

# CITY OF CEDAR HILLS UTAH



## 2012 BUDGET DOCUMENT

July 1, 2011–June 30, 2012





# CITY OF CEDAR HILLS UTAH

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## 2012 BUDGET DOCUMENT

July 1, 2011–June 30, 2012



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# OVERVIEW



Konrad Hildebrandt

## CITY MANAGER MESSAGE

To City Mayor, Council, & Residents:

Pursuant to §10-6-109, Utah Code Annotated, the following budget for fiscal year 2012 has been prepared for the City of Cedar Hills using budgetary practices and techniques recommended by the Governmental Accounting Standards Board (GASB). As required by State law, the proposed budget is balanced, meaning governmental expenditures will not exceed governmental revenues.

Within the framework and policies established by the City Council, this budget has been prepared after analyzing and evaluating detailed requests from each of the City departments. The budget document provides a clear picture of the financial condition of the City and the planning needed to properly manage the financial resources for the coming year. As part of that planning, please consider the following highlights and priorities of this year's budget:

### Growth

One of the primary concerns in compiling this budget was the forecasted growth of the City. As an accurate estimation for growth is vital to proper revenue projections, the most precise methods must be employed.

Thus, using procedures outlined by the US Census Bureau, City staff has made efforts to track

the growth of the City's population over the past ten years. Based on the number of boundary adjustments and building permits issued each month since the 2010 census, we extrapolate our population to be 9,841 residents or 2,452 households as of July 1, 2011, increasing to 2,464 households or 9,889 residents by June 30, 2012. As seen in the Population Extrapolation table (Figure O-1), this represents a 0.5 percent increase in population from the year before. In addition, the expected growth will occur at a rate that is 25 percent faster than the previous year (fiscal year 2011). The City experienced rapid growth from 2001 to 2007, but recently, growth has slowed significantly due to the current economic environment. Figure O-2 demonstrates this trend.

These population and growth estimates and their resultant rates serve as drivers for calculating many of the revenue projections in both the General Fund and the Water and Sewer Fund. Revenues that have the general population as their base are expected to increase along with the population at a rate of 0.5 percent from the previous year. On the other hand, revenues that have only *new* growth as their base, such as building permit revenues, would be expected to increase from the

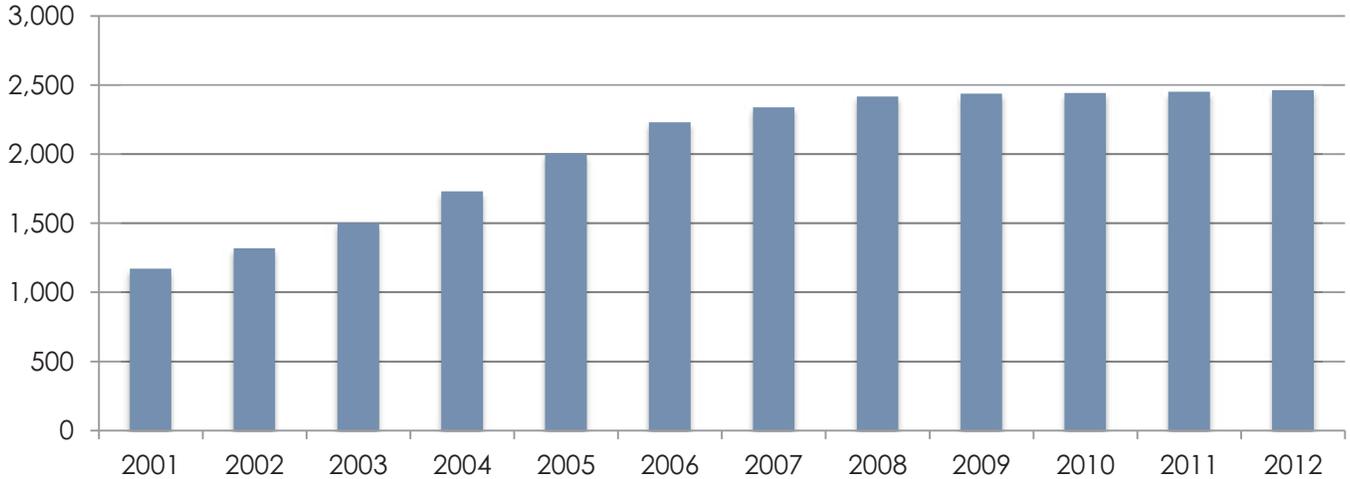
## POPULATION EXTRAPOLATION

Fiscal Year	Population	% Change	Households
2001	4,704	N/A	1,172
2002	5,290	12.5%	1,318
2003	6,028	14.0%	1,502
2004	6,947	15.2%	1,731
2005	8,051	15.9%	2,006
2006	8,950	11.2%	2,230
2007	9,391	4.9%	2,340
2008	9,704	3.3%	2,418
2009	9,788	0.9%	2,439
2010	9,804	0.2%	2,443
2011	9,841	0.4%	2,452
<b>2012</b>	<b>9,889</b>	<b>0.5%</b>	<b>2,464</b>

Figure O-1

### HOUSEHOLD GROWTH IN CEDAR HILLS

Figure O-2



previous year by 25 percent. Furthermore, various other revenue and expenditure items, which require distinct and often more complex models for projection, hearken back to these population and growth estimates.

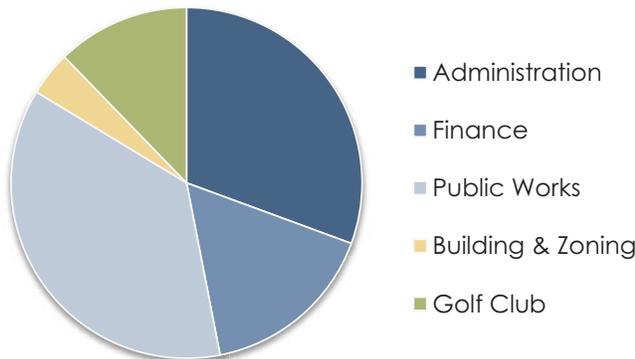
#### General Services

Always critical to the budget are the general services that the City provides for its residents. Due to current economic conditions, no significant additions have been made to general services. While expenses have increased in some line items, the increases are generally routine and are not a result of major changes to general services.

#### Personnel

The City of Cedar Hills staff will not increase in size during the 2012 fiscal year. A detailed summary of the City staff by department is provided in Figure O-3.

The Fiscal Year 2012 Budget allows for the addition of one full-time position in the Community Services Department (i.e. Recreation Center Manager) and the elimination of one full-time position in the Golf Department (i.e. Assistant Golf Director). In addition, a part-time assistant position was added to the Administration Department and the Deputy Recorder position was cut.



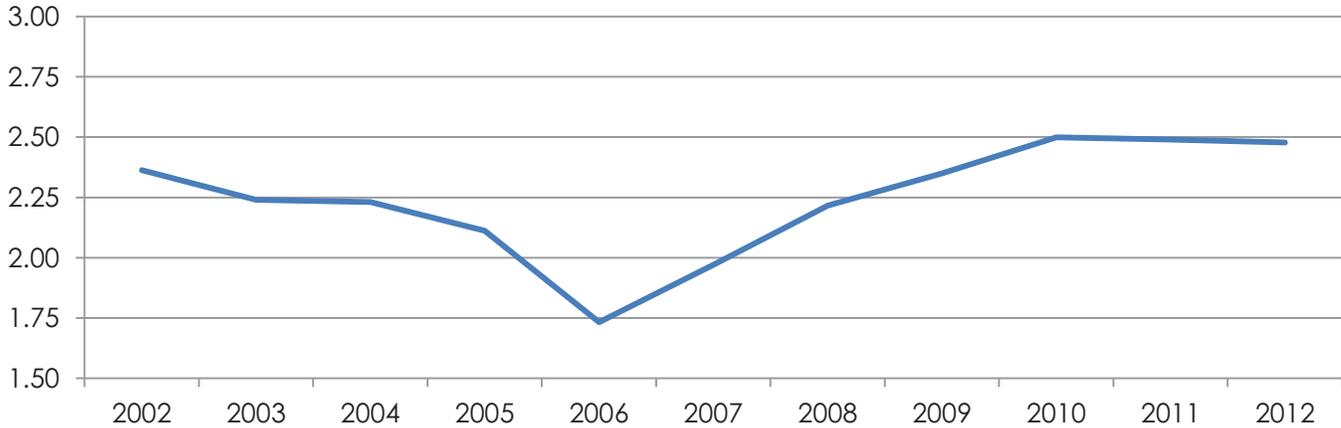
#### PERSONNEL SUMMARY

DEPARTMENT	FY 2010	FY 2011	FY 2012
Administration	3.5	3.5	4
City Recorder	1.5	1.5	1
Community Services	1.5	1.5	2.5
Finance	3	4	4
Public Works	9	9	9
Building & Zoning	2	1	1
Golf Club	4	4	3
<b>TOTAL</b>	<b>24.5</b>	<b>24.5</b>	<b>24.5</b>

Figure O-3

## FULL-TIME EMPLOYEES/1000 RESIDENTS

Figure O-4



The City is currently running a lean, low-cost operation. Full-time equivalent employees per 1,000 residents have only increased slightly since 2002. In fiscal year 2012, the City will employ 2.48 FTEs per 1,000 residents compared to 2.36 FTEs in 2002. Figure O-4 depicts the decrease and then slight increase in FTEs per capita over time. The increase in FTEs over the past few years is explained by slowed growth, while at the same time increasing the level of service to the residents (e.g. golf course).

### Funds Overview

The various funds used for accounting and reporting purposes are the foundation of the City's financial structure. Similarly, the various departments within the City are the backbone of city operations (see Figure O-5). The City's departments are groups of similar functions that provide for efficient management. Furthermore, the total appropriation for each department within a given fund is the legal spending limit specified by State law.

The budget is broken down into five major funds: 1. General Fund; 2. Capital Projects Fund; 3. Water, Sewer, and Storm Drain Fund; 4. Motor Pool Fund; 5. Community Recreation Fund. A brief summary of the funds can be found in the chart on the next page. The most significant revenue and expense items for the top four funds are shown in the figures on pages 6–10.

State law requires that the General Fund carry a fund balance of no more than 18 percent of the year's revenues. The total net assets in the Motor Pool Fund is kept very low as revenues are transferred in only as

needed to cover expenditures. The Capital Projects Fund, the Water, Sewer, and Storm Drain Fund, and the Community Recreation Fund carry a fund balance that is under no legal restraint. All excess funds are invested consistent with the State Money Management Act. The resultant interest income is used as an additional revenue source in each fund. More information about the City's fund balances can be found on pages 34–38.

### The General Fund

As may be expected, the major revenues in the General Fund are tax revenues. The single largest revenue is sales and use tax. In past years, the City of Cedar Hills has relied almost exclusively on sales tax distributed from the state pool. However, an emerging commercial district will allow the City to increase the amount of sales tax collected.

Budgeted tax revenues are estimated using a trend analysis. Figure O-6 (page 7) shows the five-year trend for sales and use tax and franchise tax. Other factors are also considered including tax rates, the economy, and commercial and residential growth.

Bringing in 18 percent of the expected revenue is property tax. With the average assessed value dropping slightly, the City Council voted to increase the fiscal year 2012 tax rate to 0.3153 percent from 0.2994 percent. Despite the increased rate, budgeted revenue will be at least \$20,000 less than actual fiscal year 2011 property tax revenue. This decrease in property tax revenue is the third reduction over the past four years.

## FUND SUMMARIES

**The Governmental Funds** include those activities that comprise the City's basic services. The governmental funds are listed separately below:

**The General Fund** is considered the chief operating fund of the City. This fund accounts for all financial resources of general government, except for those required to be accounted for in another fund.

**The Capital Project Fund** accounts for the resources used to acquire, construct, and improve major capital facilities, other than those financed by proprietary funds. The principal sources of funding are impact fees, transfers from the General Fund, grants, and bond proceeds.

**The Internal Service Funds** account for the financing of goods or services provided by one department to other departments of the City on a cost reimbursement basis. The City's only Internal Service Fund is the Motor Pool Fund.

**The Motor Pool Fund** accounts for the maintenance and acquisition of City vehicles.

**The Enterprise Funds** include those activities that operate similar to private businesses and charge a fee to the users that is adequate to cover most or all of the costs. The City reports the following enterprise funds:

**The Water, Sewer, and Storm Drain Fund** is used to account for the operations of the City's water, sewer, and storm drain utilities.

**The Community Recreation Fund** is used to account for the activity of the golf course and events center.

## RELATIONSHIP OF DEPARTMENTS & FUNDS

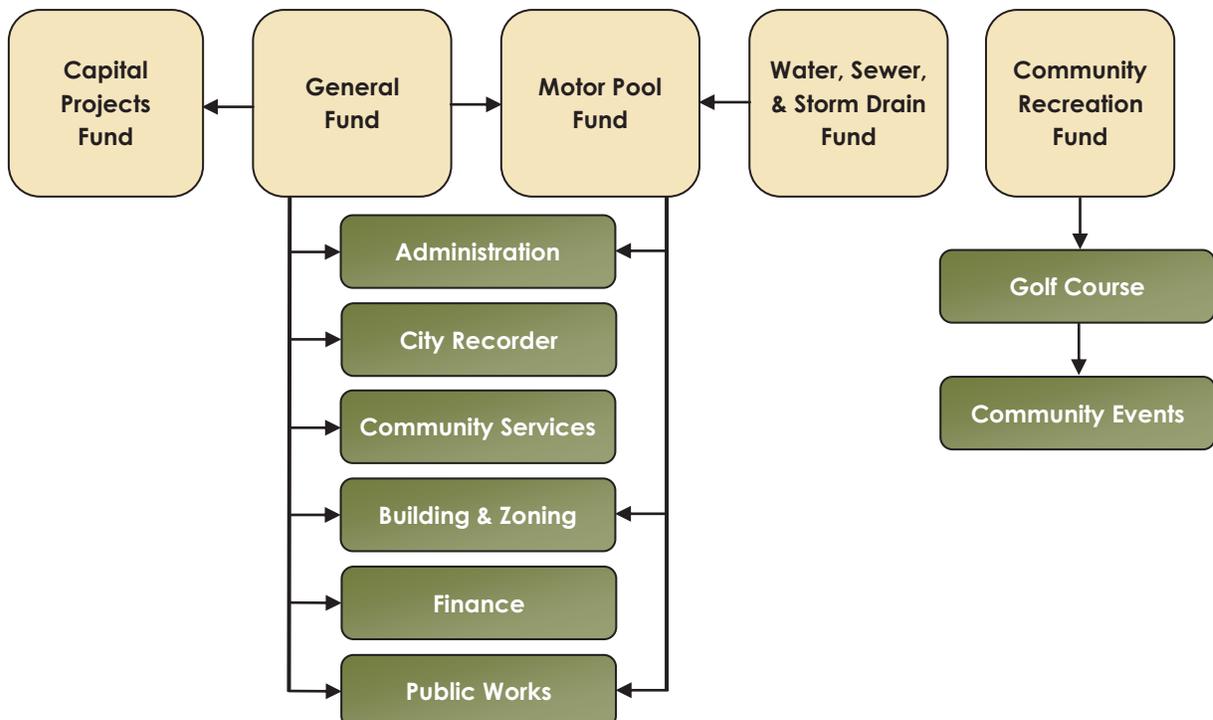
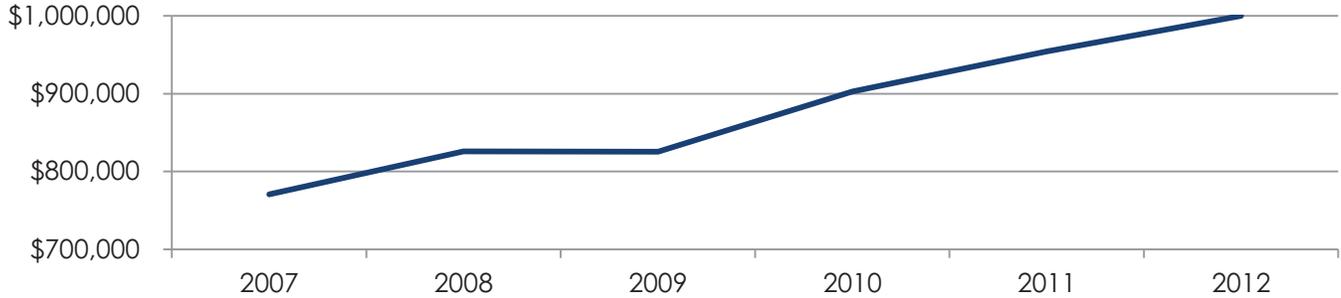


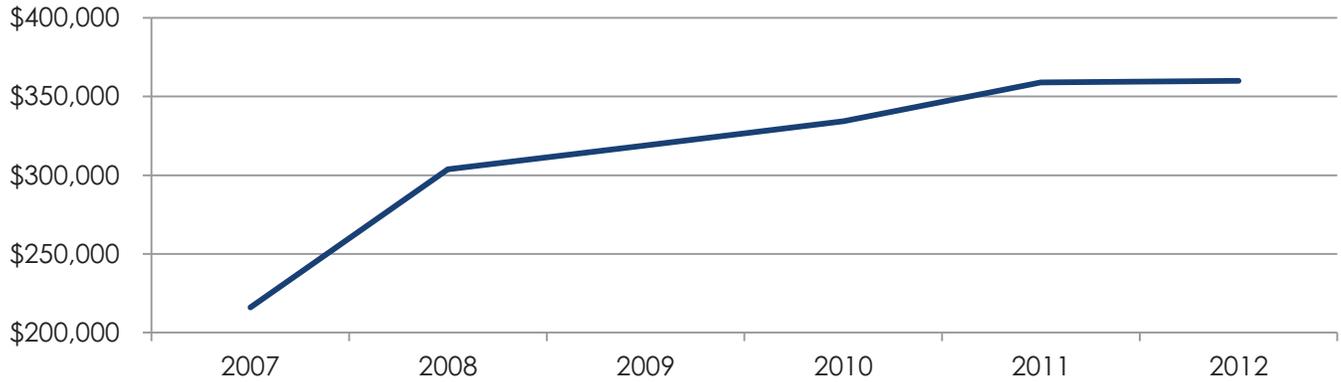
Figure O-5

**SALES & USE TAX TREND**

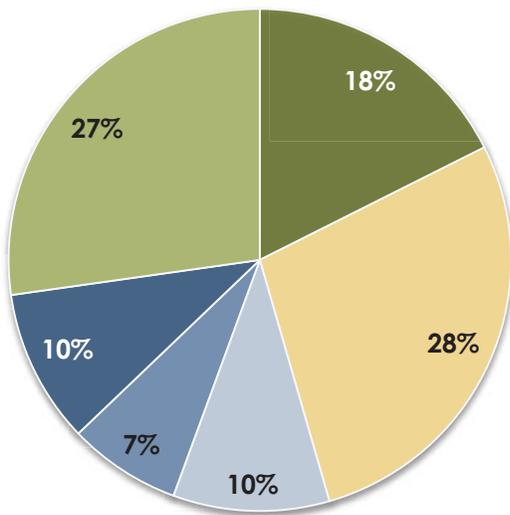
Figure O-6



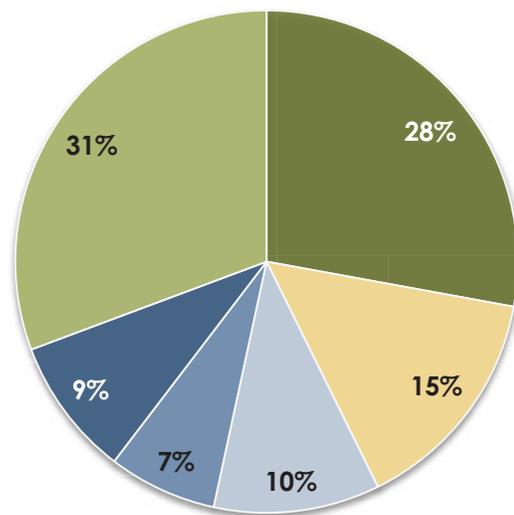
**FRANCHISE TAX TREND**



**GENERAL FUND TOP REVENUES**



**GENERAL FUND TOP EXPENDITURES**



- Property Tax
- Franchise Tax
- Garbage Fees
- Sales & Use Tax
- Class C Roads Fund
- Other

- Wages & Benefits
- Police Services
- Solid Waste Services
- Fire Services
- Streets Maintenance
- Other

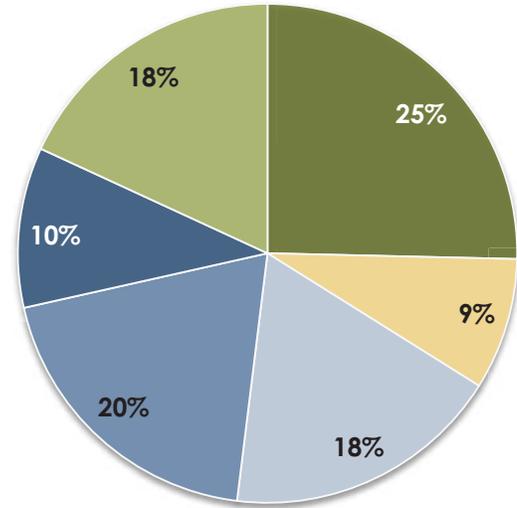
The other two taxes making the top revenue list are franchise taxes at 10 percent and Class C Roads Fund at 7 percent. State law authorizes cities to collect up to a 6 percent franchise tax on utilities operating within city boundaries. Cedar Hills charges 6 percent for electricity and natural gas, 5 percent for cable television, and 3.5 percent for telecommunication services.

The Class C Roads Fund is administered by the Utah Department of Transportation. The City receives a portion of the motor fuel tax collected for the specific use of road maintenance. The amount the City receives is based on population and road mileage.

Garbage fees represent 10 percent of total expected revenue. This revenue is determined by the number of households in the City receiving this service, as well as the number of bins located at each address.

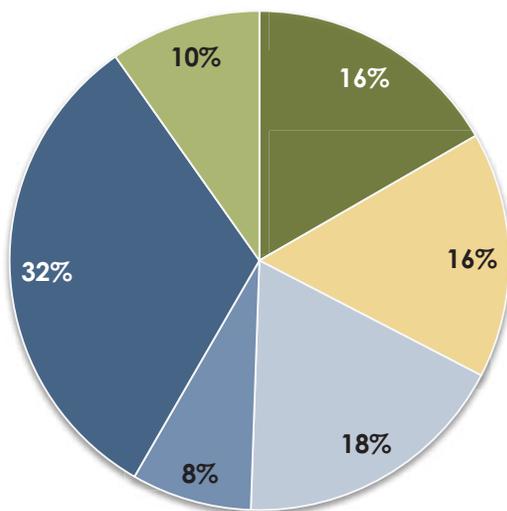
General Fund revenues are used to finance many of the day-to-day activities of the City. General Fund expenditures are spread over more than 80 different categories and include wages and benefits, public safety services, road maintenance, and solid waste services.

### WATER & SEWER FUND TOP EXPENDITURES



- Wages & Benefits
- Water Utilities
- TSSD Billing
- Depreciation
- Interest Expense
- Other

### WATER & SEWER FUND TOP REVENUES



- Water Fees
- PI Usage Fees
- PI Base Rate Fees
- Storm Drain
- Sewer Fees
- Other

### The Water, Sewer, & Storm Drain Fund

The Water, Sewer, and Storm Drain Fund is a proprietary fund that exists to track the revenues and expenditures associated with the provision of water, sewer, and storm drain services. Top revenues in the fund are all fees that are charged to residents for services provided.

At 32 percent, sewer fees are the top revenue source in the fund. Residents are charged a base rate plus a usage rate. The base rate is designed to cover the cost of the infrastructure. The usage rate is calculated once a year and is based on a household's winter-water usage.

Water fees charged to residents provide similar revenue to the fund. The City Council has implemented a tiered rate structure for culinary water. This means that the unit price for water increases with each higher level, or tier, of consumption. Along with covering the greater impact high-water users have on the system, this rate structure also encourages water conservation.

The next two top revenue sources are closely related: pressurized irrigation base rate fees and pressurized irrigation usage fees. The pressurized

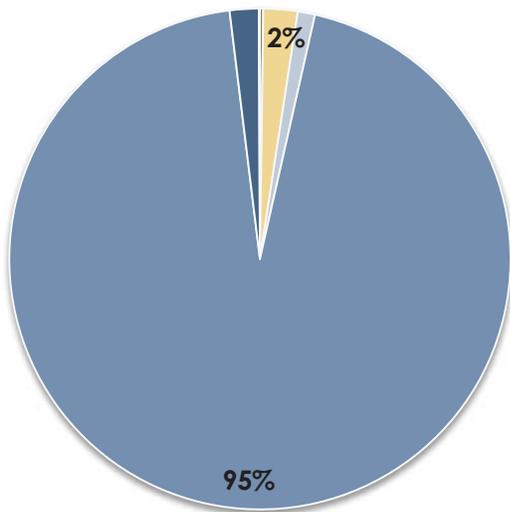
irrigation base rate fees cover the infrastructure of the irrigation system. This fee is a flat rate that is billed to every household. If a resident decides to connect to the irrigation system, the resident is billed a pressurized irrigation usage fee. This fee is based on lot size since pressurized irrigation usage is not metered.

Storm water is an issue that is of increasing importance to the City, and the costs are expected to continue increasing as well. A flat storm drain fee is billed to every household each month. City staff estimates that storm drain revenue will total 8 percent of total fund revenue for fiscal year 2012.

Expenditures in the Water, Sewer, and Storm Drain Fund are spread over more than 60 different categories. Major expenditures include wages and benefits, depreciation, Timpanogos Special Services District fees, interest, water utilities, and other expenditures. The “other” category includes dues and subscriptions, training, tools and equipment, repairs and maintenance, etc.

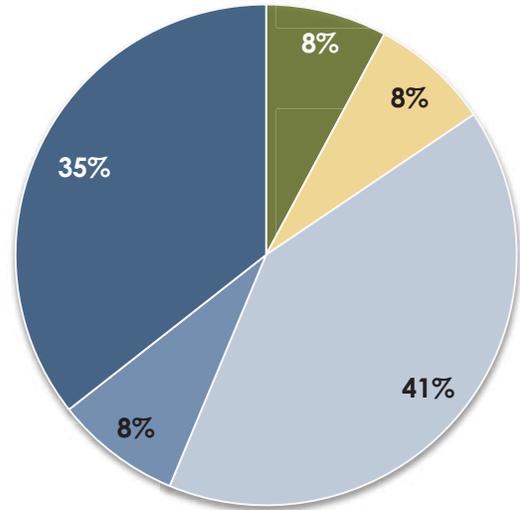
Two large sewer projects are planned for fiscal year 2012: a utility extension and sewer vault on 4800 W and a sewer extension on Canyon Road (see the Capital Improvements Plan, Appendix A).

**CAPITAL PROJECTS FUND TOP REVENUES**



- Interest Income
- W&S Fund Transfer
- Impact Fees
- General Fund Transfer
- Use of Fund Balance
- Grant Income

**CAPITAL PROJECTS FUND TOP EXPENDITURES**



- Facilities
- Street Projects
- Park Projects
- Debt Service
- Transfers Out

**The Capital Projects Fund**

As growth has come to a dramatic slowdown, major revenues in the Capital Projects Fund have transitioned from current-year impact fee revenues to the use of prior-year impact fees held in reserves. Transfers from the General Fund and the Water, Sewer, and Storm Drain Fund also provide revenue to the Capital Projects Fund.

Four large projects are planned for fiscal year 2012: the acquisition and development of Deerfield Park, the construction of a splash pad, the widening of Harvey Boulevard, and the construction of a Civic Center. These projects are explained in greater detail in the Capital Improvements Plan (Appendix A).

**The Community Recreation Fund**

Previously known as the Golf Fund, the new Community Recreation Fund will include the activity of the golf course as well as the new Community Recreation Center. The new facility is currently under construction and is expected to open during spring 2012. The estimated cost of the building is \$2.5 million. The building will be paid for with recreation facility impact fees which are held in the



Capital Projects Fund. The impact fees will be transferred to the Community Recreation Fund as expenses occur.

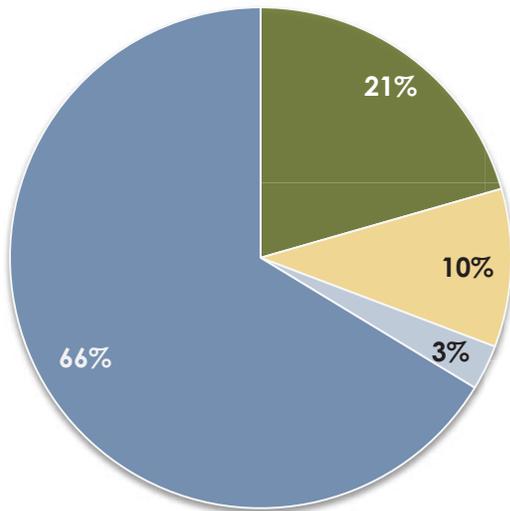
Top revenues in this proprietary fund include golf revenues, events revenues, and property taxes. Golf revenues include green fees, practice range, and pro shop revenue. Events revenues include center rentals and concessions.

In 2005, the golf course debt was refinanced with a general obligation bond. Of the total property taxes collected for the City, a large portion is used to cover the annual debt service for this bond.

When total budgeted expenditures are compared to projected revenues, the golf course is estimated to be in the red roughly \$200,000 for 2012. This shortfall includes all operating and non-operating expenditures. The cash needed to cover the annual deficit will be borrowed from the City's other funds.

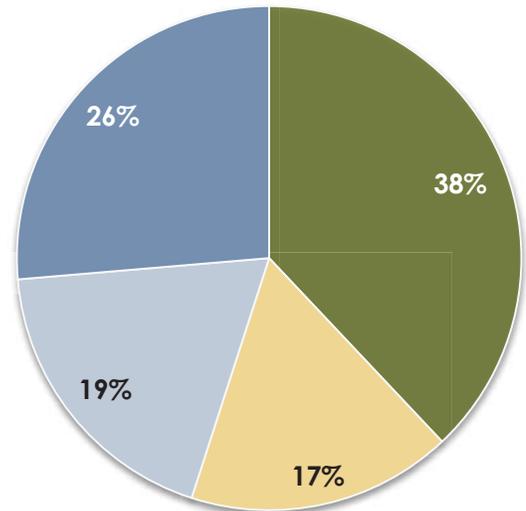
Expenditures in the Community Recreation Fund are spread over more than 40 different categories. Top expenditures include wages and benefits, depreciation, and interest (see the pie chart below).

**COMMUNITY RECREATION FUND REVENUES**



- Golf Revenues
- Property Taxes
- Events Revenue
- Transfers In

**COMMUNITY RECREATION FUND EXPENDITURES**



- Wages & Benefits
- Interest Expense
- Depreciation
- Other

## DEBT SERVICE

The recent economic downturn has slowed growth in Cedar Hills. This poses a problem for the City to meet the financial and service demands of its residents because there is a time gap between new growth and the money collected through fees and taxes. As a result, the City must undergo long-term financing for major expenditures and capital projects.

The City carries debt from two types of bonds: general obligation and revenue. General obligation bonds are backed, in full, by the good faith and credit of the City and its residents. Revenue bonds are backed by an underlying revenue or tax, applicable to the financing. Below is a summary of the general obligation and revenue bonds outstanding.

### Public Safety Building

A \$790,000 bond was funded on February 2, 2000, for the construction of the Public Safety Building. While the main floor is used by the Fire and EMS department, the basement currently serves as the City Hall. The bond is backed by General Fund excise tax revenue.



Public Safety Building

### Golf Course

On November 10, 2005, the City refinanced its golf course debt by issuing a \$6,250,000 general obligation bond. The refinancing of the debt was expected during the initial construction of the course.

### Pressurized Irrigation

On March 3, 2006, the City issued a \$6,215,000 bond to refinance the city-wide pressurized irrigation system. Prior to this issuance, the system was financed through a line of credit linked to the prime lending rate. The City saved thousands of dollars by issuing the bonds. The bond is supported by water and sewer revenue.

### Public Works Building

To meet the demands of an increasing population, the City issued a \$2,325,000 bond for the construction of the Public Works Building. This building provides the City with adequate resources to service the residents in a timely manner. The bond is backed by excise tax revenue.

### Cottonwood Well

To ensure that the city has sufficient culinary water, a \$2,090,000 bond was issued to construct a redundant well. The bond was issued October 16, 2007. This revenue bond is supported by water and sewer revenue.

### Pressurized Irrigation Improvements

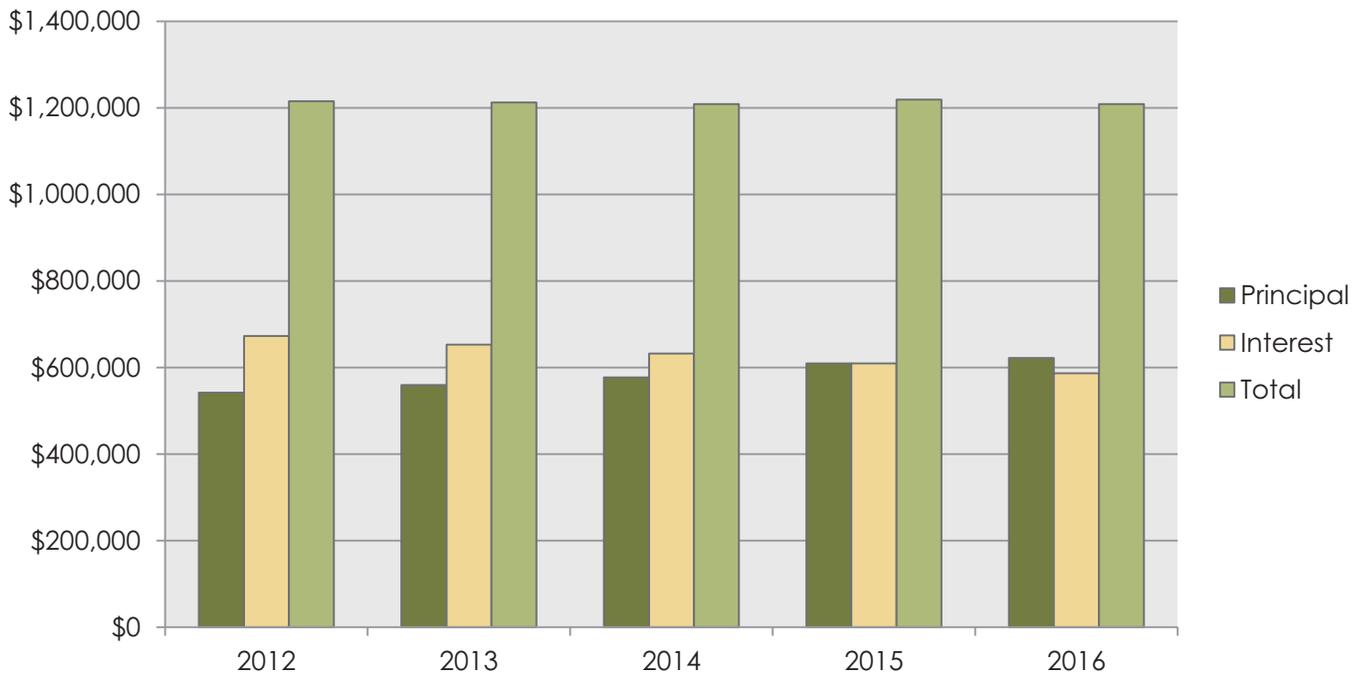
When planning for fiscal year 2009, the City Council decided to upgrade the City's pressurized irrigation system. In order to do so, the City needed a \$930,000 Utility Revenue Bond. This revenue bond is supported by water and sewer revenue.



Golf Course

	DATE OF ISSUANCE	TOTAL AMOUNT	BALANCE AS OF 7/1/2011	CURRENT YEAR PAYMENTS	PAYOFF DATE
<b>General Obligation Bonds</b>					
Golf Course	11/10/2005	\$6,250,000	\$5,655,000	\$145,000	2/1/2035
<b>Revenue Bonds</b>					
Public Safety Building	2/15/2000	\$790,000	\$400,000	\$40,000	2/15/2019
Pressurized Irrigation	3/16/2006	\$6,215,000	\$5,255,000	\$175,000	4/1/2031
Public Works Building	6/15/2006	\$2,325,000	\$2,100,000	\$65,000	1/1/2032
Culinary Well	10/17/2007	\$2,090,000	\$1,843,000	\$87,000	3/1/2028
PI Improvements	3/12/2009	\$930,000	\$875,000	\$30,000	3/1/2029
<b>TOTAL</b>		<b>\$18,600,000</b>	<b>\$16,128,000</b>	<b>\$542,000</b>	

### FIVE-YEAR DEBT PAYMENT SUMMARY



	2012	2013	2014	2015	2016
Principal	\$542,000	\$559,000	\$577,000	\$609,000	\$622,000
Interest	\$672,871	\$652,899	\$631,872	\$609,712	\$586,348
<b>Total</b>	<b>\$1,214,871</b>	<b>\$1,211,899</b>	<b>\$1,208,872</b>	<b>\$1,218,712</b>	<b>\$1,208,348</b>

# CITY COUNCIL PRIORITIES, GOALS & POLICIES

This section of the budget document describes how the City Council sets goals and priorities to help guide the budget process. A summary of the financial policies that also help guide the budget process can be found at the end of this section.

The City of Cedar Hills has adopted a process called “Decisions” for the purpose of creating citizen-based goals and priorities for the community. These goals and priorities are created by Cedar Hills residents and the City Council. The City Administration then develops action plans and measurable objectives in order to reach these goals. This process allows the Council to focus on the larger, city-wide issues by setting organization-driving policies and goals and allows Administration to focus on the implementation of these goals. This keeps the Council from getting bogged down in everyday administrative decisions.

“Decisions” is divided into two distinct processes: the Goal Setting and Prioritization process and the Administrative Implementation process, each with their own set of distinct steps. These steps are described in the following paragraphs:

## Step I—Neighborhood Meetings & City-wide Survey

During Step I, the community is divided into distinct neighborhood areas for the purpose of discussing issues, concerns, and ideas relevant to the citizens of that neighborhood. Each neighborhood is then scheduled for a neighborhood meeting with the Mayor, a Councilmember, and a member of the City staff. These two-hour meetings are an open-forum format whereby anyone in attendance may express their thoughts relative to the community as a whole or particular to their neighborhood. A city-wide survey is also taken to remove bias and statistically find out overall resident perceptions and goals. The survey results are included in Appendix B.

## Step II—Identify Problems & Needs

During Step II, the City Council typically holds a two-hour work session to identify specific problems and needs in the community, based on the input from the neighborhood meetings and survey, and to categorize them into major divisions (as seen in Figure O-7 on page 15).

**I** Neighborhood Meetings & City-Wide Survey

**II** Identify Problems & Needs

**III** Set Goals to Resolve Problems & Meet Needs

**IV** Prioritize Goals

**V** Set Objectives

**VI** Evaluate Goals

## Step III—Setting Goals to Resolve Problems & Meet Needs

Each major division maintains its own mission. After the categorization process, goals specific to the current problems identified in Step II are developed to help each division achieve their mission.

## Step IV—Prioritizing Goals

Once the goals have been created for each division, the City Council meets to prioritize the goals. This includes determining which priorities are considered immediate and need to be included in the upcoming budget. Current priorities can be viewed by division starting on page 15.

## Step V—Set Objectives

Once the goals have been created and prioritized by the City Council, objectives are set administratively to attain each of the prioritized goals. These objectives are then broken down into specific,

measurable performance indicators to be met by the appropriate City departments. These objectives and performance indicators can be viewed in the departmental sections of this budget document.

#### Step VI—Evaluate Goal Attainment

The Administration meets periodically with City staff to ensure that objectives are being attained in a desirable manner and in an appropriate

time frame. Every six months, Administration reports to the Council on the progress of each goal, and the Council assesses how well the goals are being realized.

## MAYOR & CITY COUNCIL



Mayor Eric Richardson



Stephanie Martinez



Jim Perry



Scott Jackman



Ken Kirk



Marisa Wright



The following goals, by division, were identified by the Council as high priority issues for the City to address:

### Public Safety

The City of Cedar Hills, in partnership with residents and public safety providers, desires to provide a high level of public safety for residents in an economical and efficient fashion by accomplishing the following:

- Increase number of neighborhoods involved in the Neighborhood Watch Program
- Increase enforcement of animal control ordinances
- Increase traffic enforcements with use of newly constructed speed tables
- Analyze and implement appropriate traffic signage
- Increase traffic speed enforcement by increased patrol

### Economic Development

The City of Cedar Hills desires to promote and plan for economic development opportunities within the community in order to maintain and expand current services to residents by accomplishing the following:

- Prepare for UTOPIA high-speed internet services
- Develop commercial retail center

- Complete analysis on State sales tax model distribution
- Complete analysis on franchise fee distribution system

### Parks & Recreation

The City of Cedar Hills desires to provide for the recreational needs of the Community through proper planning and development of recreational facilities and programs by accomplishing the following:

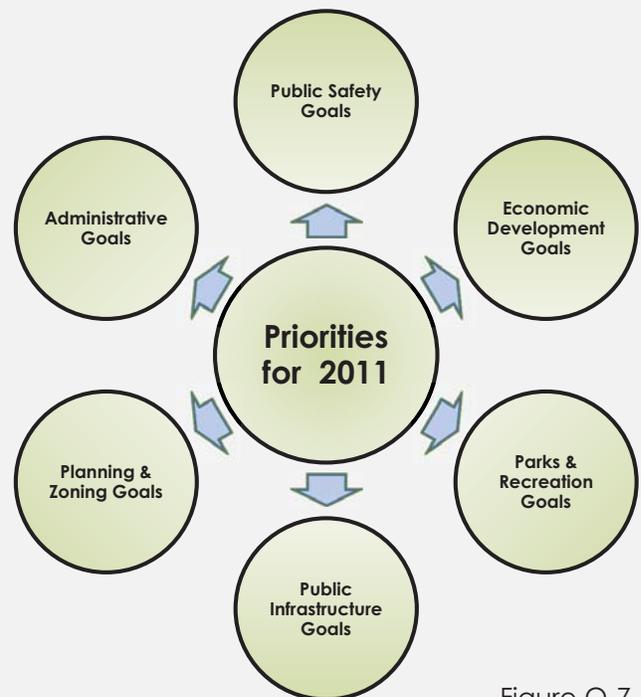


Figure O-7

- Acquire Deerfield Park land
- Develop all of Bonneville Shoreline Trail
- Complete various pocket parks
- Finalize golf course reconfiguration and GO Bond payoff by selling reconfigured land
- Construct long-term, functional clubhouse facility
- Construct Aquatics and Recreation Center

### Public Infrastructure

The City of Cedar Hills desires to plan for, construct, and maintain all components of the public infrastructure in an efficient and economical manner by accomplishing the following:

- Implement Sidewalk Repair and Construction Program
- Complete Sewer System Model

### Planning & Zoning

The City of Cedar Hills desires to plan for the *sustainable*, managed growth of the community through the General Plan, zoning and subdivision ordinances, and other complementary plans and ordinances by accomplishing the following:

- Develop a civic center master plan
- Increase enforcement of zoning regulations

- Sharpen emergency management plan components and fully train staff
- Implement City-wide GIS on infrastructure and public assets
- Further implementation of City-wide zoning of nuisance enforcement

### Administrative

The City of Cedar Hills desires to promote an organization that is well-managed and efficiently run, as well as well-suited to meet the needs of the citizens of Cedar Hills by accomplishing the following:

- Facilitate dissolution of Manila Water Company
- Improve employee skill-set via training and education
- Complete human resources procedures manual
- Complete IT analysis on all public safety functions (police, fire, EMS)

### Financial Goals & Policies

The City of Cedar Hills maintains financial goals during the budget process. A list of these financial goals was compiled into a document entitled “Financial Planning Policies.” This document was reviewed and formally adopted by ordinance prior to the creation of this budget document. The “Financial Planning Policies” document serves as a guide for making financial policy decisions for the



City of Cedar Hills and is only a general overview of established policy and procedure governing daily operations at the City of Cedar Hills.

According to the Financial Planning Policy document, the City of Cedar Hills will do the following (in summary):

#### *Financial Planning Policies*

**Balanced Budget:** When under normal circumstances, the City of Cedar Hills will adopt a balanced General Fund budget by June 22, pursuant to §10-6-109, Utah Code Annotated. A balanced budget means that at the end of the fiscal year (June 30), General Fund operating expenditures will not exceed General Fund operating revenues.

**Long-Range Planning:** The City of Cedar Hills supports a financial planning process that assesses the long-term financial implications of current and proposed operating and capital budgets, budget policies, cash management and investment policies, and programs and assumptions.

**Asset Inventory:** Each department manager will take all reasonable measures available to prolong and assess the condition of major capital assets.

#### *Revenue Policies*

**Revenue Diversification:** The City maintains a healthy dependence on a variety of revenue sources to cover expenditures such that short-term fluctuations in any one revenue source will not affect the overall financial health of the City. Throughout the year, the City prepares reports that compare actual to budgeted revenue amounts.

**Fees and Charges:** Fees and charges are based on the estimated cost of providing an associated service and are evaluated annually.

**One-time Revenues:** The City is committed to minimizing the portion of operating expenditures that are funded by one-time growth revenues. To support this policy, the City of Cedar Hills analyzes current and historic operating trends annually to extrapolate future trends.

**Unpredictable Revenues:** The City places revenues from unpredictable sources into other income line items that will be transferred into Capital Projects.

#### *Expenditure Policies*

**Debt:** The City continually strives for improvements in the City's bond rating and will refrain from issuing debt for a period in excess of the expected useful life of a capital project. The total of General Obligation bonds will be limited to 12 percent of the prior-year total assessed value for tax purposes of real and personal property.

**Reserve Accounts:** The City will maintain a minimum fund balance of at least 5 percent (not to exceed 18 percent) of current-year operating revenues. If existing reserves exceed the required level, such funds may be used to balance the budget or to meet needs that may arise during the year.

**Expenditure Accountability:** Basic and essential services provided by the City will receive first-priority funding. The City will continue to establish performance measurements for all departments. These measures will reflect the demand, workload capability, and projected outcomes for the department to accomplish its objectives.

**Investments:** All unused cash is invested in a PTIF account. By so doing, the issues of safety, liquidity, and yield (in that order of priority) are addressed. The PTIF is managed by state investment officers, who diversify the pool based on maturity date so as to protect against market fluctuations. Investments made by the City are in conformance with all requirements of the State of Utah Money Management Act and City ordinances.

**CIP:** Each year the City Council adopts a five-year Capital Improvements Plan (CIP), which serves as a plan to provide for the orderly maintenance, replacement, and expansion of capital assets. Each year after budget adoption, the CIP will be reviewed and revised to reflect the impact of the adopted budget and to add a year to the CIP.

**Financial Reporting:** Financial reports are printed monthly and distributed to department directors, the City Manager, and Finance Director, who monitor the collection of revenues and all expenditures. Financial reports are reviewed by City Council members at least on a quarterly basis.

This has only been a summary of the "Financial Planning Policies" document. The document may be viewed, in its entirety, in Appendix B of this document.

# CITY DEPARTMENTS



Konrad Hildebrandt

## CITY MANAGER

### Mission

To work closely with the elected officials (Mayor and City Council) in developing short- and long-term plans, goals, and objectives for the City of Cedar Hills, Utah. Oversee the City government staff organization to ensure it is managed efficiently, effectively, and responsibly in the fruition of City Council goals and objectives.

### Activities

The City Manager is appointed by the Mayor and Council and serves as the overall administrative head of the City.

The City Manager is the City's chief administrator responsible for overseeing all City government functions and activities. The City Manager serves and advises the Mayor and City Council, appoints all department directors, and prepares assorted reports for Council consideration, including an annual proposed budget. The City Manager also enforces municipal laws and ordinances and coordinates City operations and programs.

Human Resources also falls under the jurisdiction of the City Manager. The City Manager is responsible for recruiting and maintaining qualified, well-trained employees to deliver high-level services to Cedar Hills residents. The City Manager

oversees all hiring, firing, promotions, and other personnel activities of the City.

Additional activities and responsibilities that fall under the jurisdiction of the City Manager include, but are not limited to, risk management, City-wide public relations, and training and accountability of all City staff.

### Goals

The following goals reflect the current priorities and needs of the City Manager:

- Serve and advise the Mayor and City Council, prepare analyses and assorted reports for Council consideration, and prepare the annual proposed budget
- Enforce municipal laws and ordinances
- Act as Human Resources Director by appointing department directors and hiring qualified, well-trained employees to deliver high-level services to Cedar Hills residents
- Supervise all City departments including Finance, Public Safety, Fire and EMT services, Building and Zoning, Administration, Golf, and Public Works

### Objectives

- Complete large City projects including the following: south commercial district master plan and construction (Smart Family, Jacobs, City, and Amsource developers); street and sidewalk maintenance program; city-wide GIS implementation; golf course clubhouse and debt service elimination process; analysis of all current revenue and expenditure sources, etc.
- Continue various Human Resources improvements such as updating City personnel manual, reviewing and updating job descriptions, organizing personnel files, and training and setting goals with department heads

### Performance Indicators

The performance indicators on the next page are set up to help the City Manager determine whether the department has accomplished the objectives and goals listed above.

PERFORMANCE INDICATOR		2010	2011
<b>OUTPUT</b>	Executive staff meetings held	21	21
	Trainings held	10	10
	City Council meetings attended	95%	95%
	LPPSD meetings attended	15	10
	Quarterly Budget Review	3	3
<b>EFFICIENCY</b>	Monthly management reports distributed by the 15 <sup>th</sup>	100%	100%
	Employees receiving their annual performance evaluation	100%	100%
	Formal budget reviews held with department heads	2	2



Greg Robinson

## ADMINISTRATION DEPARTMENT

### Mission

To work with other departments in order to provide the highest level of service to the residents of Cedar Hills. The Administration Department oversees a variety of divisions including Community Services, City Recording, and the Front Desk. The diverse nature of the responsibilities in the Administration Department requires a high level of interoffice cooperation.

### Activities

#### *Assistant City Manager*

The Assistant City Manager provides administrative assistance to the City Manager and is responsible for several long-range work areas including research, project management, project organization and tracking, creation of policies, and general assistance with other City Manager, Mayor, City Council, or Planning Commission projects. In addition, the Assistant City Manager has direct oversight of City planning, the planning commission, and the Administration Department.

#### *City Recorder*

The City Recorder is responsible for the management and maintenance of all City records. Records are indexed and scanned for easy access

and retrieval. A record is kept of all official meetings such as City Council, Planning Commission, etc. Records include agendas, minutes, meeting documentation, and audio recordings.

The City Recorder is responsible for tasks related to the formal dissemination of public information, GRAMA requests, and public notifications. The Recorder is responsible for the preparation and execution of Municipal Elections according to State law. Management includes conducting poll worker training and assignments and ensuring the polling locations are properly organized.

The Recorder is also responsible for City Code codification, annexations and boundary adjustments, census, administering oaths, and notary services.

#### *Community Services*

The Community Services Director oversees all City services and the Family Festival. In peak preparation periods before the Family Festival, extra help is hired to assist in planning and implementing the festival.

The Community Services Director is responsible for the completion of short- and long-range community and neighborhood plans and activities including parks, trails, and recreation events.

Other duties that fall into this division include overseeing the division budget and policies and assuring budget compliance. The Community Services Director is also required to plan and organize special events, summer programs, and youth sports. The department continually evaluates its services and develops programs to meet changing community needs and interests.

### Goals

The following goals reflect the current priorities and needs of the Administration Department:

- A firm and current understanding of community wants and needs
- The delivery of quality services that evolve with changing needs
- Meticulous and detailed documentation of programs and policies

- To provide informative, accurate, and up-to-date reports for the staff, Mayor, Council, and residents
- To educate elected officials, employees, boards and committees, and the community through open communication, trainings, recorded information, publications, and postings
- To manage records through the creation, maintenance, and destruction processes, as well as document scanning
- To provide compliance with State law through an organized history of decisions and actions

### Objectives

- To increase participation of sports programs through advertising within the City
- To expand the “tot” sports programs to include a wider variety of sports
- To increase parade entries by 10 percent

- To organize monthly staff trainings and activities
- To disseminate information to the public through open communication, State and City websites, City newsletters, GRAMA requests, and publications
- To organize and maintain City records for easy retrieval and historical preservation
- To maintain an up-to-date City Code
- To implement a citywide emergency response plan
- To keep a record of all City meetings and a history of City events

### Performance Indicators

The performance indicators listed below are set up to help the City Manager determine whether the department has accomplished the objectives and goals listed above.

PERFORMANCE INDICATOR		2010	2011
<b>OUTPUT</b>	Flag Football teams	31	30
	Jr. Jazz teams	70	73
	YCC meetings held	22	22
	Hours of training provided	15	15
	Meetings where minutes were taken	48/48	40/40
<b>EFFICIENCY</b>	Percent of year spent on Family Festival	35%	35%
	Average days required to transcribe City Council minutes	7	7
<b>EFFECTIVENESS</b>	Average days to submit ordinance to codification company & codebooks updated	7	7
	Average days to disseminate information to the public	8	7
	Archives maintained through June 1, 2006	100%	100%
	Agreement history completed (1977-Present)	100%	100%
	Council minutes scanned (1977-Present)	85%	85%



Rebecca Tehero

## FINANCE DEPARTMENT

### Mission

To properly manage and safeguard public monies and the City's financial assets in accordance with the priorities of the City Council and in line with GAAP (Generally Accepted Financial and Accounting Practices).

### Activities

In accordance with the goals and priorities of the City Council, and in line with generally accepted financial and accounting procedures, the Finance Department labors to provide a clear and accurate picture to administration, as well as City residents, of the financial condition and position of the City of Cedar Hills. Financial responsibilities include, but are not limited to, budget oversight, utility billing, cash receipting, accounts payable and receivable, payroll, debt management, and policy enforcement. In addition to these duties, the Finance Department provides pertinent analyses and forecasting documents to administration for assistance with the decision-making process.

The Finance Department is responsible for assorted financial reports and documents intended for use by the Mayor and Council and/or the City staff to assist them in their duties. In addition to these responsibilities, the Finance Department annually produces the City of Cedar Hills Budget

Document. This document gives a clear and detailed report of the City's financial position as well as a specific and explicit plan for future financial activity. A copy of the latest Budget Document is available online at [www.cedarhills.org](http://www.cedarhills.org), or at the City offices.

### Goals

The following goals reflect the current priorities and needs of the Finance Department:

- To produce various significant financial documents which assist the Mayor and City Council with the decision making process
- To ensure that the budget, utility billing, accounts payable and receivable, payroll, and debt management responsibilities are completed in a timely, accurate manner
- To create useful documents which demonstrate public accountability for the honest and efficient use of public funds—such as the budget document
- To keep financial information updated through the website, training, and audits

### Objectives

- To create an improved Citizen's Budget
- To improve the Cedar Hills Budget Document and make it more accessible to residents
- To increase documentation of job duties, financial policies, and department training
- To increase resident participation in automatic payment programs
- To decrease the number of delinquent accounts through utility shutoff procedures
- To maintain a better history of resident interaction through the use of the customer notes section in the utility billing software

### Performance Indicators

The performance indicators listed on the next page are set up to help the City Manager determine whether the department has accomplished the objectives and goals listed above.

PERFORMANCE INDICATOR		2010	2011
<b>OUTPUT</b>	Hours of analysis performed at City Council request per year	150	150
	Hours of analysis performed at management request per month	10	10
	Hours of routine analysis per month	30	30
<b>EFFICIENCY</b>	Percent of year spent on budget approval	45%	45%
	General and Water & Sewer Fund budgets used to support Finance Department	3%	3%
	Repeated analyses for City Council	2	1
	Average annual % of past due utility billing receivables greater than 60 days outstanding	15%	15%
	Related receivables greater than 150 days outstanding	75%	75%
<b>EFFECTIVENESS</b>	Total payments received through online bill pay	20%	25%
	Total payments received through ACH	11%	10%
	Scores of 3 or higher on GFOA budget award program	92/93	92/93



David Bunker

## PUBLIC WORKS DEPARTMENT

### Mission

To oversee installation, maintenance, and repair of the City's infrastructure.

### Activities

The Public Works Department is responsible for maintaining the City's infrastructure such as the culinary water and pressurized irrigation systems, sanitary sewer, public streets, storm water, parks, trails, walkways, storm water basins, and other maintained areas. Part of the oversight includes ongoing inspections that may result in general improvements on public right-of-ways, earthwork, surfacing, surface restoration, water and sewer lines, manholes, storm drains, curb, gutter, waterways, sidewalks, signs, parks, etc.

The Public Works Department labors to install, maintain, and repair the City water supply, water transmission, and water distribution systems; the department also monitors pump stations, water tanks, and telemetry equipment.

Reports are completed on a daily, monthly, and yearly basis for a sanitary survey and for culinary water, pressurized irrigation, and storm water inspection and testing.

Currently, the City owns and operates a water utility system, serving around 2,400 residential

connections. This water is provided through City wells and connections with American Fork's water system. Cedar Hills has constructed a secondary irrigation system throughout the City. Over the next ten years, the City will construct additional storage space, develop new sources of water, provide for additional water rights, and make various improvements to the existing water and pressurized irrigation distribution network.

Cedar Hills provides and maintains all existing sewer lines within the City. Currently, sewer services are provided to nearly all portions of Cedar Hills, with the exception of a few individual properties located in the south-central portion of the City. Storm drain improvements will be completed in the next ten years and will include the installation of retention and detention basins, installation of storm drain lines, maintenance and improvement of existing storm drain sumps, and possible treatment of storm water.

The Public Works Department is home to the City maps, plans, plats, drawings, project estimates, specifications and contracts relating to public improvements and engineering affairs. Cedar Hills maintains approximately 28 miles of road.

### Goals

The following goals reflect the current priorities and needs of the Public Works Department:

- Labor to install, maintain, and repair the City water supply and transmission and distribution systems
- Monitor, inspect, and report on pump stations, water tanks, and telemetry equipment
- Report on sanitary survey, culinary water inspections, pressurized irrigation inspections, and storm water testing
- Maintain all existing sewer lines, storm sewers, retention/detention basins, sewer lines, and sewer pumps

### Objectives

- Design master plans for sign maintenance
- Implement sidewalk and street maintenance and storm water management programs

PERFORMANCE INDICATOR		2010	2011
<b>OUTPUT</b>	Meter re-reads/read	60	50
	Water inspections	10	7
	Sewer inspections	10	7
<b>EFFICIENCY</b>	Average response time to sewer inspection request	0-1 days	0-1 days
	Average response time to water inspection request	0-1 days	0-1 days
	Average response time to meter re-reads	1 day	1 day
	Repeated broken lines	0	0
	At-fault meter re-reads	1%	1%
<b>EFFECTIVENESS</b>	Roads repaired/completed per IWORQ schedule	80%	100%
	Sidewalks repaired/completed per IWORQ schedule	100%	100%
	Maps that are updated	100%	100%
	Meters read electronically	97%	96%
	CIP completed on time	87%	90%



Brad Kearl

## BUILDING & ZONING DEPARTMENT

### Mission

To ensure that safe, legal, and appropriate building practices are implemented according to national and local standards and codes.

### Activities

The Building Department is responsible for all building, both residential and commercial, within the City. This responsibility includes a plan check of each building plan submitted to ensure adherence to statutes of the International Building Codes (IBC), International Residential Code (IRC), International Plumbing Code (IPC), International Mechanical Code (IMC), International Energy Conservation Code (IECC), National Electrical Code (NEC), International Fuel Gas Code (IFGC), International Fire Code (IFC), etc. Each home and structure is checked for proper setbacks and zoning requirements. After a plan check is complete, fees are calculated and a permit is issued, at which time the Building Inspector is responsible for on-site inspections of each phase of the building process to ensure adherence to code. On-site inspections include footings, foundations, underground plumbing, water barrier, framing, electrical, heating, plumbing, shear nailing, insulation, gas, and a final occupancy inspection. A written report is created and filed for each inspection.

The Building Department ensures that all other types of building and construction in the City meet the applicable standards and codes. Examples of other types of construction may include home additions, basement finishes, accessory buildings (i.e. sheds, detached garages, shops, pool houses), pools, and pergolas. These structures are subject to the same plan check and inspections as new construction.

In addition to the above-listed duties, the Building Department is in charge of all zoning and nuisance violations within the City. This may include property usages, shed location, fencing, and animal rights issues, junk and debris accumulation, abandoned vehicles, beehives, etc. After issuing a resident or contractor with a zoning or nuisance violation, the status of the violation is tracked, and the proper recourse is pursued.

Record keeping is also a duty of the Building Department. Copies of all building inspections, building permits, fees collected, zoning violations, and plans submitted to the City are kept on permanent record.

The Building Department deals extensively with builders and residents, answering questions regarding all aspects of the building process.

### Goals

- Develop a new permit index and application
- Increase revenue by charging for basement inspections and for plan review for basement changes
- Update all open-file folders
- Increase revenue by charging for reactivating permits and follow-up inspections
- Respond to all email and voice messages within 24 hours

### Objectives

- Conducting quality and detailed inspections, ensuring that safe, legal, and appropriate building practices are implemented according to the International Code Council and Utah State Amendments

- To enforce zoning violations in a fair and expedient manner in order to retain the beautiful city image all the residents enjoy

- To log and track all building and zoning activities in the City, verifying Code compliance and zoning requirements

	PERFORMANCE INDICATOR	2010	2011
<b>OUTPUT</b>	Inspections completed	1,088	1,020
	Building permits processed	72	139
	Building plans approved	60	133
	Zoning violations detected	420	703
<b>EFFICIENCY</b>	Average days to complete inspections from request date	1	1
<b>EFFECTIVENESS</b>	Household floods, fires, etc. due to improper inspections	0	0



## GOLF DEPARTMENT

### Mission

To operate the most profitable golf course in Utah County and ensure the proper management and maintenance of the golf course and club.

### Activities

The Golf Department is responsible for the management and maintenance of the Cedar Hills golf course and clubhouse.

The Golf Department is responsible for the care, maintenance, designation, classification, disposal, and preservation of all golf equipment including, but not limited to, concessions, carts, and clubhouse.



Additional duties include the preparation and execution of golf tournaments.

The Golf Department is also in charge of general administrative tasks such as assisting the general public and providing reports to the City Manager.

### Goals

The following goals reflect the current priorities and needs of the Golf Department:

- Increase total revenue by 2 percent
- Increase Pro Shop revenue by 2 percent
- Increase equivalent 9-hole rounds by 5 percent
- Have all equipment up and functional
- Repair equipment within 48 hours
- Repair golf carts within 24 hours
- Beautify the course

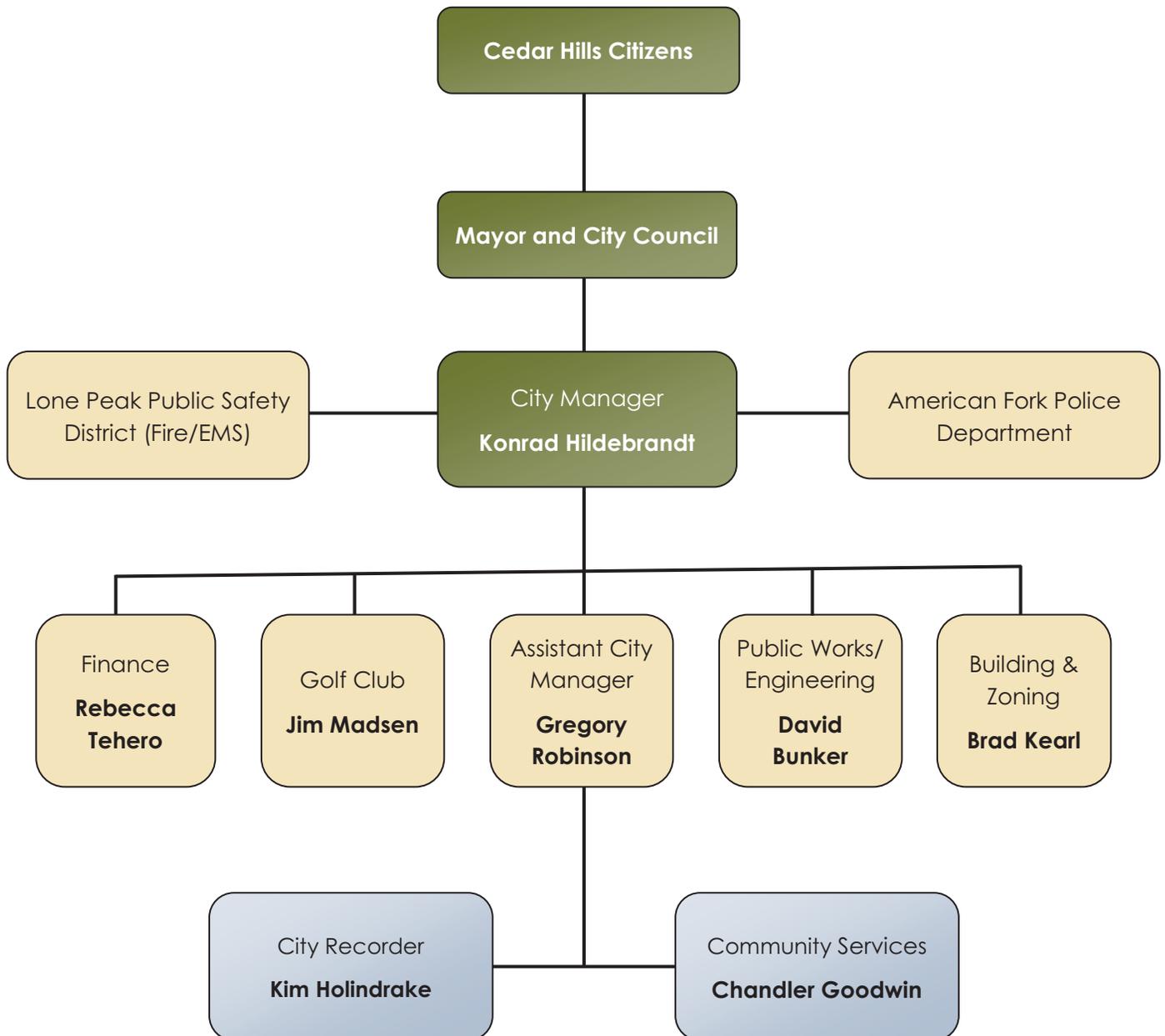
### Objectives

- Aggressively market the course
- Tap new markets
- Work with companies and groups to book events
- Work with partners to market and advertise the new reception center
- Use multiple vendors for concessions



PERFORMANCE INDICATOR		2010	2011
<b>OUTPUT</b>	Nine-hole rounds played	40,213	45,000
	Management reports completed	12	12
	Landscape projects completed	8	6
<b>EFFICIENCY</b>	Time carts function properly	95%	95%
	Time irrigation system functions properly	97%	99%
	Time carts are repaired within 24 hours	92%	90%
	Time maintenance equipment is up and running	94%	94%
	Time maintenance equipment is repaired within 48 hours	70%	75%
<b>EFFECTIVENESS</b>	Total operating revenue increase (decrease) from prior year	-9%	-4%
	Pro Shop revenue increase (decrease) from prior year	-14%	-1%

# ORGANIZATIONAL CHART



## SUMMARY OF FUNDS

Figure BH-1 summarizes the Fiscal Year 2012 Budget for the City of Cedar Hills. The total adopted budget reflects an increase of roughly \$7.2 million from the prior year's estimated figure. Notable changes from last year's budget include:

### General Fund

- **\$120,000** increase in paramedic fee revenue. The paramedic fee is a relatively new fee which was created to offset the increased cost of Fire and EMS services.
- **\$144,000** increase in Fire/EMS expenditures. Due to increased staffing in Alpine and Cedar Hills, the Lone Peak Public Safety District increased its fees.
- **\$30,000** decrease in solid waste expenditures. The City was able to renegotiate its contract with Waste Management and obtained a lower rate for garbage collection.
- **\$125,000** decrease in street maintenance expenditures since unfinished 2010 projects were completed during 2011.

### Water & Sewer Fund

- **\$30,000** increase in storm drain revenue. The monthly storm drain fee increased by \$1 per household.
- **\$30,000** increase in storm water maintenance expenditures.

- **\$120,000** for a utility extension and sewer vault on 4800 W.
- **\$150,000** for a sewer extension on Canyon Road.
- **\$49,050** for phase II of the water, sewer, and storm drain GIS.

### Capital Projects Fund:

- **\$2,472,000** for the Deerfield Park land acquisition and development
- **\$500,000** to widen Harvey Blvd.
- **\$16,350** for phase II of the streets GIS.
- **\$40,000** for a park basketball court.
- **\$350,000** for a splash pad.
- **\$550,000** for construction of a Civic Center.

### Motor Pool Fund:

- **\$75,000** to purchase three trucks.
- **\$280,000** to purchase a 10-wheel truck

### Community Recreation Fund:

- **\$2,500,000** to construct the Community Recreation Center at the golf course. The building will be paid for with recreation facility impact fees. The impact fees are held in the Capital Projects Fund.

## FISCAL YEAR 2012 BUDGET SUMMARY

Fund	2010 Actual	2011 Estimate	2012 Budget
General Fund	\$3,740,617	\$3,173,029	\$3,580,000
Water & Sewer Fund	\$2,500,198	\$2,960,696	\$3,160,000
Capital Projects Fund	\$328,224	\$673,055	\$7,023,820
Motor Pool Fund	\$144,251	\$151,000	\$210,000
Community Recreation Fund	\$1,238,869	\$1,291,096	\$1,470,000
<b>TOTALS</b>	<b>\$7,952,159</b>	<b>\$8,248,877</b>	<b>\$15,443,820</b>

Figure BH-1

REVENUES	2010 ACTUAL	2011 ESTIMATE	2012 BUDGET	EXPENDITURES	2010 ACTUAL	2011 ESTIMATE	2012 BUDGET
<b>General Fund</b>							
Taxes	\$2,255,922	\$2,294,365	\$2,351,500	General Government	\$1,196,043	\$1,101,908	\$1,281,700
Licenses/Permits	\$ 108,570	\$ 70,245	\$ 95,000	Streets	\$ 281,177	\$ 501,945	\$ 393,000
Fees	\$ 412,305	\$ 467,949	\$ 583,000	Public Safety	\$ 575,232	\$ 775,455	\$ 933,750
Intergovernmental	\$ 262,882	\$ 279,284	\$ 302,150	Parks and Recreation	\$ 262,750	\$ 291,084	\$ 360,900
Recreation & Culture	\$ 45,439	\$ 68,383	\$ 85,000	Solid Waste Services	\$ 339,226	\$ 336,205	\$ 324,250
Other Sources	\$ 38,433	\$ 45,931	\$ 163,350	Other	\$1,086,189	\$ 166,432	\$ 286,400
	<b>\$3,123,552</b>	<b>\$3,226,157</b>	<b>\$3,580,000</b>		<b>\$3,740,617</b>	<b>\$3,173,029</b>	<b>\$3,580,000</b>
<b>Water, Sewer, &amp; Storm Drain Fund</b>							
Water	\$1,487,663	\$1,536,131	\$1,576,700	Water	\$1,577,882	\$1,585,999	\$1,663,400
Sewer	\$ 693,316	\$ 873,992	\$ 884,900	Sewer	\$ 782,017	\$ 911,131	\$ 982,900
Storm Drain	\$ 166,319	\$ 184,535	\$ 215,000	Storm Drain	\$ 79,657	\$ 322,939	\$ 378,700
Other Sources	\$ 110,390	\$ 69,629	\$ 83,400	Other	\$ 60,642	\$ 140,627	\$ 135,000
	<b>\$2,457,689</b>	<b>\$2,664,287</b>	<b>\$2,760,000</b>		<b>\$2,500,198</b>	<b>\$2,960,696</b>	<b>\$3,160,000</b>
<b>Capital Projects Fund</b>							
Transfers In	\$1,026,067	\$ 171,858	\$ 232,150	Park Projects	\$ 37,722	\$ 20,000	\$2,862,000
Impact Fees	\$ 153,981	\$ 90,390	\$ 130,800	Street Projects	\$ 48,870	\$ 29,770	\$ 541,350
Interest Income	\$ 34,325	\$ 30,726	\$ 15,000	Other Projects	\$ 34,000	\$ 414,119	\$3,050,000
Other Sources	\$ 10,545	\$ 5,609	\$6,645,870	Bond Payments	\$ 207,632	\$ 209,167	\$ 570,470
	<b>\$1,224,919</b>	<b>\$ 298,583</b>	<b>\$7,023,820</b>		<b>\$ 328,224</b>	<b>\$ 673,055</b>	<b>\$7,023,820</b>
<b>Motor Pool Fund</b>							
Transfer from General Fund	\$ 60,121	\$ 71,255	\$ 132,150	Gas & Maintenance	\$ 33,265	\$ 45,543	\$ 53,250
Transfer from Water & Sewer	\$ 60,642	\$ 63,946	\$ 57,100	Insurance	\$ 5,804	\$ 8,115	\$ 10,500
Transfer from Golf	\$ 134	\$ 2,332	\$ 2,750	Rent Expense	\$ 16,858	\$ 16,250	\$ 16,250
Gain on Sale of Assets	\$ 23,354	\$ 13,467	\$ 18,000	Depreciation	\$ 88,324	\$ 81,092	\$ 130,000
	<b>\$ 144,251</b>	<b>\$ 151,000</b>	<b>\$ 210,000</b>		<b>\$ 144,251</b>	<b>\$ 151,000</b>	<b>\$ 210,000</b>
<b>Community Recreation Fund</b>							
Golf Revenue	\$ 678,186	\$ 646,468	\$ 775,000	Salaries, Wages, & Benefits	\$ 393,314	\$ 430,909	\$ 558,250
Events Revenue	\$ 11,570	\$ 4,743	\$ 110,000	Interest	\$ 263,133	\$ 265,125	\$ 249,850
Property Taxes	\$ 385,260	\$ 398,339	\$ 385,000	Depreciation & Amortization	\$ 294,740	\$ 252,849	\$ 274,600
Transfers In	\$ -	\$ 371,726	\$2,500,000	Other	\$ 287,682	\$ 342,214	\$ 387,300
	<b>\$1,075,016</b>	<b>\$1,421,276</b>	<b>\$3,770,000</b>		<b>\$1,238,869</b>	<b>\$1,291,096</b>	<b>\$1,470,000</b>

The Consolidated Summary of Funds on page 32 (Figure BH-2) gives a more in-depth portrayal of City funds as projected for fiscal year 2012. The figure provides a summary of the projected revenues and planned expenditures in each fund as approved by the City Council. All revenues and expenditures are detailed by type and evaluated against prior years. As seen in the Consolidated Summary of Funds and as required by State law, the fiscal year 2012 General Fund and Capital Projects Fund budgets are balanced.

### Budget Preparation

Preparation for the fiscal year 2012 budget was, as always, an intricate and complex process which affords both an interesting and challenging opportunity to reassess the City's plans and overriding goals and evaluate means for achieving them. It is through this effort that the budget becomes the single most important policy document produced each year.

The City of Cedar Hills follows the budgeting requirements set forth in the Utah State Code, Title 10, Chapter 6, entitled the Uniform Fiscal Procedures Act. Additionally, the City follows accepted budgeting principles in forecasting revenues and expenditures for the City each year. City staff is confident this budget is more accurate and detailed than any budget previously produced.

### Basis of Budgeting and Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied. Measurement focus refers to what is being measured.

The City's Governmental Funds (i.e. General Fund and Capital Projects Fund) are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual; i.e. when they become both measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter

to be used to pay liabilities of the current period. The City considers amounts collected within 60 days after year end to be available. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

The City's Enterprise Funds (i.e. Water and Sewer Fund and Community Recreation Fund) and Internal Service Funds (i.e. Motor Pool Fund) are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net assets and the operating statements present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred.

### Budget Adoption

The City budget process begins with departments. Each department prepares and submits a proposed department budget to the City Manager. These budgets consist of all the operational expenditures which the department expects to incur during the ensuing budget year.

After the Administrator's review, these budgets may be adjusted and a tentative budget for the General Fund, Water and Sewer Fund, Capital Projects Fund, Motor Pool Fund, and Community Recreation Fund is prepared. This tentative budget includes departmental budgets, elements of the Capital Improvement Plan (CIP), and program budgets (i.e. Public Safety, Library Services, etc.).

Following the Mayor's review, the tentative budget is sent to the City Council for approval and to ensure it addresses Council priorities. The tentative budget must be presented by the first regularly scheduled meeting in May. After a tentative approval, a public hearing is scheduled for the final budget. The final budget is then adopted by the City Council before June 22 of the current fiscal year. If the City Council chooses to increase property taxes, the deadline is extended to August 17.

## Budget Amendments

As determined by State law, the level at which expenditures may not legally exceed appropriations is the departmental budget within a given fund. Therefore, the head of a department may transfer funds from one account in their department to another account in that same department. This transfer must be approved by the City Manager and Budget Officer.

Reductions in or reallocations of departmental appropriations can be approved by the City Council upon recommendation of the City Manager, but appropriations cannot be increased in a governmental fund without a public hearing. All unexpended budget appropriations lapse at the end of the budget year.

## Fund Balances & Net Assets

Fund balance is the difference between revenues and expenditures. The beginning fund balance represents the residual funds brought forward from the previous year (ending fund balance).

In proprietary funds (i.e. Water and Sewer and Golf), net assets reflect the accumulated balance. Net assets include assets purchased by or

donated to the proprietary funds less accumulated depreciation.

State law allows cities to accumulate retained earnings or fund balances as appropriate in any fund. However, the law restricts balances in the General Fund as follows: (1) Any fund balance less than 5 percent of estimated revenue may be used for working capital, certain emergency expenditures, or to cover an unexpected revenue shortfall that would result in a year-end excess of expenditures over revenues; (2) Fund balance greater than 5 percent but less than 18 percent may be used for budget purposes; and (3) Any fund balance in excess of 18 percent must be included in the appropriations of the next fiscal year.

For years, the City has budgeted conservatively for revenues and realistically for expenditures. This method resulted in a strategic surplus that has been used for capital projects, reserves, a great credit rating, and financial flexibility.

The charts on the next four pages include a several year history of the fund balances and net assets for the General Fund, the Water, Sewer, and Storm Drain Fund, the Capital Projects Fund, and the Golf Course Fund.

### 2012 BUDGET TIMELINE

Task	Date to be Completed	Task	Date to be Completed
Capital Improvements Plan	February 21	Golf Course Revenues & Expenditures	April 3
General Fund Revenue Estimates	March 6	Salaries, Wages, & Benefits	April 3
Capital Projects Fund Revenue Estimates	March 6	Tentative Budget Presentation	May 1
Water & Sewer Fund Revenue Estimates	March 6	Cash Flow Analysis	June 5
General Fund Expenditures	March 20	Utility Rate Increases	June 19
Computer Replacement Plan	March 20	Certified Tax Rate	June 19
Capital Projects Fund Expenditures	March 20	Final Budget Approved	June 19
Water & Sewer Fund Expenditures	March 20	Final Budget Submitted to State	June 19
Motor Pool Fund Expenditures	March 20	Budget Document Submitted to GFOA	September 17
Vehicle Replacement Plan	March 20		

Figure BH-3

## GENERAL FUND - FUND BALANCE

	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 ESTIMATE	2012 BUDGET
<b>Beginning Fund Balance</b>	\$ 988,030	\$ 1,357,924	\$ 1,488,000	\$ 870,935	\$ 924,063
Revenues					
Taxes	\$ 2,188,201	\$ 2,206,184	\$ 2,255,922	\$ 2,294,365	\$ 2,351,500
Licenses/Permits	\$ 230,563	\$ 85,685	\$ 108,570	\$ 70,245	\$ 95,000
Intergovernmental	\$ 271,670	\$ 245,890	\$ 262,882	\$ 279,284	\$ 302,150
Other Fees	\$ 378,741	\$ 434,377	\$ 412,305	\$ 467,949	\$ 583,000
Recreation & Culture	\$ 50,671	\$ 82,324	\$ 45,439	\$ 68,383	\$ 85,000
Miscellaneous	\$ 80,467	\$ 72,575	\$ 38,433	\$ 45,931	\$ 32,000
<b>Total Revenues</b>	<b>\$ 3,200,313</b>	<b>\$ 3,127,034</b>	<b>\$ 3,123,552</b>	<b>\$ 3,226,157</b>	<b>\$ 3,448,650</b>
Transfers In	\$ 193,000	\$ -	\$ -	\$ -	\$ -
<b>Total Revenues &amp; Transfers</b>	<b>\$ 3,393,313</b>	<b>\$ 3,127,034</b>	<b>\$ 3,123,552</b>	<b>\$ 3,226,157</b>	<b>\$ 3,448,650</b>
Expenditures					
General Government	\$ 1,141,030	\$ 1,289,401	\$ 1,196,043	\$ 1,101,908	\$ 1,281,700
Streets	\$ 268,580	\$ 323,803	\$ 281,177	\$ 501,945	\$ 393,000
Public Safety	\$ 495,570	\$ 558,750	\$ 575,232	\$ 775,455	\$ 933,750
Solid Waste Services	\$ 328,806	\$ 333,056	\$ 339,226	\$ 336,205	\$ 324,250
Parks and Recreation	\$ 260,954	\$ 330,699	\$ 262,750	\$ 291,084	\$ 360,900
Debt Service	\$ 150,974	\$ -	\$ -	\$ -	\$ -
<b>Total Expenditures</b>	<b>\$ 2,645,913</b>	<b>\$ 2,835,710</b>	<b>\$ 2,654,428</b>	<b>\$ 3,006,597</b>	<b>\$ 3,293,600</b>
Transfers Out	\$ 377,506	\$ 161,248	\$ 1,086,189	\$ 166,432	\$ 286,400
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 3,023,420</b>	<b>\$ 2,996,958</b>	<b>\$ 3,740,617</b>	<b>\$ 3,173,029</b>	<b>\$ 3,580,000</b>
<b>Ending Fund Balance</b>	<b>\$ 1,357,924</b>	<b>\$ 1,488,000</b>	<b>\$ 870,935</b>	<b>\$ 924,063</b>	<b>\$ 792,713</b>

## CAPITAL PROJECTS FUND - FUND BALANCE

	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 ESTIMATE	2012 BUDGET
<b>Beginning Fund Balance</b>	\$ 5,979,607	\$ 6,040,300	\$ 6,125,805	\$ 7,022,500	\$ 6,648,028
Revenues					
Impact Fees	\$ 668,005	\$ 50,108	\$ 153,981	\$ 90,390	\$ 152,300
Interest Income	\$ 263,006	\$ 113,222	\$ 34,325	\$ 30,726	\$ 15,000
Grant Income	\$ 4,932	\$ 44,013	\$ 10,545	\$ 5,609	\$ 5,000
<b>Total Revenues</b>	<b>\$ 935,943</b>	<b>\$ 207,343</b>	<b>\$ 198,852</b>	<b>\$ 126,725</b>	<b>\$ 172,300</b>
Transfers In	\$ 420,724	\$ 152,963	\$ 1,026,067	\$ 171,858	\$ 232,150
<b>Total Revenues &amp; Transfers</b>	<b>\$ 1,356,667</b>	<b>\$ 360,305</b>	<b>\$ 1,224,919</b>	<b>\$ 298,583</b>	<b>\$ 404,450</b>
Expenditures					
Public Facilities	\$ -	\$ -	\$ -	\$ 35,047	\$ 550,000
Street Projects	\$ 30,357	\$ 48,360	\$ 48,870	\$ 29,770	\$ 541,350
Parks and Recreation	\$ 595,896	\$ 13,597	\$ 60,222	\$ 20,000	\$ 2,862,000
Other Projects	\$ 151,375	\$ -	\$ 11,500	\$ 7,345	\$ -
Debt Service	\$ 212,083	\$ 212,843	\$ 207,632	\$ 209,167	\$ 570,470
<b>Total Expenditures</b>	<b>\$ 989,710</b>	<b>\$ 274,800</b>	<b>\$ 328,224</b>	<b>\$ 301,329</b>	<b>\$ 4,523,820</b>
Transfers Out	\$ 306,264	\$ -	\$ -	\$ 371,726	\$ 2,500,000
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 1,295,974</b>	<b>\$ 274,800</b>	<b>\$ 328,224</b>	<b>\$ 673,055</b>	<b>\$ 7,023,820</b>
<b>Ending Fund Balance</b>	<b>\$ 6,040,300</b>	<b>\$ 6,125,805</b>	<b>\$ 7,022,500</b>	<b>\$ 6,648,028</b>	<b>\$ 28,658</b>

## WATER, SEWER, & STORM DRAIN FUND - NET ASSETS

	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 ESTIMATE	2012 BUDGET
<b>Net Assets Beginning of Year</b>	<b>\$ 19,230,197</b>	<b>\$ 19,433,426</b>	<b>\$ 20,293,732</b>	<b>\$ 20,251,222</b>	<b>\$ 19,954,814</b>
Revenues					
Water	\$ 1,292,004	\$ 1,370,768	\$ 1,452,456	\$ 1,514,461	\$ 1,550,900
Sewer	\$ 528,175	\$ 432,657	\$ 688,337	\$ 873,072	\$ 881,050
Storm Drain	\$ 112,530	\$ 172,486	\$ 166,319	\$ 184,535	\$ 215,000
Impact Fees	\$ 105,175	\$ 17,300	\$ 40,186	\$ 22,590	\$ 29,650
Other	\$ 201,487	\$ 1,144,590	\$ 110,390	\$ 69,629	\$ 83,400
<b>Total Revenues</b>	<b>\$ 2,239,370</b>	<b>\$ 3,137,801</b>	<b>\$ 2,457,689</b>	<b>\$ 2,664,287</b>	<b>\$ 2,760,000</b>
Transfers In	\$ 206,294	\$ -	\$ -	\$ -	\$ -
<b>Total Revenues &amp; Transfers</b>	<b>\$ 2,445,664</b>	<b>\$ 3,137,801</b>	<b>\$ 2,457,689</b>	<b>\$ 2,664,287</b>	<b>\$ 2,760,000</b>
Expenses					
Salaries, Wages, & Benefits	\$ 366,133	\$ 448,186	\$ 522,976	\$ 694,874	\$ 801,600
Supplies & Maintenance	\$ 154,688	\$ 127,009	\$ 101,226	\$ 105,894	\$ 198,700
Utilities & Telephone	\$ 205,175	\$ 213,313	\$ 264,709	\$ 266,246	\$ 277,000
Professional & Technical	\$ 43,703	\$ 45,885	\$ 47,705	\$ 59,454	\$ 58,000
TSSD Fees	\$ 264,943	\$ 293,790	\$ 413,895	\$ 565,139	\$ 570,000
Water Purchases	\$ 174,652	\$ 128,856	\$ 129,080	\$ 137,085	\$ 137,700
Bad Debts	\$ -	\$ 26,747	\$ 27,591	\$ 42,373	\$ 31,500
Depreciation & Amortization	\$ 535,017	\$ 535,511	\$ 580,979	\$ 606,089	\$ 617,450
Interest Expense	\$ 272,805	\$ 341,006	\$ 351,395	\$ 342,916	\$ 333,050
<b>Total Expenses</b>	<b>\$ 2,017,117</b>	<b>\$ 2,160,303</b>	<b>\$ 2,439,557</b>	<b>\$ 2,820,069</b>	<b>\$ 3,025,000</b>
Transfers Out	\$ 225,318	\$ 117,191	\$ 60,642	\$ 140,627	\$ 135,000
<b>Total Expenses &amp; Transfers</b>	<b>\$ 2,242,435</b>	<b>\$ 2,277,494</b>	<b>\$ 2,500,198</b>	<b>\$ 2,960,696</b>	<b>\$ 3,160,000</b>
<b>Ending Net Assets</b>	<b>\$ 19,433,426</b>	<b>\$ 20,293,732</b>	<b>\$ 20,251,222</b>	<b>\$ 19,954,814</b>	<b>\$ 19,554,814</b>

## COMMUNITY RECREATION FUND - NET ASSETS

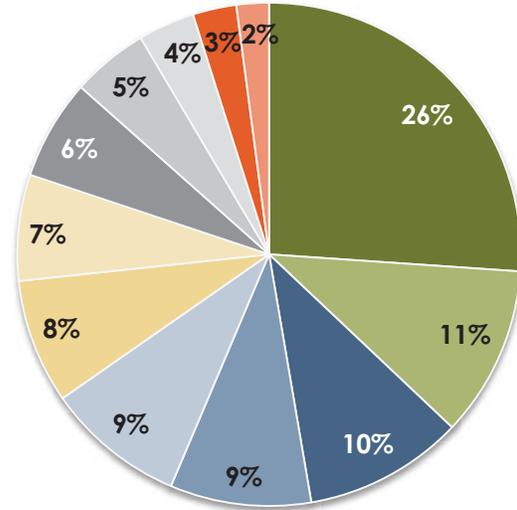
	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 ESTIMATE	2012 BUDGET
<b>Net Assets Beginning of Year</b>	<b>\$ 3,949,168</b>	<b>\$ 3,885,217</b>	<b>\$ 3,794,793</b>	<b>\$ 3,630,940</b>	<b>\$ 3,761,120</b>
Revenues					
Golf Revenue	\$ 781,566	\$ 733,309	\$ 678,186	\$ 646,468	\$ 775,000
Events Revenue	\$ 18,709	\$ 17,424	\$ 11,570	\$ 4,743	\$ 110,000
Property Taxes	\$ 387,255	\$ 385,320	\$ 385,260	\$ 398,339	\$ 385,000
<b>Total Revenues</b>	<b>\$ 1,187,529</b>	<b>\$ 1,136,052</b>	<b>\$ 1,075,016</b>	<b>\$ 1,049,550</b>	<b>\$ 1,270,000</b>
Transfers In	\$ -	\$ -	\$ -	\$ 371,726	\$ 2,500,000
<b>Total Revenues &amp; Transfers</b>	<b>\$ 1,187,529</b>	<b>\$ 1,136,052</b>	<b>\$ 1,075,016</b>	<b>\$ 1,421,276</b>	<b>\$ 3,770,000</b>
Expenses					
Salaries, Wages, & Benefits	\$ 344,556	\$ 385,313	\$ 393,314	\$ 430,909	\$ 558,250
Supplies & Maintenance	\$ 129,200	\$ 89,586	\$ 133,747	\$ 129,138	\$ 176,000
Cost of Goods Sold	\$ 83,132	\$ 80,929	\$ 68,673	\$ 72,904	\$ 90,000
General & Administrative	\$ 81,357	\$ 80,763	\$ 72,120	\$ 83,924	\$ 113,250
Lease Expense	\$ 68,708	\$ 14,844	\$ 13,008	\$ 20,994	\$ 5,300
Depreciation & Amortization	\$ 244,853	\$ 275,036	\$ 294,740	\$ 252,849	\$ 274,600
Loss on Sale of Assets	\$ -	\$ 5,371	\$ -	\$ 32,921	\$ -
Interest Expense	\$ 299,675	\$ 294,634	\$ 263,133	\$ 265,125	\$ 249,850
<b>Total Expenses</b>	<b>\$ 1,251,480</b>	<b>\$ 1,226,477</b>	<b>\$ 1,238,735</b>	<b>\$ 1,288,765</b>	<b>\$ 1,467,250</b>
Transfers Out	\$ -	\$ -	\$ 134	\$ 2,332	\$ 2,750
<b>Total Expenses &amp; Transfers</b>	<b>\$ 1,251,480</b>	<b>\$ 1,226,477</b>	<b>\$ 1,238,869</b>	<b>\$ 1,291,096</b>	<b>\$ 1,470,000</b>
<b>Ending Net Assets</b>	<b>\$ 3,885,217</b>	<b>\$ 3,794,793</b>	<b>\$ 3,630,940</b>	<b>\$ 3,761,120</b>	<b>\$ 6,061,120</b>

# THE GENERAL FUND

The general operating revenues and expenditures of the City are accounted for in the General Fund. These “operating” activities include all those that are generally associated with governmental activity and are not required to be accounted for in another fund (such as an Enterprise Fund). Many expenditures for administrative activities, public safety services, recreation programs, and solid waste collection fall under the General Fund umbrella. Also, many of the more general government activities (e.g. purchasing supplies or paying utility bills) that are specific to a department take place in the General Fund. Departmental activities are explained in more detail in each of the department messages.

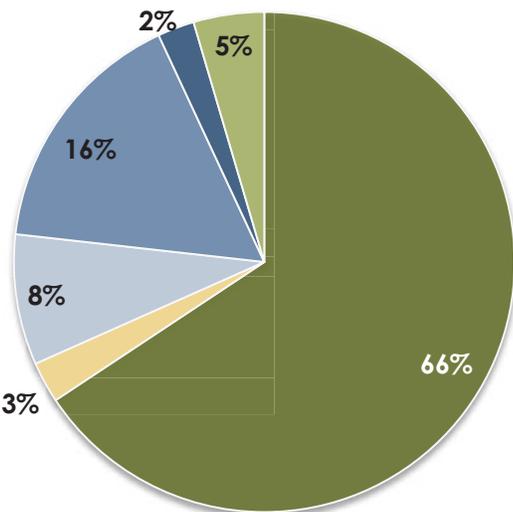
General Fund revenues are organized into various categories. Tax revenue, licenses and permits, intergovernmental revenues, charges for services, recreation and cultural revenue, and miscellaneous revenues are the six functional revenue groups in the General Fund. As seen in the figure below, taxes make up the greatest portion of expected revenue. Most of these revenues are forecasted to grow at the same rate that the population is projected to grow (i.e. 0.5 percent).

## GENERAL FUND EXPENDITURES



- Public Safety
- Streets
- General
- Solid Waste
- Administration
- Transfers
- Public Works
- Community Services
- Finance
- Parks
- Recorder's Office
- Building & Zoning

## GENERAL FUND REVENUES



- Taxes
- Licenses/Permits
- Intergovernmental
- Charges for Services
- Recreation
- Miscellaneous

The General Fund expenditures are broken down by City departments as well as major expense categories. Public safety is the most noteworthy of these categories, as it accounts for 26 percent of the Cedar Hills operating budget. Other large expenditure groups include solid waste services and streets. The department budgets are made up of wages and benefits, various professional services, training materials, supplies, and dues and subscriptions. The category labeled “Transfers” includes the cash and resources moved to other funds. Typically, transfers are only made to the Motor Pool Fund and the Capital Projects Fund.

The General Fund fiscal year 2012 budget totals \$3.58 million. This total reflects a net increase of 3 percent from the fiscal year 2011 budget of about \$3.49 million.

The City budgets its long-term expenditures based on projected income from recurring revenue sources. Budgets for one-time expenditures are based on growth-related revenue streams. The figure

below demonstrates that operating expenditures per resident have remained in check. Budget projections for fiscal year 2012 expenditures remain very consistent with prior years, when compared on a per resident basis.

This year's budget is made up of carefully planned expenditures that avoid unnecessary or excess spending while continuing to provide the highest level of service funding and resources will allow. Significant and/or noteworthy revenue and expenditure items include the following:

### Revenues

**Taxes:** Over half of the revenue collected in the General Fund comes through taxes. Forty-four percent of revenue collected through taxation comes from sales and use tax. Cedar Hills has an emerging commercial district that has welcomed the addition of Walmart, Chase Bank, and McDonalds. This commercial growth has increased sales tax from 24 percent of total General Fund revenues in fiscal year 2008 to an expected 29 percent in fiscal year 2012.

While sales tax revenue has increased over the past few years, property tax revenue has decreased. From fiscal year 2009 to fiscal year 2012, the percentage of total revenue generated through property taxes has decreased from 24 percent to an estimated

18 percent. The 2011 assessments on property showed a decrease in property values in the City. This means that the calculated tax rate provided by the County increased leaving our tax base, not including growth, the same as last year. In an effort to save taxpayers money, the City Council voted to lower property taxes. The 2011 property tax rate is 0.3153 percent. The City's portion is only 23 percent of the total tax bill.

**Building Permit Fees:** Difficulties in the housing market have continued to stall new development in Cedar Hills. During fiscal year 2011, ten new permits were issued. While the City issued the same number of residential permits during fiscal year 2011 as fiscal year 2010, ten permits is still well below the average prior to the economic downturn. The 2012 budget is based on ten new residential homes and one new commercial building.

**Class "C" Roads Fund:** Cedar Hills receives revenue from the Utah Department of Transportation to build and maintain roads. This money is generated through fuel taxes and is distributed to cities based on road mileage and population.

**Garbage Fees:** Currently the City contracts with Waste Management to provide solid waste collection services. Residents with this service are billed a monthly fee. This fee is not expected to increase during fiscal year 2012.

### OPERATING EXPENDITURES PER RESIDENT



## Expenditures

**Wages and Benefits:** As new construction has slowed dramatically, the City decreased wages and benefits in the Building and Zoning Department. In addition, the Deputy Recorder position was eliminated effective October 1, 2011. These decreases were offset by an increase in the wages and benefits included in the Administration Department. As part of the increase, a new part-time position was added (i.e. Administrative Assistant).

Along with the construction of the Community Recreation Center, a Recreation Center Manager position was added to the budget. Half of his/her wages and benefits will be paid from the Community Services budget in the General Fund.

Employee compensation detail for fiscal year 2011 can be viewed on the State's website located at [www.transparent.utah.gov](http://www.transparent.utah.gov).

**Election:** Fiscal year 2012 includes an election. As such, the related expenses are included in the budget.

**Fire and EMS:** The Lone Peak Public Safety District provides fire service and EMS to the City. During 2011, the City Office was moved to the basement of the Public Safety building to make the main floor available to paramedics. This move has greatly reduced the response times for fire and medical emergencies. The District increased its fees to Cedar Hills by over \$100,000. To offset a portion of this cost, the City raised the monthly paramedic fee to \$5.95. In addition, the building lease revenue increased by \$20,000 per year.

**Street Maintenance:** Due to weather conflicts, several street maintenance projects were not finished during fiscal year 2010. To finish these projects, \$130,000 was added to the budget for fiscal year 2011. The 2012 street maintenance budget is \$125,000 less than prior year. A list of the scheduled street projects is included in the chart below.

**Solid Waste:** The budget for garbage and recycling is expected to decrease by \$30,000. The City was able to renegotiate its contract with Waste Management and obtained a lower rate.

## PLANNED STREET MAINTENANCE - 2012

Sugarloaf Drive	1.5" Overlay	Canyon Heights Drive	High Density Mineral Bond
Ferguson Way	1.5" Overlay	Box Elder Drive	High Density Mineral Bond
Briggs Boulevard	Micro Surface	Timpanogos Cove	High Density Mineral Bond
Nielson Boulevard	Micro Surface	Silver Lake Drive	High Density Mineral Bond
Cottonwood Drive (Redwood to Cottonwood Drive)	Micro Surface	Pine Hollow Drive	High Density Mineral Bond
Redwood Drive (Forest Creek Drive to Roundabout)	Micro Surface	Cottage Canyon Drive (Including Cottage Canyon Cove)	High Density Mineral Bond
Cedar Hills Drive (Roundabout)	Micro Surface		
4600 West (Roundabout South to 9980 N)	Micro Surface		

GENERAL FUND REVENUES	2010 ACTUAL	2011 ESTIMATE	2012 BUDGET
<b>Tax Revenues</b>			
Property Tax	\$ 675,440	\$ 652,209.72	\$ 630,000
Motor Vehicle Tax	\$ 117,807	\$ 115,088.64	\$ 120,000
Delinquent Taxes	\$ 75,289	\$ 62,289.00	\$ 75,000
Penalty & Interest	\$ 3,897	\$ 3,658.45	\$ 4,000
Fee in Lieu of Taxes	\$ 3,691	\$ 2,113.16	\$ 2,500
Sales & Use Tax	\$ 902,522	\$ 954,063.05	\$ 1,000,000
Care Tax	\$ 30,527	\$ 33,307.92	\$ 35,000
Franchise Tax	\$ 334,355	\$ 358,995.48	\$ 360,000
Telecom Tax	\$ 112,395	\$ 112,639.70	\$ 125,000
	<b>\$ 2,255,922</b>	<b>\$ 2,294,365</b>	<b>\$ 2,351,500</b>
<b>Licenses &amp; Permits Revenue</b>			
Business Licenses	\$ 21,060	\$ 21,840	\$ 22,000
Building Permits	\$ 59,633	\$ 29,330	\$ 50,000
Plan Check Fees	\$ 24,736	\$ 16,224	\$ 20,000
Miscellaneous Licenses & Permits	\$ 3,141	\$ 2,852	\$ 3,000
	<b>\$ 108,570</b>	<b>\$ 70,245</b>	<b>\$ 95,000</b>
<b>Intergovernmental Revenue</b>			
LPPSD Rent	\$ 16,200	\$ 16,200	\$ 36,200
Class "C" Roads Fund	\$ 241,114	\$ 257,351	\$ 260,000
State Liquor Tax Allotment	\$ 5,568	\$ 5,733	\$ 5,950
	<b>\$ 262,882</b>	<b>\$ 279,284</b>	<b>\$ 302,150</b>
<b>Fees Revenue</b>			
Engineer Inspection Fees	\$ 4,910	\$ -	\$ -
Garbage Fees	\$ 356,546	\$ 356,662	\$ 355,000
Recycling	\$ 45,695	\$ 48,050	\$ 50,000
Application & Processing Fees	\$ 200	\$ -	\$ -
Zoning Violation Fees	\$ 4,955	\$ 5,174	\$ -
Weed Abatement Fees	\$ -	\$ 606	\$ 3,000
Paramedic Fees	\$ -	\$ 57,456	\$ 175,000
	<b>\$ 412,305</b>	<b>\$ 467,949</b>	<b>\$ 583,000</b>
<b>Recreation &amp; Culture Revenue</b>			
Festival Income	\$ 11,466	\$ 11,160	\$ 25,000
Recreation Programs	\$ 33,923	\$ 56,372	\$ 60,000
Other Recreation Revenue	\$ 50	\$ 851	\$ -
	<b>\$ 45,439</b>	<b>\$ 68,383</b>	<b>\$ 85,000</b>
<b>Miscellaneous Revenues</b>			
Interest Income	\$ 7,887	\$ 4,118	\$ 10,000
Penalty Fees	\$ 5,275	\$ 3,261	\$ 2,000
Construction Bond Forfeiture	\$ 8,000	\$ 23,000	\$ -
Use of Class "C" Roads Fund	\$ -	\$ -	\$ 131,350
Other Income	\$ 17,271	\$ 15,552	\$ 20,000
	<b>\$ 38,433</b>	<b>\$ 45,931</b>	<b>\$ 163,350</b>
<b>TOTAL GENERAL FUND REVENUES</b>	<b>\$ 3,123,552</b>	<b>\$ 3,226,157</b>	<b>\$ 3,580,000</b>

GENERAL FUND EXPENDITURES	2010 ACTUAL	2011 ESTIMATE	2012 BUDGET
<b>General Government Expenditures</b>			
Materials & Supplies	\$ 8,071	\$ 11,662	\$ 12,000
Dues & Subscriptions	\$ -	\$ -	\$ 10,000
Education & Training	\$ -	\$ -	\$ 3,000
Newsletter & Utility Bills	\$ 19,706	\$ 19,606	\$ 22,000
Legal Advertising	\$ 2,386	\$ 1,913	\$ 4,000
Computer Expenses	\$ 13,840	\$ 22,406	\$ 30,000
Repairs & Maintenance	\$ 10,276	\$ 11,725	\$ 12,500
Office Equipment	\$ 8,590	\$ 6,977	\$ 20,000
Utilities	\$ 10,473	\$ 18,488	\$ 15,000
Postage	\$ 2,174	\$ 2,956	\$ 2,500
Communications & Telephone	\$ 5,418	\$ 8,602	\$ 18,000
Legal Services	\$ 69,472	\$ 52,517	\$ 75,000
Auditing Services	\$ 31,000	\$ 19,500	\$ 20,500
Professional & Technical	\$ 29,117	\$ 60,473	\$ 25,000
Insurance	\$ 16,653	\$ 17,230	\$ 25,000
Bad Debt	\$ 18,310	\$ 5,063	\$ 2,500
	<b>\$ 245,486</b>	<b>\$ 259,117</b>	<b>\$ 297,000</b>
<b>Mayor &amp; Council Expenditures</b>			
Salary & Wages	\$ 49,200	\$ 49,200	\$ 49,200
Planning Commission	\$ 2,030	\$ 3,050	\$ 4,200
Employee Benefits	\$ 3,972	\$ 4,264	\$ 4,850
Materials & Supplies	\$ 1,482	\$ 60	\$ 1,000
Education & Training	\$ 2,651	\$ 5,219	\$ 5,500
Communications & Telephone	\$ 5,212	\$ 5,400	\$ 5,400
	<b>\$ 64,547</b>	<b>\$ 67,192</b>	<b>\$ 70,150</b>
<b>Administrative Services Expenditures</b>			
Salary & Wages (Full-Time)	\$ 277,881	\$ 146,909	\$ 191,300
Overtime	\$ 410	\$ 499	\$ 700
Salary & Wages (Part-Time)	\$ 14,291	\$ 3,506	\$ 26,450
Employee Benefits	\$ 118,253	\$ 65,182	\$ 93,350
Materials & Supplies	\$ 2,900	\$ 318	\$ 1,000
Dues & Subscriptions	\$ 2,142	\$ 1,512	\$ 1,500
Education & Training	\$ 6,029	\$ 1,743	\$ 4,000
Communications & Telephone	\$ 1,217	\$ 1,166	\$ 1,500
	<b>\$ 423,123</b>	<b>\$ 220,836</b>	<b>\$ 319,800</b>
<b>Recorder Expenditures</b>			
Salary & Wages (Full-Time)	\$ -	\$ 42,309	\$ 45,450
Overtime	\$ -	\$ 45	\$ 750
Salary & Wages (Part-Time)	\$ -	\$ 14,994	\$ 4,350
Employee Benefits	\$ -	\$ 24,404	\$ 24,350
Materials & Supplies	\$ -	\$ 1,011	\$ 1,000
Dues & Subscriptions	\$ -	\$ 567	\$ 700
Education & Training	\$ -	\$ 1,772	\$ 3,000
Contract Labor	\$ 1,855	\$ 2,355	\$ 3,250
City Code	\$ 2,822	\$ 2,833	\$ 2,500
Document Imaging	\$ 1,049	\$ 1,049	\$ 1,050
Other Events	\$ -	\$ 3,125	\$ 4,000
Election Expenses	\$ 8,686	\$ -	\$ 10,000
	<b>\$ 14,412</b>	<b>\$ 94,464</b>	<b>\$ 100,400</b>

GENERAL FUND EXPENDITURES	2010 ACTUAL		2011 ESTIMATE		2012 BUDGET	
<b>Finance Expenditures</b>						
Salary & Wages (Full-Time)	\$	-	\$	98,653	\$	113,900
Overtime	\$	-	\$	-	\$	1,000
Employee Benefits	\$	-	\$	49,252	\$	56,450
Materials & Supplies	\$	-	\$	1,007	\$	1,000
Dues & Subscriptions	\$	-	\$	500	\$	650
Education & Training	\$	-	\$	2,186	\$	3,000
	\$	-	\$	<b>151,598</b>	\$	<b>176,000</b>
<b>Public Safety Expenditures</b>						
Fire Services	\$	198,699	\$	385,440	\$	530,000
Police Services	\$	357,238	\$	369,728	\$	382,500
Dispatch Fees	\$	-	\$	-	\$	32,500
Crossing Guard Services	\$	14,330	\$	14,245	\$	15,500
Animal Control	\$	4,965	\$	5,742	\$	5,000
Bad Debt	\$	-	\$	300	\$	750
	\$	<b>575,232</b>	\$	<b>775,455</b>	\$	<b>966,250</b>
<b>Building &amp; Zoning Expenditures</b>						
Salary & Wages (Full-Time)	\$	83,644	\$	72,030	\$	46,100
Overtime	\$	-	\$	-	\$	600
Employee Benefits	\$	38,733	\$	32,450	\$	22,550
Materials & Supplies	\$	163	\$	68	\$	1,000
Dues & Subscriptions	\$	1,076	\$	565	\$	1,000
Education & Training	\$	1,175	\$	1,177	\$	2,000
Tools & Equipment	\$	91	\$	100	\$	500
Communications & Telephone	\$	550	\$	552	\$	750
	\$	<b>125,433</b>	\$	<b>106,941</b>	\$	<b>74,500</b>
<b>Public Works Expenditures</b>						
Salary & Wages (Full-Time)	\$	194,954	\$	110,558	\$	124,650
Overtime	\$	393	\$	604	\$	2,700
Salary & Wages (Part-Time)	\$	2,477	\$	2,182	\$	5,750
Employee Benefits	\$	103,354	\$	64,482	\$	74,750
Materials & Supplies	\$	2,845	\$	8,290	\$	8,000
Dues & Subscriptions	\$	215	\$	318	\$	500
Education & Training	\$	1,721	\$	1,312	\$	2,000
Repairs & Maintenance	\$	7,636	\$	9,461	\$	7,000
Tools & Equipment	\$	4,476	\$	2,748	\$	9,500
Utilities	\$	-	\$	-	\$	5,000
Communications & Telephone	\$	2,128	\$	1,360	\$	2,000
Engineering Services	\$	2,844	\$	446	\$	2,000
	\$	<b>323,043</b>	\$	<b>201,761</b>	\$	<b>243,850</b>
<b>Streets Expenditures</b>						
Street Lights	\$	50,601	\$	34,466	\$	40,000
Signs	\$	20,632	\$	13,352	\$	20,000
Weed Control	\$	2,467	\$	3,424	\$	3,000
Streets Supplies & Maintenance	\$	137,568	\$	375,706	\$	250,000
Snow Removal	\$	42,314	\$	28,934	\$	25,000
Street Sweeping	\$	7,540	\$	4,861	\$	10,000
Sidewalk Maintenance	\$	20,056	\$	41,201	\$	45,000
	\$	<b>281,177</b>	\$	<b>501,945</b>	\$	<b>393,000</b>

GENERAL FUND EXPENDITURES	2010 ACTUAL	2011 ESTIMATE	2012 BUDGET
<b>Solid Waste Expenditures</b>			
Solid Waste Services	\$ 285,454	\$ 284,413	\$ 275,000
Recycling	\$ 49,028	\$ 49,679	\$ 45,000
Bad Debt	\$ 4,744	\$ 2,113	\$ 4,250
	<b>\$ 339,226</b>	<b>\$ 336,205</b>	<b>\$ 324,250</b>
<b>Parks Expenditures</b>			
Park Supplies & Maintenance	\$ 118,870	\$ 126,501	\$ 130,000
	<b>\$ 118,870</b>	<b>\$ 126,501</b>	<b>\$ 130,000</b>
<b>Community Services</b>			
Salary & Wages (Full-Time)	\$ 37,229	\$ 37,461	\$ 56,550
Overtime	\$ 72	\$ 437	\$ 550
Salary & Wages (Part-Time)	\$ 5,950	\$ 7,466	\$ 17,100
Employee Benefits	\$ 13,726	\$ 15,942	\$ 34,450
Materials & Supplies	\$ 294	\$ 1,166	\$ 1,000
Dues & Subscriptions	\$ 50	\$ 50	\$ 250
Education & Training	\$ 1,490	\$ -	\$ 1,500
Communications & Telephone	\$ -	\$ -	\$ 1,000
Recreation Programs	\$ 19,181	\$ 41,277	\$ 50,000
Library Expenses	\$ 14,000	\$ 13,600	\$ 14,000
Family Festival Celebration	\$ 39,251	\$ 43,671	\$ 50,000
Other Events	\$ 10,278	\$ 891	\$ 2,000
Youth City Council	\$ 2,358	\$ 2,620	\$ 2,500
	<b>\$ 143,880</b>	<b>\$ 164,583</b>	<b>\$ 230,900</b>
<b>Other Uses of Funds</b>			
Transfer to Capital Projects Fund	\$ 1,026,067	\$ 95,177	\$ 154,250
Transfer to Motor Pool Fund	\$ 60,121	\$ 71,255	\$ 132,150
	<b>\$ 1,086,189</b>	<b>\$ 166,432</b>	<b>\$ 286,400</b>
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<b>\$ 3,740,617</b>	<b>\$ 3,173,029</b>	<b>\$ 3,580,000</b>

# WATER, SEWER, & STORM DRAIN FUND

The provision of water, sewer, and storm drain services falls under the jurisdiction of the Public Works Department. The water services function provides for the planning and operation of all systems related to the sources, treatment, storage, and distribution of culinary and pressurized irrigation water for the community. This function includes construction of new water lines, maintenance of existing water lines, and the maintenance and operations of the pumps, valves and tanks that make up the Cedar Hills water system. While sewer treatment is handled through the Timpanogos Special Service District, the Public Works Department still provides for the adequate planning, installation, and maintenance of all sanitary sewer collection systems within the community. Additionally, as the community has expanded, further need has arisen relative to the provision of adequate facilities for storm-water effluent. The monthly storm water fee assessed to residents funds the planning, expansion, installation, and ongoing operations and maintenance of storm water systems necessary for the collection and control of storm water.

The City's Water, Sewer, and Storm Drain Fund accounts for all revenues and expenditures related to water, sewer, and storm drain functions. This fund is expected to handle all capital and operating expenditures through the utility fees that are charged.

The City of Cedar Hills owns and operates a water storage and distribution system including a culinary well, a 1-million gallon tank, a 1.5-million gallon tank, pump station, and approximately 22 miles of water lines. This system services approximately 2,300 households. In addition, the City recently finished construction of a redundant culinary well. The well produces approximately 1,750 gallons of water per minute and has the capability of running off a standby generator. In addition, the well has the ability to deliver water to both the culinary and pressurized irrigation systems.

The City is responsible for 21 miles of the sewage collection system. Timpanogos Special Service District (TSSD) handles the sewage treatment function. In addition, capital expenditures toward upgrading or enlarging the system are the City's responsibility.

The budget for the Water, Sewer and Storm Drain Fund for fiscal year 2011 totals \$3.16 million and is partitioned into three functional divisions: Water, Sewer, and Storm Drain. The figures on pages 47–49 show the portions of both revenues and expenditures that belong to each of the three divisions.

The budget was developed to encourage efficient spending while providing effective programs and maintaining an excellent level of service. Significant and/or noteworthy revenue and expenditure items include the following:

## Revenues

**Storm Drain Fee:** Only one utility rate increase will be effective during fiscal year 2012. Due to increased storm water mandates, the monthly fee for storm drain increased by \$1 per household. This increase is estimated to generate about \$30,000 of additional revenue.



### Expenditures

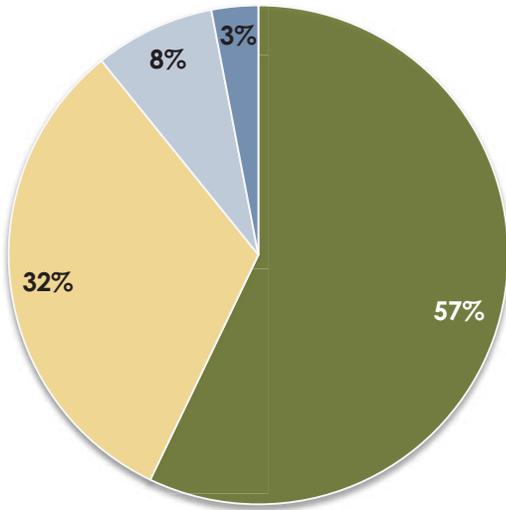
**TSSD Fees:** The Timpanogos Special Service District provides sewage treatment services for many cities in Utah County including Cedar Hills. While the District increased rates dramatically during 2010 and 2011, the rates should not change during 2012.

**PI Debt Service:** The City issued two bonds to pay for the pressurized irrigation system. In order to cover the debt service payments, the City assesses a flat fee to every household (i.e. pressurized irrigation base rate), regardless of whether the resident has connected to the system.

**Utilities:** Cedar Hills sits on a mountain bench. In order to provide water to those residents at higher altitudes, water must be pumped at a high utility cost. Electricity rates continue to increase.

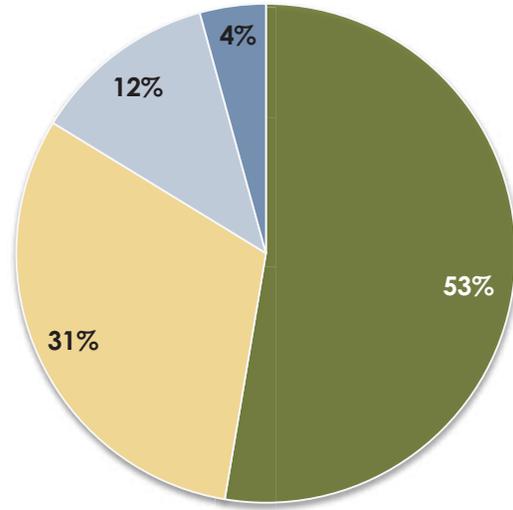
**Capital Projects:** The City has several capital projects planned for fiscal year 2012. These projects include a utility extension and sewer vault on 4800 W, a sewer extension on Canyon Road, and phase II of the water, sewer, and storm drain GIS. More information can be found in the Capital Improvements Plan (see Appendix A).

### WATER & SEWER FUND REVENUES



- Water
- Sewer
- Storm Drain
- Miscellaneous

### WATER & SEWER FUND EXPENDITURES



- Water
- Sewer
- Storm Drain
- Transfers Out

<b>WATER &amp; SEWER FUND REVENUES</b>	<b>2010 ACTUAL</b>	<b>2011 ESTIMATE</b>	<b>2012 BUDGET</b>
<b>Storm Drain Revenues</b>			
Storm Drain - Residents	\$ 166,319	\$ 184,535	\$ 215,000
	<b>\$ 166,319</b>	<b>\$ 184,535</b>	<b>\$ 215,000</b>
<b>Water Revenues</b>			
Water Fees - Residents	\$ 438,462	\$ 431,147	\$ 440,000
Water Fees - American Fork City	\$ 11,012	\$ 30,436	\$ 18,000
Water Fees - Contractors	\$ 4,399	\$ 1,500	\$ 2,100
PI Fees - Usage	\$ 352,141	\$ 422,668	\$ 440,000
PI Fees - Base Rate	\$ 496,146	\$ 481,755	\$ 495,000
Central Utah Project Fees	\$ 143,995	\$ 145,481	\$ 147,500
Water Lateral Inspections	\$ 1,050	\$ 825	\$ 1,050
Water Meters	\$ 5,250	\$ 650	\$ 7,250
Water Impact Fees	\$ 35,207	\$ 21,670	\$ 25,800
	<b>\$ 1,487,663</b>	<b>\$ 1,536,131</b>	<b>\$ 1,576,700</b>
<b>Sewer Revenues</b>			
Sewer Fees - Residents	\$ 687,287	\$ 872,247	\$ 880,000
Sewer Lateral Inspections	\$ 1,050	\$ 825	\$ 1,050
Sewer Impact Fees - 80 Rod	\$ 877	\$ 920	\$ 850
Sewer Impact Fees - S Aqueduct	\$ 4,102	\$ -	\$ 3,000
	<b>\$ 693,316</b>	<b>\$ 873,992</b>	<b>\$ 884,900</b>
<b>Miscellaneous Revenues</b>			
Developer Contributions	\$ 22,800	\$ -	\$ 11,400
Penalty Fees	\$ 55,062	\$ 50,406	\$ 55,000
Interest Income	\$ 10,764	\$ 6,963	\$ 5,000
Utility Setup Fees	\$ 14,574	\$ 12,170	\$ 10,000
Other Income	\$ 7,191	\$ 90	\$ 2,000
	<b>\$ 110,390</b>	<b>\$ 69,629</b>	<b>\$ 83,400</b>
<b>TOTAL WATER &amp; SEWER FUND REVENUES</b>	<b>\$ 2,457,689</b>	<b>\$ 2,664,287</b>	<b>\$ 2,760,000</b>

<b>WATER &amp; SEWER FUND EXPENDITURES</b>	<b>2010 ACTUAL</b>	<b>2011 ESTIMATE</b>	<b>2012 BUDGET</b>
<b>Water Expenditures</b>			
Salary & Wages (Full-Time)	\$ 196,224	\$ 191,479	\$ 216,400
Overtime	\$ 356	\$ 785	\$ 3,350
Salary & Wages (Part-Time)	\$ 5,941	\$ 6,661	\$ 10,150
Employee Benefits	\$ 111,572	\$ 106,428	\$ 124,800
Water Supplies	\$ 2,465	\$ 2,274	\$ 3,500
Dues & Subscriptions	\$ 1,625	\$ 1,555	\$ 2,000
Education & Training	\$ 1,203	\$ 2,566	\$ 3,500
Computer Expenses	\$ 2,037	\$ 3,000	\$ 3,000
Office Equipment	\$ -	\$ 1,000	\$ 1,000
Tools & Equipment	\$ 981	\$ 1,787	\$ 4,500
Utilities	\$ 260,010	\$ 262,191	\$ 270,000
Blue Stakes	\$ 989	\$ 1,053	\$ 1,500
Communications & Telephone	\$ 1,593	\$ 1,672	\$ 2,000
Engineering Services	\$ (50)	\$ -	\$ 1,000
Professional & Technical	\$ 5,158	\$ 10,817	\$ 6,000
Meter Installation & Maintenance	\$ 6,084	\$ 17,810	\$ 30,000
Water Purchases - Pleasant Grove Irrigation	\$ 14,450	\$ 17,683	\$ 17,700
Water Testing	\$ 3,551	\$ 5,572	\$ 6,500
Insurance	\$ 14,021	\$ 10,687	\$ 12,500
Water Construction Projects	\$ 32,308	\$ 8,394	\$ 30,000
Supplementary Water	\$ 114,630	\$ 119,403	\$ 120,000
Pressurized Irrigation Projects	\$ 33,230	\$ 11,611	\$ 15,000
Credit Card Fees	\$ 8,813	\$ 11,808	\$ 12,000
Trustee Fees	\$ 3,100	\$ 4,700	\$ 4,700
Bond Interest	\$ 348,295	\$ 338,216	\$ 328,350
Depreciation	\$ 384,509	\$ 402,558	\$ 408,000
Amortization	\$ 7,429	\$ 7,429	\$ 7,450
Bad Debt	\$ 17,524	\$ 36,860	\$ 18,500
	<b>\$ 1,578,048</b>	<b>\$ 1,585,999</b>	<b>\$ 1,663,400</b>
<b>Sewer Expenditures</b>			
Salary & Wages (Full-Time)	\$ 131,304	\$ 125,924	\$ 141,600
Overtime	\$ 286	\$ 531	\$ 2,100
Salary & Wages (Part-Time)	\$ 3,900	\$ 4,519	\$ 7,950
Employee Benefits	\$ 73,394	\$ 68,207	\$ 79,950
Sewer Supplies	\$ 1,040	\$ 834	\$ 1,000
Education & Training	\$ 655	\$ 704	\$ 1,500
Computer Expenses	\$ -	\$ 1,800	\$ 1,800
Tools & Equipment	\$ 506	\$ -	\$ 1,000
Utilities	\$ 1,780	\$ 122	\$ 2,000
Postage	\$ 575	\$ -	\$ 1,500
Communications & Telephone	\$ 1,325	\$ 1,164	\$ 1,500
Professional & Technical	\$ 2,260	\$ 1,655	\$ 2,000
Engineering Services	\$ -	\$ -	\$ 1,000
TSSD Fees	\$ 413,895	\$ 565,139	\$ 570,000
Sewer Television Expenses	\$ -	\$ -	\$ 2,000
Insurance	\$ 14,021	\$ 6,412	\$ 7,500
Sewer Construction Projects	\$ -	\$ 764	\$ 10,000
Depreciation	\$ 128,806	\$ 128,806	\$ 138,000
Bad Debt	\$ 8,106	\$ 4,549	\$ 10,500
	<b>\$ 781,852</b>	<b>\$ 911,131</b>	<b>\$ 982,900</b>

<b>WATER &amp; SEWER FUND EXPENDITURES</b>	<b>2010 ACTUAL</b>	<b>2011 ESTIMATE</b>	<b>2012 BUDGET</b>
<b>Storm Drain Expenditures</b>			
Salary & Wages (Full-Time)	\$ -	\$ 124,965	\$ 130,850
Overtime	\$ -	\$ 529	\$ 2,500
Salary & Wages (Part-Time)	\$ -	\$ 2,182	\$ 5,750
Employee Benefits	\$ -	\$ 62,663	\$ 76,200
Storm Drain Supplies	\$ 17,461	\$ 971	\$ 3,000
Dues & Subscriptions	\$ -	\$ 1,560	\$ 2,000
Education & Training	\$ -	\$ 188	\$ 1,000
Computer Expenses	\$ -	\$ 1,200	\$ 1,200
Tools & Equipment	\$ -	\$ 1,045	\$ 2,000
Communication & Telephone	\$ -	\$ 1,096	\$ 1,500
Professional & Technical	\$ -	\$ 7,227	\$ 1,000
Testing	\$ -	\$ -	\$ 200
Insurance	\$ -	\$ 4,275	\$ 5,000
Storm Drain Maintenance	\$ -	\$ 46,779	\$ 80,000
Depreciation	\$ 60,235	\$ 67,296	\$ 64,000
Bad Debt	\$ 1,962	\$ 964	\$ 2,500
	<b>\$ 79,657.37</b>	<b>\$ 322,939.15</b>	<b>\$ 378,700</b>
<b>Non-Operating Expenditures</b>			
Transfer to Capital Projects	\$ -	\$ 76,681	\$ 77,900
Transfer to Motor Pool Fund	\$ 60,642	\$ 63,946	\$ 57,100
	<b>\$ 60,642</b>	<b>\$ 140,627</b>	<b>\$ 135,000</b>
<b>TOTAL WATER &amp; SEWER FUND EXPENDITURES</b>	<b>\$ 2,500,198</b>	<b>\$ 2,960,696</b>	<b>\$ 3,160,000</b>

# CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for the acquisition, construction, or improvement of major capital facilities or equipment. It is not an Enterprise Fund and, therefore, not intended to be self-sustaining. The Capital Projects Fund is provided revenues through transfers from other funds, mainly the General Fund and the Water and Sewer Fund. In turn, the capital equipment and facilities generated in the Capital Projects Fund aid and support activities carried out through the General and Water and Sewer Funds. Thus, the Capital Projects Fund exists foremost as an accounting tool to assist the General Fund and the Water and Sewer Fund.

Because the Capital Projects Fund deals with relatively few long-term projects of varying costs, this Fund is of a somewhat irregular nature. Unlike the other funds, the Capital Projects Fund does not have repeating annual or monthly costs that make the fund similar from year to year. Therefore, the budget for the Capital Projects Fund tends to vary dramatically.

The Capital Improvement Plan (CIP) largely dictates the expenditures that will be included in

the Capital Projects Fund each year, with slight variations based on present circumstances and funding limitations. Those expenditures, in turn, dictate the funding that will be needed to balance the Capital Projects Fund. This funding comes from impact fees, transfers from other funds, or financing.

## Revenues

A large source of funding in the Capital Projects Fund is generated by transfers from other funds. These transfers could be comprised of earmarked revenues (e.g. B&C Roads Fund, Care Tax, etc.), reserves set aside for a particular project, or excess revenues over expenditures. Often, a certain revenue might be “earmarked” or set aside for a specific type of expenditure. For example, liquor taxes are earmarked for police expenses. Certain revenues recognized in the General Fund are earmarked for building roads and parks and must be transferred to the Capital Projects Fund. In addition, the General Fund generates a profit during most years. This surplus is transferred to the Capital Projects Fund to pay for one-time projects and expenditures.

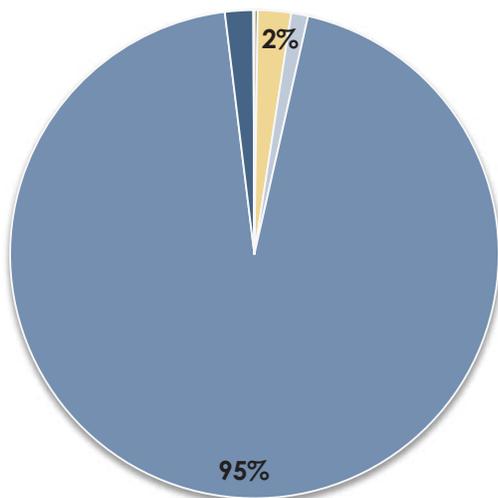
## Expenditures

The capital projects planned for fiscal year 2012 are listed below:

- \$972,000 for the Deerfield Land acquisition
- \$1,500,000 for the Deerfield Park development
- \$40,000 for a park basketball court
- \$350,000 for a splash pad
- \$500,000 to widen Harvey Blvd
- \$25,000 for new street lights
- \$16,350 for phase II of the streets GIS project
- \$550,000 for construction of a Civic Center

Further explanations of capital projects planned for fiscal year 2012 can be obtained from the Capital Improvements Plan located in Appendix A of this document.

## CAPITAL PROJECTS FUND REVENUES



- |                     |                         |
|---------------------|-------------------------|
| ■ Interest Income   | ■ General Fund Transfer |
| ■ W&S Fund Transfer | ■ Use of Fund Balance   |
| ■ Impact Fees       | ■ Grant Income          |

CAPITAL PROJECTS FUND REVENUES	2010 ACTUAL	2011 ESTIMATE	2012 BUDGET
Impact Fees - Park Development	\$ 11,700	\$ 11,700	\$ 11,700
Impact Fees - Park Land	\$ 39,402	\$ 43,780	\$ 43,780
Impact Fees - Recreation	\$ 16,400	\$ 16,400	\$ 16,400
Impact Fees - Public Safety	\$ 10,092	\$ 5,370	\$ 6,360
Impact Fees - Streets	\$ 76,387	\$ 13,140	\$ 52,560
Street Improvement Fee	\$ -	\$ -	\$ 21,500
Interest Income	\$ 34,325	\$ 30,726	\$ 15,000
Grant Income	\$ 10,545	\$ 5,609	\$ 5,000
Transfers in from General Fund	\$ 1,026,067	\$ 95,177	\$ 154,250
Transfers in from Water & Sewer Fund	\$ -	\$ 76,681	\$ 77,900
Use of Fund Balance	\$ -	\$ -	\$ 6,619,370
<b>TOTAL CAPITAL PROJECTS FUND REVENUES</b>	<b>\$ 1,224,919</b>	<b>\$ 298,583</b>	<b>\$ 7,023,820</b>

CAPITAL PROJECTS FUND EXPENDITURES	2010 ACTUAL	2011 ESTIMATE	2012 BUDGET
<b>Facilities</b>			
Public Works Building Basement	\$ -	\$ 35,047	\$ -
Civic Center	\$ -	\$ -	\$ 550,000
	<b>\$ -</b>	<b>\$ 35,047</b>	<b>\$ 550,000</b>
<b>Street Projects</b>			
Sidewalk Projects	\$ 4,140	\$ 4,010	\$ -
Speed Tables	\$ 22,802	\$ 4,200	\$ -
Street Lights	\$ 21,927	\$ 10,286	\$ 25,000
Harvey Blvd Widening	\$ -	\$ -	\$ 500,000
GIS System - Streets	\$ -	\$ 11,274	\$ 16,350
	<b>\$ 48,870</b>	<b>\$ 29,770</b>	<b>\$ 541,350</b>
<b>Park Projects</b>			
Deerfield Land Purchase	\$ -	\$ -	\$ 972,000
Deerfield Park Improvements	\$ -	\$ -	\$ 1,500,000
Mesquite Soccer Park	\$ 37,722	\$ -	\$ -
Sage Vista Park	\$ -	\$ 20,000	\$ -
Heritage Park Basketball Court	\$ -	\$ -	\$ 40,000
Splash Pad	\$ -	\$ -	\$ 350,000
	<b>\$ 37,722</b>	<b>\$ 20,000</b>	<b>\$ 2,862,000</b>
<b>Miscellaneous Capital Projects</b>			
Orchard Spite Strip	\$ 22,500	\$ -	\$ -
Community Center Feasibility	\$ 11,500	\$ -	\$ -
Orchard Commercial Development	\$ -	\$ 7,345	\$ -
	<b>\$ 34,000</b>	<b>\$ 7,345</b>	<b>\$ -</b>
<b>Bond Payments</b>			
Bond Principal - Public Safety Building	\$ 35,000	\$ 40,000	\$ 400,000
Bond Principal - Public Works Building	\$ 60,000	\$ 60,000	\$ 65,000
Interest Expense	\$ 108,612	\$ 105,147	\$ 101,450
Trustee Fees	\$ 4,020	\$ 4,020	\$ 4,020
	<b>\$ 207,632</b>	<b>\$ 209,167</b>	<b>\$ 570,470</b>
<b>Transfers</b>			
Transfer to Community Recreation Fund	\$ -	\$ 371,726	\$ 2,500,000
	<b>\$ -</b>	<b>\$ 371,726</b>	<b>\$ 2,500,000</b>
<b>TOTAL CAPITAL PROJECTS FUND EXPENDITURES</b>	<b>\$ 328,224</b>	<b>\$ 673,055</b>	<b>\$ 7,023,820</b>

# MOTOR POOL FUND

The Motor Pool Fund accounts for the City's vehicle expenses and purchases. The fund includes expenditures for vehicle maintenance, gasoline, insurance, and vehicle purchases. The City currently has a fleet of 13 vehicles. In addition, the City rents a skid steer and a backhoe. For fiscal year 2012, the City has budgeted to replace two trucks used by the Public Works Department and one truck used by the Building and Zoning Department. In addition, the City plans on buying a 10-wheel truck.

## Revenues

The Motor Pool Fund receives most of its revenue through contributions from the General Fund, the Water and Sewer Fund, and the Community Recreation Fund. The required expenditures are determined and the burden of funding the expenditures is divided between the three aforementioned funds. An analysis is done on the activities of the vehicles and the departments and/or funds to which those activities are related. From this analysis, certain percentages are derived and assigned to the various funds to determine the amount each fund will contribute to the Motor Pool Fund.

Since transfers are only made to cover actual expenditures, Cedar Hills does not allow a profit to be generated in the Motor Pool Fund. Therefore,

total net assets reflects the net value of the vehicles held in the fund.

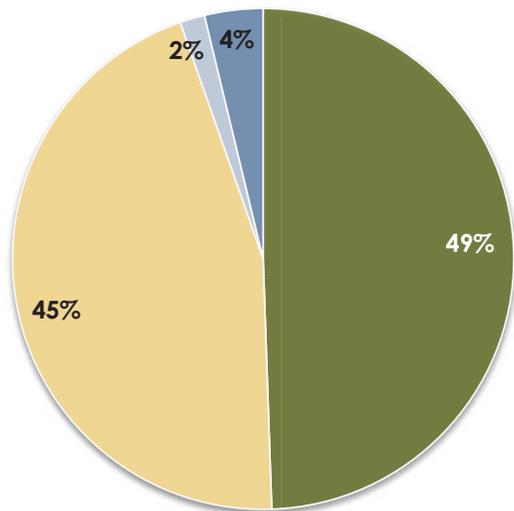
## Expenditures

The budget was developed to encourage efficient spending while continuing a sufficient level of vehicle maintenance to achieve an acceptable salvage or resale value. As previously mentioned, the vehicle replacement schedule has been designed to yield the maximum value possible from the City fleet. This means that the City has enough vehicles to meet the tasks required at a minimum cost to the City.

## Vehicle Replacement

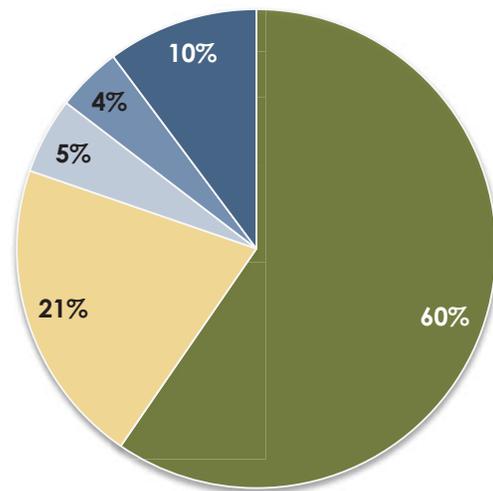
The City buys vehicles on state contract at significantly cheaper prices. These vehicles are used for about three years and then sold at a price close to the original purchase price. City staff has performed a detailed analysis of possible replacement schedules which took into account various factors including maintenance costs, insurance, inflation, resale values, etc. According to the analysis, the most cost-effective time to replace vehicles is after about three years of use. The City uses a different replacement schedule for bobtails and 10-wheel trucks. These vehicles are replaced every six years.

**MOTOR POOL FUND REVENUES**



- General Fund Transfer
- W&S Fund Transfer
- Golf Fund Transfer
- Gain on Sale

**MOTOR POOL FUND EXPENDITURES**



- Depreciation
- Gas & Oil
- Insurance
- Rent Expense
- Maintenance

MOTOR POOL FUND REVENUES	2010 ACTUAL	2011 ESTIMATE	2012 BUDGET
<b>Transfers</b>			
Transfer from General Fund	\$ 60,121	\$ 71,255	\$ 132,150
Transfer from Water & Sewer Fund	\$ 60,642	\$ 63,946	\$ 57,100
Transfer from Golf Fund	\$ 134	\$ 2,332	\$ 2,750
Gain on Sale of Assets	\$ 23,354	\$ 13,467	\$ 18,000
<b>TOTAL MOTOR POOL FUND REVENUES</b>	<b>\$ 144,251</b>	<b>\$ 151,000</b>	<b>\$ 210,000</b>
MOTOR POOL FUND EXPENDITURES	2010 ACTUAL	2011 ESTIMATE	2012 BUDGET
<b>Vehicle Expenses</b>			
Gas & Oil - Administration	\$ 5,353	\$ 6,028	\$ 7,500
Vehicle Maintenance - Administration	\$ 420	\$ 888	\$ 1,000
Insurance - Administration	\$ 874	\$ 1,085	\$ 1,500
Gas & Oil - Building & Zoning	\$ 1,483	\$ 1,071	\$ 1,250
Vehicle Maintenance - Building & Zoning	\$ 322	\$ 563	\$ 500
Insurance - Building & Zoning	\$ 430	\$ 873	\$ 750
Gas & Oil - Public Works	\$ 20,160	\$ 29,610	\$ 30,000
Vehicle Maintenance - Public Works	\$ 5,527	\$ 5,576	\$ 10,000
Insurance - Public Works	\$ 4,366	\$ 5,631	\$ 7,500
Gas & Oil - Golf	\$ -	\$ 1,375	\$ 1,500
Vehicle Maintenance - Golf	\$ -	\$ 431	\$ 500
Insurance - Golf	\$ 134	\$ 525	\$ 750
Contingency	\$ -	\$ -	\$ 1,000
	<b>\$ 39,069</b>	<b>\$ 53,658</b>	<b>\$ 63,750</b>
<b>Capital Outlay</b>			
Rent Expense	\$ 16,858	\$ 16,250	\$ 16,250
Depreciation Expense	\$ 88,324	\$ 81,092	\$ 130,000
	<b>\$ 105,182</b>	<b>\$ 97,342</b>	<b>\$ 146,250</b>
<b>TOTAL MOTOR POOL FUND EXPENDITURES</b>	<b>\$ 144,251</b>	<b>\$ 151,000</b>	<b>\$ 210,000</b>

# COMMUNITY RECREATION FUND

The City’s golf course and events center is accounted for through the Community Recreation Fund. All revenues related to golf and golf peripherals are received in this fund. Likewise, any expenditures related to the maintenance, upkeep, payroll, and operations of the golf course and its peripherals are also expensed out of the Community Recreation Fund.

The Cedar Hills Golf Course is a 6,700-yard, 18-hole, par-72 championship golf course at the mouth of scenic American Fork Canyon. Positive feedback received from golfers on the City’s unique course abounds. The course is in excellent condition and has even developed a reputation for its “superior greens.” Beyond the golf course, driving range, and snack shack, the City is building a Community Recreation Center. The new facility will include a grill, an events center, a pro shop, meeting space, and cart storage.

The golf course is entering its eighth year of operation, and as a result, staff has years of operational data to rely on when forecasting golf revenues and expenditures. The events portion, however, has no historical data and revenues were difficult to forecast. The events center will be used for recre-

ation classes (e.g. aerobics, dance, karate, etc.) as well as for other activities (e.g. receptions, family parties, City Council meetings, etc.) and many of the details are still being planned.

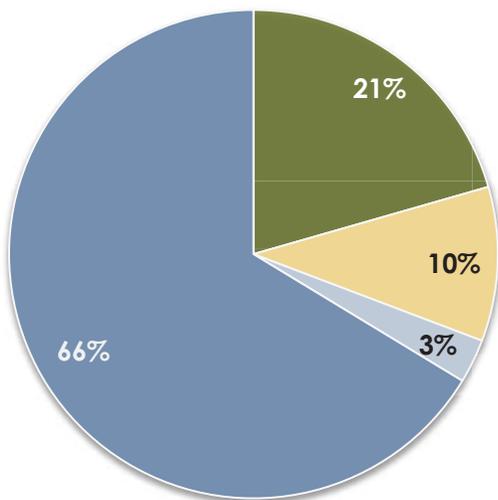
The budget was developed to encourage efficient spending while maintaining an excellent public golf course and community facility. Significant and/or noteworthy revenue and expenditure items include the following:

## Revenues

In the budgeting process, revenues were projected to reflect realistic expectations. Green fees are a good indicator of course performance and primarily drive all other revenues for the course. However, the ultimate revenue generator for the course is rounds played, which drives green fees. Most of the revenue items such as concessions, pro shop, driving range, etc., are driven by rounds played; therefore, increased rounds equates to increases in all other revenues.

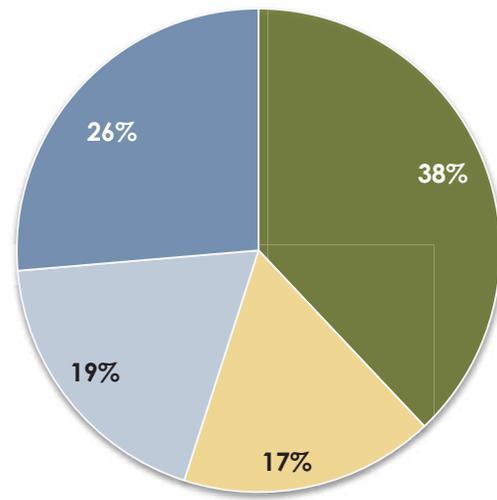
**Green Fees:** This is the principal revenue source in the Community Recreation Fund, as it

COMMUNITY RECREATION FUND REVENUES



- Golf Revenues
- Property Taxes
- Events Revenue
- Transfers In

COMMUNITY RECREATION FUND EXPENDITURES



- Wages & Benefits
- Interest Expense
- Depreciation & Amortization
- Other

makes up 46 percent of the forecasted earnings for fiscal year 2012. Green fee revenue also includes cart fees and tournament revenue.

**Property Taxes:** The golf course was financed with a general obligation bond. The amount of revenue collected through property taxes covers the annual debt service for this bond.

**Events Center Rentals and Grill:** The new facility will not open until spring 2012; therefore, the events center and grill will only be able to generate a few months of revenue.

**Transfers In:** The new building will be paid for with recreation facility impact fees which are held in the Capital Projects Fund. The impact fees will be transferred to the Community Recreation Fund as expenses occur.

## Expenditures

When total budgeted expenditures are compared to projected revenues, the golf course is estimated to be in the red roughly \$200,000 for 2012. This shortfall includes all operating and non-operating expenditures.

A new section was added to the fund for the events center and grill which is predicted to break-even. The new expense accounts include wages and benefits, supplies, utilities, cost of goods sold, credit card fees, advertising, insurance, building maintenance, and depreciation. Building depreciation will be allocated between the golf and events activities based on square feet.

COMMUNITY RECREATION FUND REVENUES	2010 ACTUAL	2011 ESTIMATE	2012 BUDGET
<b>Golf Revenues</b>			
Green Fees	\$ 499,732	\$ 491,760	\$ 580,000
Practice Range	\$ 27,514	\$ 26,396	\$ 35,000
Pro Shop	\$ 78,433	\$ 77,727	\$ 90,000
Concessions	\$ 34,547	\$ 29,435	\$ 20,000
Season Passes	\$ 27,925	\$ 21,150	\$ 50,000
Other Income	\$ 250	\$ -	\$ -
Gain on Sale of Assets	\$ 9,787	\$ -	\$ -
Property Taxes	\$ 385,260	\$ 398,339	\$ 385,000
	<b>\$ 1,063,446</b>	<b>\$ 1,044,807</b>	<b>\$ 1,160,000</b>
<b>Events Revenues</b>			
Events Center Rentals	\$ 11,570	\$ 4,743	\$ 70,000
Community Grill	\$ -	\$ -	\$ 40,000
	<b>\$ 11,570</b>	<b>\$ 4,743</b>	<b>\$ 110,000</b>
<b>Transfers In</b>			
Transfer from Capital Projects Fund	\$ -	\$ 371,726	\$ 2,500,000
	<b>\$ -</b>	<b>\$ 371,726</b>	<b>\$ 2,500,000</b>
<b>TOTAL COMMUNITY RECREATION FUND REVENUES</b>	<b>\$ 1,075,016</b>	<b>\$ 1,421,276</b>	<b>\$ 3,770,000</b>

COMMUNITY RECREATION FUND EXPENDITURES	2010 ACTUAL	2011 ESTIMATE	2012 BUDGET
<b>Golf Expenses</b>			
Salary & Wages (Full-Time)	\$ 169,226	\$ 204,819	\$ 195,500
Overtime	\$ 274	\$ 93	\$ 1,000
Salary & Wages (Part-Time)	\$ 109,472	\$ 104,418	\$ 180,000
Employee Benefits	\$ 114,342	\$ 121,579	\$ 140,500
Supplies	\$ 8,646	\$ 7,710	\$ 10,000
Utilities	\$ 24,844	\$ 22,352	\$ 27,000
Miscellaneous Expenses	\$ 2,834	\$ 1,725	\$ 3,000
Concessions	\$ 27,147	\$ 30,931	\$ 15,000
Credit Card Expenses	\$ 14,366	\$ 13,739	\$ 18,000
Pro Shop	\$ 41,526	\$ 41,973	\$ 45,000
Golf Course Repairs & Maintenance	\$ 31,836	\$ 35,157	\$ 60,000
Fertilizer & Chemicals	\$ 23,969	\$ 25,889	\$ 30,000
Water Pumping Costs	\$ 12,251	\$ 11,648	\$ 15,000
Petroleum & Oil	\$ 12,683	\$ 11,611	\$ 16,000
Equipment Repairs & Maintenance	\$ 27,814	\$ 30,642	\$ 22,000
Equipment Rental	\$ 379	\$ 1,086	\$ 2,500
Insurance	\$ 1,696	\$ 2,093	\$ 4,000
Cart Repairs & Maintenance	\$ 7,552	\$ 312	\$ 10,000
Dues & Subscriptions	\$ 4,599	\$ 3,517	\$ 3,500
Printing	\$ 583	\$ 587	\$ 2,000
Travel & Training	\$ 609	\$ 914	\$ 2,500
Licenses & Fees	\$ 971	\$ 1,000	\$ 2,000
Computers & Phones	\$ 5,355	\$ 4,833	\$ 6,000
Advertising	\$ 23,901	\$ 37,908	\$ 35,000
Clubhouse Lease Payment	\$ 13,008	\$ 20,994	\$ 5,300
Trustee Fees	\$ 450	\$ 450	\$ 450
Amortization	\$ 4,097	\$ 4,097	\$ 4,100
Interest Expense	\$ 262,683	\$ 264,675	\$ 249,400
Depreciation	\$ 290,643	\$ 248,752	\$ 252,500
Loss on Sale of Assets	\$ -	\$ 32,921	\$ -
Transfer to Motor Pool	\$ 134	\$ 2,332	\$ 2,750
	<b>\$ 1,237,888</b>	<b>\$ 1,290,757</b>	<b>\$ 1,360,000</b>
<b>Events Expenses</b>			
Salary & Wages (Full-Time)	\$ -	\$ -	\$ 14,500
Salary & Wages (Part-Time)	\$ -	\$ -	\$ 15,000
Employee Benefits	\$ -	\$ -	\$ 11,750
Supplies	\$ -	\$ -	\$ 2,000
Utilities	\$ -	\$ -	\$ 3,000
Communications & Telephone	\$ -	\$ -	\$ 250
Community Grill	\$ -	\$ -	\$ 30,000
Credit Card Expenses	\$ -	\$ -	\$ 1,000
Advertising	\$ -	\$ -	\$ 10,000
Insurance	\$ -	\$ -	\$ 2,000
Building Repairs & Maintenance	\$ 981	\$ 340	\$ 2,500
Depreciation	\$ -	\$ -	\$ 18,000
	<b>\$ 981</b>	<b>\$ 340</b>	<b>\$ 110,000</b>
<b>TOTAL COMMUNITY RECREATION EXPENDITURES</b>	<b>\$ 1,238,869</b>	<b>\$ 1,291,096</b>	<b>\$ 1,470,000</b>

# APPENDIX A: CAPITAL IMPROVEMENTS PLAN

FISCAL YEAR 2012

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## PURPOSES IN VIEW

The City's Capital Improvements Plan (CIP) is a long-range plan for the construction and financing of major projects which represent significant contributions to the City's overall inventory of physical assets. The plan is divided into three different time frames: the short-range horizon of projects undertaken and/or completed within the current fiscal year, the mid-range horizon of projects undertaken and/or completed within a two- to six-year time period, and the long-range horizon of projects undertaken and/or completed within a seven-year or greater time period. The CIP includes all major capital purchases and/or projects for both the General Fund and the Water and Sewer Fund. Capital purchases can include expenditures such as vehicle purchases, computer purchases, or other types of equipment purchases. Capital projects generally include building, repairing, or improving streets, sidewalks, public facilities, parks, and water and sewer lines and facilities.

As a long-range plan, the CIP reflects the City's policies regarding long-range physical and economic development. By providing a planned schedule of public improvements, the CIP outlines present and future public needs and priorities. The CIP, therefore, provides decision-makers with valuable information on which to base decisions. It also represents the following:

- Information for individual taxpayers, neighboring communities, and various civic groups interested in the City's growth and development
- A statement of intention for federal and state agencies who provide grants-in-aid to the City
- A source of information for potential developers

Additionally, the CIP is an integral part of the City's budgeting process, with the first year of the plan representing the actual budget for the year's capital projects. Approval of the CIP by the City Council, therefore, outlines the City's official commitment to the first-year capital projects, with conditional approval for those projects listed in the future planning years.

Capital project planning is an ongoing process. Each year, the CIP is updated in order to maintain

the full time frame of the program with the deletion of the prior year and the addition of a new planning year. Projects that have been tentatively scheduled in previous CIP's are re-assessed, along with new, proposed projects. A test of the effectiveness of the capital planning process is the orderly manner in which projects are planned for, scheduled, and finally budgeted, year-by-year, and whether it helps the City achieve the goals and objectives established in the City's General Plan.

## BENEFITS OF A CAPITAL IMPROVEMENTS PLAN

By projecting and scheduling capital improvements in advance, the City benefits in a number of ways:

1. The CIP eliminates or reduces the need for "crash programs" to finance the construction of City improvements and facilities.
2. The CIP helps to provide for an orderly replacement of capital facilities and equipment.
3. Budgeting may take place within a system which assures that capital projects will be built according to a predetermined priority system while planning in advance for the revenue needed to finance and complete these capital projects.
4. Advanced planning is permitted to ensure that projects are well thought out in advance of construction.
5. Major purchases may be scheduled to benefit from favorable market conditions.
6. Coordination with the operating budget is maximized. An important aspect of capital improvement planning is the effect capital expenditures have upon the annual operating cost of the City. When a new facility is established, it must be maintained and staffed, and obligations which begin when it is made operational will become continuous.

7. Interrelationships among projects overlooked by departments are revealed. This will occur more often as Cedar Hills expands; however, it is important to take this aspect into account now. For example, the process can coordinate the timing of projects in the same location so as to avoid paving a street one year and tearing it up the next to lay a sewer or water line.
8. An overview of current and future capital requests is provided, which enables an assessment of all capital expenditures and establishes priorities in a comprehensive framework rather than through many piecemeal decisions.

property taxes, etc.). Prioritization is based on two factors:

- Is the project one which will be undertaken in the current fiscal year, the two- to six- year horizon, or after six years? What are the estimated dates of construction?
- Is the project one which is vital to ensure current municipal services (priority 1); one which is important but completion is based upon timing of available resources (priority 2); or one which is necessary, but timing is based upon future growth requirements (priority 3)?

2. Staff revises the list of future capital facilities and produces a tentative capital improvements plan which includes a capital budget for the coming year and a capital plan for the mid- and long-range horizons. This plan will include future funding projections for each of the funding sources preferred by the Council and show the link between the *available sources* and *planned uses*. For example, if the City Council determines that it would like to build a \$500,000 park facility within three years with impact fees, the plan will show what impact fees will be available, as well as the amounts required from other funding sources, if necessary. The City Council will then review this plan and make final decisions.

3. Staff will produce a final copy of the City’s Capital Improvements Plan which will then be accepted by the City Council. This plan will become the document that helps direct the City in future capital facility projects.

## PLANNING SCHEDULE FOR CAPITAL IMPROVEMENTS

The City’s proposed schedule of planning for capital improvements is listed in the chart below.

The process typically used for review and approval of the Capital Improvements Plan is as follows:

1. Staff prepares a comprehensive list of future capital facilities and/or projects. This list is reviewed by the City Council. The Council will then add to or delete from the list and prioritize the projects. Additionally, the City Council will indicate which types of funding sources would be preferred to fund each facility (i.e. impact fees, franchise fees,

<b>NOVEMBER</b>	Preliminary planning session with Mayor, City Manager, and key staff.
<b>FEBRUARY</b>	Summary of preliminary capital improvement requests prepared by City Manager and submitted to City Council.
<b>APRIL</b>	Mayor, City Manager, and key staff complete project review. Tentative approval by City Council.
<b>JUNE</b>	CIP submitted to the City Council for final approval.

## SHORT-RANGE HORIZON CAPITAL PROJECTS

*Projects to be completed during the 2012 fiscal year*

### FACILITIES

#### Community Recreation Center

*Cost of Project Fiscal Year 2012*

Estimated \$2,500,000

*Sources of Funding*

Recreation Facility Impact Fees

*Reasons for Project*

The City of Cedar Hills has saved for the development of a recreational facility for the past 12 years. Development of this facility will not only provide approximately 6,000 square feet of immediate event/reception/meeting facilities and kitchen grill space for all Cedar Hills residents, but the facility will also provide areas for recreational class instruction including such activities as aerobics, dance, karate, etc. The facility will also provide approximately 1,500 square feet of golf pro shop space and unfinished basement storage and maintenance.



Community Recreation Center

It is anticipated that this facility will also provide space for community meetings including, but not limited to, book clubs, gardening meetings, sports administrative meetings, HOA administrative meetings, etc.

Staff suggests that City residents receive a discount for utilizing the events center and grill facilities.

*Impact on the Operating Budget*

The impact will be an immediate and positive one by the mandatory usage of the recreation facility impact fees. No bonding or borrowing would be required. All future operating and maintenance costs will be paid for by revenues generated by the Center.

#### Civic Center

*Cost of Project Fiscal Year 2012*

Estimated \$550,000

*Sources of Funding*

Unreserved Fund Balance

*Reasons for Project*

For the past ten years, the City has saved for the construction of a Civic Center. Currently, City staff is housed in two different locations in Cedar Hills: the Public Works Building and the Public Safety Building (which is shared with the Lone Peak Public Safety District). The Civic Center will allow the bulk of city services to be located at one site. The facility will be centrally located near the City's commercial center and will offer greater convenience for residents. The building will house most City offices including administration, finance, and recreation departments. The building will also include space for municipal meetings and the future expansion of city services.

*Impact on the Operating Budget*

Costs will increase for building maintenance, insurance, and utilities.

## PARKS

## Heritage Park Basketball Court

*Cost of Project Fiscal Year 2012*

Estimated \$40,000

*Sources of Funding*

Care Tax

*Reasons for Project*

The Heritage Park basketball court is an addition to a centrally located City park. The full length cement surface court will add to the enjoyment of the park and will give older children more recreation options during spring, summer, and fall. This will also give the City Recreation Department more options for City sponsored recreational activities.

*Impact on the Operating Budget*

There is no direct or measurable impact on the operating budget.

## Splash Pad

*Cost of Project Fiscal Year 2012*

Estimated \$350,000

*Sources of Funding*

Recreation Facility Impact Fees

*Reasons for Project*

Located on flat areas, a splash pad is an underground system that has streams of water shooting from different directions and fountains spraying at varying times and even from overhead objects. The splash pad will be an interactive water feature giving families a place to cool off in the summer. The splash pad is intended to be the first facility in an overall Aquatics Center Master Plan.

Harvey Land



## Deerfield Park Land Purchase &amp; Development

*Cost of Project Fiscal Year 2012*

Estimated \$2,472,000

*Sources of Funding*

Park Development and Land Impact Fees

*Reasons for Project*

This parcel, adjacent to Deerfield Elementary, at 12.4 acres is vitally important for accommodating recreation in the City of Cedar Hills. It is the only large piece of flat ground available for recreation. It can easily be connected by trail to Sunset Park and Forest Creek Park/Trail. It has been designed to accommodate one regulation-size high school football field, one pony-size baseball diamond, two little league baseball/softball diamonds, four tennis courts, two volleyball courts, three basketball courts, a passive recreation and picnic area with picnic tables and pavilions, including an indoor pavilion with a small restroom and kitchen-

ette, one large playground, restrooms, snack shack, storage, a jogging loop, and parking.

#### *Impact on the Operating Budget*

This project is anticipated to be completed toward the end of the fiscal year. As a result, the impact on the operating budget will likely not be realized in fiscal year 2012. However, it is anticipated that the main impact of the new park on the operating budget will be an increase in park grounds maintenance costs of about \$40,000 per year. Electricity costs will also increase.

## WATER & SEWER

### 4800 W Utility Extensions and Sewer Vault

#### *Cost of Project Fiscal Year 2012*

Estimated \$120,000

#### *Sources of Funding*

Water & Sewer Fund Revenues

#### *Reasons for Project*

Due to the North County Blvd project expected to be completed during fiscal year 2012, design and construction of a 12-inch culinary water mainline is being expedited. The mainline will connect the existing waterline located in Cedar Hills Drive to an existing waterline located in 9900 N along 4800 W. The installation of the mainline will ensure adequate supply to the undeveloped commercial area between the two streets and provide necessary looping for long-term service of the area. Sanitary sewer service will also be extended to the area via mainline stubs to major corridors within the project area. Relocation of the sanitary sewer metering vault currently located on Cedar Hills Drive will be completed at approximately 9600 N on North County Blvd. The vault relocation will facilitate accurate measurement of sanitary sewer flows from all areas of Cedar Hills, including the anticipated commercial zone development.

### Canyon Road Sewer Extension

#### *Cost of Project Fiscal Year 2012*

Estimated \$150,000

#### *Sources of Funding*

Water & Sewer Fund Revenues

#### *Reasons for Project*

The area from Mountain Top Circle south to Box Elder Drive along Canyon Road is currently deficient of city provided sanitary sewer service. All development currently in the area is connected to private septic systems. Due to the nature of septic systems, and the geo-technical attributes of soils in the area, the systems are prone to failure. An area wide improvement which includes the installation of an 8-inch sanitary sewer mainline in Canyon Road and associated laterals will provide needed infrastructure for required future service.

## STREETS

### Harvey Blvd Widening

#### *Cost of Project Fiscal Year 2012*

\$500,000

#### *Sources of Funding*

Street Impact Fees

#### *Reasons for Project*

A main traffic collector for the east/west traffic in the City, Harvey Blvd narrows to 24 feet for a short distance near 4800 W. Once this property is incorporated into Cedar Hills, it will be necessary to widen this road to the uniform 52-foot road width.

#### *Impact on Operating Budget*

There is no direct or measurable impact on the operating budget.

## MISCELLANEOUS

## GIS System (Phase II)

*Cost of Project Fiscal Year 2012*

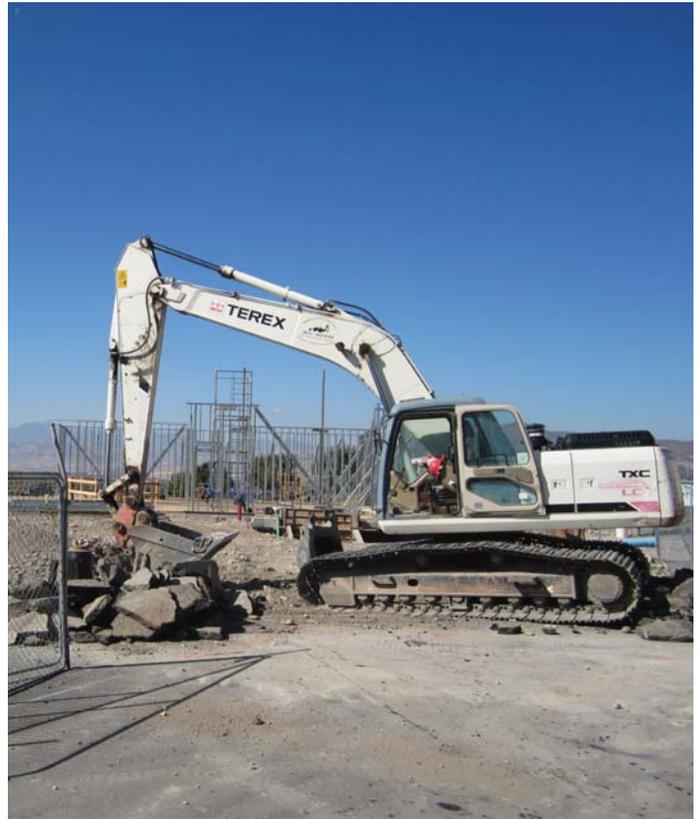
Estimated \$65,400

*Sources of Funding*

B&C Roads Fund & Enterprise Fund Revenue

*Reasons for Project*

Geographic Information Systems will be used by many of the departments in the City for mapping and data management. This is the second of two phases. This phase will include collection of existing infrastructure data and the training of staff in the proper procedure for collecting data. This will allow for the efficient use of city resources in locating and managing city facilities and infrastructure as well as keeping better maintenance records.



## MID-RANGE HORIZON PROJECTS (2013-2017)

Year	Project Description	Project Type	Estimated Cost
2013	Community Aquatics Center	Facility	\$ 8,000,000
2013	Public Safety Building Renovation	Facility	\$ 400,000
2016	Bonneville Shoreline Trail Section II & III	Park	\$ 500,000
2016	Regional Old Town Retention Project	Storm Drain	\$ 400,000
2016	4000 West Sewer Line	Sewer	\$ 250,000
2017	Bayhill Park Development	Park	\$ 400,000

## LONG-RANGE HORIZON PROJECTS (2018 &amp; LATER)

Year	Project Description	Project Type	Estimated Cost
2018	Cottages Park Development	Park	\$ 100,000
2018	4600 West Sewer Upgrade	Sewer	\$ 400,000
2019	Irrigation Pump Pond 10 & 12	Water	\$ 300,000
2020	Harvey Well Chlorination/Treatment Station	Water	\$ 80,000
2020	Cottonwood Well Chlorination/Treatment Station	Water	\$ 60,000
2021	Sewer Trunkline Extension	Sewer	\$ 500,000
2025	Oak Road Park Land Purchase and Development	Park	N/A
2025	Fieldcrest Park Development	Park	\$ 30,000



# APPENDIX B

FISCAL YEAR 2012

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*Cedar Hills*  
*Decisions 2011*

*by Insight Research*

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## EXECUTIVE SUMMARY

### INTRODUCTION

Insight Research, Inc., a Utah public opinion and marketing research firm located in Salt Lake City was retained by the City of Cedar Hills to conduct and compile a public opinion survey of Cedar Hills residents.

#### Objectives

The primary objective of the survey was to determine how city residents feel about their City and to begin the process of Decisions 2011. The questionnaire contained similar questions from previous Decisions surveys and added a few questions regarding communication with residents and commercial development. Comparative data from the Decisions 2009 and 2006 surveys are provided in this report for each question that was measured in those surveys.

#### Procedures

Raymond Briscoe and David Spatafore of Insight Research drafted the questionnaire in conjunction with Konrad Hildebrand of Cedar Hills. The initial draft was written and emailed to Mr. Hildebrand who in turn provided copies to members of the municipal Council. Suggestions were offered and changes were made and the final version of the questionnaire was approved by Konrad and the City Council.

In order to meet the objectives of the research, Insight Research interviewed 403 Cedar Hills City residents during early January 2011. This sample size of residents yields a tolerated error of +/-5% at the 95% confidence level. It should be noted that this tolerated error applies only to the total data and not any of the cross-tabulated data.

After the questionnaire was approved and before any fieldwork began, the survey instrument was pre-tested on individuals selected at random from the sample universe. The purpose of the pre-test was to detect any discrepancies which might have existed in the instrument in terms of completeness, level of shared language, and appropriateness of the questions. The pre-test was successful and therefore no changes were made.

#### Sample and Data Collection

All data was collected using face-to-face collection procedures. Insight Research plotted on a city map using a random systematic sampling procedure with random start, giving each resident in the sample universe an equal opportunity of being selected to participate. The sample included an over sample adjustment for refusals and unavailable respondents.

To assist in interpreting results, all questions on the survey that used a rating scale were scored so that a higher rating was a more positive response. Where comparable questions were asked in the 2009 and 2006 studies, those scores have been recalculated on the same scale for consistency and to aid in trend analysis.

## SURVEY ANALYSIS

### Quality of Life in Cedar Hills

We provided residents with a list of reasons why they live in Cedar Hills and asked them to list the top three as to why they live in Cedar Hills.

More than half (55%) reported that the high quality of life was one of their top three reasons for living in Cedar Hills. Nearly one in four respondents (23%) listed quality of life as their top reason for living in Cedar Hills.

Good schools also ranked in the top three reasons for living in Cedar Hills for more than half of all residents (52%). Good schools was rated as the second highest reason for living in Cedar Hills by 24% of all respondents.

The third highest rated reason (42%) for living in Cedar Hills was the small city atmosphere. This was the number one reason in the 2009 survey. The low crime rate was the fourth rated reason for living in Cedar Hills with 40% of respondents putting this reason in their top three.

These findings are consistent with those of the Decisions 2009 and 2006 studies. High quality of life, good schools and small city atmosphere have each been the top ranked reason in one of the three studies and have constituted the top three in each survey although their relative ranking within the top three has varied. Also consistent with the previous surveys, proximity to cultural activities was chosen least frequently as a “top three” reason for living in Cedar Hills. “Near recreation and “other” reasons were also chosen as a top three reason by less than one-fifth of all respondents. In the middle, between nearly one quarter and one-third of respondents listed “Near friends or relatives” (33%), “Affordable housing” (28%), and “Near job” (22%). None of these responses varied by more than three percentage points from their rankings in the studies conducted in 2006 and 2009.

The importance of quality of life varied by demographic characteristics:

By location	East (51%), North (53%), South (55%) versus West (62%)
Renters vs home-owners	Renters (44%) and Home-owners (57%)
By length of residence	< 5 yrs (47%) 5-10yrs (59%) and > 10 yrs (64%)
By income	Upward trend from 42% for under \$40,000 to 69% for over \$140,000 although respondents in the \$70K-\$100K rated this factor higher (58%) than those in the next lower (52%) and next higher (53%) income brackets.

## City Communications

The overwhelming choice by residents for receiving communications from or about the City was from the city newsletter. Over nine of ten respondents (92%) placed this method of communication in their top three, with 63% overall mentioning the newsletter as their most preferred method of communication. This method of communication was uniformly selected as the top method of communication throughout the city geographically as well as through all of the demographic groups.

The second most preferred method of communication was the use of the Cedar Hills website. Seventy-three percent of the survey's respondents listed the City's website as one of their top three communication methods. Email continued to gain in popularity with 62% compared to 2009 - 56%, and 2006 - 41% listing it in their top three. As might be expected, older residents are less likely to use the website or Email, although around half of those over 65 now include both of these methods within their top three choices.

When communicating concerns about operations or services to the City, respondents prefer individual contact in person or by phone (74%). More than half of almost every demographic group rated this as their first choice, the exceptions being those in the East portion of town (48%), those who rent their home (46%), those with four or five persons in the home (45% and 49% respectively, those under 45 (ranging from 44-47%) and those with income over \$140,000 (46%). Within those groups individual contact was rated within the top three choices by a minimum of 67% of respondents. Second choice was email at 54% in the top three methods of choice and the City website at 38%. A significant variation is that 67% of those aged 18-24 chose the City website as the number one way to address a concern with the City while the only other demographic groups that rated this method as the top choice by a majority were renters (56%) and those aged 25-34 at 52%.

We then asked the respondents how well they feel the City is hearing them when they have a concern. When asked this question, only 5% responded by saying they feel the City is really listening to them. Twenty-one percent gave the City the next highest rating for listening, forty-six percent rated the City in the middle, 13% gave the next rating below mid-level and 8% reported they are least heard. The mean score continues a trend of slight improvement from 2.7 in 2006, 2.9 in 2009 and 3.0 this time around. Although 3.0 is the mid point of the scale, there is still an indication that many respondents believe communication can be improved. This response is fairly consistent throughout each of the demographic groups.

A similar question was introduced in the 2011 study. It asked how the respondent would rate the City as far as attempting to communicate with residents. This question received a more favorable response (mean score of 3.4) with 45% of all respondents indicating efforts above the mid-point "3" rating and only 15% indicating that little or no effort is being put forth by the City to communicate. Thirty-seven percent of respondents selected a midpoint rating and again the results were consistent throughout the demographic groups.

Overall, social networking sites for the City were not encouraged by respondents with 37% for and 59% against the City providing such communication methods as Twitter or Facebook. A significant demographic trend in responses to this question was found in the age of respondents.

Those aged 18-24 rated the addition of social networking communication with 56% in favor, trending downward consistently to only 7% of those aged 65 and older favoring such additions.

### **City Services, Satisfaction and Improvements**

Using a five-point scale, we asked respondents to rate a list of city services. A mean score of more than 4 would indicate a service that is being very well received by the residents while a mean score of between 4 and 3.5 would indicate the service is being well received and perhaps could be improved slightly, while a service between 3.5 and 3 would indicate the service is okay, but could be better. Anything lower than a three would indicate the service would need significant improvement. At this time, no city service received a lower mean score than a 3.0.

#### Top rated City Services in Resident Satisfaction

Six provided services received a mean score higher than 3.5, while another eight received scores between 3.3 and 3.5. The best:

- Garbage collection – 4.1 overall (4.2 in 2009 and 4.1 in 2006)
  - No significant variations
- Parks – 3.9 overall (3.8 in 2009 and 3.6 in 2006)
  - Age 35-44 - 4.1 versus Age 65+ - 3.5
  - East and South - 3.8 versus West - 4.2
- Pressurized irrigation – 3.7 overall (3.5 in 2009 and 3.2 in 2006)
  - Ages 65+ – 3.4 versus Age 18-24 - 3.9
  - Two in home - 3.4 versus Five in home - 3.9
- Storm drainage - 3.6 overall (3.7 in 2009 and 3.4 in 2006)
  - No significant variations
- City management staff - 3.6 overall (3.6 in 2009 and 3.4 in 2006)
  - No significant variations
- Utility / Billing department - 3.6 overall (3.6 in 2009 and 3.5 in 2006)
  - One in home - 3.2 versus Five in home - 3.8
  - Age 18 - 24 - 3.1 versus Age 35-44 - 3.7

Only one provided service had a mean score at the midline of 3. Recreation services had an overall mean of 3.0 compared to 2.9 in 2009 and 3.1 in 2006.

- Four in home - 2.6 and Six in home - 2.8 versus One in home - 3.6
- Age 18 - 24 - 2.6 versus Age 55-64 - 3.4

### Support for Improvement to City Services

We then asked using a similar one to five scale if the respondent was strongly opposed (one) to strongly in favor (five) of improvements in various city services. Utilizing the same analysis on this scale as above, no city service received a mean score of less than 3, four services, community pool (3.5), other (3.6), children's library (3.6), and community recreation (3.7) earned a mean score at or above 3.5.

- Community recreation - 3.7
  - o Two in home - 3.0 versus Six in home - 4.0
  - o Age 55-64 and Age 65+ - 2.9 versus Age 25-34 - 4.1
  - o Income < \$39K - 3.2 versus Income > \$69K (all above this bracket) - 3.8
- Children's Library - 3.6
  - o One in home - 3.0 versus Seven or more in home 4.0
  - o Age 65+ 3.0 and Age 18 - 24 - 3.1 versus Age 25-34 - 4.2
- Other - 3.6
  - o North and East - 3.4 versus West 4.0
  - o One in home - 3.0 versus Seven in home - 4.2
  - o Age 18-24 - 3.0 versus Age 25-34 - 4.8
  - o Income > \$140,000 - 2.7 versus Income \$40K - \$69K - 4.0
- Community pool - 3.5
  - o Two in home - 2.8 versus Six in home - 4.0
  - o Age 55-64 and Age 65+ - 2.7 versus Age 25-34 - 4.2
  - o Income < \$39K - 3.2 versus Income > \$139,999 - 3.8

Again only one service had a mean score at or below midline of 3. Animal Control services received the lowest level of support for increased city funding at 3.0.

- o Seven or more in home - 2.7 versus One in home - 3.2
- o Age 65+ - 2.8 versus Age 55-64 - 3.3
- o Income \$100K to \$140K - 2.8 versus Income < \$39K - 3.3

### Support for Increased Taxes to Fund Services

The respondents were asked on a three point scale, with one for "no", two for "maybe", and three for "yes", if they would support increasing taxes for construction and/or operations and maintenance of facilities and services. For this question, a mean of more than 2 would indicate support for increased taxes for that facility or service, while anything lower than two would not. The highest three ratings with a mean response of 2.0 were community recreation, children's library and community pool. Two services (other and animal control) received a mean score below 1.5, with the remainder falling between 1.5 and 1.9. In the 2009 survey a five point scale was used for questions in this group so no direct comparison of data is shown although increasing taxes for a library, community pool, and community recreation also received the highest levels of support on both the 2006 and 2009 surveys.

The following are the top three services according to willingness to increase taxes for construction and operations/maintenance. Demographic group variances are shown.

- Community Recreation – 2.0
  - One in home - 1.3 versus Six in home - 2.3
  - Age 55-64 - 1.3 versus Age 25-34 and Age 35-44 - 2.3
  - Income < \$39K - 1.8 versus Income > \$140K - 2.3
- Children’s Library - 2.0
  - > 10 yrs resident – 1.7 versus < 5 yrs resident - 2.2
  - One in home - 1.5 and Two in home - 1.6 versus Six/Seven or more in home - 2.3
  - Age 55 – 64 and Age 65+ - 1.6 versus Age 25-34 - 2.4
- Community Pool - 2.0
  - Two in home - 1.6 and One in home 1.7 versus Seven or more in home - 2.2, and Six in home - 2.3
  - Age 55 – 64 – 1.4, Age 65+ - 1.6 versus Age 25-34 and Age 35-44 - 2.2
  - Income < \$39K - 1.7 versus Income > \$140K - 2.3

#### Interest in Recreational Programs

Using a five-point scale, we asked respondents to rate a list of recreational programs they might have an interest in. A mean score of more than 3.5 would indicate a program of great interest, while a mean score of between 3 and 3.5 would indicate significant interest; while a recreation program scoring between 2.5 and 3 would indicate some interest. Any program lower than 2.5 would indicate marginal interest. Only three programs received rating higher than 3.0, swimming(3.4), basketball (3.2), and soccer (3.1). “Other” programs received a 3.0 rating which might be expected since respondents would not likely fill in the “other” response unless they had an interest in that program. In previous studies, swimming had not been mentioned as a possible choice and many of the “other” responses indicated swimming as the “other” interest. This difference makes comparisons between the 2006, 2009 and 2011 ratings less meaningful. The 2011 study is the first time that basketball outscored soccer as a program of interest, however the ratings are close enough that the difference is probably not of significance.

- Swimming - 3.6
  - > 10 yrs resident - 3.1 versus < 5 yrs resident - 3.9
  - Male - 3.1 versus Female - 3.9
  - Age 65+ - 1.9 versus Age 25-34 - 4.1 and Age 35-44 - 4.0
  - Income < \$39,999 - 3.1 versus Income > \$140K - 4.0 and Income > \$100K - 3.9
- Basketball – 3.2
  - > 10 yrs resident - 2.9 versus < 5 yrs resident - 3.4
  - Two in home - 2.0 versus Seven or more in home - 3.8
  - Male - 2.9 versus Female 3.5
  - Age 65+ - 1.7 versus Age 25-34 - 3.9
  - Income < \$39,999 - 2.6 versus Income > \$100K and Income > \$140K - 3.5

- Soccer – 3.1
  - > 10 yrs resident - 2.8 versus < 5 yrs resident - 3.3
  - One in home - 1.3 versus Six in home - 3.6 and Seven in home - 3.8
  - Age 65+ - 1.6 versus Age 25-34 - 3.8 and Age 35-44 - 3.6
  - Income < \$39K - 2.2 versus Income > \$140K - 3.6

Following this question regarding recreational programs, the survey asked two follow-up questions regarding adult recreational programs. The first was if the City should provide adult recreation programs. The overall response was 35% in favor and 60% against. The follow-up question, if adult programs were provided, would you participate had a similar response with 29% indicating they would not participate while 65% responded that they would.

Should the City provide adult recreation programs - Yes 35%

- West - 20% vs North, East - 38%
- > 10 yrs resident - 19% vs < 5 yrs - 43%
- One in home - 11% vs Four in home - 46% and Seven or more - 43%
- Own home - 32% vs Rent home - 58%
- Male - 31% vs. Female - 40%
- Age 55-64 - 13% and Age 65+ - 14% vs. Age 18-24 - 56% and Age 25-34 - 60%
- Income \$100K-\$139K - 34% vs. Income < \$39K - 50%

Would you participate? - Yes 29%

- West - 16% vs East - 33%, South - 31%
- > 10 yrs resident - 17% vs < 5 yrs - 37%
- One in home - 11% vs Four in home - 37% and Seven or more - 35%
- Own home - 28% vs Rent home - 44%
- Age 55-64 - 15% and Age 65+ - 5% vs. Age 25-34 - 52% and Age 18-24 - 44%
- Income \$100K-\$140K - 28% vs. Income < \$40K-\$69K and Income > \$140K - 35%

### **Aquatic and Recreation/Community Center**

Five questions were included in this survey which addressed preferences and options regarding development of a community center with aquatic and recreational facilities. The first four were yes/no questions asking in turn whether the City should build an Aquatic Center, whether the respondent would support a tax increase for the project and whether the City should build a Recreation Center and whether the respondent would vote for a tax increase for that project. The final question asked if a choice had to be made, should the Aquatic Center or Recreation Center be built. Choices were also provided for building both or neither. While questions regarding these proposed projects have been included in previous studies, the 2011 survey took a different approach and so there is no comparative data from previous surveys.

Should the City build an Aquatic Center? -  
Yes 61%

- South - 55% vs North - 66%
- > 10 yrs resident - 47% vs < 5 yrs - 66% and 5-10 yrs - 67%
- Two in home - 31% vs Four in home - 78% and Six in home - 72%
- Own home - 60% vs Rent home - 75%
- Male - 50% vs. Female - 71%
- Age 65+ - 23% vs. Age 25-34 - 81% and Age 35-44 - 71%
- Income < \$39K - 50% vs. Income > \$140K - 73%

Should the City build a Recreation Center? -  
Yes 65%

- East, West - 62% vs North - 70%
- > 10 yrs resident - 51% vs < 5 yrs - 72%
- Two in home - 41% vs Six in home - 79%
- Own home - 63% vs Rent home - 75%
- Male - 59% vs. Female - 70%
- Age 55-64 - 26% and Age 65+ - 42% vs. Age 25-34 - 78% and Age 35-44 - 75%
- Income \$40K-\$69K - 56% vs. Income > \$140K - 77%

Would you vote for a tax increase of \$5-\$10/  
month for an Aquatic Center? - Yes 57%

- South - 52% vs North - 60%
- > 10 yrs resident - 43% vs < 5 yrs - 62% and 5-10 yrs - 63%
- Two in home - 31% vs Four in home and Six in home - 69% - 7 or more - 72%
- Own home - 57% vs Rent home - 67%
- Male - 47% vs. Female - 65%
- Age 65+ - 23% vs. Age 25-34 - 73% and Age 35-44 - 72%
- Income < \$39K - 38% vs. Income > \$140K - 75%

Would you vote for a tax increase of \$5-  
\$10/month for a Recreation Center? -  
Yes 58%

- South - 55% vs North - 62%
- > 10 yrs resident - 46% vs < 5 yrs - 65%
- Two in home - 35% vs Six or 7+ in home - 72%
- Own home - 57% vs Rent home - 65%
- Male - 53% vs. Female - 63%
- Age 55-64 - 21% and Age 65+ - 37% vs. Age 25-34 - 70% and Age 35-44 - 71%
- Income < \$39K - 42% vs. Income > \$140K - 73%

When asked to make a choice on which Center the City should build, the overall responses were nearly evenly split between the various options. The Aquatic Center was favored by 23%, and the Recreation Center by 28%. Twenty-five (25%) of all respondents thought both should be built and the remaining 21% thought the City should not build either facility. The demographic groups with notable variances are shown below.

Build the Aquatic Center - 23%

- South - 19% versus East 27%
- One in home - 11% and Seven+ in home - 13% versus Five in home - 36%
- Age 45-54 - 17% and Age 65+ 19% versus Age 35-44 - 26% and Age 25-34 - 25%
- Income < \$39K - 13% versus Income > \$140K - 27%

Build the Recreation Center - 28%

- West - 20% versus North - 34% and South - 36%
- Seven+ in home - 24% versus One in home - 33%
- Age 55-64 - 18% versus Age 45-54 - 38%
- Income > \$140K - 17% versus Income \$40K-\$69K - 32%

Build Both - 25%

- South - 21% versus West 30%
- > 10 yrs resident - 17% versus < 5 yrs - 30%
- One in home - 0% versus Seven+ in home - 44%
- Own home - 24% versus Rent home - 35%
- Male - 17% versus Female - 30%
- Age 65+ - 7% versus Age 25-34 - 35% and Age 35-44 - 33%
- Income \$40K-\$69K - 23% versus Income > \$140K - 38%

Build Neither - 21%

- North - 18% versus West 27%
- < 5 yrs resident - 17% versus > 10 yrs - 33%
- Six in home - 11% versus One in home - 44%
- Rent home - 12% versus Own home - 23%
- Female - 15% versus Male - 29%
- Age 25-34 - 10% versus Age 55-64 - 46%

**Family Festival Days**

This section of the survey solicited input from residents about the Cedar Hills Family Festival Days activities.

Eight possible activities were listed and respondents were asked to indicate their interest level on a one to five scale, one being not at all interested and five being very interested. Consistent with the 2009 study, the clear leader was again fireworks which scored 4.4 and was the only rating above a 3.5. The other activities above the 3.0 midpoint were the Parade and the 5K and One-mile Fun Run with Kids games at 3.0. The lowest interest was shown for the golf tournament and Cedar Hills night with the Orem Owlz at 2.1 each.

### Commercial Development

Residents were asked how they would rate the development by the City of the north portion of the commercial area where the Walmart, ChaseBank, and McDonalds are. The rating was on a five point scale with one being “done very poorly” and five being “done great”. A mean score of 4.2 indicates a high level of satisfaction with the development in this area. There were not significant differences in demographic groups on this question.

The next question listed nine choices for development of the south side of the commercial area and asked residents to select their top three choices. Restaurants came out on top with 81% including it in their top three; 33% selected it as their number one choice and another 37% selected it as number two. Gas station/Convenience store was actually picked more often as the number one choice with 44% of respondents making that selection. It was in the top three for 73% of all respondents. Strip Mall retail rounded out the top three choices; only 7% picked it as their number one choice and 18% as number two, but 26% selected it as their third choice which brought the total percent in top three to 51%. From there the choice drops down to 25% for a mixed use “Gateway style” development and 20% for professional offices. “Other” types of development received the least votes at 4% in the top three with single family residential at 10%, Big Box development at 12%, and “No more development” appearing in the top three for 14% of respondents.

### Emergency Preparedness

Two survey questions addressed preparedness for a natural emergency such as an earthquake or landslide. Both utilized a four point scale with 1 meaning not at all and 4 meaning very prepared.

The first question asked how much emphasis the City should put on or pay for preparing for a natural emergency. With no variances of any significance by demographic group, the average result was 3.4 or midway between “somewhat” and “very”. The question was phrased differently than in the 2009 study and the response was considerably stronger than it was in that study but the results cannot be directly compared unless the question is exactly the same.

The second question asked how prepared the respondent was personally for a natural emergency. The mean score was 3.0 which is right at the midpoint between very and not at all prepared. This question is an exact repeat of the 2009 phrasing and shows a slight improvement from a 2.8 mean measured in that study. As in the previous question, there were no significant variances based on demographics.

A third question regarding emergency preparedness asked about the residents’ expectations regarding City response to a major natural or man-made disaster. The question asked how quickly the resident expected the City to respond to such a situation. More than one-third (35%) of respondents expect immediate help from emergency personnel with another 34% expecting help within 24-48 hours. Fifteen percent expect help to take 72 hours and only ten percent expect the City to respond with help when able. There is somewhat significant variation among demographic groups although the variation appears somewhat random rather than indicating a particular trend within demographic boundaries.

### **New City Hall/Community Center**

The next three questions measured support for building a new City Hall to replace the current converted public safety building. The new City Hall would also be used as a community center.

The first of these questions utilized a four point scale with one being “definitely oppose” and four “definitely support” the building of a new City Hall/Community Center. The mean score of 2.3 is closest to “probably oppose”. There were not any statistically significant variances from the mean within demographic groups.

The second question asked if support were more likely when the existing building was converted into a new police and fire station. The scale was from 1 (much less likely) to 4 (much more likely). The resulting mean score of 2.8 most closely corresponds to “somewhat more likely”. When somewhat and much more likely are combined and the same is done with the somewhat and much less likely, the result is 67% more likely to 24% less likely. Although both of these questions are worded slightly differently than in 2009, the results are very similar. There are no significant differences in opinion among any of the demographic groups.

The third question asked for a simple “Yes/No” answer to the question of willingness to vote for a bond resulting in a tax increase of \$5/month to build the new City Hall / Community Center. The result was 36% for and 55% against with the remainder not voting either way. The South portion of the City shows significantly less support (25%) for the bond than the East side at 46% with the West and North in between at 38% and 38% respectively. Those who have been resident <5 years are significantly more supportive at 43% than the over ten year residents who show only 27% support. Variances in family size do not follow any trend. As might be expected, renters show more support at 44% than home owners at 36%. Those who are Age 55-64 have the lowest level of support at 26% and those Age 65+ support the bond at 47%. Support also follows income level to some extent with 25% support from those in the lowest income bracket up to 58% from those making \$140,000 or more. Those in the highest income bracket and households with only one person are the only groups that show a majority on favor of the bond, although the number of persons living in one-person households is too small to be significant.

### **City Improvement**

The final survey question before open ended and demographic questions asked the respondents whether the City has improved, remained the same or become worse since they have lived in Cedar Hills. Nearly one-third (32%) reported the City has improved since they have moved into Cedar Hills. Only four percent indicated the City has become worse; while over half (54%) indicated the City has remained the same. This is a considerably more favorable response than the 2009 survey where 18% showed improvement. The 2006 survey showed results similar to 2009.

Those in the West part of town indicated improvement 34% of the time versus 28% in the East. Residents that have been in Cedar Hills < 5 years voted “Improved” less often than those who had been there longer with 19% compared to 38% for those in town 5-10 years and 48% of the

residents who had been there for more than 10 years. Home owners saw more improvement at 34% than those who rent (23%). Those Age 25-34 and Age 55-64 selected "Improved" only 26% and 28% of the time, while Age 45-54 and Age 65+ were more positive with 40% and 42% respectively. Those in the lowest income bracket, < \$39K indicated improvement 42% of the time while in the next income bracket only 25% thought that improvements had taken place. Those with income between \$40K and \$140K indicated improvement 36% of the time and of those in the highest income bracket only 29% selected "Improved".

### OPEN-ENDED COMMENTS

Three open ended questions were included in the 2011 survey. All comments were read twice to categorize them into units of similar statements. Then all comments were transcribed for inclusion in the report. The comments were categorized into groups. The percentages shown are a percentage of the comments, not the percentage of all respondents who completed a questionnaire. The complete transcription of comments is found in Appendix C.

#### If you were Mayor for a day, what issue or item would you address?

Number of Comments	% of Comments	Category of Comments
56	20%	Expanding recreation and/or community facilities
54	19%	City services, street, safety concerns
53	19%	Revenues/Taxes
39	14%	Miscellaneous comments
31	11%	Golf
25	9%	Commercial development
21	7%	Library
3	1%	Positive comments

#### Other Activities to be Included in the Family Festival Days Events

Number of Comments	% of Comments	Category of Comments
19	26%	Miscellaneous comments
11	15%	Food
9	13%	Crafts/Arts/Fair
7	10%	Sports
7	10%	Music
7	10%	Positive comments
6	8%	Comments about cost
4	6%	Community service
2	3%	Games

**Most Important Issue Facing Cedar Hills**

Number of Comments	% of Comments	Category of Comments
50	24%	Taxes/Fiscal issues/Cost
30	14%	Miscellaneous comments
28	13%	Commercial development
26	12%	City services/Safety concerns
20	10%	Negative comments
19	9%	Recreation/Services/Community Center
19	9%	Golf course issues
9	4%	Library
9	4%	Positive comments

## CITY OF CEDAR HILLS - COMMUNITY SURVEY

Conducted by Insight Research

n = 403

- 1. Quality of life:** For the following, please prioritize the top three reasons you live in Cedar Hills. Please place a 1 next to your top priority, a 2 in front of your second priority and a 3 in front of your third priority.

	<u>2006 Top 3</u>	<u>2009 Top 3</u>	<u>2011 Top 3</u>	<u>1st</u>	<u>2nd</u>	<u>3rd</u>
High quality of life	53%	49%	55%	23%	16%	15%
Good schools	46	48	52	15	24	12
Small city atmosphere	49	51	42	13	13	16
Low crime rate	42	42	40	9	15	16
Near friends or relatives	34	33	33	16	7	10
Affordable housing	23	25	25	10	9	6
Near job	19	19	22	6	6	9
Near recreation	21	20	18	4	6	8
Other	8	8	8	5	1	2
Near cultural activities	7	6	4	1	1	1

<b>2. If you were Mayor for a day, what would be the top issue/item that you would address to make the City a better place to live, work, play? (Open-Ended)</b>	Expanding recreation and/or community facilities	20%
	City services, street, safety concerns	19%
	Revenues/taxes	19%
	Miscellaneous comments	14%
	Golf	11%
	Commercial development	9%
	Library	7%
	Positive comments	1%

**3. Communications:** For the following, please prioritize the top three ways you prefer to receive communication from or about the City. Again, place a 1 in front of your top priority a 2 in front of your second priority and a 3 in front of your third priority.

	<u>2006 Top 3</u>	<u>2009 Top 3</u>	<u>Top 3</u>	<u>1st</u>	<u>2nd</u>	<u>3rd</u>
City Newsletter	88%	91%	92%	63%	19%	10%
City website	60	66	73	8	39	26
E-mail	41	56	62	24	20	19
Public Meetings			17	0	5	12
Newspaper			14	3	5	6
Word of mouth	25	26	9	1	1	6
Public forum			9	0	2	7
Other	2	2	3	1	0	1
City office postings	13	10	3	0	1	2

4. When you have a question or concern about City operations or services, how do you prefer to address this with the City?

	<u>Top 3</u>	<u>1st</u>	<u>2nd</u>	<u>3rd</u>
Individual contact with city - phone/in person	74	53	13	9
E-mail	54	23	25	6
City website	38	13	10	15
Council meetings - public comment	25	8	6	10
Periodic public block meetings	9	2	2	5
Other	1	0	0	1

5. On a scale of 1 to 5, one being the least and five being the greatest, how well do you feel that your voice is heard by the City when you have a concern?

	<u>2006</u>	<u>2009</u>	<u>Mean</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
	2.7	2.9	3.0	8%	13%	46%	21%	5%

6. On a scale of 1 to 5, five being "tries very hard" and one being "doesn't try at all", how would you rate the City in attempting to communicate with its residents?

	<u>Mean</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
	3.4	2%	13%	37%	35%	10%

7. Do you think the City should provide additional 'social networking' communication sites - ie. Twitter, Facebook, etc.?

	<u>Yes</u>	<u>No</u>
	37%	59%

**8. Current City Services:** On a scale of 1 to 5, one being the best and five being the poorest, how would you rate each of the following services in Cedar Hills?

	<u>2006</u>	<u>2009</u>	<u>Mean</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
Garbage collection / disposal	4.1	4.2	4.1	2%	3%	13%	40%	37%
Parks	3.6	3.8	3.9	4	5	15	45	26
Pressurized Irrigation	3.2	3.5	3.7	4	5	24	40	16
Storm drainage	3.4	3.7	3.6	3	6	30	39	15
City Mgmt Staff	3.4	3.6	3.6	2	6	33	36	12
Utility/Billing Dept	3.5	3.6	3.6	3	6	33	35	15
Animal Control	3.2	3.4	3.4	3	10	34	30	13
Street lighting	3.3	3.4	3.4	5	13	30	33	13
Law enforcement	3.6	3.6	3.4	5	11	31	31	13
Enforcement of Nuisance Ordinance	3.2	3.4	3.4	3	8	35	30	7
Fire and ambulance protection	3.8	3.9	3.3	9	11	28	31	12
Zoning/Bldg Dept	3.1	3.2	3.3	2	9	40	28	7
City Council/Mayor	3.1	3.3	3.3	3	9	40	29	7
Sidewalk Maintenance	3.3	3.4	3.3	7	9	37	32	9
Street construction & maintenance	3.3	3.2	3.2	7	14	36	28	9
Snow removal	3.0	3.2	3.1	9	19	31	31	8
Recreation services	3.1	2.9	3.0	11	20	27	26	8

**9. Public Safety, Public Works and Recreational Services:** On a scale of 1 to 5, five being strongly favor improvement and one being strongly oppose improvement, please rate the following:

	<u>Mean</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
Community Recreation	3.7	9%	8%	20%	20%	33%
Children's Library	3.6	13	8	17	13	40
Other	3.6	2	1	5	1	7
Community Pool	3.5	15	9	15	13	38
Fire Service	3.4	6	12	33	20	20
Ambulance Service	3.4	5	13	35	19	18
Street Maintenance	3.4	6	10	34	25	15
Park Facilities	3.3	8	12	34	23	15
Police	3.3	7	13	33	22	17
Trail Facilities	3.2	9	14	31	23	15
Street Lighting	3.2	8	14	36	20	15
Sidewalks	3.2	7	13	41	21	11
Animal Control	3.0	9	18	40	16	8

10. Are you willing to increase taxes for the construction and/or increase in operations and maintenance of these facilities and services?

	<u>Mean</u>	<u>1-No</u>	<u>2-Maybe</u>	<u>3-Yes</u>
Community Recreation	2.0	35%	20%	39%
Community Pool	2.0	36	20	38
Children's Library	2.0	36	18	40
Fire service	1.9	40	27	28
Ambulance Service	1.8	45	25	23
Police	1.8	44	26	23
Street Maintenance	1.7	48	25	20
Park facilities	1.7	51	20	22
Trail facilities	1.7	53	19	22
Street Lighting	1.6	59	19	16
Sidewalks	1.5	59	20	14
Other	1.4	15	3	2
Animal Control	1.3	72	14	7

11. On a scale of 1 to 5, five being very interested and one being the least interested, please indicate which, if any, of the following recreational programs and facilities you and your family are interested in.

	<u>2006</u>	<u>2009</u>	<u>Mean</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
Swimming			3.6	19%	5%	10%	18%	39%
Basketball	3.4	3.2	3.2	22	8	15	17	28
Soccer	3.6	3.3	3.1	25	8	14	15	27
Other_____	3.0	3.8	3.0	5	3	1	1	6
Tennis	3.0	3.0	2.9	25	12	16	14	21
Football	3.2	2.9	2.7	31	10	14	10	20
Skiing	2.5	2.9	2.7	33	12	14	10	19
Golf			2.7	33	10	17	11	18
Baseball	3.1	2.9	2.6	35	9	16	11	16
Volleyball	2.5	2.7	2.4	35	14	17	9	11
Softball	2.7	2.6	2.3	38	12	15	11	10
Lacrosse			2.1	43	13	16	6	9
Skateboarding	2.1	2.1	2.0	46	13	16	4	7

	<u>Yes</u>	<u>No</u>
12. Do you think that the City should provide Adult recreation programs such as football, softball, basketball or volleyball?	35%	60%
13. If adult programs were provided, would you participate?	29%	65%
14. Should the City of Cedar Hills build an Aquatic Center?	61%	35%
15. Costs for building a new aquatic center and some of the costs for operating the center may need to be funded through property taxes. Knowing that, would you vote in support of paying some increase (\$5-\$10 per month) in property taxes to build and operate an aquatic center?	57%	38%
16. Should the City of Cedar Hills build a Recreation Center?	65%	31%
17. Costs for building a new recreation center and some of the costs for operating the center may need to be funded through property taxes. Knowing that, would you vote in support of paying some increase (\$5-\$10 per month) in property taxes to build and operate an recreation center?	58%	35%
18. If you could only choose one Center, would you build an aquatic center or a recreation center or neither?		
Aquatic center .....	23%	
Recreation center .....	28	
Build both .....	25	
Neither .....	21	

**19. Cedar Hills Family Festival Days** On a scale of 1 to 5, five being very interested and one being the least interested, please indicate which, if any, of the following Cedar Hills Family Festival Days activities you and your family are interested in?

	<u>2009</u>	<u>Mean</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
Fireworks	2.4	4.4	6%	1%	8%	17%	64%
Parade	3.2	3.1	23	11	22	13	25
5K and Mile Fun Run	2.8	3.1	20	10	22	21	19
Kids Games	3.2	3.0	22	10	22	20	17
Dinner and Movie	2.9	2.8	27	12	21	18	13
Junior Kids - Big blow up toys	2.8	2.7	31	13	18	16	14
Cedar Hills Night with Orem Owlz	2.4	2.1	42	16	17	9	6
Golf Tournament	2.3	2.1	47	16	14	9	7

20. Can you think of any other activities you would like to see included during this week-long event? (Open-ended)	Miscellaneous comments	26%
	Food	15%
	Crafts/Arts/Fair	13%
	Sports	10%
	Music	10%
	Positive comments	10%
	Comments about cost	8%
	Community service	6%
	Games	3%

**21. Commercial Development** How would you rate (5 being 'done great' and 1 being 'done very poorly') how the City has developed the north side of the commercial area with the Walmart, Chase Bank and McDonalds developments?

	<u>Mean</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
	4.2	1%	3%	11%	41%	40%

22. List the top three types of commercial development you favor on the south side of the commercial sector (approximately 30 acres) with 1 being top priority and 2 next priority and 3 next priority:

	<u>Top 3</u>	<u>1st</u>	<u>2nd</u>	<u>3rd</u>
Restaurants	81.1	33	37	11
Gas station/Convenience store	72.7	44	16	12
Strip Mall retail	50.9	7	18	26
Mixed use housing - Gateway style	24.6	6	8	11
Professional office	19.6	3	5	12
No more development	14.4	4	2	8
Big Box development	12.4	2	3	7
Single Family residential	10.2	3	4	3
Other	4.0	1	0	2

<p><b>23. Emergency Preparedness</b> How prepared (meaning expenditure of funding) should the City of Cedar Hills be for a natural emergency such as an earthquake or landslide? Please circle the number of your answer</p>	<p>Not at all ..... 2%  A little ..... 9%  Somewhat ..... 34%  Very ..... 52%</p>
<p>24. How prepared are you for a natural emergency such as an earthquake or landslide?</p>	<p>Not at all ..... 2%  A little ..... 17%  Somewhat ..... 61%  Very ..... 17%</p>
<p>25. What are your overall expectations of the City after a major natural or man-made disaster?</p>	<p>Help when able ..... 10%  Help within 72 hours ..... 15%  Help within 24-48 hours ..... 34%  Immediate help from emergency personnel ..... 35%</p>
<p><b>26. Community Development</b> Would you support or oppose Cedar Hills building a new City Hall/Community center?</p>	<p>Definitely oppose ..... 24%  Probably oppose ..... 29%  Probably support ..... 30%  Definitely support ..... 12%</p>
<p>27. When the existing City building is converted to a Public Safety (police/fire) building would you be more likely to support building a new City Hall/community center?</p>	<p>Much less likely ..... 13%  Somewhat less likely ..... 11%  Somewhat more likely ..... 48%  Much more likely ..... 19%</p>
<p>28. Would you be willing to bond (pay property taxes) \$5 extra per month to build a City Hall/Community Center?</p>	<p>Yes ..... 36%  No ..... 55%</p>
<p><b>29. Overall</b> During your residency, has the City improved, remained the same, or become worse in providing services?</p>	<p>Worse ..... 4%  Same ..... 54%  Improved ..... 32%  Don't Know ..... 6%</p>

30. What do you feel is the most important issue facing Cedar Hills? How would you like to see this addressed? <i>(Open-ended)</i>	Taxes/Fiscal issues/Cost ..... 24% Miscellaneous comments ..... 14% Commercial development ..... 13% City services/Safety concerns .... 12% Negative comments ..... 10% Recreation/Services/Community Center ..... 9% Golf course issues ..... 9% Library ..... 4% Positive comments ..... 4%
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**Demographics:**

31. How many years have you lived in Cedar Hills?	Less than 3 years ..... 40% 3 -7 years ..... 38% More than 7 years ..... 23%
32. Do you rent or own your home?	Rent ..... 13% Own ..... 87%
33. How many family members reside in your home?	One ..... 2% Two ..... 18% Three ..... 9% Four ..... 18% Five ..... 21% Six ..... 20% Seven or more ..... 13%
34. What is your age?	18-24 ..... 2 % 25-34 ..... 20 % 35-44 ..... 35 % 45-54 ..... 21 % 55-64 ..... 10 % 65 or older ..... 11 %
35. Are you:	Male ..... 36% Female ..... 64%
36. Which of the following ranges best describes your household income?	Less than \$39,999 ..... 7% \$40,000 to \$69,999 ..... 22% \$70,000 to \$99,999 ..... 29% \$100,000 to \$139,999 ..... 27% \$140,000 + ..... 15%

## FINANCIAL PLANNING POLICIES

The following document serves only as a general overview of established policies and procedures governing daily operations at the City of Cedar Hills.

### *Balanced Budget*

Pursuant to §10-6-109, Utah Code Annotated, the City of Cedar Hills will adopt a balanced General Fund budget under normal circumstances by June 22. Full disclosure will be provided via public notice any time deviation from this policy is planned or occurs.

### *Long-Range Planning*

The City of Cedar Hills supports a financial planning process that assesses the long-term financial implications of current and proposed operating and capital budgets, budget policies, cash management and investment policies, programs and assumptions.

### *Asset Inventory*

Each department manager is responsible to take all reasonable measures available to prolong and assess the condition of major capital assets in their department on an annual basis. Methods for doing so may include such things as the procurement of insurance, regular testing of water and sewer systems, street and sidewalk replacement plans, procurement of secondary and tertiary water systems, etc.

The Finance Director of the City of Cedar Hills, under the direction of the City Manager, is responsible for the diversification of investments through the transfer of funds to the Public Treasurer's Investment Fund (PTIF).

## Revenue Policies

### *Revenue Diversification*

The City maintains a healthy dependence on a variety of revenue sources to cover expenditures. The burden of supporting City non-enterprise services will be equitably distributed and will protect the City from short-term fluctuations in any one revenue source.

The City maintains timely collection systems and implements necessary enforcement strategies to collect revenues from available sources.

The City actively supports economic development, recruitment, and retention efforts to provide for a solid revenue base.

With regard to revenues, the City budgets conservatively and forecasts accurately, such that actual revenues meet or exceed budgeted revenues.

The City maintains a budgetary control system and prepares reports that compare actual revenues to budgeted amounts throughout the year.

### *Fees and Charges*

Fees and charges are based on the estimated cost of providing the associated service. Costs associated with a service include the use of human and capital resources and the depreciation of assets. The fee schedule is evaluated annually to determine necessary modifications.

### *Use of One-Time Revenues*

The City is committed to minimizing the portion of operating expenditures that are funded by one-time growth revenues. To support this policy, the City of Cedar Hills analyzes current and historic operating trends annually to extrapolate future trends.

### *Use of Unpredictable Revenues*

The City places revenues from unpredictable sources into other income line items that will be transferred into Capital Projects.

## Expenditure Policies

### *Debt Capacity, Issuance, and Management*

The City maintains a policy of full disclosure on financial reports and bond prospectus.

The City communicates with bond rating agencies and continually strives for improvements in the City's bond rating.

The City pays for all capital projects and capital improvements on a pay-as-you-go basis using current

revenues whenever possible and practical. If a project or improvement cannot be financed with current revenues, debt will be considered.

The City refrains from issuing debt for a period in excess of the expected useful life of the capital project.

The City uses special assessment revenue or other self-supporting bonds instead of general obligation bonds, when feasible.

The City will seek refinancing of outstanding debt if it is determined that the City will benefit by reduced interest expense over the remaining life of the debt.

The City will comply with state law which limits total bond obligation to 8 percent of the prior year's total assessed value for tax purposes of real and personal property, as determined by the most recent tax assessment.

#### *Reserve or Stabilization Accounts*

The City will maintain a minimum fund balance of at least 5 percent (not to exceed 18 percent) of current year operating revenues. If existing reserves exceed the required level, such funds may be used to balance the budget or to meet needs that may arise during the year.

The City will use monies from the reserve only in times of emergency or fiscal and economic hardship.

The fund balance in excess of the 5 percent reserve can only be transferred to another account with City Council approval of a budget amendment.

#### *Operating/Capital Expenditure Accountability*

Basic and essential services provided by the City will receive first-priority funding.

The City will continue to establish performance measurements for all departments. These measures will reflect the demand, workload capability, and projected outcomes for the department to accomplish its objectives.

The City will adopt a balanced budget, in which anticipated revenues equal the budgeted expenditures. The City may utilize the unallocated fund balance to achieve a balanced budget.

The City will maintain a budgetary control system to ensure adherence to the adopted budget and will prepare monthly reports that compare actual expenditures to budgeted amounts.

The City has an established Purchasing Policy that regulates the procurement process. All procurements not otherwise budgeted, and those in excess of \$25,000 that have undergone the requisite competitive bidding process, must first be approved by the City Council.

#### *Investment and Cash Management Policy*

All unused cash is invested in a PTIF account. By so doing, the issues of safety, liquidity, and yield (in that order of priority) are addressed. The PTIF is managed by state investment officers who diversify the pool based on maturity date so as to protect against market fluctuations.

Interest earned from investment of available cash is distributed to budgetary funds according to ownership of the investments and are reflected in the annual budget.

The City deposits all receipts as per State law.

Investments made by the City are in conformance with all requirements of the State of Utah Money Management Act and City ordinances.

#### *Capital Improvement Policy*

Each year the City Council adopts a five-year Capital Improvements Plan (CIP) which serves as a plan to provide for the orderly maintenance, replacement, and expansion of capital assets. Each year after budget adoption, the CIP will be reviewed and revised to reflect the impact of the adopted budget and to add a year to the CIP.

The replacement of existing capital that is worn out, broken, or costly to maintain, will not be deferred, except in unusual circumstances. The costs to defer would usually result in greater total expenditures over time. The City budgets for depreciation annually as per GASB 34.

Vehicles are considered for replacement based on age and/or miles in accordance with the City's Vehicle Replacement Plan.

The CIP identifies long-range capital projects and capital improvements of all types; many of which have been identified through the Capital Facility Planning process requisite in the development of City-wide impact fees. All projects/improvements will be coordinated with the annual operating budget to maintain full utilization of available revenue sources.

While reviewing and updating the CIP, the City will seek to identify all viable capital projects and capital improvements required during the subsequent five-year period. These projects and improvements will be prioritized by year. Future operating costs associated with a project or an improvement will also be given consideration in the establishment of priorities.

The City will seek Federal, State, and other funding to assist in financing capital projects and capital improvements.

The City will incorporate the reasonable findings and recommendations of various City boards, commissions, committees, and citizen task forces, as they relate to the establishment of projects and project priorities.

#### *Financial Reporting Policy*

The City's accounting system will maintain records in accordance with accounting standards and principles outlined in the Governmental Accounting Standards Board (GASB), Financial Accounting Standards Board (FASB), and the State of Utah.

Financial reports are printed monthly and distributed to department directors, the City Manager, and Finance Director, who monitor the collection of revenues and all expenditures. Financial reports are reviewed by City Council members at least on a quarterly basis.

The City will employ an independent accounting firm to perform an annual audit of the City's finances, and make the annual audit available to all required and interested parties. The audit shall be completed and submitted to the State of Utah within 180 days of the close of the fiscal year.

The City will prepare an annual budget document that provides a basic understanding of the City's planned financial operations for the coming fiscal year. Copies of the budget will be made available to all interested parties.

The City will seek annually to qualify for the Government Finance Officers Association's (GFOA) Distinguished Budget Presentation Award.

## CITY HISTORY

Cedar Hills is built upon an alluvial fan or bench, created thousands of years ago when it was a shoreline of Lake Bonneville. Early settlers referred to the area as "the Bench." Because of the growth of cedar trees (later becoming Manila's source of Christmas trees), the area was later referred to as Cedar Hills. The bench provides a beautiful view of the surrounding mountains, Utah Lake, and Utah Valley. Cedar Hills was established as a community in 1977. The surrounding cities such as Pleasant Grove and Alpine were settled in 1849 and 1850.

Various forms of wildlife flourished in the area. Coyotes prowled along the bench. Wild cats, red foxes, bears, deer, skunks, and rabbits also lived in the area. Some deer, skunks, foxes, and rabbits can still be seen around Cedar Hills.

The dry bench upon which Cedar Hills is located provided little attraction to Native Americans. They preferred camping near streams, such as in American Fork Canyon. Several Native American artifacts were found upon the bench, however, including an Indian bowl (discovered by Paul Adams and currently on display at a Brigham Young University museum) and numerous arrowheads. The arrowheads were probably dropped during skirmishes between the Utah Valley Indians and the Shoshones.

Between 1849 and 1850, early settlers began to make their homes in settlements around Cedar Hills. A large portion of Cedar Hills was used for dry farming, which proved to be unsuccessful. A few planted plots existed among the sage brush. Much of the area was used to pasture livestock. Other forms of liveli-

hood among early settlers of Cedar Hills included trappers and turkey farmers.

The bench became a turkey ranch. The David Evans Company Advertising Agency, advertiser for the National Turkey Federation, would take pictures of the Adams turkey ranch because of its impressive background. In 1939, the National Poultry Congress in Cleveland, Ohio, displayed photographs of turkeys raised on the beautiful bench upon which Cedar Hills is now located. And, as NBC ran a news story about turkeys on the bench, the photographer was taken back by the beauty of the bench and continued to say, “beautiful, beautiful.” In 1962, the Saturday Evening Post also ran stories about turkeys living upon the bench.

Cedar Hills is located 35 miles south of Salt Lake City, eight miles north of the Orem/Provo area, and east of Alpine and Highland on the slopes of Mount Timpanogos. The population was 3,094, at the 2000 census and by 2005 was estimated at 7,943. The City began growing rapidly during the 1990’s, but has leveled off today. The population today is now 9,883. It had the largest growth rate in Utah during the 1990’s based on percentage. In 1990 it had a population of just 708. From 2000 to 2005, the town rose from the 82nd largest incorporated place in Utah to the 54th largest.

## DEMOGRAPHICS

The word has certainly spread about what a great place Cedar Hills is to live! Our City has experienced phenomenal growth over the last few years, and the City population is expected to reach 9,923 residents during 2011. The following gives a picture of the demographics and other important notes and numbers for the City:

### *Incorporated and Established*

November 2, 1977

### *Recognized as City of the Third Class*

August 3, 1999

### *Altitude*

5,280 ft.

The topography of the City of Cedar Hills varies significantly. With the many annexations of land from both the lower areas and the hillside zone into Cedar Hills in the past eight years, the City's elevation ranges both above and below 5,280 feet, so the elevation *could* be listed at several heights. Choosing the altitude of 5,280 ft. is more for notoriety than substance—we are Utah's Mile High City. Also, one of the holes (14) at the Cedar Hills Golf Club is named the Mile High hole because it is actually at 5,280 feet above sea level.

### *Land Area*

The City covers approximately 3.5 square miles, or 2,240 acres.

### *Location*

The City of Cedar Hills is located in northern Utah County, is bordered by Highland City and Alpine City on the northwest, Pleasant Gove City and American Fork City on the south, and Wasatch National Forest on the east. The City is located approximately 35 miles south of metropolitan Salt Lake City and approximately 8 miles north of Orem City.

### *Public Safety/Healthcare*

The City is serviced by American Fork Hospital and the Lone Peak Public Safety District. Cedar Hills also has full-time police coverage under the jurisdiction of the American Fork Police Department.

### *Utilities*

The City provides water, sewer, garbage, recycling, and pressurized irrigation services to its residents. The City also bills for storm drain fees. Electricity is provided by Rocky Mountain Power, gas by Questar Gas, telephone by Qwest, and cable by Comcast.

### *Schools*

Cedar Ridge Elementary, Deerfield Elementary, Mountain Ridge Jr. High School, Lone Peak High School, American Fork High School.

## SUMMARY OF SIGNIFICANT DEMOGRAPHIC STATISTICS

STATISTIC	2005	2006	2007	2008	2009	2010	2011
<b>Population *</b>	8,051	8,950	9,391	9,704	9,788	9,804	9,841
<b>Household Average Adjusted Gross Income **</b>	\$80,577	\$97,565	\$99,799	\$87,404	\$65,664	N/A	N/A
<b>County Household Mean Adjusted Gross Income **</b>	\$54,538	\$59,749	\$60,881	\$59,570	\$47,191	N/A	N/A
<b>Unemployment Rate ***</b>	4.00%	2.90%	2.50%	3.70%	6.80%	7.70%	7.40%

\* Source: City of Cedar Hills \*\* Source: Utah State Tax Commission \*\*\* Source: Department of Workforce Services, USDA

### *Culture*

Cedar Hills is composed predominately of members of The Church of Jesus Christ of Latter Day Saints. Other religions include Catholic, Protestant, Jewish, and others.

### *Recreation*

The City's proximity to the Wasatch Mountains and Utah Lake provides for many outdoor recreational activities such as snow skiing, hiking, biking, and mountaineering. The City owns Cedar Hills Golf Club and has other recreational activities in conjunction with other cities in the valley like baseball, football, and soccer.

### *Major Industries*

The City of Cedar Hills is a bedroom community with few employers. In the past couple of years, a small commercial district has emerged including a Walmart, Chase Bank, and McDonalds. However, the City is also located near major employers in Utah County and Salt Lake County. The top three employers in Utah County are Brigham Young University, Utah Valley Regional Medical Center, and the local school districts. Utah County is a center for technology-oriented firms which are drawn to the area by the highly educated workforce and the area's high-quality universities.

### *Top Taxpayers*

Since the City is a bedroom community, the top taxpayers are individuals and will consequently not be listed.

## GLOSSARY

### *Accounting Period*

The fiscal year is divided into 13 accounting periods. Each accounting period includes two bi-weekly payrolls, and is generally four weeks long.

### *Accrual Basis of Accounting*

The basis of accounting under which revenues are recorded when earned and expenditures (or expenses) are recorded as soon as they result in liabilities for benefits received, notwithstanding that the receipt of cash or the payment of cash may take place, in whole or in part, in another accounting period.

### *Amortization*

A noncash expense that reduces the value of an intangible asset over the projected life of the asset.

*Annualization*

Taking changes that have occurred mid-year and calculating their cost for a full year, for the purpose of preparing an annual budget.

*Appropriation*

The legal authorization granted by the City Council to make expenditures and incur obligations.

*Balanced Budget*

The amount of budgeted expenditures is equal to or less than the amount of budgeted revenues plus other available sources.

*Bond*

A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of principal are detailed in a bond ordinance.

*Bond, General Obligation*

A limited tax bond, which is secured by the City's property tax.

*Bond Proceeds*

Funds derived from the sale of bonds for the purpose of constructing major capital facilities.

*Budget*

A plan of financial activity for a specified period of time (fiscal year) indicating all planned revenues and expenses for the budget period.

*Budget Preparation Timeline*

The schedule of major events in the development of the annual budget, including community budget forums, proposed budget, budget hearings, budget deliberations, and adoption of the annual Appropriation Ordinance.

*Budget Document*

The instrument utilized to present the City's comprehensive financial plan to the City Council and the public.

*Capital Improvements Plan (CIP)*

Authorized expenditures for tangible and long-term physical improvements or additions of a fixed or permanent nature (e.g. an additional building, recreational facility, or a new street).

*Capital Improvement Project*

A capital improvement is generally a large construction project such as the development of park land, the construction of an over pass, the installation of a traffic signal, the acquisition of land, or the construction or remodeling of a City building.

*Capital Outlay*

The initial lump sum expense for a significant purchase such as a vehicle or a computer.

*Cash Basis of Accounting*

The basis of accounting under which revenues are recorded when received in cash and expenditures (or expenses) are recorded when cash is disbursed. Since payments for goods and services can be delayed to the next fiscal year, cash on hand can result in an inaccurate picture of the financial condition of a fund. To be in conformance with generally accepted accounting principles (GAAP), local governments must use the accrual basis rather than the cash basis of accounting.

*City Manager's Budget Message*

The City Manager's memorandum to the City Council summarizing the most important aspects of the budget, including changes from the current fiscal year and the goals, themes, and priorities that are encompassed within the City's budget.

*Contingencies*

A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

*Comprehensive Annual Financial Report (CAFR)*

This report is prepared by the City Auditor and Comptroller's Office. It is usually referred to by its abbreviation and summarizes financial data for the previous fiscal year in a standardized format. The

CAFR is organized by fund and contains two basic types of information: a balance sheet that compares assets with liabilities and fund balance; and an operating statement that compares revenues with expenditures.

#### *Computer Replacement Program*

A study and accompanying report which details the costs and benefits of various computer replacement schedules. The report is intended to assist management in adopting a policy or program that dictates how often the City's computers are to be replaced.

#### *Debt Service*

Payment of interest and principal on an obligation resulting from the issuance of bonds.

#### *Department*

A basic organizational unit of government which may be sub-divided into divisions, programs, activity groups, and/or activities.

#### *Depreciation*

A noncash expense that reduces the value of an asset as a result of age, obsolescence, or wear and tear.

#### *Enterprise Funds*

Funds established to account for specific services funded directly by fees and charges to users. These funds are intended to be self-supporting. For more information about enterprise funds, refer to the City Funds section in Volume I of the Budget Document.

#### *Expenditure*

The actual outlay of monies from the City Treasury.

#### *Extrapolation*

To project, extend, or expand known data or experience into an area not known or experienced so as to arrive at a usually conjectural knowledge of the unknown area.

#### *Fiscal Year (FY)*

Twelve-month term designating the beginning and ending period for recording financial transactions. The City of Cedar Hills has specified July 1 through June 30 as the fiscal year.

#### *Fiduciary*

Of, relating to, or involving a confidence or trust.

#### *Full-Time Equivalent (FTE)*

The decimal equivalent of a part-time position converted to a full-time basis; i.e., one person working half time would count as 0.50 FTE.

#### *Fund*

A fiscal and accounting entity with a self-balancing set of accounts to record revenue and expenditures.

#### *Fund Balance (Equity)*

The value of the revenues minus expenses as accumulated over time in a given fund. This does not include the value of PTIF or reserve accounts. It is also called unreserved or unappropriated fund balance.

#### *Generally Accepted Accounting Principles (GAAP)*

Uniform minimum standards used by state and local governments for financial recording and reporting that have been established by the accounting profession through the Governmental Accounting Standards Board (GASB).

#### *General Fund*

The City's main operating fund that is used to pay for basic City services that utilize most tax dollars and is also supported by fees from licenses and permits, fines, and investment earnings. For more information about the General Fund, refer to the General Fund section of the Budget Document.

#### *Government Finance Officers Association (GFOA) Distinguished Budget Award*

Highest form of recognition in governmental budgeting. Its attainment represents a significant accomplishment by the management, staff, and

elected officials of recipients. Budgets are evaluated for effectiveness as a policy document, a financial plan, an operations guide, and as a communication device.

#### *Growth Rate*

The level at which expenditures and revenues are expected to increase annually.

#### *Intergovernmental Revenue*

A contribution by one governmental unit to another unit. The contribution is usually made to aid in the support of a specified function (for example, road construction), but it is sometimes also for general revenues.

#### *Monthly Management Report (MMR)*

A monthly management report is submitted by the City Manager to report on significant events and statistics.

#### *Modified Accrual Basis of Accounting*

Under the modified accrual basis of accounting, required for use by governmental funds, revenues are recognized in the period in which they become available and measurable, and expenditures are recognized at the time a liability is incurred pursuant to appropriation authority.

#### *Modified Cash Basis of Accounting*

Sometimes known as Modified Accrual Basis, it is a plan under which revenues are recognized on the cash basis while expenditures are recognized on the accrual basis.

#### *Operating Budget*

Authorized expenditures for ongoing municipal services (e.g., police protection and street maintenance).

#### *Performance Measure*

A performance measure gauges work performed and results achieved. Types of measures include: input, output, efficiency, and internal or external outcomes.

#### *Pressurized Irrigation Base Rate*

The pressurized irrigation base rate is charged to all residents to cover the cost of the infrastructure of the system.

#### *Pressurized Irrigation Usage*

The pressurized irrigation usage rate is charged to residents who connect to the irrigation system. This rate is based solely on lot size.

#### *Property Tax*

An “ad valorem” tax on real property, based upon the value of the property.

#### *Proposed Budget*

The City Manager’s recommendation for the City’s financial operations including an estimate of proposed expenditures and revenues for a given fiscal year.

#### *Reserve*

An account used to indicate that a portion of a fund’s balance is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

#### *Revenue*

Funds received from various sources and treated as income to the City which are used to finance expenditures.

#### *Signage*

A system of signs.

#### *Transfers*

The authorized exchange of cash, positions, or other resources between organizational units.

#### *Vehicle Replacement Program*

A study and accompanying report which details the costs and benefits of various vehicle replacement schedules. The report is intended to assist management in adopting a policy or program that dictates how often the City’s vehicles are to be replaced.

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to City of Cedar Hills, Utah for its annual budget for the fiscal year beginning July 1, 2010. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Cedar Hills  
Utah**

For the Fiscal Year Beginning

**July 1, 2010**

A stylized, handwritten signature in black ink, likely belonging to the President of the GFOA.  
A handwritten signature in black ink that reads "Jeffrey R. Emery".

President

Executive Director