. In all residential zones except for the A, RA-5, and RR zones, the maximum building height for buildings or structures with a footprint of greater than two hundred (200) square feet shall be twenty five feet (25') or the height of the primary structure, whichever is more restrictive shall not be taller than any main structure or dwelling for buildings with a building permit, or fifteen feet for buildings not requiring a building permit of two hundred (200) square feet or less;
  - b. shall be of color and construction compatible with and similar to the primary structure. Buildings over two hundred (200) square feet shall be built of durable materials, except metal on exterior walls, and shall include a wainscot, siding, or other similar architectural feature covering a minimum of thirty percent (30%) of all building sides (except door areas), made of similar materials used on the primary structure; and
  - c. shall be regularly maintained in a clean and well-kept manner; and
  - d. shall not drain onto adjacent properties or onto public property; and
  - e. shall not be located in a required clear view triangle as outlined in Section 19.06; and
  - f. shall have a minimum twenty foot long driveway if housing a car, truck, RV, or other automobile.
  - g. accessory structures requiring a building permit shall not be located over a PUE, unless an encroachment is approved by City Public Works.
2. Accessory buildings and accessory structures requiring a building permit according to the International Building Code:
  - a. shall meet the accessory building and accessory structure setbacks identified in the applicable zone district, and
  - b. shall not occupy more than 30% of any side or rear yard, subject to the lot coverage limitations of the applicable zone district.
3. Accessory buildings and accessory structures not requiring a building permit according to the International Building Code shall not be required to meet interior side yard and rear yard setbacks, and street-side yard setbacks for corner lots where the rear property line abuts the rear property line of the adjacent lot. Exemptions from permit requirements of this code shall not be deemed to grant authorization for any work to be done in any manner in violation of the provisions of this code or any other laws or ordinances of this jurisdiction. If placed within a required setback, such buildings:



- a. are placed at the property owners' risk per Utah Code Chapter 54-3; and
- b. shall have a maximum height of ten feet, as measured from the finished grade of the surface directly beneath the building to the highest point of the building roof; and
- c. shall not have openings facing adjoining properties; and
- d. shall have minimum one-hour fire rated construction for surfaces facing adjoining properties; and
- e. shall not be used for the housing of animals or birds; and
- f. if within the street side-yard setback, shall not have openings facing the street side property line.



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**Code Amendments**  
**Chapters 19.05 and 19.18**  
**December 6, 2022**  
**Public Meeting**

Report Date: November 29, 2022  
Applicant: City Initiated  
Previous Meeting: None  
Land Use Authority: City Council  
Future Routing: City Council  
Author: Sarah Carroll and Kendal Black

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**A. Executive Summary:**

The Planning Department keeps a running list of minor and major changes that are needed to provide additional clarity and effectiveness, remove inconsistencies and typos, and incorporate best practices, and has the goal of adopting amendments approximately four times a year to keep the Code current. Staff have identified desired changes specific to signs and car washes.

**RECOMMENDATION:**

**Staff recommends the City Council conduct a public hearing, discuss the proposed amendments, and choose from the options in Section G of this report.** Options include approval, continuation, or denial.

**B. Specific Request:**

Changes to Code Sections in Chapters 19.05 and 19.18 regarding additions to the car wash code and adding new signage types, as shown in the attached draft.

**C. Process:**

Section 19.17.03 of the Code outlines the process and criteria for an amendment:

- A. The Planning Commission shall review the petition and make its recommendation to the City Council within thirty days of the receipt of the petition.

***Complies.*** *There is no application as this is City initiated and has been presented for a recommendation to the City Council.*

- B. The Planning Commission shall recommend adoption of proposed amendments only where it finds the proposed amendment furthers the purpose of the Saratoga Springs Land Use Element of the General Plan and that changed conditions make the proposed amendment necessary to

fulfill the purposes of this Title.

**Complies.** Please see Sections E and F of this report.

- C. The Planning Commission and City Council shall provide the notice and hold a public hearing as required by the Utah Code. For an application which concerns a specific parcel of property, the City shall provide the notice required by Chapter 19.13 for a public hearing.

**Complies.** Please see Section D of this report.

- D. For an application which does not concern a specific parcel of property, the City shall provide the notice required for a public hearing except that notice is not required to be sent to property owners directly affected by the application or to property owners within 300 feet of the property included in the application.

**Complies.** Please see Section D of this report.

**D. Community Review:**

This item was noticed as required by Utah State Code as a Planning Commission public hearing prior to the November 10, 2022 meeting. As of the date of this report, we have received written comments from the applicant's for Tommy's Car Wash. They are opposed as this change would affect their proposed site.

**E. General Plan:**

**Land Use Element – General Goals**

The General Plan has stated goals of responsible growth management, orderly and efficient development that is compatible with both the natural and built environment, establishment of a strong community identity in the City of Saratoga Springs, and implementation of ordinances and guidelines to assure the quality of development.

**Staff conclusion: consistent.** The proposed changes will still ensure the quality of development, maintain community identity, ensure quality development through the maintenance of high standards, and require mitigation of impacts to existing/proposed development.

**F. Code Criteria:**

**Code amendments are a legislative decision and grant the City Council significant discretion when considering changes to the Code.**

The criteria for an ordinance are outlined below and act as guidance to the Council and to the Commission in making a recommendation. Note that the criteria are not binding.

**19.17.05 Consideration of General Plan, Ordinance, or Zoning Map Amendment**

The Planning Commission and City Council shall consider, but not be bound by, the following criteria of Section 19.17.05 when deciding whether to recommend or grant a general plan, ordinance, or zoning map amendment:

1. The proposed change will conform to the Land Use Element and other provisions of the General Plan;  
**Consistent.** See Section E of this report.
2. the proposed change will not decrease nor otherwise adversely affect the health, safety, convenience, morals, or general welfare of the public;

**Consistent.** *The amendments will not adversely affect the health and welfare of the general public.*

3. the proposed change will more fully carry out the general purposes and intent of this Title and any other ordinance of the City; and

**Consistent.** *The stated purposes of the Code are found in section 19.01.04:*

- A. The purpose of this Title, and for which reason it is deemed necessary, and for which it is designed and enacted, is to preserve and promote the health, safety, morals, convenience, order, fiscal welfare, and the general welfare of the City, its present and future inhabitants, and the public generally, and in particular to:
  - a. encourage and facilitate the orderly growth and expansion of the City;
  - b. secure economy in governmental expenditures;
  - c. provide adequate light, air, and privacy to meet the ordinary or common requirements of happy, convenient, and comfortable living of the municipality's inhabitants, and to foster a wholesome social environment;
  - d. enhance the economic well-being of the municipality and its inhabitants;
  - e. facilitate adequate provisions for transportation, water, sewer, schools, parks, recreation, storm drains, and other public requirements;
  - f. prevent the overcrowding of land, the undue concentration of population, and promote environmentally friendly open space;
  - g. stabilize and conserve property values;
  - h. encourage the development of an attractive and beautiful community; and
  - i. promote the development of the City of Saratoga Springs in accordance with the Land Use Element of the General Plan.

**Consistent.** *The proposed amendments will provide a streamlined development review process both benefiting the City, developers, and the public.*

4. in balancing the interest of the petitioner with the interest of the public, community interests will be better served by making the proposed change.

**Consistent.** *The amendments will provide additional clarity and effectiveness of the Code and better enhance the consistency in development review.*

5. any other reason that, subject to the legislative discretion of the City Council, could advance the general welfare.

#### **G. Possible Motions:**

##### **Motion for approval**

Motion: "Based upon the evidence and explanations received today, I move that the City Council **approve** the proposed amendments to Title 19, Chapters 19.05 and 19.18, with the findings and conditions in the staff report."

##### **Findings:**

1. The amendments are consistent with Chapter 19.17, *General Plan, Ordinance, and Zoning Map Amendments*, as outlined in Sections E and F of this report and incorporated herein by reference.

##### **Conditions:**

1. The amendments shall be edited as directed by the Commission:

- a. \_\_\_\_\_
- b. \_\_\_\_\_

**Alternative 1 – Continuance**

Vote to **continue** all or some of the Code amendments to the next meeting, with specific feedback and direction to Staff on changes needed to render a decision.

Motion: “I move to continue the amendments to Title 19, Chapters 19.05 and 19.18, to the [DATE] City Council meeting with the following direction on additional information needed and/or changes to the draft:

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_

**Alternative 2 – Denial**

Vote to forward a **deny** all or some of the proposed Code amendments.

Motion: “Based upon the evidence and explanations received today, I move that the City Council **deny** the proposed amendments to all or some of the amendments to Chapters 19.05 and 19.18, with the Findings below:

**Findings:**

- 1. The amendments do not comply with Section 19.17.05, sub-paragraphs 1, 2, 3, and/or 4, as articulated by the Planning Commission:
- 2. \_\_\_\_\_

**H.**

**Exhibits:**

Draft Code Amendments

## Chapter 19.05. Supplementary Regulations.

### 19.05.16. Special Standards and Considerations Governing Particular Uses.

1. **Automobile refueling stations and car wash operations.** Automobile refueling stations and car wash (self-serve) operations are permitted subject to the following standards:
  - a. Gasoline pumps and pump islands for car wash operations or automobile refueling stations shall have a canopy and the setback, measured from the edge of the canopy, shall be not less than twenty-five feet from any property lines or shall be in conformity with the building setback lines of the zone, whichever is greater.
  - b. The minimum closest distance from the automobile refueling stations or car wash with gas pumps site to an existing school, park, or playground shall not be less than 500 feet.
  - c. No outdoor storage of rental trucks or trailers, stacks of tires, or other merchandise will be provided by the automobile refueling stations or car wash operation except when such equipment or merchandise is screened by an approved fence not less than six feet in height.
2. **Automobile Repair, Minor.**
  - a. All vehicles that are being serviced shall be parked in either service bays or in an enclosed area such as a six-foot wall.
3. **Car Wash (full service).**
  - a. Each Car Wash (full service) shall be at least 5000 feet from any other existing or approved Car Wash (full service).
  - b. Each Car Wash (full service) shall implement water re-use standards. Each car wash (full service) shall install systems and equipment sufficient to limit the amount of water used on a per-vehicle basis. New Car Washes (full service) shall only be permitted if they can demonstrate that the system will not use more than an average of thirty-five (35) gallons of water per car.

## Chapter 19.18. Sign Regulations.

### 19.18.10. Commercial Zone Sign Standards.

#### 5. Signage in the Neighborhood Commercial Zone.

- g. Drive-thru Board Sign for Non-Residential Uses.** Drive-thru board signs are allowed for non-residential uses provided the requirements in this section are met.
- i. **Location.** All drive-thru board signs shall be located adjacent to the drive-thru lane and shall not be located in any required setback. Signs may be located on the building or as a monument-style sign.
  - ii. **Height.** A drive-thru board sign shall not exceed eight feet in height.
  - iii. **Size.** A drive-thru board sign with a menu (or options) board sign shall not exceed 45 square feet.
  - iv. **Number.** One drive-thru board sign with a maximum area of 45 square feet and one sign with a maximum area of ten square feet shall be permitted for each drive-thru board lane.
  - v. One preview board of the drive-thru menu shall be permitted for each drive-thru lane and shall comply with the following:
    1. A preview board shall be only be allowed in a drive-thru lane and installed prior to a drive-thru board.
    2. The maximum height of a preview board shall not exceed six feet in height.
    3. A preview board shall have a maximum area of 75% of the drive-thru board in the lane in which the preview board will be installed.
    4. A preview board shall be constructed in the same architectural manner and of the same materials as the drive-thru board.
    5. A preview board shall only be either a monument sign or mounted to the wall of the primary building.
    6. An illuminated preview board shall comply with the following:
      - a. The light output of a preview board shall not exceed 1 foot-candle, measured at one-foot from the sign to the surface of the sign.
      - b. A preview board shall not have a white, off-white, or near-white background.
      - c. At any time the business or drive-thru is closed to the public, the preview board sign shall be turned off and shall remain off until the business or drive-thru is open to the public.
  - vi. **A Drive-thru Board Sign may be LED and shall comply with the following:**
    1. The light output of the LED shall not exceed 2 foot-candles;
    2. The image, colors, and text may not be changed more than 3 times per day;
    3. All images, colors, and text shall be static with no flashing, scrolling, or animation;
    4. The LED sign shall not use white as a predominate color; and
    5. At any time the business or drive-thru is closed to the public, the drive-thru board sign shall be turned off and shall remain off until the business or drive-thru is open to the public.
  - h. Curbside pick-up signs
    - i. Location. Curbside pick-up signs shall be placed at the front of a designated parking stall used specifically for curbside pick-up.
    - ii. Size. The area of the sign face shall not exceed 1.6 square feet.

iii. Height. A curbside pick-up sign shall not exceed six feet in height.

**6. Signage in the Regional Commercial, Heavy Commercial, and Community Commercial Zones.**

**g. Drive-thru Board for Non-Residential Uses.** Drive-thru board signs are allowed for non-residential uses provided the requirements in this section are met.

- i. **Location:** All drive-thru board signs shall be located adjacent to the drive-thru lane and shall not be located in any required setback. Signs may be located on the building or as a monument-style sign.
- ii. **Height:** A drive-thru board sign shall not exceed eight feet in height.
- iii. **Size:** A drive-thru board sign with a menu (or options) board sign shall not exceed 45 square feet.
- iv. **Number:** One drive-thru board sign with a maximum area of 45 square feet and one sign with a maximum area of ten square feet shall be permitted for each drive-thru board lane.

**v. One preview board of the drive-thru menu shall be permitted for each drive-thru lane and shall comply with the following:**

1. A preview board shall be only be allowed in a drive-thru lane and installed prior to a drive-thru board.
2. The maximum height of a preview board shall not exceed six feet in height.
3. A preview board shall have a maximum area of 75% of the drive-thru board in the lane in which the preview board will be installed.
4. A preview board shall be constructed in the same architectural manner and of the same materials as the drive-thru board.
5. A preview board shall only be either a monument sign or mounted to the wall of the primary building.
6. An illuminated preview board shall comply with the following:
  - a. The light output of a preview board shall not exceed 1 foot-candle, measured at one-foot from the sign to the surface of the sign.
  - b. A preview board shall not have a white, off-white, or near-white background.
  - c. At any time the business or drive-thru is closed to the public, the preview board sign shall be turned off and shall remain off until the business or drive-thru is open to the public.

**vi. A drive-thru board sign may be LED and shall comply with the following:**

1. The light output of the LED shall not exceed 2 foot-candles;
2. The image, colors, and text may not be changed more than 3 times per day;
3. All images, colors, and text shall be static with no flashing, scrolling, or animation;
4. The LED sign shall not use white as a predominate color; and
5. At any time the business or drive-thru is closed to the public, the drive-thru board sign shall be turned off and shall remain off until the business or drive-thru is open to the public.

**h. Curbside pick-up signs**

- i. Location. Curbside pick-up signs shall be placed at the front of a designated parking stall used specifically for curbside pick-up.
- ii. Size. The area of the sign face shall not exceed 1.6 square feet.
- iii. Height. A curbside pick-up sign shall not exceed six feet in height.



**ORDINANCE NO. 22-54 (12-6-22)**

**AN ORDINANCE OF THE CITY OF SARATOGA SPRINGS,  
UTAH, (“CITY”) ADOPTING AMENDMENTS TO CHAPTERS 19.05  
AND 19.18, OF TITLE 19 OF THE SARATOGA SPRINGS CITY  
CODE AND ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS**, on September 6, 2011, pursuant to Utah Code § 10-3-707, the City Council of the City of Saratoga Springs, Utah (“City Council”) codified ordinances previously adopted; and

**WHEREAS**, pursuant to authority granted in Utah Code Annotated § 10-3-701 et seq., the City Council may adopt and amend laws, ordinances, regulations, and codes that comprise the regulatory, penal, and administrative ordinances of the City of Saratoga Springs; and

**WHEREAS**, the City Council reviewed the City Code and finds that further amendments to the City Code are necessary to accomplish the purposes in Utah Code Annotated § 10-3-701 et seq.; and

**WHEREAS**, pursuant to Utah Code Chapter 10-9a, a legislative body such as the City Council may enact or amend land use regulations so long as such advances the purposes in Chapter 10-9a and a duly-noticed public hearing was first held by the Planning Commission; and

**WHEREAS**, the Saratoga Springs Planning Commission held a public hearing, after the required public notice, on November 10, 2022, and forwarded a positive recommendation to the City Council with recommended amendments; and

**WHEREAS**, the City Council, on December 6, 2022, reviewed the Planning Commission’s recommendation and all public comment received at the Planning Commission public hearing; and

**WHEREAS**, the City Council hereby finds that the amendments attached as Exhibit A advance the purposes of Utah Code Chapter 10-9a and further the public health, safety, and welfare of Saratoga Springs residents.

**NOW THEREFORE**, the City Council ordains as follows:

**SECTION I – ENACTMENT**

The amendments to Title 19 of the City Code attached as Exhibit A, incorporated herein by this reference, are hereby enacted.

**SECTION II – AMENDMENT OF CONFLICTING ORDINANCES**

If any ordinances, resolutions, policies, or zoning maps of the City of Saratoga Springs heretofore adopted are inconsistent herewith they are hereby amended to comply with the

provisions hereof. If they cannot be amended to comply with the provisions hereof, they are hereby repealed.

### **SECTION III – EFFECTIVE DATE**

This ordinance shall take effect upon its passage by a majority vote of the Saratoga Springs City Council and following notice and publication as required by the Utah Code.

### **SECTION IV – SEVERABILITY**

If any section, subsection, sentence, clause, phrase, or portion of this ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such provision shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions of this ordinance.

### **SECTION V – PUBLIC NOTICE**

The Saratoga Springs Recorder is hereby ordered, in accordance with the requirements of Utah Code §§ 10-3-710–711, to do as follows:

- a. deposit a copy of this ordinance in the office of the City Recorder; and
- b. publish notice as follows:
  - i. publish a short summary of this ordinance for at least one publication in a newspaper of general circulation in the City; or
  - ii. post a complete copy of this ordinance in three public places within the City.

**ADOPTED AND PASSED** by the City Council of the City of Saratoga Springs, Utah, this 6<sup>th</sup> day of December, 2022.

Signed: \_\_\_\_\_  
Jim Miller, Mayor

Attest: \_\_\_\_\_  
Cindy LoPiccolo, City Recorder

### **CITY COUNCIL VOTE AS RECORDED**

Councilmembers:	Yes	No	Abstain	Excused
Chris Carn	_____	_____	_____	_____
Michael McOmber	_____	_____	_____	_____
Ryan Poduska	_____	_____	_____	_____
Chris Porter	_____	_____	_____	_____
Stephen Willden	_____	_____	_____	_____
Mayor Jim Miller (tie only)	_____	_____		

## Chapter 19.05. Supplementary Regulations.

### 19.05.16. Special Standards and Considerations Governing Particular Uses.

1. **Automobile refueling stations and car wash operations.** Automobile refueling stations and car wash (self-serve) operations are permitted subject to the following standards:
  - a. Gasoline pumps and pump islands for car wash operations or automobile refueling stations shall have a canopy and the setback, measured from the edge of the canopy, shall be not less than twenty-five feet from any property lines or shall be in conformity with the building setback lines of the zone, whichever is greater.
  - b. The minimum closest distance from the automobile refueling stations or car wash with gas pumps site to an existing school, park, or playground shall not be less than 500 feet.
  - c. No outdoor storage of rental trucks or trailers, stacks of tires, or other merchandise will be provided by the automobile refueling stations or car wash operation except when such equipment or merchandise is screened by an approved fence not less than six feet in height.
2. **Automobile Repair, Minor.**
  - a. All vehicles that are being serviced shall be parked in either service bays or in an enclosed area such as a six-foot wall.
3. **Car Wash (full service).**
  - a. Each Car Wash (full service) shall be at least 5000 feet from any other existing or approved Car Wash (full service).
  - b. Each Car Wash (full service) shall implement water re-use standards. Each car wash (full service) shall install systems and equipment sufficient to limit the amount of water used on a per-vehicle basis. New Car Washes (full service) shall only be permitted if they can demonstrate that the system will not use more than an average of thirty-five (35) gallons of water per car.

## Chapter 19.18. Sign Regulations.

### 19.18.10. Commercial Zone Sign Standards.

#### 5. Signage in the Neighborhood Commercial Zone.

- g. Drive-thru Board Sign for Non-Residential Uses.** Drive-thru board signs are allowed for non-residential uses provided the requirements in this section are met.
- i. **Location.** All drive-thru board signs shall be located adjacent to the drive-thru lane and shall not be located in any required setback. Signs may be located on the building or as a monument-style sign.
  - ii. **Height.** A drive-thru board sign shall not exceed eight feet in height.
  - iii. **Size.** A drive-thru board sign with a menu (or options) board sign shall not exceed 45 square feet.
  - iv. **Number.** One drive-thru board sign with a maximum area of 45 square feet and one sign with a maximum area of ten square feet shall be permitted for each drive-thru board lane.
  - v. One preview board of the drive-thru menu shall be permitted for each drive-thru lane and shall comply with the following:
    1. A preview board shall be only be allowed in a drive-thru lane and installed prior to a drive-thru board.
    2. The maximum height of a preview board shall not exceed six feet in height.
    3. A preview board shall have a maximum area of 75% of the drive-thru board in the lane in which the preview board will be installed.
    4. A preview board shall be constructed in the same architectural manner and of the same materials as the drive-thru board.
    5. A preview board shall only be either a monument sign or mounted to the wall of the primary building.
    6. An illuminated preview board shall comply with the following:
      - a. The light output of a preview board shall not exceed 1 foot-candle, measured at one-foot from the sign to the surface of the sign.
      - b. A preview board shall not have a white, off-white, or near-white background.
      - c. At any time the business or drive-thru is closed to the public, the preview board sign shall be turned off and shall remain off until the business or drive-thru is open to the public.
  - vi. **A Drive-thru Board Sign may be LED and shall comply with the following:**
    1. The light output of the LED shall not exceed 2 foot-candles;
    2. The image, colors, and text may not be changed more than 3 times per day;
    3. All images, colors, and text shall be static with no flashing, scrolling, or animation;
    4. The LED sign shall not use white as a predominate color; and
    5. At any time the business or drive-thru is closed to the public, the drive-thru board sign shall be turned off and shall remain off until the business or drive-thru is open to the public.
  - h. Curbside pick-up signs
    - i. Location. Curbside pick-up signs shall be placed at the front of a designated parking stall used specifically for curbside pick-up.
    - ii. Size. The area of the sign face shall not exceed 1.6 square feet.

iii. Height. A curbside pick-up sign shall not exceed six feet in height.

**6. Signage in the Regional Commercial, Heavy Commercial, and Community Commercial Zones.**

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4. A preview board shall be constructed in the same architectural manner and of the same materials as the drive-thru board.
5. A preview board shall only be either a monument sign or mounted to the wall of the primary building.
6. An illuminated preview board shall comply with the following:
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  - b. A preview board shall not have a white, off-white, or near-white background.
  - c. At any time the business or drive-thru is closed to the public, the preview board sign shall be turned off and shall remain off until the business or drive-thru is open to the public.

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3. All images, colors, and text shall be static with no flashing, scrolling, or animation;
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5. At any time the business or drive-thru is closed to the public, the drive-thru board sign shall be turned off and shall remain off until the business or drive-thru is open to the public.

**h. Curbside pick-up signs**

- i. Location. Curbside pick-up signs shall be placed at the front of a designated parking stall used specifically for curbside pick-up.
- ii. Size. The area of the sign face shall not exceed 1.6 square feet.
- iii. Height. A curbside pick-up sign shall not exceed six feet in height.



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**Code Amendments**

**Sections 10.10.02, 10.10.03, and 10.11**

**December 6, 2022**

**Public Meeting**

Report Date: November 29, 2022  
Applicant: City Initiated  
Previous Meeting: None  
Land Use Authority: City Council  
Previous Meeting: None  
Author: Brad Davis, Code Compliance Inspector

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**A. Executive Summary:**

During review of current code regarding weeds, staff has found several changes needed to the definitions section designed to reinforce, and give certain exceptions to specific areas of the City. This change also requires defensive strips around certain unimproved lots to assist with fire prevention and weed control on adjacent properties.

The City code does not currently have any codes regarding snow, sleet, or ice removal from sidewalks abutting private property. This is a new code section that requires the removal of snow and ice accumulations from portions of public sidewalks abutting private properties.

**B. Specific Request:**

Change the definition for weeds and add certain exceptions to what properties are allowed weeds. Additional requirements for weed and property maintenance.

Add new section to current code regarding snow, sleet, and ice removal from public sidewalks.

**C. Community Review:**

This item was noticed per State requirements; a public hearing is not required for change to Title 10. The notice has also been posted in the City building, [www.saratogaspringscity.com](http://www.saratogaspringscity.com), and [www.utah.gov/pmn/index.html](http://www.utah.gov/pmn/index.html).

**D. Criteria for Consideration:**

**Code amendments are a legislative decision and grants the City Council significant discretion when considering changes to the Code.**

Criteria for an ordinance (Code) change are outlined below and act as guidance to the Council. Note that the criteria is not comprehensive or binding.

1. The proposed change will not decrease nor otherwise adversely affect the health, safety, convenience, morals, or general welfare of the public;

***Consistent.*** *The amendments will not adversely affect the health and welfare of the general public.*

2. The proposed change will more fully carry out the general purposes and intent of this Title and any other ordinance of the City; and

***Consistent.*** *The amendments are enacted to preserve and promote the health, safety, and welfare of the City, its present and future inhabitants, and the public generally.*

**E. Possible Motions:**

**Motion for Approval:**

Motion: "Based upon the evidence and explanations received today, I move to **approve** the proposed amendments to Title 10 with the findings and conditions in the staff report."

**Findings:**

1. The amendments will not adversely affect the health and welfare of the general public.
2. The amendments are enacted to preserve and promote the health, safety, and welfare of the City, its present and future inhabitants, and the public generally.

**Conditions:**

1. The amendments shall be edited as directed by the City Council:
  - a. \_\_\_\_\_
  - b. \_\_\_\_\_

**Option 1 – Continuance**

Vote to **continue** all or some of the Code amendments to the next meeting, with specific feedback and direction to Staff on changes needed to render a decision.

Motion: "I move to continue the amendments to Title 10 to the [DATE] City Council meeting with the following direction on additional information needed and/or changes to the draft:

1. \_\_\_\_\_
2. \_\_\_\_\_

**Option 2 – Denial**

Vote to **deny** all or some of the proposed Code amendments

Motion: "Based upon the evidence and explanations received today, I move to **deny** all or some of the proposed Title 10 amendments with the Findings below:

**Findings:**

1. The amendments do not preserve and promote the health, safety, and welfare of the City, its present and future inhabitants, and the public generally at this time:
2. \_\_\_\_\_

**F. Exhibits:**

- A. Proposed Code Amendments



**ORDINANCE NO. 22-55 (12-6-22)**

**AN ORDINANCE OF THE CITY OF SARATOGA SPRINGS,  
UTAH, ADOPTING AMENDMENTS TO THE SARATOGA  
SPRINGS CITY CODE**

**WHEREAS**, Chapters 10.10.02, 10.10.03, and 10.11 of the City of Saratoga Springs City Code, entitled “Definitions”, “Property Nuisance Described”, and “Snow Removal” has been enacted and may be amended from time to time; and

**WHEREAS**, the City Council has reviewed Chapters 10.10.02, 10.10.03, and 10.11 and finds that further amendments to Chapters 10.10.02, 10.10.03, and 10.11 are necessary and desirable to further the legislative policy of the City Council; and

**WHEREAS**, the City Council, after careful consideration in a public meeting, has determined that it is in the best interest of the public health, safety, and welfare of Saratoga Springs citizens that modifications and amendments to Chapters 10.10.02, 10.10.03, and 10.11 be adopted.

**NOW THEREFORE**, the City Council of the City of Saratoga Springs, Utah hereby ordains as follows:

**SECTION I – ENACTMENT**

Chapters 10.10.02, 10.10.03, and 10.11 are hereby amended as attached hereto as Exhibit A.

**SECTION II – AMENDMENT OF CONFLICTING ORDINANCES**

If any ordinances, resolutions, policies, or zoning maps of the City of Saratoga Springs heretofore adopted are inconsistent herewith they are hereby amended to comply with the provisions hereof. If they cannot be amended to comply with the provisions hereof, they are hereby repealed.

**SECTION III – EFFECTIVE DATE**

This ordinance shall take effect upon its passage by a majority vote of the Saratoga Springs City Council and following notice and publication as required by the Utah Code.

**SECTION IV – SEVERABILITY**

If any section, subsection, sentence, clause, phrase, or portion of this ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such provision shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions of this ordinance.

**SECTION V – PUBLIC NOTICE**

The Saratoga Springs Recorder is hereby ordered, in accordance with the requirements of Utah Code § 10-3-710—711, to do as follows:

- a. deposit a copy of this ordinance in the office of the City Recorder; and
- b. publish notice as follows:

- i. publish a short summary of this ordinance on the Utah Public Notice Website created in Utah Code § 63F-1-701; or
- ii. post a complete copy of this ordinance in 3 public places within the City.

**ADOPTED AND PASSED** by the City Council of the City of Saratoga Springs, Utah, this 6<sup>th</sup> day of December, 2022.

Signed: \_\_\_\_\_  
Jim Miller, Mayor

Attest: \_\_\_\_\_  
Cindy LoPiccolo, City Recorder

#### CITY COUNCIL VOTE AS RECORDED

Councilmembers:	Yes	No	Abstain	Excused
Chris Carn	_____	_____	_____	_____
Michael McOmber	_____	_____	_____	_____
Ryan Poduska	_____	_____	_____	_____
Chris Porter	_____	_____	_____	_____
Stephen Willden	_____	_____	_____	_____
Mayor Jim Miller (tie only)	_____	_____		

## Exhibit A

### 10.10.02. Definitions.

2. "Defense strip" means an area of land that is bare earth where weeds and other vegetative growth has been cut down to the ground, hauled away, and herbicide has been applied to kill all plant life down to the root.

8. "Weeds":

- a. "Weeds" means plants, including noxious weeds and injurious weeds, which are unwanted in the location where they are growing and where they are not part of landscaping, xeriscaping, or native plant landscaping;
- ~~b. includes noxious weeds which are described under the Utah Noxious Weed Act, defined by the State Weed Committee of the State of Utah and by Utah County; and~~
- b. "Injurious weeds" means plants of any type growing in an uncultivated state, not used for food, fiber or ornamentation, extending in height greater than six inches (6") above ground, including, without limitation, tumbleweeds.
- c. "Noxious weeds" means those plants listed as noxious weeds by the State Commissioner of Agriculture pursuant to Utah Code Annotated section 4-17-103, together with such plants later added to such list. Noxious weeds are injurious weeds for the purposes of this Code.

~~b.d.~~ in addition, the following plants are designated as noxious weeds by the City of Saratoga Springs:

- i. Kochia-Kochia Scoparia
- ii. Russian Thistle-Salsola Tragus
- iii. Jim Hill Mustard-Sisymbrium Altissium
- iv. Cheatgrass-Bromus Tectorum
- v. Bur Buttercup-Ceratocephala Testiculata
- vi. Tansi Mustard

### 10.10.03. Property Nuisance Described.

10. Property maintained in a condition so defective or in a state of such deterioration, disrepair, or neglect that it causes a health, safety, or fire hazard or obstructs the free use or enjoyment of public or private property including but not limited to the following:

- a. Storage of personal property (other than items designated for outdoor use) in front, exterior side, or rear yard areas visible to public view, including unregistered, inoperative, or dismantled vehicles or vehicle parts, building materials not currently being used for the construction of improvements on the site, appliances, household furnishings or equipment, tools, machines, garbage cans, packing boxes, debris, rubbish, and broken or discarded furniture.
- ~~b. Weeds reaching a height of more than six inches at any time, that create a fire hazard or that create a habitat for disease, insects, vector, or vermin. Destruction by burning~~

~~within the city is unlawful unless a permit is first obtained from the Fire Department, Utah County Health Department, and State of Utah.~~

b. Injurious or Noxious weeds located:

- i. on improved vacant lots or other property;
- ii. along a public sidewalk or trail or adjacent to any public street.

c. Weeds in any other location which constitutes a fire hazard, including, but not limited to, tumbleweeds and weeds reaching a height of six inches or higher.

- i. Exception: When a parcel of undeveloped property is a size of five (5) contiguous acres or larger, weed growth, other than noxious weeds, may be left at a height higher than six inches (6") above ground if the property owner maintains a defense strip of ten feet (10') along every property line abutting developed property and along any roads and sidewalks abutting the property. A defense strip requires continuous attention during the growing season.
- ii. Property owners are expected to clear and remove tumbleweeds on their property. Tumbleweeds are the result of various plants that have dried out and been broken free of their roots and the soil by the wind. Tumbleweeds present a distinct fire hazard that becomes greater as they dry out and accumulate against structures such as fences, outbuildings, houses and businesses.

~~b.d.~~ Abandoned and broken equipment or machinery or parts thereof.

~~e.e.~~ Fences or walls that: lack structural support because of missing or wet soil, missing or failed footings or missing or failed fastenings; do not stand erect; or are in disrepair due to damage, crumbling mortar, missing bricks or wood, rotted wood, breaks or dents in their structure.

~~d.f.~~ Clothing, linen, towels, laundry, rugs, mattresses, and other similar material hung, placed, or attached to power lines, trees, bushes, fences, buildings, railings, or walls and visible from public property or an area open to the public. Properly installed and maintained clotheslines are permitted.

~~e.g.~~ Waste matter or personal property placed on rooftops.

~~f.h.~~ Vehicle or vessel repair that occurs in a residentially-zoned district and is offensive or detrimental to the health, safety, or welfare of other persons or which substantially interferes with the reasonable enjoyment of property by other persons, because of the substances, odors, noise, or visual clutter created by the repair, or because of the items stored in connection with the repair, or because the repair is performed on a vehicle not owned by the occupant of the property.

### **10.11 Snow Removal**

1. All hail, snow, or sleet shall be removed from any paved sidewalk located on, adjacent to, or abutting private property, within the timeframes below.
  - a. Removal of snow, hail, or sleet shall occur the same day in which it has fallen, unless snow, sleet, or hail has fallen after the hours of 6:00 p.m. then removal shall occur the following day by 10:00 a.m.
  - b. It shall be unlawful to deposit snow in the street except in the area where snow is being deposited by street plows.



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**Code Amendment**

**Chapter 19.09.10 Commercial Kennel Required Minimum Parking**

**December 6, 2022**

Report Date: November 30, 2022  
Applicant: Public Initiated; Joanna Graham, Kimley-Horn and Associates, Inc.  
Previous Meeting: Planning Commission Public Hearing, December 1, 2022  
Land Use Authority: City Council  
Author: Kent Page, AICP, Senior Planner

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**A. Executive Summary:**

Joanna Graham from Kimley-Horn and Associates, Inc. requests the City to amend the minimum parking requirement for Commercial Kennels from four (4) stalls per 1,000 sq. ft. of building area to two (2) stalls per 1,000 sq. ft. of building area. This Staff Report shares the applicant's and the City's comparison data.

**B. Specific Request:**

Amend Chapter 19.09.10 required minimum parking for a commercial kennel from four (4) parking stalls per 1,000 sq. ft. of building area to two (2) parking stalls per 1,000 sq. ft. of building area. Please see Exhibit 1.

**C. Applicant Data & Justification:**

The applicant states that this amendment is consistent with local jurisdictions around Saratoga Springs. The applicant reports that several adjacent jurisdictions have the following requirements for PetSuites facilities:

- Salt Lake City, Daycare Use: 2 spaces per 1,000 sq. ft.
- Herriman, Daycare Use: 4 spaces + 1 space per 500 sq. ft.
- Provo, Kennel: 1 space per 600 sq. ft.
- Salt Lake County, Daycare Use: 4 spaces + 1 space per 500 sq. ft.
- Sandy, Utah, Daycare Use: 1 space per employee + drop-off space
- Clearfield, Utah, Less intensive commercial business, as furniture, appliance and lumber sales: 1.5 spaces per 1,000 SF of GFA

The applicant states that "this request aligns with PetSuites operations. Studies at existing PetSuites locations show that the average customer only spends five minutes at the facility during pickup and drop off times. This text amendment is in line with the purpose of the Saratoga Springs Land Use Element of the General Plan."

**D. Process:**

Kent Page, AICP, Senior Planner

[kpage@saratogaspringscity.com](mailto:kpage@saratogaspringscity.com)

1307 North Commerce Drive, Suite 200 • Saratoga Springs, Utah 84045  
801-766-9793 x 137 • 801-766-9794 fax

Section 19.17.03 of the Code outlines the process and criteria for an amendment:

- a. The Planning Commission shall review the petition and make its recommendation to the City Council within thirty days of the receipt of the petition.

***Does Not Comply.*** This application was submitted on October 18<sup>th</sup>; however, due to timing of Planning Commission meetings, staff's review load, the scheduling of only one Planning Commission meeting in November, and the ten day public notice requirement for a Public Hearing, this applicant will be heard by the Planning Commission more than thirty days after receipt of the petition.

- b. The Planning Commission shall recommend adoption of proposed amendments only where it finds the proposed amendment furthers the purpose of the Saratoga Springs Land Use Element of the General Plan and that changed conditions make the proposed amendment necessary to fulfill the purposes of this Title.

***Complies.*** Please see Sections E and F of this report.

- c. The Planning Commission and City Council shall provide the notice and hold a public hearing (Planning Commission) as required by the Utah Code. For an application which concerns a specific parcel of property, the City shall provide the notice required by Chapter 19.13 for a public hearing.

***Complies.*** Please see Section D of this report.

- d. For an application which does not concern a specific parcel of property, the City shall provide the notice required for a public hearing except that notice is not required to be sent to property owners directly affected by the application or to property owners within 300 feet of the property included in the application.

***Complies.*** This petition does not concern a specific parcel of property; however, it does concern a specific use - Commercial Kennel. Please see Section D of this report.

**E. Community Review:**

This item was noticed per State requirements as a Planning Commission public hearing. As of the date of this report, no public input has been received. The notice has also been posted in the City building, [www.saratogaspringscity.com](http://www.saratogaspringscity.com), and [www.utah.gov/pmn/index.html](http://www.utah.gov/pmn/index.html).

**F. Staff Finding:**

Staff verified some of the information the applicant provided and researched parking standards for commercial kennels in cities in Utah and elsewhere. Staff also researched the parking requirements for jurisdictions where PetSuites is currently located.

Comparing parking requirements in one jurisdiction to another for a commercial kennel is often difficult due to different definitions and zones used and complex parking regulations. "One size does not fit all." Some jurisdictions have a commercial kennel parking requirement; some jurisdictions use "daycare use," "preschool," "child care," "animal services" as the closest use for "commercial kennel."

Here is Staff's research:



## Utah Cities

(Commercial Kennel or closest fit)

- Salt Lake City, Daycare Use: 2 spaces per 1,000 sq. ft. If in a General Neighborhood Center/Urban Area: 1 space per 1,000; if in Transit area: no minimum.
- Herriman, Kennel: 4 spaces per 1,000 plus one space per employee on highest shift
- Lehi, Daycare: 1 space per 300 gross floor area
- Eagle Mountain, Daycare: 1 space per staff + 1 per 10 children
- American Fork, Daycare: 0.35 space per licensed capacity (no adjustment for initial occupant)
- Bluffdale, Daycare: 1 space per every 6 occupancy allowed
- South Jordan, Animal Services: 1 space per 200 sq. ft. floor area
- West Jordan, Kennel: 1 space per 250 gross floor area
- Draper, Grooming Service/Kennel: 1 space per 4 animals based on maximum occupancy
- Riverton, Daycare Center/Preschool: 1 space per staff member plus 1 space per 10 students
- Orem, based on zone and building square footage
- Park City, Child Care Center: 1 space per on-duty staff per shift and 1 space per every 6 children
- West Valley City
  - o Retail – Intensive: General Merchandising including shopping centers and adult businesses – 1 space per 250 gross floor area for 1<sup>st</sup> 20K + 1 space per 300 thereafter
  - o Retail – Less Intensive: Furniture, Carpeting – 1 space per 600 gross floor area
- Taylorsville, Group Daycare: 4 spaces per 1,000 active or assembly area
- Bountiful: determined by approving authority after recommendation from staff and nearest standard
- South Salt Lake, Animal Kennel/Commercial Daycare: 4 stalls per 1,000 sq. ft.
- Murray, Daycare Center: 1 space per employee + 1 space per 5 students
- Sandy, Day care, group: one space for each instructor (plus drop-off space)
- Midvale, Child Care Facility/Center: 1 per on-duty staff per shift and 1 per 5 children
- Clearfield, Utah, Less intensive commercial business, as furniture, appliance and lumber sales: 1.5 spaces per 1,000 SF of GFA
- St. George
  - o Veterinary hospital: 5 spaces for each doctor
  - o Child care center: 1 space for each staff member, plus 1 space for each 10 children for which said established is licensed

## Other Cities

(Google search: “Minimum parking requirements for Commercial Kennel”)

- Palm Beach County, Florida: 1 space per 500 sq. ft.
- Ontario, CA: 1 space per employee, plus 1 space per motor vehicle used; (Day Care: 1 space per employee, plus 1 space per 5 children)
- Mussey Township, Michigan: 5 stalls
- Rio Rancho, NM: prohibited

- Hillsborough County, FL: new ordinance May 2022, 2 per 1,000 sq. ft., cited in line with nearby jurisdictions
- Colorado Springs, CO: 1 per 400 sq. ft.
- Iowa City, Iowa: “animal related,” 1 per office or exam room, not less than 3

### **Cities with PetSuites**

(PetSuites has 68 current locations in 16 states; no locations are currently in Utah; applicant is currently working with the City of Clearfield)

- Lewisville, TX, for all inside retail use: 1 space per 300 sq. ft.
- Arlington, TX, Daycare Center: 2.5 spaces per 1,000 gross floor area (GFA)
- Farmers Branch, TX, Animal Clinic or Hospital: 1 space per 450 GFA
- Murphy, TX, Veterinarian: 1 space per 300 GFA
- Round Rock, TX: Animal Hospital/Veterinary Clinic: 1 space per 200 GFA (for comparison “Daycare” requires 3.5 spaces per 1,000 GFA)
- Eagan, MN, Daycare: 10 stalls + 1 space per 500 sq. ft. in principle structure (may hold area for future parking)
- Woodbury, MN, Retail/Animal Boarding Facilities: (located in PUD) 1 space per 185 sq. ft. (shared parking used)
- St. Charles, IL, Pet Care Facility: 3 spaces per 1,000 sq. ft.

### **Summary:**

Compared to other Utah cities, Saratoga’s current parking standard of 4 spaces per 1,000 sq. ft. is closer than the proposed standard of 2 spaces per 1,000 sq. ft. Compared with cities with specific parking for “Commercial Kennel” or cities with PetSuites the proposed standard of 2 spaces per 1,000 sq. ft. is closer than the current standard of 4 spaces per 1,000 sq. ft.

Staff talked with Planners in several cities with PetSuites. Staff asked if their cities had experienced any parking difficulties with PetSuites; these planners said they had not. It should be noted that PetSuites is relatively new in many locations. (PetSuites currently has 68 locations in 16 states.)

Jurisdictions often use the parking requirements for “Daycare” for kennels because customers spend similar amounts of time parked in both uses. Staff asked the owners of Rush Lake Kennels (Don & Julie Pawlak) ([Rush Lake Kennels | Dog Boarding & Training](#)) located in Tooele County how long customers park when dropping off or picking up their pets, they said five or ten minutes at the most. Staff also asked an employee of Dogtown Pet Spa (located in Sandy, South Jordan, and St. George) the same question; staff received the same answer. Like daycares, kennels are frequented more often in the morning, mid-day, and evening.

Some cities do not specifically address minimum parking requirements for kennels; however, they do have particular enforceable health regulations for kennels regarding noise, odors, and lighting.

Some cities specify required minimum parking whether a commercial kennel has incidental or full retail sales.

The American Planning Association website ([Search.planning.org](http://Search.planning.org)) has articles regarding minimum parking requirements.

**G. General Plan:**

**Land Use Element – General Goals**

The General Plan has stated goals of responsible growth management, orderly and efficient development that is compatible with both the natural and built environment, establishment of a strong community identity in the City of Saratoga Springs, and implementation of ordinances and guidelines to assure quality of development.

**Staff conclusion: Consistent.** *The proposed changes will still ensure quality of development, maintain community identity, ensure quality development through the maintenance of high standards, and require mitigation of impacts to existing/proposed development.*

**H. Code Criteria:**

**Code amendments are a legislative decision and grants the City Council significant discretion when considering changes to the Code.**

The criteria for an ordinance (Code) change are outlined below and act as guidance to the Council and to the Commission in making a recommendation. Note that the criteria is not binding.

**19.17.04 Consideration of General Plan, Ordinance, or Zoning Map Amendment**

The Planning Commission and City Council shall consider, but not be bound by, the following criteria when deciding whether to recommend or grant a General Plan, ordinance, or zoning map amendment:

1. The proposed change will conform to the Land Use Element and other provisions of the General Plan;  
**Consistent.** *See Section E of this report.*
2. the proposed change will not decrease nor otherwise adversely affect the health, safety, convenience, morals, or general welfare of the public;  
**Consistent.** *The amendments will not adversely affect the health and welfare of the general public.*
3. the proposed change will more fully carry out the general purposes and intent of this Title and any other ordinance of the City; and  
**Consistent.** *The stated purposes of the Code are found in section 19.01.04:*
  1. The purpose of this Title, and for which reason it is deemed necessary, and for which it is designed and enacted, is to preserve and promote the health, safety, morals, convenience, order, fiscal welfare, and the general welfare of the City, its present and future inhabitants, and the public generally, and in particular to:

- a. encourage and facilitate the orderly growth and expansion of the City;
- b. secure economy in governmental expenditures;
- c. provide adequate light, air, and privacy to meet the ordinary or common requirements of happy, convenient, and comfortable living of the municipality's inhabitants, and to foster a wholesome social environment;
- d. enhance the economic well-being of the municipality and its inhabitants;
- e. facilitate adequate provisions for transportation, water, sewer, schools, parks, recreation, storm drains, and other public requirements;
- f. prevent the overcrowding of land, the undue concentration of population, and promote environmentally friendly open space;
- g. stabilize and conserve property values;
- h. encourage the development of an attractive and beautiful community; and
- i. promote the development of the City of Saratoga Springs in accordance with the Land Use Element of the General Plan.

**Consistent.** *The proposed amendment will ensure an effective development review process both benefiting the City, developers, and the public.*

- 4. in balancing the interest of the petitioner with the interest of the public, community interests will be better served by making the proposed change.

**Consistent.** *The amendments will provide additional clarity and effectiveness of the Code and better enhance the consistency in development review.*

- I. **Planning Commission Recommendation:** the Planning Commission will make a recommendation after their Public Hearing on December 1, 2022

#### J. **Possible Motions**

##### **Option 1: Approve**

Motion: "Based upon the evidence and explanations received today, I move to **approve** proposed amendment to Title 19 with the findings and conditions in the staff report dated November 30, 2022:"

##### **Findings:**

- 1. The amendments are consistent with Section 19.17.04.1, General Plan, as outlined in Sections E and F of this report and incorporated herein by reference.
- 2. The amendments are consistent with Section 19.17.04.2 as outlined in Section F of this report and incorporated herein by reference.
- 3. The amendments are consistent with Section 19.17.04.3 as outlined in

Section F of this report and incorporated herein by reference.

4. The amendments are consistent with Section 19.17.04.4 as outlined in Section F of this report, and incorporated herein by reference.

**Conditions:**

1. The amendment shall be edited as directed by the Planning Commission:

- a. \_\_\_\_\_
- b. \_\_\_\_\_

**Option 2 – Continue**

Vote to **continue** all or some of the Code amendment to the next meeting, with specific feedback and direction to Staff on changes needed to render a decision.

Motion: “I move to continue discussion on the proposed amendment to Title 19 to the [DATE] City Council meeting with the following direction on additional information needed and/or changes to the draft:

1. \_\_\_\_\_
2. \_\_\_\_\_

**Option 3 – Deny**

Vote to deny all or some of the proposed Code amendment

Motion: “Based upon the evidence and explanations received today, I move to **deny** the proposed amendment to all or some of the Title 19 amendment with the Findings below:

**Findings**

1. The amendment does not comply with Section 19.17.04, sub paragraphs 1, 2, 3, and/or 4, as articulated by the Planning Commission:
2. \_\_\_\_\_

## Exhibit 1

19.09.10. Required Minimum Parking. The table below indicates the minimum requirement for each use; unless otherwise identified, in no case may the minimums be exceeded by more than 25%.

### Current

Use	Parking Requirement
Kennel, Commercial	4 stalls per 1,000 sq. ft.

### Proposed

Use	Parking Requirement
Kennel, Commercial	2 stalls per 1,000 sq. ft.

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY OF SARATOGA SPRINGS, UTAH,  
("CITY") ADOPTING AMENDMENTS TO CHAPTERS 19.09 OF  
TITLE 19 OF THE SARATOGA SPRINGS CITY CODE RELATING  
TO REQUIRED MINIMUM PARKING FOR "KENNEL,  
COMMERCIAL" AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, on September 6, 2011, pursuant to Utah Code § 10-3-707, the City Council of the City of Saratoga Springs, Utah ("City Council") codified ordinances previously adopted; and

**WHEREAS**, pursuant to authority granted in Utah Code Annotated § 10-3-701 et seq., the City Council may adopt and amend laws, ordinances, regulations, and codes that comprise the regulatory, penal, and administrative ordinances of the City of Saratoga Springs; and

**WHEREAS**, the City Council reviewed the City Code and finds that further amendments to the City Code are necessary to accomplish the purposes in Utah Code Annotated § 10-3-701 et seq.; and

**WHEREAS**, pursuant to Utah Code Chapter 10-9a, a legislative body such as the City Council may enact or amend land use regulations so long as such advances the purposes in Chapter 10-9a and a duly-noticed public hearing was first held by the planning commission; and

**WHEREAS**, the Saratoga Springs Planning Commission held a public hearing, after the required public notice, on December 1, 2022, and forwarded a recommendation to the City Council with recommended amendments; and

**WHEREAS**, the City Council, on December 6, 2022, reviewed the Planning Commission's recommendation and all public comment received at the Planning Commission public hearing; and

**WHEREAS**, the City Council hereby finds that the amendments attached as Exhibit A advance the purposes of Utah Code Chapter 10-9a and further the public health, safety, and welfare of Saratoga Springs residents.

**NOW THEREFORE**, the City Council ordains as follows:

**SECTION I – ENACTMENT**

The amendments to Title 19 of the City Code attached as Exhibit A, incorporated herein by this reference, are hereby enacted.

**SECTION II – AMENDMENT OF CONFLICTING ORDINANCES**

If any ordinances, resolutions, policies, or zoning maps of the City of Saratoga Springs heretofore adopted are inconsistent herewith they are hereby amended to comply with the

provisions hereof. If they cannot be amended to comply with the provisions hereof, they are hereby repealed.

### **SECTION III – EFFECTIVE DATE**

This ordinance shall take effect upon its passage by a majority vote of the Saratoga Springs City Council and following notice and publication as required by the Utah Code.

### **SECTION IV – SEVERABILITY**

If any section, subsection, sentence, clause, phrase, or portion of this ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such provision shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions of this ordinance.

### **SECTION V – PUBLIC NOTICE**

The Saratoga Springs Recorder is hereby ordered, in accordance with the requirements of Utah Code §§ 10-3-710–711, to do as follows:

- a. deposit a copy of this ordinance in the office of the City Recorder; and
- b. publish notice as follows:
  - i. publish a short summary of this ordinance for at least one publication in a newspaper of general circulation in the City; or
  - ii. post a complete copy of this ordinance in three public places within the City.

**ADOPTED AND PASSED** by the City Council of the City of Saratoga Springs, Utah, this 6<sup>th</sup> day of December 2022.

Signed: \_\_\_\_\_  
Jim Miller, Mayor

Attest: \_\_\_\_\_  
Cindy LoPiccolo, City Recorder

### **VOTE**

	Yes	No	Abstain	Absent
Chris Carn	_____	_____	_____	_____
Michael McOmber	_____	_____	_____	_____
Ryan Poduska	_____	_____	_____	_____
Chris Porter	_____	_____	_____	_____
Stephen Willden	_____	_____	_____	_____



## **EXHIBIT A**

### **19.09.10. Required Minimum Parking.**

The table below indicates the minimum requirement for each use; unless otherwise identified, in no case may the minimums be exceeded by more than 25%.

Use	Parking Requirement
Kennel, Commercial	<del>4</del> <u>2</u> stalls per 1000 sq. ft.



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**Code Amendments**

**Chapters 19.02.02 and 19.18.04**

**December 6, 2022**

**Public Meeting**

Report Date: November 29, 2022  
Applicant: City Initiated  
Previous Meeting: None  
Land Use Authority: City Council  
Previous Meeting: None  
Author: Brad Davis, Code Compliance Inspector | Planning

---

**A. Executive Summary:**

The Planning Department keeps a running list of minor and major changes that are needed to provide additional clarity and effectiveness, to remove inconsistencies and typos, and incorporate best practices, and has the goal of adopting amendments approximately four times a year to keep the Code current.

**B. Specific Request:**

Changes to Code Sections in Chapters 19.02.02, and 19.18.04 regarding the City's sign code definitions and prohibited signs adding clarity, as shown in the attached exhibit.

**C. Process:**

Section 19.17.03 of the Code outlines the process and criteria for an amendment:

- a. The Planning Commission shall review the petition and make its recommendation to the City Council within thirty days of the receipt of the petition.

***Complies.*** This is a City initiated proposal and has been presented for a recommendation to the City Council.

- b. The Planning Commission shall recommend adoption of proposed amendments only where it finds the proposed amendment furthers the purpose of the Saratoga Springs Land Use Element of the General Plan and that changed conditions make the proposed amendment necessary to fulfill the purposes of this Title.

***Complies.*** Please see Sections E and F of this report.

- c. The Planning Commission and City Council shall provide the notice and hold a public hearing (Planning Commission) as required by the Utah Code. For an application which concerns a specific parcel of property, the City shall provide the notice required by Chapter 19.13 for a public hearing.

***Complies.*** Please see Section D of this report.

- d. For an application which does not concern a specific parcel of property, the City shall provide the notice required for a public hearing except that notice is not required to be sent to property owners directly affected by the application or to property owners within 300 feet of the property included in the application. ***Complies.*** Please see Section D of this report.

**D. Community Review:**

This item was noticed per State requirements as a Planning Commission public hearing. As of the date of this report, no public input has been received. The notice has also been posted in the City building, [www.saratogaspringscity.com](http://www.saratogaspringscity.com), and [www.utah.gov/pmn/index.html](http://www.utah.gov/pmn/index.html).

**E. General Plan:**

**Land Use Element – General Goals**

The General Plan has stated goals of responsible growth management, orderly and efficient development that is compatible with both the natural and built environment, establishment of a strong community identity in the City of Saratoga Springs, and implementation of ordinances and guidelines to assure quality of development.

***Staff conclusion: Consistent.*** The proposed changes will still ensure quality of development, maintain community identity, ensure quality development through the maintenance of high standards, and require mitigation of impacts to existing/proposed development.

**F. Code Criteria:**

**Code amendments are a legislative decision and grants the City Council significant discretion when considering changes to the Code.**

The criteria for an ordinance (Code) change are outlined below and act as guidance to the Council and to the Commission in making a recommendation. Note that the criteria is not binding.

**19.17.05 Consideration of General Plan, Ordinance, or Zoning Map Amendment**

The Planning Commission and City Council shall consider, but not be bound by, the following criteria when deciding whether to recommend or grant a General Plan, ordinance, or zoning map amendment:

1. The proposed change will conform to the Land Use Element and other provisions of the General Plan;

**Consistent.** See Section E of this report.

2. the proposed change will not decrease nor otherwise adversely affect the health, safety, convenience, morals, or general welfare of the public;

**Consistent.** The amendments will not adversely affect the health and welfare of the general public.

3. the proposed change will more fully carry out the general purposes and intent of this Title and any other ordinance of the City; and

**Consistent.** The stated purposes of the Code are found in section 19.01.04:

1. The purpose of this Title, and for which reason it is deemed necessary, and for which it is designed and enacted, is to preserve and promote the health, safety, morals, convenience, order, fiscal welfare, and the general welfare of the City, its present and future inhabitants, and the public generally, and in particular to:
  - a. encourage and facilitate the orderly growth and expansion of the City;
  - b. secure economy in governmental expenditures;
  - c. provide adequate light, air, and privacy to meet the ordinary or common requirements of happy, convenient, and comfortable living of the municipality's inhabitants, and to foster a wholesome social environment;
  - d. enhance the economic well-being of the municipality and its inhabitants;
  - e. facilitate adequate provisions for transportation, water, sewer, schools, parks, recreation, storm drains, and other public requirements;
  - f. prevent the overcrowding of land, the undue concentration of population, and promote environmentally friendly open space;
  - g. stabilize and conserve property values;
  - h. encourage the development of an attractive and beautiful community; and
  - i. promote the development of the City of Saratoga Springs in accordance with the Land Use Element of the General Plan.

**Consistent.** The proposed amendment will ensure an effective development review process both benefiting the City, developers, and the public.

4. in balancing the interest of the petitioner with the interest of the public, community interests will be better served by making the proposed change.

**Consistent.** The amendments will provide additional clarity and effectiveness of the Code and better enhance the consistency in development review.

#### **G. Planning Commission Recommendation:**

The Planning Commission will review this request in a public hearing on December 1, 2022. A report of action will be provided for the City Council prior to December 6, 2022.

**H. Possible Motions:**

**Approval**

Motion: “Based upon the evidence and explanations received today, I move to **approve** the proposed amendments to Title 19 with the findings and conditions in the staff report.”

**Findings:**

1. The amendments are consistent with Section 19.17.05.1, General Plan, as outlined in Sections E and F of this report and incorporated herein by reference.
2. The amendments are consistent with Section 19.17.05.2 as outlined in Section F of this report and incorporated herein by reference.
3. The amendments are consistent with Section 19.17.05.3 as outlined in Section F of this report and incorporated herein by reference.
4. The amendments are consistent with Section 19.17.05.4 as outlined in Section F of this report, and incorporated herein by reference.

**Conditions:**

1. The amendments shall be edited as directed by the City Council:
  - a. \_\_\_\_\_
  - b. \_\_\_\_\_

**Option 1 – Continuance**

Vote to **continue** all or some of the Code amendments to the next meeting, with specific feedback and direction to Staff on changes needed to render a decision.

Motion: “I move to continue the amendments to Title 19 to the [DATE] City Council meeting with the following direction on additional information needed and/or changes to the draft:

1. \_\_\_\_\_
2. \_\_\_\_\_

**Option 2 – Denial**

Vote to **deny** all or some of the proposed Code amendments

Motion: “Based upon the evidence and explanations received today, I move to **deny** all or some of the Title 19 amendments based upon the Findings below:

**Findings**

1. The amendments do not comply with Section 19.17.05, sub paragraphs 1, 2, 3, and/or 4, as articulated by the City Council: \_\_\_\_\_  
\_\_\_\_\_

**I. Exhibits:**

**A. Proposed Code Amendments**

## EXHIBIT A

### 19.02.02. Definitions.

68. **“Trailer Sign”** means a ny sign affixed to, applied, set upon, painted on, or printed on a trailer and visible from the public right-of-way, unless the trailer is used for transporting materials in the normal day-to-day operations of the business.
69. **“Vehicular Sign”** means a ny sign affixed to, applied, set upon, painted on, or printed on a vehicle and visible from the public right-of-way, unless the vehicle is used for transporting people or materials in the normal day-to-day operations of the business.
287. **“Storage Trailer”** – means a trailer that is used for the storage of items at a fixed location for more than 72 hours.

### 19.18.04. Prohibited Signs.

1. The following signs and any sign not otherwise authorized under the terms of this code are prohibited in the City, except as expressly permitted elsewhere in this chapter:
- Abandoned Signs.
  - Animated Signs.
  - Bench Signs other than artwork included in the bench structure.
  - Balloon Signs.
  - Billboards.
  - Cabinet Signs, Simple.
  - Electronic Message Signs.
  - Flashing Signs.
  - Neon Signs in residential zones.
  - Off-premise permanent signs.
  - Pennants.
  - Pole Signs.
  - Pylon Signs.
  - Roof Signs.
  - Snipe Signs.
  - Wind Signs.
  - Vehicle Signs parked outside of designated parking stalls, or occupying required parking for more than 50% of the operating hours.
  - Trailer Signs ~~not affixed to a vehicle~~, parked outside of designated parking stalls, or occupying required parking for more than 50% of the operating hours.
  - Painted signs on a building wall.
  - Feather banner signs.
  - Signs affixed to, applied to, set upon, painted on, or printed on storage trailers.
  - Signs not otherwise expressly permitted in this chapter.

**ORDINANCE NO. 22-57 (12-6-22)**

**AN ORDINANCE OF THE CITY OF SARATOGA SPRINGS,  
UTAH, (“CITY”) ADOPTING AMENDMENTS TO TITLE 19  
OF THE SARATOGA SPRINGS CITY CODE AND  
ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS**, pursuant to Utah Code § 10-3-707, the City Council of the City of Saratoga Springs, Utah (“City Council”) previously adopted ordinances codified in Title 19; and

**WHEREAS**, pursuant to authority granted in Utah Code Annotated § 10-3-701 et seq., the City Council may adopt and amend laws, ordinances, regulations, and codes that comprise the regulatory, penal, and administrative ordinances of the City of Saratoga Springs; and

**WHEREAS**, the City Council has reviewed the City Code and finds that further amendment to the City Code is necessary to accomplish the purposes in Utah Code Annotated § 10-3-701 et seq.; and

**WHEREAS**, pursuant to Utah Code Chapter 10-9a, a municipal legislative body such as the City Council may enact or amend land use regulations so long as such advances the purposes in Chapter 10-9a and a duly-noticed public hearing was first held by the planning commission; and

**WHEREAS**, the Saratoga Springs Planning Commission held a public hearing, after the required public notice, on December 6, 2022 and forwarded a recommendation to the City Council with or without amendments; and

**WHEREAS**, the City Council has reviewed the Planning Commission’s recommendation and all public comment received at the Planning Commission public hearing; and

**WHEREAS**, the City Council hereby finds that the amendments attached as Exhibit A advance the purposes of Utah Code Chapter 10-9a and further the public health, safety, and welfare of Saratoga Springs residents.

**NOW THEREFORE**, the City Council ordains as follows:

**SECTION I – ENACTMENT**

The amendments to Title 19 of the City Code attached as Exhibit A, incorporated herein by this reference, are hereby enacted.

**SECTION II – AMENDMENT OF CONFLICTING ORDINANCES**

If any ordinances, resolutions, policies, or zoning maps of the City of Saratoga Springs heretofore adopted are inconsistent herewith they are hereby amended to comply with the provisions hereof. If they cannot be amended to comply with the provisions hereof, they are hereby repealed.

### **SECTION III – EFFECTIVE DATE**

This ordinance shall take effect upon its passage by a majority vote of the Saratoga Springs City Council and following notice and publication as required by the Utah Code.

### **SECTION IV – SEVERABILITY**

If any section, subsection, sentence, clause, phrase, or portion of this ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such provision shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions of this ordinance.

### **SECTION V – PUBLIC NOTICE**

The Saratoga Springs Recorder is hereby ordered, in accordance with the requirements of Utah Code § 10-3-710–711, to do as follows:

- a. deposit a copy of this ordinance in the office of the City Recorder; and
- b. publish notice as follows:
  - i. publish a short summary of this ordinance on the Utah Public Notice Website created in Utah Code § 63F-1-701; or
  - ii. post a complete copy of this ordinance in three (3) public places within the City.

**ADOPTED AND PASSED** by the City Council of the City of Saratoga Springs, Utah, this 6<sup>th</sup> day of December, 2022.

Signed: \_\_\_\_\_  
Jim Miller, Mayor

Attest: \_\_\_\_\_  
Cindy LoPiccolo, City Recorder

### **CITY COUNCIL VOTE AS RECORDED**

Councilmembers:	Yes	No	Abstain	Excused
Chris Carn	_____	_____	_____	_____
Michael McOmber	_____	_____	_____	_____
Ryan Poduska	_____	_____	_____	_____
Chris Porter	_____	_____	_____	_____
Stephen Willden	_____	_____	_____	_____
Mayor Jim Miller (tie only)	_____	_____		



**EXHIBIT A**  
**Title 19 Amendments**

#### 19.02.02. Definitions.

68. “Trailer Sign” means a ny sign affixed to, applied, set upon, painted on, or printed on a trailer and visible from the public right-of-way, unless the trailer is used for transporting materials in the normal day-to-day operations of the business.

69. “Vehicular Sign” means a ny sign affixed to, applied, set upon, painted on, or printed on a vehicle and visible from the public right-of-way, unless the vehicle is used for transporting people or materials in the normal day-to-day operations of the business.

287. “Storage Trailer” – means a trailer that is used for the storage of items at a fixed location for more than 72 hours.

#### 19.18.04. Prohibited Signs.

1. The following signs and any sign not otherwise authorized under the terms of this code are prohibited in the City, except as expressly permitted elsewhere in this chapter:

- a. Abandoned Signs.
- b. Animated Signs.
- c. Bench Signs other than artwork included in the bench structure.
- d. Balloon Signs.
- e. Billboards.
- f. Cabinet Signs, Simple.
- g. Electronic Message Signs.
- h. Flashing Signs.
- i. Neon Signs in residential zones.
- j. Off-premise permanent signs.
- k. Pennants.
- l. Pole Signs.
- m. Pylon Signs.
- n. Roof Signs.
- o. Snipe Signs.
- p. Wind Signs.
- q. Vehicle Signs parked outside of designated parking stalls, or occupying required parking for more than 50% of the operating hours.
- r. Trailer Signs ~~not affixed to a vehicle~~, parked outside of designated parking stalls, or occupying required parking for more than 50% of the operating hours.
- s. Painted signs on a building wall.
- t. Feather banner signs.
- u. Signs affixed to, applied to, set upon, painted on, or printed on storage trailers.
- v. Signs not otherwise expressly permitted in this chapter.