

# City of Cedar Hills



2006 Fiscal Year Budget





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

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**City of Cedar Hills  
Utah**

For the Fiscal Year Beginning

**July 1, 2004**

*Nancy S. Ziehl*

President

*Jeffrey R. Egan*

Executive Director

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## City of Cedar Hills Staff



**City Staff** (from left to right): Tami Harrison, Konrad Hildebrandt, Gretchen Gordon, Brad Kearl, Sharon Taylor, Rich Knapp, Melissa Dredge, Shawn Richins, Jeff Maag, Travis Austin, Troy Snow, David Bunker, Scott Rackman, Kody Wall, Janet Bond, Cheya Wilson, Amber Andersen, David Taylor, Kim Holindrake, Colby Sheriff, Mike Carson, Tucker Stoffers

# Budget Message

FY '06 BUDGET

## City Manager Message

To Cedar Hills' Mayor, City Council, and Residents:

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Pursuant to §10-6-109, Utah Code Annotated, the following budget for Fiscal Year 2006 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 operational expenditures (or General Fund expenditures) will not exceed operating 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 our financial resources for the coming year. As part of that planning, please consider the following highlights and priorities of this year's budget:

### Growth

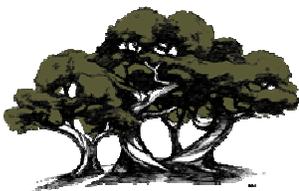
One of the primary concerns in compiling this budget was the forecasted growth of the City. As an accurate estimation for growth is vital to proper revenue projections, the most precise methods must be employed.

Thus, using procedures outlined by the US Census Bureau, City staff has made efforts to track the growth of the City of Cedar Hills' population over the past eight years. Based on the number of building



KONRAD HILDEBRANDT

permits issued each month since the 2000 census, we extrapolate our population to be 7,943 residents or 1,789 households as of July 1, 2005, increasing to 2,004 households or 8,898 residents at the end of Fiscal Year 2006. As seen in the Population Extrapolation table (Figure O-1), this represents a 12% increase in population from the year before. However, viewing the matter from a different angle, the expected growth will occur at a rate that's 21% slower than the previous year, Fiscal Year 2005. All told, the



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Population Extrapolation			
Year	Pop	% Growth	Households <small>as of July 1</small>
1998			
1999	2504		564
2000	3246	30%	731
2001	4271	32%	962
2002	4920	15%	1108
2003	5710	16%	1286
2004	6727	18%	1515
2005	7943	18%	1789
2006	8898	12%	2004

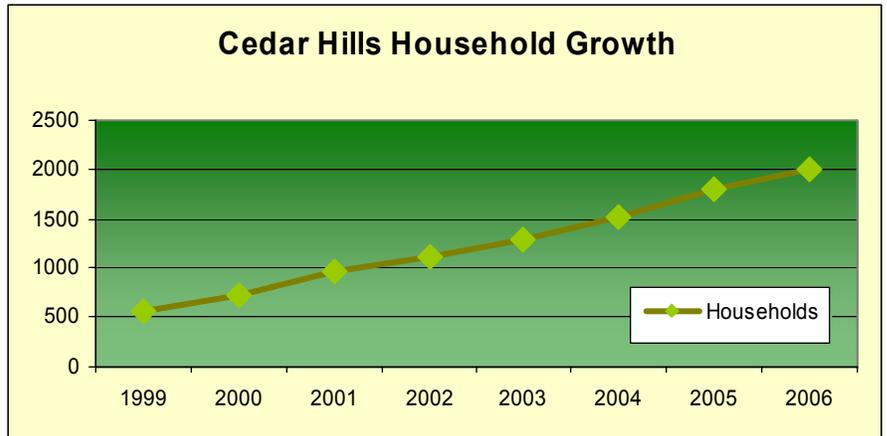


Figure O-1

growth of the City of Cedar Hills has been steady and rapid since 1998 (see Figure O-1).

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 12% 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 decrease from the previous year by 21%. Furthermore, various other revenue and expenditure items that require distinct and often more complex models for projection nevertheless 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. The following changes in general services have resulted in notable impacts in the budget:

Partial funding for the Community Services Department has been removed from the budget. This department focused on providing educational, recreational, and cultural services and events for the residents of Cedar Hills. This department had a budget of just under \$150,000 which has been decreased to \$60,560. The FY 2005 budget is sufficient to support the Family Festival which is currently managed by interns and other city staff.

**Personnel**

During the 2006 fiscal year, the City of Cedar Hills staff will decrease in total number of employees by .5 FTE. One position will be increased from PT to FT (.5

FTE), and a FT position has been removed, thus decreasing the total personnel of the City of Cedar Hills to fifteen and one half from sixteen the previous year. A detailed summary of the City staff by department is provided in Figure O-2 on the following page.

The Utility Billing Clerk will labor full time as a Finance Assistant (FA) instead of part time in the Administration Department and will deal with all accounts receivable, not just utility accounts. As a full time employees, the FA will better be able to keep up with increasing demands of a growing city, including increased data entry related to new customer setup, cash receipting, collections on delinquent accounts, etc. As a vital member of the City Staff, the FA will enhance the ability of the staff to provide prompt, accurate, and helpful information and service to the residents of Cedar Hills.

Currently, the duties men-

tioned above have been shared among other employees in the Administration Department. By increasing the Utility Billing Clerk to a full time Finance Assistant, we hope to relieve this overlap and allow further change in the Administrative Department; namely, a slight change in title and responsibility for the Management Analyst, now titled the Assistant to the City Manager.

Funding for the position of Community Services Director has been removed from the budget.

**Debt Obligations**

The City of Cedar Hills has no General Obligation Debt as of June 30, 2005, although consideration has been made, and voter approval has been received, to restructure the

Golf Course lease revenue bond to a General Obligation Bond.

The City has two lease revenue bonds and an excise road tax bond. The City has no legal debt limits.

One of the lease revenue bonds was obtained in 1999 in the amount of \$790,000 for the construction of the Public Safety Building which currently serves as the City’s fire station. The current principal balance on this bond is \$630,000.

The other lease revenue bond was obtained in 2001 in the amount of \$6,427,000 for the construction of the City’s golf course. This bond is secured through revenues from the golf course. In a recent election on June 30, 2005,

voters approved the efforts of City Staff to pursue the issuance of general obligation bonds before the final balloon payment in November 2007.

The excise tax road bond was obtained in 2000 in the amount of \$360,000 for the widening of the West end of Cedar Hills Drive and the construction of a roundabout at 4600 West and Cedar Hills Drive. This bond is secured by Class B&C Road revenues that the City receives from the state on a quarterly basis. The current principal balance of this bond is \$224,000.

The City also obtained a line of credit in the amount of \$6,000,000 in 2003 for the construction of a city-wide pressurized irrigation system. This line of credit is secured by water fees paid by residents of the City. It is anticipated that the City will obtain a bond in order to refinance this line of credit in the next year.

<b>Personnel Summary</b>			
<u>Department</u>	FY 03-04	FY04-05	FY05-06
Administration	3	3.5	4
Public Works	5	6	6
Building and Zoning	2.75	3	3
City Recorder	2.5	2.5	2.5
Community Service	1	1	0
<b>Total:</b>	<b>14.25</b>	<b>16</b>	<b>15.5</b>

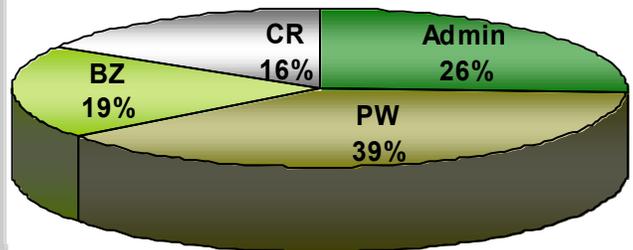


Figure O-2

### Vehicle Replacement

The City of Cedar Hills currently has a fleet of ten vehicles. The City staff has performed a detailed analysis of possible replacement schedules for that fleet. The study took into account various factors including replacement costs, selling costs, maintenance costs before and after the warranty, insurance, inflation, the decreasing marginal return on resale, etc.

Analysis results have determined it is most cost-effective to replace vehicles during the first three years, as seen in Figure O-3. According to the data collected, minimal maintenance cost to the city is achieved by following a three-year replacement for the City fleet in general, with the exclusion of the dump-bed truck which should follow a more extended replacement schedule. Such a replacement program should keep fleet-replacement costs around \$100,000 over 6 years rather than, for example, \$160,000 for a 5-year replacement schedule.

### Funds Overview

The data in the Funds portion of the budget provides a picture of the current financial standing of the City as well as estimates and plans for revenues and expenditures to occur



Figure O-3

during FY 2006. The budget is broken down into five major funds. Those funds are the General Fund, the Water & Sewer Fund, the Motor Pool Fund, the Capital Projects Fund, and the Golf Fund. Also appended to this document is an overview of the Capital Improvement Plan.

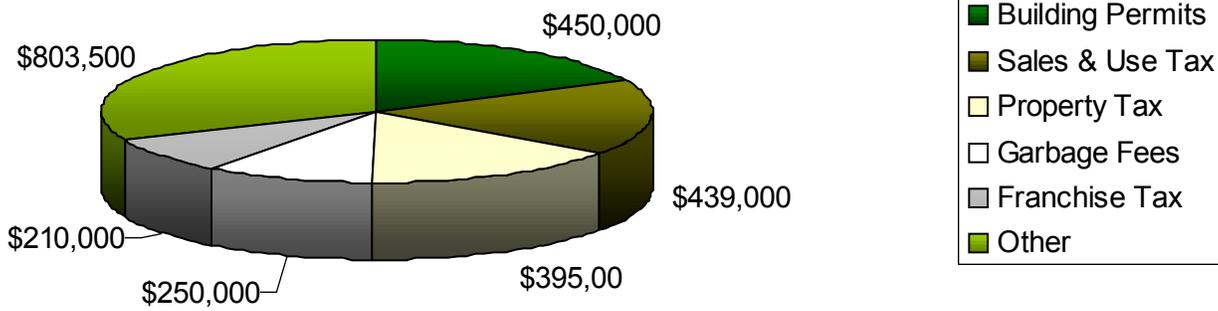
The six most significant revenue and expense items for the three major funds are shown in Figure O-4 on the following page. The pie charts illustrate some of the principal paths of money in and out of each fund. Building permits, property tax, sales tax, garbage fees, and franchise taxes make up the bulk of General Fund revenues, while the major expenses include police services, solid waste, salaries, and street expenses. In the Water & Sewer Fund, the most significant revenue sources are water and sewer service fees, pressurized irrigation (PI) fees, and new me-

ter charges. The corresponding top five expenses in the fund are PI expenses, sewer and culinary water expenses, storm drain expansion, and salaries. The Capital Projects Fund receives its financing largely from current impact fees, the impact fee reserve, and from financing. In FY 2006, the five largest projects/expenses will be the Harvey Land purchase, the new Public Works Building, Harvey Park phase 1 improvement, Cottonwood Drive improvement, and the MBA bond payment. The Golf Fund is not included in this analysis as it is explained in further detail in the Golf Fund portion of this Budget Document.

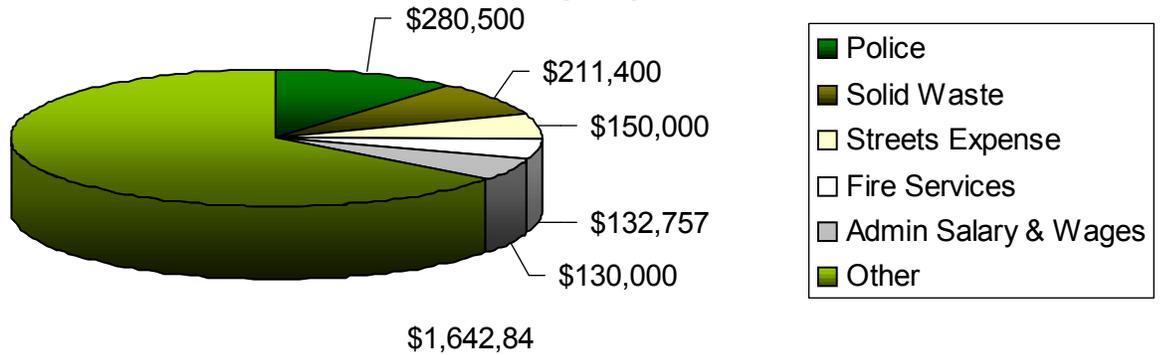
The City of Cedar Hills defines “fund balance” as the accumulation of excess revenues over expenditures through time. Reserve and Public Treasurers Investment Fund (PTIF) accounts are not included in the definition.

State law requires that the

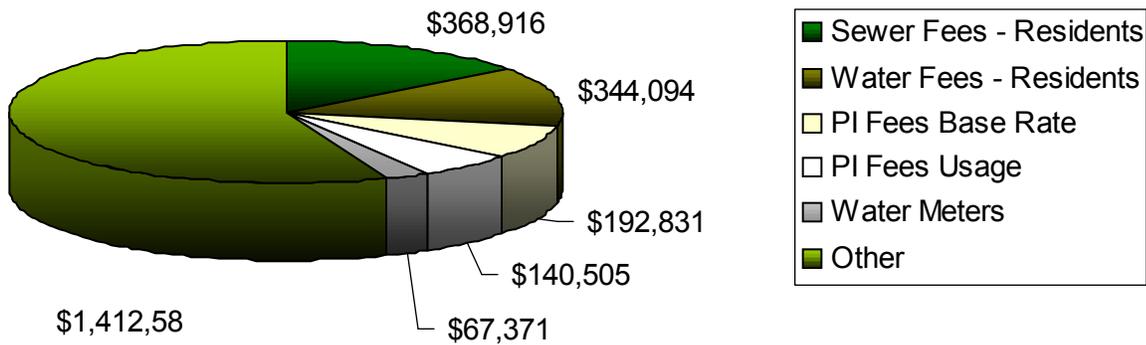
### General Fund Top Revenue Sources



### General Fund Top Expenditures



### Water & Sewer Fund Top Revenue Sources



### Water & Sewer Fund Top Expenditures

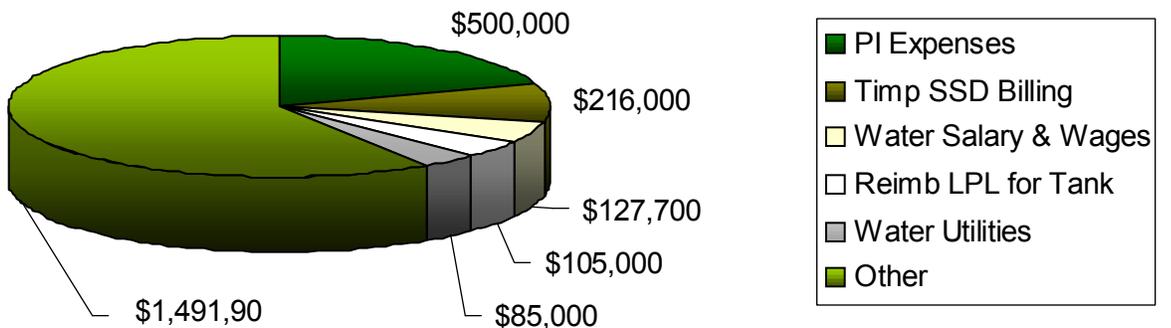
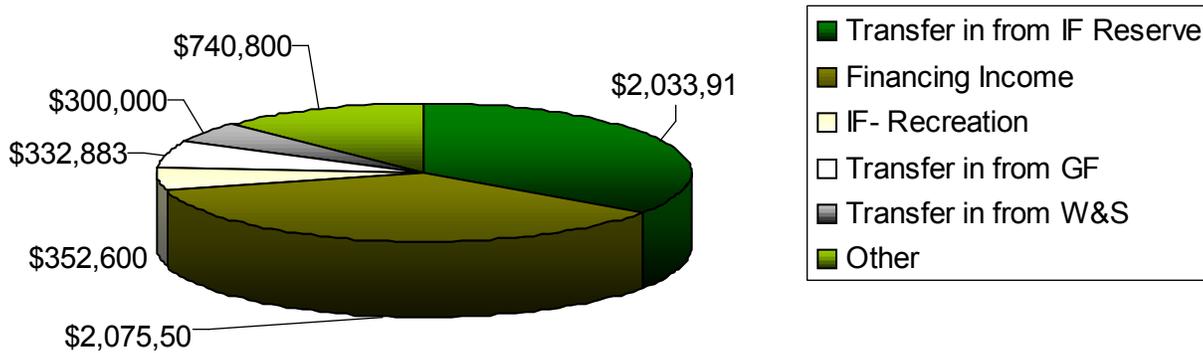


Figure O-4

**Capital Projects Fund Top Revenue Sources**



**Capital Projects Fund Top Expenditures**

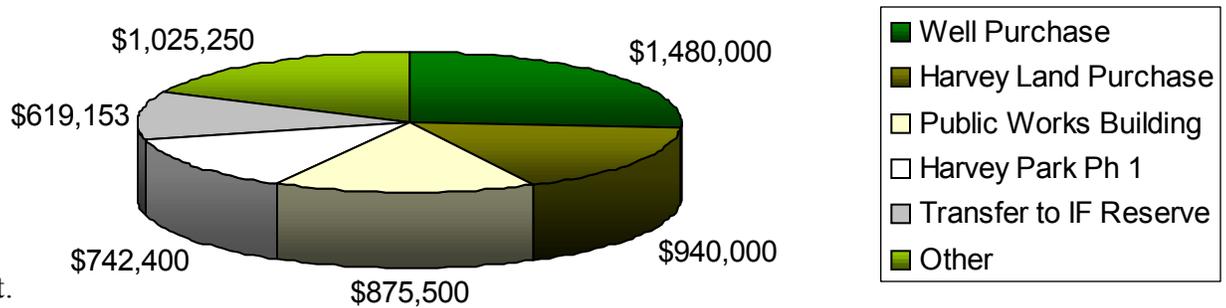


Figure O-4 Cont.

General Fund carry a fund balance of no more than 18% of the year's revenues. The City of Cedar Hills maintains a zero fund balance in the Motor Pool Fund as revenues are transferred in only as needed to cover expenditures. The Capi-

tal Projects Fund and the enterprise funds carry a fund balance that is under no legal restraint.

The City does not budget a transfer of excess reserves over expenditures to the unre-

served fund balance. All revenues in excess of expenditures are scheduled to be transferred to reserves or PTIF accounts. Therefore, none of the fund balances are expected to be altered as a result of this budget.

# Mayor & City Council



Mike McGee  
Mayor



Melissa Willie  
City Council Member



James Parker  
City Council Member



Rob Fotheringham  
City Council Member



Jim Perry  
City Council Member



Darin Lowder  
City Council Member

# Budget Message

FY '06 BUDGET

## Priorities, Goals, and Policies

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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 for the community. These goals or priorities are created by the citizenry and the City Council. The City Administration then develops action plans and measurable objectives for the attainment of these goals. This process allows the Council to focus on the "forest" by setting organization-driving policies and goals, and allows the Administration to focus on the "trees", thus

keeping the Council from getting bogged down in every-day 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, as seen in Figure O-6, and as described in the following paragraphs:

### Goal Setting and Prioritization

*Step I — Neighborhood Meetings and City-wide Survey*

During step 1, the community is divided into distinct neighborhood areas for the purpose of discussing issues, concerns, ideas, etc. relevant to the citizens of that neighborhood. Each neighborhood is then scheduled

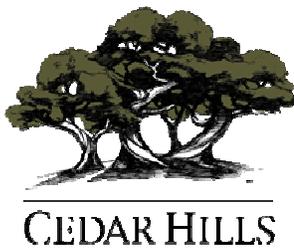


Figure O-6

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 thoughts, concerns, and ideas relative to the community as a whole or particular to their neighborhood. A city-wide survey is taken to remove bias and statistically find out overall resident perceptions and goals.

*Step II — Identify Problems and Needs*

During step 2, 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 (including Public Safety, Administrative, etc., as seen in Figure O-7).

*Step III — Setting Goals to Resolve Problems and 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



Figure O-7

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 on the following page by division.

**Administrative Implementation**

*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 bro-

ken down into specific, measurable performance indicators to be met by the appropriate City employees. 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 6 months, Administration reports to the Council on the progress of each goal, and the Council assesses how well the goals are being realized.

## Priorities for Decisions 2004

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 our residents and our public safety providers, desires to provide for a high level of public safety for our residents in an economical and efficient fashion by accomplishing the following:”

- Increase number of neighborhoods involved in Neighborhood Watch Program
- Increase enforcement of animal control ordinances
- Increase traffic enforcements with use of newly purchased speed table
- Complete Public Safety Needs Analysis
- Analyze and implement appropriate traffic signage

### *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 and to promote a walkable/livable community for all by accomplishing the following:”

- Prepare for UTOPIA high speed Internet services
- Develop Commercial Retail Ctr

### *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:”

- Complete Pool/Recreation Center Feasibility Study
- Acquire Harvey Park Land
- Develop Canyon Heights Neighborhood Park
- Develop Ledoux and Cedar Run pocket parks
- Develop portions of Bonneville Shoreline Trail
- Develop Hayes Park
- Improve landscaping at Canyon Road Park

### *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 & Construction Program
- Design & implement appropriate pressurized irrigation pumping system for ultimate build-out
- Finalize long-term financing for pressurized irrigation pumping system
- Construct Public Works bldg

- Implement in-house snow-removal program
- Complete Sewer System Model
- Design and construct redundant culinary water well

### *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 Civic Center Master Plan
- Increase enforcement of zoning regulations

### *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
- Update All Impact Fees
- Review and update employee policy and procedures manual

## Financial Goals and 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:** The City of Cedar Hills will adopt a balanced General Fund budget under normal circumstances by the 21<sup>st</sup> of June, pursuant to §10-6-109, Utah Code Annotated. A balanced budget means that at the end of the fiscal year (June 30<sup>th</sup>), 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 finan-

cial implications of current and proposed operating and capital budgets, budget policies, cash management and investment policies, programs and assumptions.

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

### *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 course will not affect the overall financial health of the City. Throughout the year, the City prepares reports that compare actual to budgeted revenue amounts throughout the year.

**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. Total bond obligation will be limited to 12% of the prior year total assessed value for tax purposes of real and personal property as determined by the most recent tax assessment, according to state law.

**Reserve Accounts:** The City will maintain a minimum fund balance of at least 10% (not to exceed 18%) 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 Manage-

ment 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: Finan-

cial 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 it's entirety, in Appendix B of this document.

# Budget Message

FY '06 BUDGET

## Administration Department

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### Mission

To oversee the city government organization, ensure it is managed efficiently and effectively, and responsibly follow through on all City departmental goals.

### Activities

The Administration Department provides a variety of general services to the City of Cedar Hills. The City Manager is appointed by the Mayor and Council and serves as department head.

The City Manager is the City's chief administrator responsible for overseeing city government. 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. This indicates responsibility for recruiting 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.

The Administration Department oversees the Finance Department, which is responsible for finance and accounting duties, and Public Safety, a division that functions somewhat independently. The Public Safety division includes services provided on a contractual basis

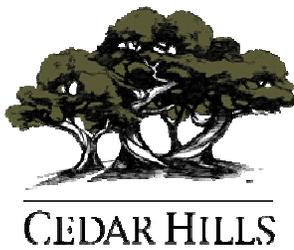


with police, fire, EMT, and crossing guard services.

Additional activities and responsibilities that fall under the jurisdiction of the Administration Department include, but are not limited to, City election supervision, record maintenance, preparation of agendas for Council meetings, proposals to City Council, and provision of public information.

### Goals

The following goals reflect the current pri-



orities and needs of the Administration Department:

- 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 Resource 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 the Finance Department, Public

Safety Department, Fire and EMT services, and crossing guards.

**Objectives**

1. Complete large city projects such as: Sidewalk Construction/Maintenance Program, development of Canyon Road Crossing Park, development and RFP Well Construction, commercial development, Public Works Building.
2. Complete Analysis of Aquatics/Recreation/Library, design, development, and RFQ for Canyon Heights Park, RFP process for the Bonneville Trail.

3. Begin Human Resources improvements such as update city personnel manual, review and update job descriptions, organize personnel files, train and set goals with Department Heads.

**Performance Indicators**

The performance indicators listed below (Figure O-8) are set up to help Administration determine whether the department has accomplished the objectives and goals listed above.

This budget year, the performance indicators were reworked and will serve as baseline data for future comparison.

	<b>Performance Indicator</b>	<b>FY 06 Estimate</b>
<b>Output</b>	# of executive staff meetings held	24/24
	# of LPPSD meetings attended	12
	# of grants written	3
	# of trainings held	12
	# of City Council meetings attended	95%
<b>Efficiency</b>	% of monthly management reports distributed by the 15th	1
	% of employees receiving their annual performance evaluation	100%

Figure O-8

# Budget Message

FY '06 BUDGET

## Finance Department



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**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 City Hall.



**RICH KNAPP**  
CHIEF FINANCIAL OFFICER

**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.



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- 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 webpage, training, and audits.

**Objectives**

1. Create a CAFR for the FY 2005 budget.

3. Create an online PAFR for the FY 2005 budget.  
Create the City of Cedar Hills Budget Document and make it accessible to residents.
4. Increase documentation of job duties, financial policies, and department training.
5. Increase resident participation in Online Bill Pay.
6. Increase resident participation in ACH.

**Performance Indicators**

The performance indicators listed (Figure O-9) are set up to help Administration determine whether the department has accomplished the objectives and goals listed above.

This budget year, the performance indicators were reworked and will serve as baseline data for future comparison.

	Performance Indicator	FY 06 Estimate
<b>Output</b>	# of hours of analysis performed at City Council request per annum	160
	# of hours of analysis performed at management request per month	10
	# of departmental trainings completed	12
	# of hours of routine analysis per month	35
<b>Efficiency</b>	% of year spent on budget approval	58%
	% of General and W&S Fund budgets used to support Finance Department	4%
	# of repeated analyses for City Council	3
	Avg. annual % of past due utility billing receivables greater than 60 days outstanding	34%
<b>Effectiveness</b>	Avg. annual % of past due development related receivables greater than 150	86%
	# of copies of citizen's budget distributed to residents	250
	% of cash received through online bill pay	15%
	% of cash received through ACH	10%
	# of scores of 3 or higher on GFOA budget award program	87/93

Figure O-9

# Budget Message

FY '06 BUDGET

## Public Works Department



.....  
**Contents :**

Mission	21
Activities	21
Goals	22
Objectives	22
Performance Indicators	22

**Mission**

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

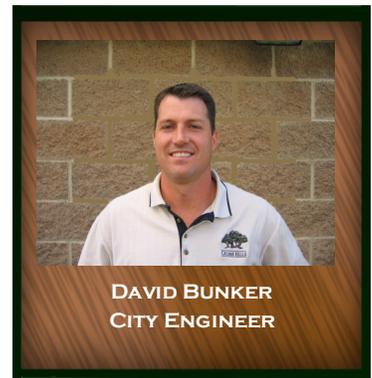
**Activities**

The Public Works Department is responsible for maintaining the City's infrastructure such as the culinary water, pressurized irrigation, sanitary sewer, public streets, storm water, and park systems, including 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 and transmission and distribution systems; it also monitors pump stations, water tanks, and telemeter equipment.

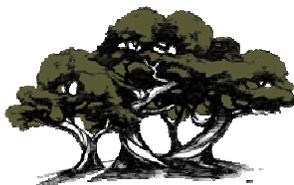
Reports are completed on a daily, monthly, and yearly basis for a sanitary survey, and for culinary water, pressurized irrigation, and storm water inspection and testing.

Currently, the City owns and operates a water utility system, serving around 1,500 residential connections. This water is provided through City wells and connections with American Fork's water system. Cedar Hills has recently 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 sewer



**CEDAR HILLS**

improvements will be completed in the next ten years and will include the installation of retention/detention basins, installation of storm sewer lines, maintenance and improvement of existing storm sewer 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 22 miles of road. The Public Works Department had a big hand in the recently completed East Harvey Boulevard connection to Canyon Road, creating a second East/West corridor through the City in addition to Cedar Hills Drive.

**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 telemeter 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 sumps.

**Objectives**

1. Design master plans for sign maintenance.
2. Implement sidewalk and street maintenance and storm water management programs.

3. Construct City entry statements and an improved map inventory process.

**Performance Indicators**

The performance indicators in Figure O-10 are set up to help Administration determine whether the department has accomplished the objectives and goals listed previously.

This budget year, the performance indicators were reworked and will serve as baseline data for future comparison.

		FY 06
	Performance Indicator	Estimate
<b>Output</b>	# of meter re-reads	200
	# of water inspections	200
	# of sewer inspections	200
<b>Efficiency</b>	Avg. time to respond to sewer inspection request	2 days
	Avg. time to respond to water inspection request	2 days
	Avg. time to respond to meter re-reads	1 day
	# of repeat broken lines	0
	% of at-fault meter re-reads	2%
<b>Effectiveness</b>	% of roads repair completed per IWORQ schedule	100%
	% of sidewalks repair completed per IWORQ schedule	100%
	% of maps that are updated	100%
	% of meters read electronically	100%
	% of CIP completed on time	90%

Figure O-10

# Budget Message

FY '06 BUDGET

## Building and Zoning Department

.....  
**Contents :**

Mission	23
Activities	23
Goals	24
Objectives	24
Performance Indicators	24



**CEDAR HILLS**

**Mission**

To ensure that safe, legal, and appropriate building practices are implemented according to the national 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 set backs 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 inspection of each phase of the building process to ensure adherence to code. On-site inspections include footings, foundations, walls, underground plumbing, stucco lath, framing, rough electrical, rough heating, rough plumbing, shear nailing, insulation, drywall, 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, 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**

The following goals reflect the needs and priorities of the Building Department:

- Check all building plans for compliance to IBC, IRC, IPC, IMC, IECC, NEC, IFGC, and IFC codes.
- Assist the building process by checking zoning, calculating permit costs, and performing on-site inspections.
- Finalize building construction inspections on home additions, basement finishes, accessory buildings (shops, sheds, etc.), pools, and pergolas.
- Enforce zoning nuisance violations including property usage, shed location, fencing, and animal rights issues.
- Inspect footings, foundations, walls, underground plumbing, stucco lath, framing, rough electrical, rough heating, rough

plumbing, shear nailing, insulation, dry-wall, and final occupancy.

**Objectives**

1. Complete plan reviews.
2. Revamp the Weed Abatement Program.
3. Increase code enforcement.

**Performance Indicators**

The performance indicators listed in Figure O-11 are set up to help Administration determine whether the department has accomplished the objectives and goals listed above.

This budget year, the performance indicators were reworked and will serve as baseline data for future comparison.

	Performance Indicator	FY 06 Estimate
<b>Output</b>	# of inspections completed	215
	# of building permits processed	215
	# of building plans approved	215
	# of code violations detected	780
<b>Efficiency</b>	Avg. # of days to complete inspections from request date	3
	# of days to complete weed abatement	15
<b>Effectiveness</b>	# of household floods, fires, etc. due to improper inspections	0

Figure O-11

# Budget Message

FY '06 BUDGET

## City Recorder

.....  
**Contents :**

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Activities	25
Goals	26
Objectives	26
Performance Indicators	26



**CEDAR HILLS**

### Mission

To ensure the proper management and maintenance of City records, oversee the dissemination of public information, and serve the community through efficient communication.

### Activities

The City Recorder Department is responsible for the management and maintenance of all City records, the preparation and execution of City Elections, the issuance of business licenses, the administration of land planning and development issues, the processing of annexations and boundary adjustments, the formal dissemination of information to the public, and the oversight of general administrative functions of the City office.

Department is responsible for the care, maintenance, designation, classification, disposal, and preservation of all City records, including, but not limited to contracts, minutes, ordinances, and resolutions. The Department is responsible for codification of City Code and for keeping record of all official meetings for the City Council, Planning Commission, Board of Adjustment, Site Plan Review Committee, Parks and Trails Committee, Golf Course Advisory Committee, and Municipal Building Authority. Additional duties include the preparation of information and agenda packets and attendance at meetings, recruitment to boards and commissions, attesting documents, administering oaths, and fleet/vehicle management.



**KIM HOLINDRAKE**  
CITY RECORDER

formal dissemination of public information include the compilation and maintenance of City records and history, the City web page, the monthly newsletter, and public notification in accordance with State Code requirements.

Regarding general administrative tasks, the City Recorder Department is responsible for front desk operations, assisting the general public, the organization of monthly staff training, and census management.

The City Recorder Tasks related to the

**Goals**

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

- To educate elected Council members, City employees, and the community through elections, trainings, and recorded information postings.
- To manage records through the creation, maintenance, and destruction processes.
- To provide compliance with state law providing

organized history of decisions and city agreements for public, private, and protected entities.

**Objectives**

1. Train a new City Council.
2. Offer an organized process for the City elections.
3. Organize monthly staff activities.
4. Cleanup information and files on department computers.
5. Organize all City agreements.
6. Codification of City ordi-

nances, Council meeting procedure policy.

**Performance Indicators**

The performance indicators listed in Figure O-12 are set up to help Administration determine whether the department has accomplished the objectives and goals listed above.

This budget year, the performance indicators were reworked and will serve as baseline data for future comparison.

		FY 06 Estimate
<b>Output</b>	# of business licenses processed	200
	# of hours of training provided	4.5
	# of meetings where minutes were taken	48/48
	# of grants written	1
<b>Efficiency</b>	Avg. # of days required to transcribe City Council minutes	3
	Avg. # of days to have ordinance to codification company	5
	Avg. # of days to update code books	7
	Avg. # of days to have cash receipts prepared for deposit	2
<b>Effectiveness</b>	% of archives (through June 1, 2005) maintained	100%
	% of agreement history completed (1977-1990)	100%
	# of times reached 100% of voters through newsletter regarding General Election	4

Figure O-12

# Budget Message

FY '06 BUDGET

## Community Services Department

### Mission

To organize and direct a variety of community and neighborhood services in an effort to improve the quality of life for the residents of Cedar Hills.

### Activities

The Community Services Department currently functions with the help of interns and volunteer coordinators under the direct supervision of the City Manager. Two interns were hired to plan and direct the activities of the Family Festival in June of 2005.

Decisions are made on a per program basis regarding coordination efforts.

The Community Services Department is responsible for completion of short and long range community and neighborhood plans and

activities including parks/trails, and recreation events.

Volunteer coordinators and interns administer overall department budget and policies, assure budget compliance, and oversee expenditures. It is the responsibility of the Community Services Department to plan and organize special events, especially the Family Festival, as well as 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 Community Services Department:

- A firm and current understanding of community wants and needs.

- Commitment to providing quality services that continually evolve with changing needs.
- Meticulous and detailed documentation of programs and policies.
- Provide informative, accurate, and up-to date reports for the staff, mayor, council, and residents.

### Objectives

1. Recruit experienced and qualified interns and volunteers to deliver quality programs and services to the residents of Cedar Hills.
2. Increase the number of program participants through improved communication and education.

No performance measures have been created this year for the community services department, as its scope is yet undetermined.

.....  
**Contents :**

Mission	27
Activities	27
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# Organizational Chart

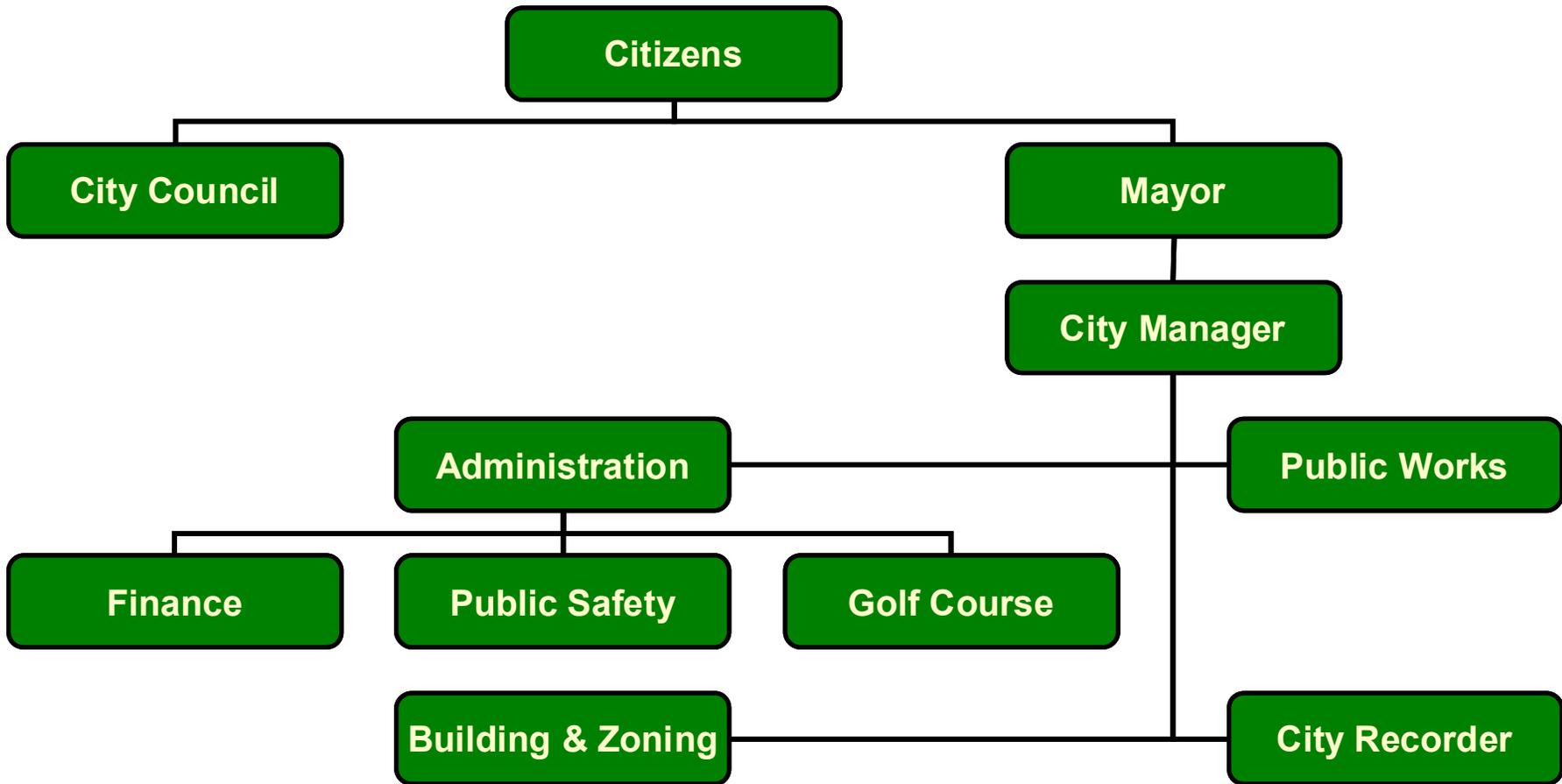


Figure O-13



<b>City of Cedar Hills</b>			
<b>Fiscal Year 2006 Budget Summary</b>			
<b>Fund</b>	<b>FY 2004 Ac- tual</b>	<b>FY 2005 Estimate</b>	<b>FY 2006 Budget</b>
General (Operating) Fund	\$2,281,090	\$2,989,479	\$2,547,500
Water & Sewer Fund	\$2,093,211	\$2,477,949	\$2,526,300
Capital Projects Fund	\$1,925,058	\$1,746,344	\$5,835,696
Motor Pool Fund	\$91,073	\$77,704	\$207,251
Golf Fund	\$836,850	\$659,103	\$641,392
<b>Totals :</b>	<b>\$7,227,282</b>	<b>\$7,950,579</b>	<b>\$11,758,139</b>

Figure BH-1

### Summary of Funds

The table in Figure BH-1 details the Fiscal Year 2006 Budget for the City of Cedar Hills. The total adopted budget reflects an increase of roughly \$3.8 million from the prior year's estimated figure. Notable additions incorporated in this budget include:

#### General Fund:

- \$49,000 in the Public Safety Department for an increase in fire services and a speed trailer
- \$37,000 in added street improvement expenses
- A \$89,000 cut in the Community Service Department
- No tax increases

#### Water & Sewer Fund

- \$80,000 for increased sewer billings from TSSD
- \$8,000 for credit card fees

#### Capital Projects Fund:

- \$875k for a new Public Works Building
- \$1.6 million for Harvey Land Purchase and improvements
- \$455k for Canyon Heights Park
- \$70k for an impact fee analysis
- \$1.4 for an additional well

The Consolidated Summary of Funds (Figure BH-2) gives a more in-depth portrayal of City funds as projected for the fiscal year 2006. 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 told by the Consolidated Summary of Funds and as required by state law, the Fiscal Year 2006 General Fund and Capital Projects budget is balanced.

### Budget Preparation

Preparation for the Fiscal Year Budget 2006 was, as always, an intricate and complex process. This process, though, affords both an interesting and challenging opportunity to reassess our plans and overriding goals and evaluate our means for achieving them. It's through this effort, then, 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 previous budget previously

## Consolidated Summary of Funds

Revenues	FY 2004 Actual	FY 2005 Estimate	FY 2006 Budget	Expenditures	FY 2004 Actual	FY 2005 Estimate	FY 2006 Budget
<b>General Fund</b>							
Taxes	\$965,358	\$1,039,840	\$1,214,200	Public Safety	\$95,366	\$366,316	\$424,482
Licenses/Permits	\$522,229	\$545,039	\$469,500	Public Works	\$178,245	\$217,716	\$250,795
Fees	\$498,005	\$603,948	\$536,500	Solid Waste	\$185,784	\$218,782	\$211,400
Intergovernmental	\$188,511	\$159,308	\$201,400	Administrative Svcs	\$199,457	\$172,177	\$202,404
Other Sources	\$102,726	\$176,320	\$109,900	Transfers/Other	\$510,762	\$267,987	\$445,102
	<b>\$2,276,829</b>	<b>\$2,524,455</b>	<b>\$2,531,500</b>		<b>\$1,169,613</b>	<b>\$1,242,978</b>	<b>\$1,534,183</b>
<b>Water &amp; Sewer Fund</b>							
Water	\$872,563	\$1,096,497	\$1,090,500	Water	\$358,449	\$1,075,660	\$1,080,675
Sewer	\$1,166,623	\$1,161,459	\$1,042,800	Sewer	\$927,137	\$943,161	\$1,024,614
Storm Drain	\$48,120	\$56,627	\$64,000	Storm Drain/Other	\$17,469	\$467,915	\$10,000
Miscellaneous	\$120,851	\$200,797	\$329,000		<b>\$1,303,056</b>	<b>\$2,486,736</b>	<b>\$2,115,289</b>
	<b>\$2,208,157</b>	<b>\$2,515,380</b>	<b>\$2,526,300</b>				
<b>Capital Projects Fund</b>							
Transfers	\$277,479	\$159,719	\$2,629,456	Park Projects	\$495,716	\$753,584	\$2,474,400
Impact Fees	\$1,422,788	\$1,427,774	\$1,023,400	Capital Facilities	\$0	\$0	\$875,500
Financing Income	\$0	\$0	\$2,075,500	Street Projects	\$395,037	\$68,326	\$95,000
Franchise Fees	\$82,912	\$93,858	?	Bond Payment	\$73,479	\$65,201	\$68,250
Interest Income	\$56,304	\$98,173	\$70,000	Transfers/Other	\$105,418	\$400,000	\$619,153
	<b>\$1,839,482</b>	<b>\$1,779,524</b>	<b>\$5,798,356</b>		<b>\$1,069,650</b>	<b>\$1,287,111</b>	<b>\$4,132,303</b>
<b>Motor Pool Fund</b>							
Transfer from GF	\$49,295	\$39,306	\$149,559	Gas/Oil/Maintenance	\$12,359	\$10,650	\$14,980
Transfer from W&S	\$41,778	\$38,398	\$57,692	Insurance	\$3,852	\$5,642	\$6,071
	<b>\$91,073</b>	<b>\$77,704</b>	<b>\$207,251</b>	Capital Outlay	\$63,720	\$42,000	\$166,700
				Lease	\$36,620	\$19,412	\$9,500
					<b>\$116,551</b>	<b>\$77,704</b>	<b>\$197,251</b>
<b>Golf Fund</b>							
Golfing Revenues	\$536,502	\$552,841	\$537,660	Lease/Loan Payment	\$392,007	\$513,755	\$767,191
Tournaments	\$10,784	\$27,216	\$40,759	Payroll	\$288,030	\$292,458	\$307,495
Concession/Pro Shop	\$15,800	\$42,286	\$40,273	Maintenance	\$159,739	\$166,029	\$117,733
Sunset Room Rental	\$2,080	\$10,165	\$11,506	Other/Misc	\$84,411	\$121,370	\$117,650
Other Sources	\$30,446	\$76,597	\$480		<b>\$924,187</b>	<b>\$1,093,612</b>	<b>\$1,310,069</b>
	<b>\$595,612</b>	<b>\$709,105</b>	<b>\$630,678</b>				

Figure BH-2

## Accounting Basis

The City of Cedar Hills governmental funds (ie: General Fund and Capital Projects Fund) are prepared using the modified accrual basis. Under this method, revenues are recognized when they become both measurable and available. Expenditures are recognized when the liability is incurred.

The City's enterprise funds (ie: Water & Sewer Fund and Golf Fund) are budgeted on a full accrual basis. Under this method, revenues are recognized when earned, and expenses are recognized when the related liabilities are incurred.

The City's finances are accounted for on the basis of generally accepted accounting principles (GAAP). In most cases the City's basis of budgeting is established on the same principles the City uses in its basis of accounting. The following are exceptions to that rule:

- Compensated absences

(accrued but unused sick leave)

- Principal and interest on long-term debt (recorded when due)

## 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 & Sewer Fund, Capital Projects Fund, Motor Pool Fund, and Golf Fund is prepared. This tentative budget includes departmental budgets, elements of the Capital Improvement Plan (CIP), and program budgets (Public Safety, Library Services, etc.).

Following the Mayor's review of the tentative budget,

it is sent to the City Council for approval and to ensure it addresses their priorities. After a tentative approval, a public hearing is set for the final budget. The final budget is then adopted by the City Council before June 30 of the current fiscal year.

## Budget Amendments

With the consent of the City Manager, the head of a department may transfer funds from one account in a department to another account in that same department.

At the request of the City Manager, the City Council may approve the transfer of funds from one department in a fund to another department in that same fund.

During the fiscal year, the City Council has the power to amend the budget to increase individual fund budgets. Staff usually recommends budget amendments to the City Council throughout the year as the need arises.

## 2006 Budget Preparation Timeline

<b>Task</b>	<b>Date to Be Completed</b>
General Fund Revenues Estimates	Jan 21
Capital Project Revenue Estimates	Jan 21
Water & Sewer Fund Revenue Estimates	Jan 21
General Fund Expenditures	March 4
Capital Project Expenditures	March 4
Water & Sewer Fund Expenditures	March 4
Motor Pool Fund Expenditures	March 4
Golf Course Revenues & Expenditures	March 11
Vehicle Replacement Plan	March 11
Computer Replacement Plan	March 11
Compensation & Benefits Manual	March 18
Cash Flow Analysis	March 26
Capital Improvement Plan	March 29
Impact Fee Analysis	April 1
Health Insurance Numbers	April 1
Preliminary Budget Done	April 5
Surplus Vehicles	May 1
Supplemental Budget Information	June 30
Have Final Budget Submitted to GFOA and State	Aug 1

Figure BH-3

## General Fund Summary

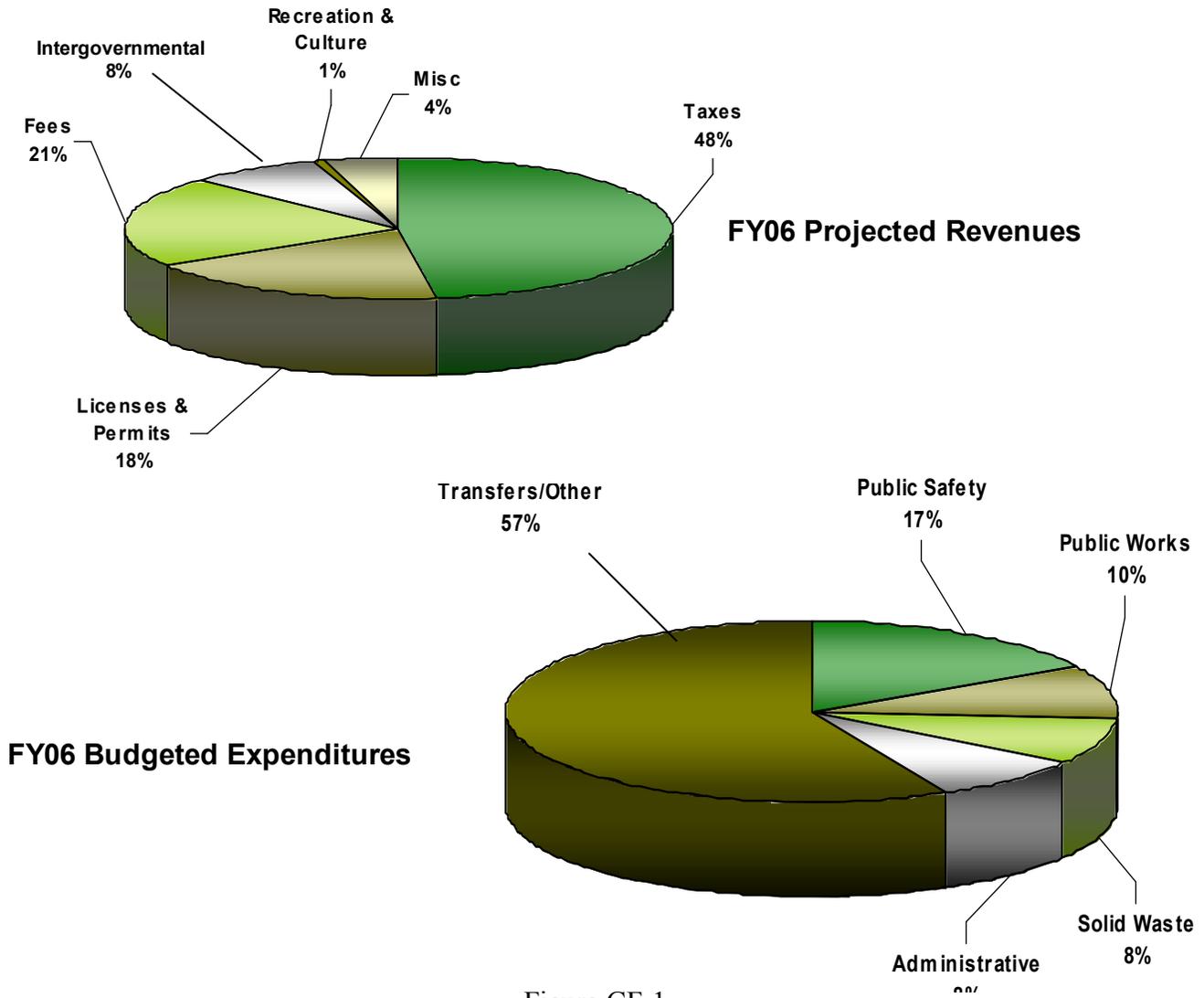


Figure GF-1

The general operating revenues and expenses 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 administrative activities, public

safety expenditures, recreation, etc., fall under the General Fund umbrella. Also, many of the more general government activities (such as purchasing a stapler or paying the electric bill) that are specific to a department (such as the City Recorder Dept. or even the Public Works Dept.) take place in the General

Fund. Each of those departments’ activities are described in more detail in the Budget Message.

The General Fund Fiscal Year 2006 Budget totals just over \$2.5 million and shows a net decrease of \$441,979 or 14.8% from the Fiscal Year 2005 Budget of \$2.9 million.

Although this year's General Fund is smaller than the prior year, this is not an indicator that the City is working on a diminished operating budget. The City budgets its expenditures in the long term based on projected income from recurring revenue sources, while the revenue sources that are projected to decrease this year are one-time fees and transfers that merely pass through the General Fund on their way to Capital Projects or another fund. When looked at over a five year span, the General Fund has increased 22%, more accurately reflecting the population growth of the City.

General Fund revenues are organized into various categories. Tax Revenue, Licenses and Permits, Intergovernmental Revenues, Fees, Recreation Revenue, and Miscellaneous Revenues are the six functional revenue groups in the General Fund. As can be seen in Figure GF-1, taxes make up the greatest portion of the expected revenues during this fiscal year. Most of these revenues are forecasted to grow at the same rate that the population is projected to grow (12%).

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 17% of the Cedar

Hills operating budget. Other large expenditure groups include Solid Waste Services, Public Works (general expenses), and Streets. The category labeled "Transfers" exists to show a trail from reserves or operating revenues that come into the General Fund and then out to other governmental funds, such as the Motor Pool Fund or Capital Projects Fund.

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 allows. Significant and/or noteworthy revenue and expenditure items include the following:

#### Revenues

**Building Permits:** The amount of new growth in Cedar Hills during FY05 was higher than forecasted. It is unreasonable to expect such a growth rate to continue. So, whereas we expect the city to grow at a 12% pace this year, that growth is at a rate that is 21.5% less than the prior year. Hence, we expect Building Permits (as well as related fees such as Plan Check Fees) to decrease this year from the prior year.

**Recreation Programs:** This revenue item (and accompa-

nying expenditure item) will not reach the same level as FY2005 due to the cut in funding for a Community Services Director. It is unclear whether recreation programs commencing in FY2005 will continue and/or will continue at the same level.

#### Expenditures

**Full Time Administrative Wages:** Cedar Hills has budgeted to turn the part-time Utility Billing Clerk into a full-time Finance Assistant. The Finance Assistant will continue with utility responsibilities and help with the increasing demands on the Finance Department. The new position significantly increases this line item.

**Legal Services:** The need for legal counsel has increased, and the city has hired a more proactive attorney.

**Election Expense:** A general election will be held this year.

**Streets Expense:** The increase reflects the goal to replace streets every 12 years.

The General Fund is budgeted on a modified accrual basis. Expenditures are recognized when the liability is incurred, and revenues are recognized when they are available and measurable.

## 2006 Fiscal Year Revenue Estimates

Revenue Type	FY04 Actual	FY05 Estimate	FY2006 Budget
<b>Tax Revenues</b>			
Property Tax	\$367,288	\$455,689	\$395,000
Motor Vehicle	\$58,347	\$47,551	\$53,200
Delinquent Taxes	\$62,691	\$73,586	\$70,000
Penalty & Interest	\$1,513	\$2,682	\$3,000
Sales & Use Tax	\$319,339	\$392,243	\$439,000
Franchise Tax	\$156,178	\$188,554	\$210,000
Telecom Tax	\$0	\$40,000	\$44,000
	<b>\$965,356</b>	<b>\$1,200,304</b>	<b>\$1,214,200</b>
<b>Licenses &amp; Permits Revenue</b>			
Business License	\$7,975	\$9,835	\$9,500
Building Permits	\$502,709	\$636,921	\$450,000
Misc Licenses & Permits	\$8,379	\$14,597	\$10,000
	<b>\$519,063</b>	<b>\$661,353</b>	<b>\$469,500</b>
<b>Intergovernmental Revenue</b>			
Class C Roads Fund	\$178,699	\$198,817	\$200,000
State Liquor Tax Allotment	\$1,312	\$1,400	\$1,400
	<b>\$180,011</b>	<b>\$200,217</b>	<b>\$201,400</b>
<b>Fees Revenue</b>			
Engineer Inspection Fees	\$35,651	\$52,854	\$50,000
Garbage Fees	\$228,213	\$225,471	\$250,000
Service Fees in Lieu of Taxes	\$0	\$0	\$13,500
Penalty Fees	\$1,762	\$7,241	\$6,000
Inspection Refees	\$0	\$6,269	\$6,000
Application & Processing Fees	\$4,717	\$314	\$1,000
Plan Check Fees	\$228,184	\$268,776	\$210,000
	<b>\$498,527</b>	<b>\$560,924</b>	<b>\$536,500</b>
<b>Recreation &amp; Culture Revenues</b>			
Festival Income	\$13,414	\$20,061	\$10,000
Recreation Programs	\$5,751	\$11,920	\$6,000
	<b>\$19,165</b>	<b>\$31,981</b>	<b>\$16,000</b>
<b>Misc Revenues</b>			
Interest Income	\$19,006	\$26,791	\$26,000
Sale of Fixed Assets	\$0	\$15,500	\$33,900
Transfer In	\$28,375	\$15,000	\$15,000
Contribution From Reserves	\$120,000	\$154,696	\$0
Other Income	\$49,470	\$122,712	\$35,000
	<b>\$216,851</b>	<b>\$334,699</b>	<b>\$109,900</b>
<b>Total Fund Revenues</b>	<b>\$2,398,973</b>	<b>\$2,989,479</b>	<b>\$2,547,500</b>

## 2006 Fiscal Year Expenditure Projections

Account Description	FY04 Actual	FY05 Estimate	FY 06 Budget
<b>General Government Expenditures</b>			
Materials & Supplies	\$13,896	\$14,768	\$12,600
Newsletter/Utility Billing	\$10,460	\$11,187	\$12,000
Legal Advertising	\$6,641	\$3,630	\$3,500
Computer Expenses	\$9,750	\$5,022	\$5,000
Repairs & Maintenance	\$12,641	\$12,799	\$11,575
Office Equipment	\$14,196	\$10,647	\$13,790
Utilities	\$5,801	\$13,428	\$11,000
Postage	\$1,494	\$3,029	\$2,000
Communications/Telephone	\$10,761	\$7,111	\$7,200
Legal Services	\$7,530	\$55,885	\$50,000
Maps	\$1,453	\$0	\$200
Auditing Services	\$8,600	\$25,270	\$13,500
Planning Services	\$12,000	\$12,000	\$12,000
Professional/Technical	\$35,792	\$28,977	\$27,000
Insurance	\$5,396	\$7,206	\$7,700
Contingencies	\$5,744	\$6,766	\$10,000
	<b>\$162,158</b>	<b>\$217,723</b>	<b>\$199,065</b>
<b>Mayor/Council Expenditures</b>			
Salary & Wages (FT)	\$16,300	\$14,600	\$15,600
Employee Benefits	\$1,223	\$1,152	\$1,230
Materials & Supplies	\$1,889	\$667	\$630
Dues & Subscriptions	\$0	\$7	\$100
Education & Training	\$1,341	\$341	\$1,000
	<b>\$20,753</b>	<b>\$16,767</b>	<b>\$18,560</b>
<b>Administrative Services Expenditures</b>			
Salary & Wages (FT)	\$111,307	\$112,625	\$130,000
Overtime	\$444	\$317	\$830
Salary & Wages (PT)	\$7,618	\$8,152	\$12,800
Employee Benefits	\$41,102	\$42,953	\$48,124
Materials & Supplies	\$1,657	\$1,695	\$1,350
Dues & Subscriptions	\$1,890	\$1,839	\$2,000
Education & Training	\$3,446	\$4,005	\$6,550
Communications/Telephone	\$450	\$591	\$600
	<b>\$167,914</b>	<b>\$172,177</b>	<b>\$202,254</b>

## 2006 Fiscal Year Expenditures Cont.

Account Description	FY04 Actual	FY05 Estimate	FY 06 Budget
<b>City Recorder Expenditures</b>			
Salary & Wages (F T)	\$43,559	\$47,785	\$46,025
Overtime	\$487	\$1,043	\$573
Salary & Wages (P T)	\$23,882	\$17,731	\$18,040
Employee Benefits	\$22,378	\$24,101	\$29,050
Materials & Supplies	\$1,040	\$1,077	\$900
Dues & Subscriptions	\$290	\$586	\$800
Education & Training	\$3,520	\$3,937	\$4,500
City Code	\$0	\$0	\$2,500
Document Imaging	\$0	\$0	\$1,000
Election Expenses	\$5,834	\$13,475	\$12,000
	<b>\$100,990</b>	<b>\$109,735</b>	<b>\$115,388</b>
<b>Public Safety Expenditures</b>			
Fire Services	\$95,366	\$108,266	\$132,757
Police Services	\$263,500	\$249,416	\$280,500
Crossing Guard Expenses	\$11,312	\$8,635	\$11,225
	<b>\$370,178</b>	<b>\$366,317</b>	<b>\$424,482</b>
<b>Building &amp; Zoning Expenditure s</b>			
Salary & Wages (F T)	\$84,564	\$116,856	\$123,509
Overtime	\$710	\$858	\$1,500
Employee Benefits	\$45,150	\$52,826	\$63,045
Materials & Supplies	\$2,985	\$2,815	\$2,700
Dues & Subscriptions	\$2,910	\$5,563	\$800
Building Permit Surcharge	\$0	\$0	\$3,200
Education & Training	\$1,816	\$2,499	\$3,000
Contract Labor	\$3,830	\$12,041	\$7,000
Tools & Equipment	\$28	\$129	\$500
Communications/Telephone	\$1,125	\$1,346	\$1,500
	<b>\$143,116</b>	<b>\$194,932</b>	<b>\$206,754</b>
<b>Public Works Expenditure s</b>			
Salary & Wages (F T)	\$69,647	\$75,720	\$107,654
Overtime	\$926	\$1,337	\$2,001
Salary & Wages (P T)	\$2,427	\$3,146	\$8,000
Employee Benefits	\$29,423	\$36,566	\$62,800
Materials & Supplies	\$2,565	\$1,147	\$900

## 2006 Fiscal Year Expenditures Cont.

Account Description	FY04 Actual	FY05 Estimate	FY 06 Budget
Dues & Subscriptions	\$380	\$360	\$500
Education & Training	\$500	\$893	\$1,500
Tools & Equipment	\$294	\$174	\$1,000
Communications/Telephone	\$630	\$992	\$840
Engineering Services	\$69,814	\$97,382	\$65,000
	<b>\$176,606</b>	<b>\$217,717</b>	<b>\$250,195</b>
<b>Streets Expenditures</b>			
Street Lights	\$20,616	\$30,234	\$22,000
Signs	\$4,750	\$10,406	\$20,000
Weed Control	\$4,000	\$3,941	\$5,000
Streets Expense	\$95,301	\$163,634	\$150,000
Snow Removal	\$17,843	\$15,817	\$20,000
Street Sweeping	\$5,082	\$5,175	\$6,000
Sidewalk Maintenance	\$74	\$7,296	\$15,000
	<b>\$147,666</b>	<b>\$236,503</b>	<b>\$238,000</b>
<b>Solid Waste Expenditures</b>			
Solid Waste Services	\$185,784	\$218,782	\$211,400
	<b>\$185,784</b>	<b>\$218,782</b>	<b>\$211,400</b>
<b>Parks Expenditures</b>			
Park Supplies & Maintenance	\$69,734	\$68,312	\$85,000
	<b>\$69,734</b>	<b>\$68,312</b>	<b>\$85,000</b>
<b>Community Services</b>			
Dues & Subscriptions	\$500	\$0	\$500
Recreation Expenses	\$5,428	\$14,025	\$1,000
Family Festival Celebration	\$35,000	\$35,157	\$49,560
Other Events	\$10,000	\$7,945	\$9,500
	<b>\$65,928</b>	<b>\$72,111</b>	<b>\$60,560</b>
<b>Non-Operating Expenditures</b>			
Bond Payments	\$35,000	\$52,555	\$53,400
	<b>\$35,000</b>	<b>\$52,555</b>	<b>\$53,400</b>

## 2006 Fiscal Year Expenditures Cont.

Account Description	FY04 Actual	FY05 Estimate	FY 06 Budget
<b>Other Uses of Funds</b>			
Transfer to CP Fund	\$445,967	\$159,719	\$332,883
Transfer to Motor Pool Fund	\$64,795	\$48,268	\$149,559
	<b>\$510,762</b>	<b>\$207,987</b>	<b>\$482,442</b>
<b>Total Expenses in General Fund</b>	<b>\$2,156,590</b>	<b>\$2,151,617</b>	<b>\$2,547,500</b>

## Water & Sewer Fund Summary

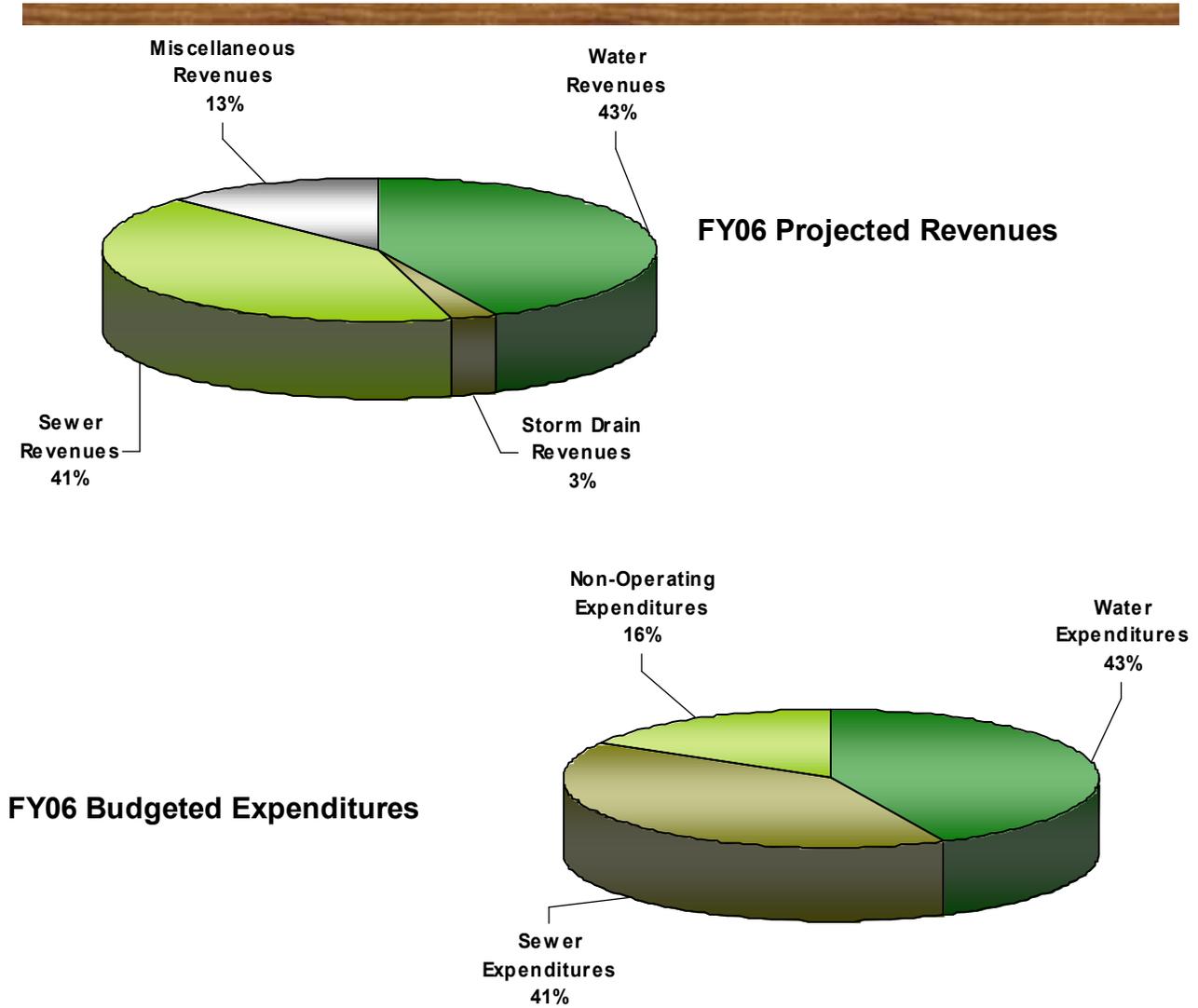


Figure WF-1

The provision of water, sewer, and storm drain services fall 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

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 pro-

vides 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 citizens funds

the planning, expansion, installation, and on-going operations and maintenance of storm-water systems necessary for the collection and control of storm-water.

The City of Cedar Hills Water & Sewer Fund accounts for all revenues and expenditures related to water, sewer, and storm drain functions of the City. This fund is expected to handle all capital and operating expenditures through the water and sewer fees that are charged, in addition to other miscellaneous fees.

The City of Cedar Hills owns and operates a water storage and distribution system including a culinary well, a 1.5 million gallon tank, pump station, and approximately 21.9 miles of water lines. This system services approximately 1800 households.

Timpanogos Special Service District handles the sewage treatment function for Ce-

dar Hills sewage effluent. The City is responsible for 21 miles of the sewage collection system. Additionally, any capital expenditures toward upgrading or enlarging the system are the responsibility of the City.

The Water & Sewer Fund Fiscal Year 2006 Budget totals \$2.5 million and is partitioned into three functional categories: Water Department, Storm Drain Department, and Sewer Department. Figure WF-1 shows the portions of both revenues and expenditures that belong to each of the three departments.

The Fiscal Year 2006 Budget represents a net decrease in the Water & Sewer Fund of 48,351 or 2% from the Fiscal Year 2005 Budget of \$2.4 million. 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:

#### **Water & Sewer Department**

Pressurized Irrigation Usage : The Usage Rate is expected to increase as City residents hook up to Pressurized Irrigation. The calculation used to formulate this projection was based on a 70% of residents with PI available connected.

Compute Expense and Credit Card Fees: Computer expenses doubled due to the one time cost for software and configuration relating to ability of the City to take credit card payments online. Credit Card Fees is a new expenditure account needed to pay for the fees.

#### **Storm Drain Department**

Storm Drain Expansion: This year's budget reflects maintenance and normal growth related expansion.

## 2006 Fiscal Year Revenue Estimates

Revenue Type	FY04 Actual	FY 05 Estimate	FY2006 Budget
<b>Water Revenues</b>			
Water Fees - Residents	\$305,650	\$277,375	\$320,000
Water Fees - American Fork	\$4,528	\$4,528	\$5,000
Water Fees - Contractor	\$41,700	\$41,451	\$32,000
PI Fees - Usage Rates	\$66,446	\$201,950	\$226,000
PI Fees - Base Rates	\$112,696	\$211,901	\$238,000
Water Lateral Inspection	\$9,800	\$9,951	\$8,000
Subdivision Inspection Fees	\$1,557	\$1,557	\$500
Water Meters	\$88,752	\$88,114	\$70,000
Water Impact Fees	\$178,235	\$182,379	\$143,000
Well/Source Development I.F.	\$63,199	\$60,762	\$48,000
	<b>\$872,563</b>	<b>\$1,079,969</b>	<b>\$1,090,500</b>
<b>Storm Drain Revenues</b>			
Storm Drain - Residents	\$48,120	\$56,938	\$64,000
	<b>\$48,120</b>	<b>\$56,938</b>	<b>\$64,000</b>
<b>Sewer Revenues</b>			
Sewer Fees - Residents	\$366,567	\$445,855	\$497,000
Sewer Lateral Inspection	\$9,765	\$9,953	\$7,800
Subdivision Inspection Fees	\$0	\$350	\$500
Sewer Impact Fees - 80 Rod	\$16,439	\$16,879	\$13,500
Sewer Impact Fees - S Aqua	\$62,886	\$49,270	\$39,000
Sewer Impact Fees - TSSD	\$710,966	\$618,698	\$485,000
	<b>\$1,166,623</b>	<b>\$1,141,006</b>	<b>\$1,042,800</b>
<b>Miscellaneous Revenues</b>			
Interest Income	\$5,847	\$8,297	\$9,000
Utility Setup Fees	\$0	\$24,784	\$19,000
Transfer in from IF Reserves	\$0	\$0	\$300,000
Other Income	\$58	\$166,957	\$1,000
	<b>\$5,905</b>	<b>\$200,037</b>	<b>\$329,000</b>
<b>Total Fund Revenues</b>	<b>\$2,093,211</b>	<b>\$2,477,949</b>	<b>\$2,526,300</b>

## 2006 Fiscal Year Expenditure Projections

Account Description	FY04 Actual	FY05 Estimate	FY2006 Budget
<b>Water Expenditures</b>			
Salary & Wages (FT)	\$93,842	\$105,428	\$127,700
Overtime	\$1,697	\$2,112	\$2,200
Salary & Wages (PT)	\$3,746	\$7,964	\$7,000
Employee Benefits	\$42,445	\$49,310	\$55,000
Water Supplies	\$4,699	\$5,182	\$5,000
Dues & Subscriptions	\$50	\$1,638	\$680
Education & Training	\$3,019	\$2,524	\$2,500
Computer Expenses	\$3,550	\$2,808	\$5,000
Office Equipment	\$0	\$19	\$200
Tools & Equipment	\$3,718	\$242	\$3,000
Utilities	\$83,231	\$87,119	\$85,000
Blue Stakes	\$594	\$993	\$1,000
Communications/Telephone	\$3,000	\$2,167	\$4,000
Engineering Services	\$4,804	\$1,615	\$6,000
Professional/ Technical	\$3,060	\$5,015	\$3,000
New meter Installation	\$0	\$25,946	\$81,000
Water Purchases - AF	\$74,251	\$14,608	\$3,700
Water Purchases - PG	\$8,575	\$10,767	\$11,000
Water Testing	\$3,797	\$1,807	\$6,000
Jordan Irrigation Assessments	\$1,043	\$1,640	\$2,341
Insurance	\$7,163	\$5,765	\$6,354
Contingencies	\$56	\$37,165	\$3,000
Water Const Projects/Repair	\$6,178	\$385	\$20,000
PR Irrigation Expenses	\$0	\$334,603	\$500,000
Well Purchase/Construction	\$109,056	\$13,867	\$27,000
Reim LPL for Water Tank-Culi	\$0	\$0	\$105,000
Credit Card Fees	\$0	\$0	\$8,000
	<b>\$461,574</b>	<b>\$720,691</b>	<b>\$1,080,675</b>
<b>Storm Drain Expenditures</b>			
Storm Drain Expense	\$17,469	\$8,568	\$5,000
Storm Drain Expansion	\$111,400	\$459,348	\$5,000
	<b>\$128,869</b>	<b>\$467,916</b>	<b>\$10,000</b>

## 2006 Fiscal Year Expenditures Cont.

Account Description	FY04 Actual	FY05 Estimate	FY2006 Budget
<b>Sewer Expenditures</b>			
Salary & Wages (F T)	\$63,170	\$78,840	\$84,100
Overtime	\$1,105	\$1,536	\$1,650
Salary & Wages (P T)	\$3,011	\$6,730	\$7,000
Employee Benefits	\$28,066	\$35,859	\$41,500
Sewer Supplies	\$1,405	\$0	\$1,500
Education & Training	\$446	\$1,219	\$1,500
Contract Labor	\$0	\$0	\$2,500
Computer Expenses	\$1,500	\$2,488	\$5,000
Office Equipment	\$0	\$0	\$200
Tools & Equipment	\$912	\$0	\$3,500
Utilities	\$41	\$206	\$500
Postage	\$1,015	\$735	\$1,250
Blue Stakes	\$941	\$576	\$1,000
Communications/Telephone	\$3,000	\$1,520	\$4,000
Professional/Technical	\$1,837	\$1,418	\$1,560
Engineering Services	\$0	\$400	\$1,000
TIMP SSD Billing	\$117,777	\$213,431	\$216,000
Tim p SSD Impact Fees	\$687,129	\$575,360	\$550,000
Sewer Television Expenses	\$0	\$0	\$2,000
Insurance	\$7,163	\$5,765	\$6,354
Contingencies	\$2,340	\$8,777	\$2,500
Sewer Construction Projects	\$0	\$2,353	\$20,000
Reimburse - PRI Sewer Agreement	\$0	\$0	\$70,000
	<b>\$920,856</b>	<b>\$937,215</b>	<b>\$1,024,614</b>
<b>Non-Operating Expenditures</b>			
Interest Expense	\$0	\$0	\$3,200
Transfer to Reserve	\$0	\$0	\$34,426
Transfer to General Fund	\$18,750	\$0	\$15,000
Transfer to Capital Projects	\$0	\$0	\$300,000
Transfer to Motor Pool Fund	\$38,459	\$56,988	\$57,692
	<b>\$57,209</b>	<b>\$56,988</b>	<b>\$410,318</b>
<b>Total Fund Expenditures</b>	<b>\$1,568,509</b>	<b>\$2,182,810</b>	<b>\$2,525,607</b>

## Capital Projects Fund Summary

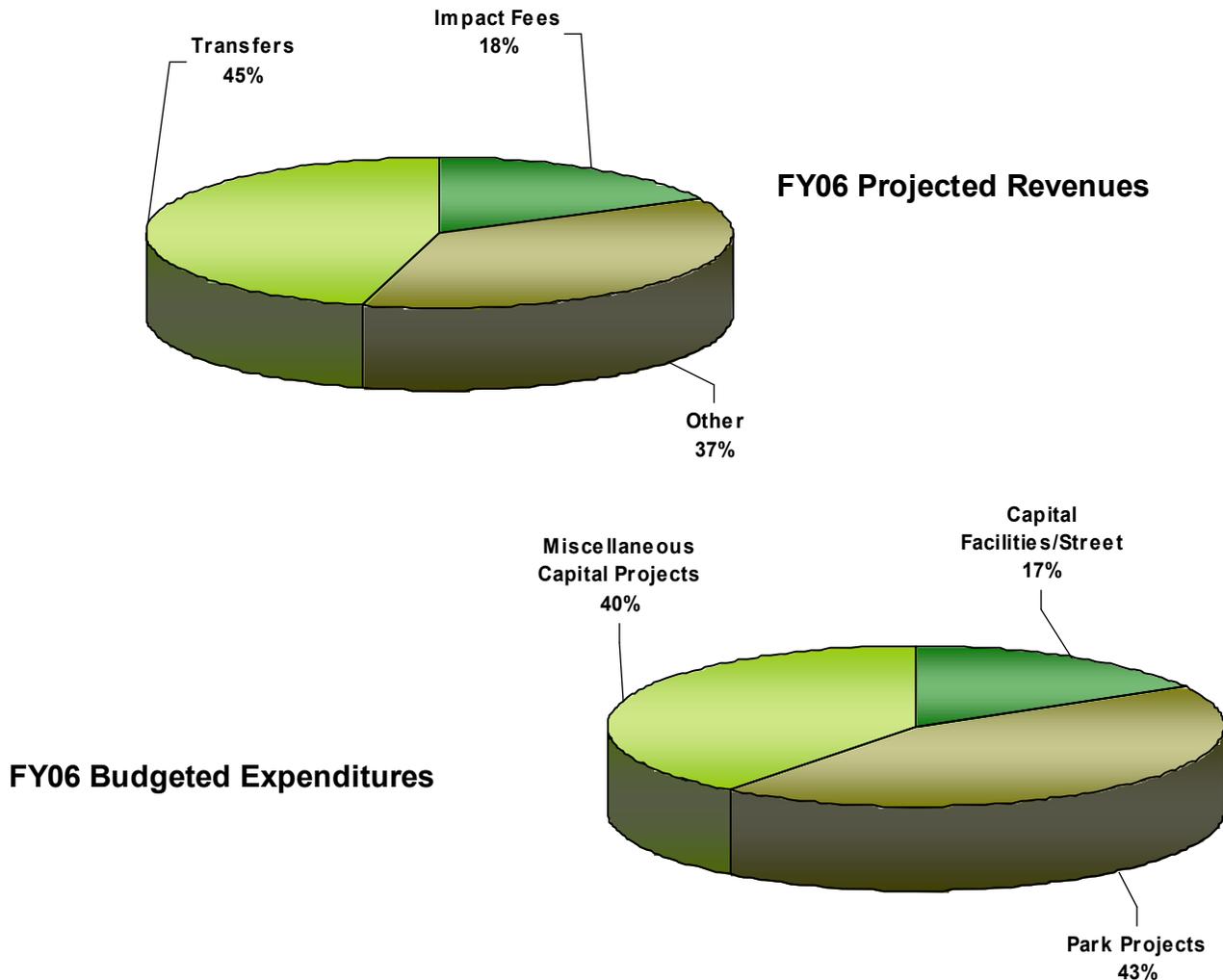


Figure CP-1

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 & 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 & Sewer funds. Thus, the Capital Projects Fund exists foremost as an accounting tool to assist the General Fund and the Water & Sewer Fund.

Because the Capital Projects Fund deals with a relatively few long-term projects of varying costs, although high, 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. The

Capital Projects Fund, then, tends to vary dramatically from year to year.

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. That funding comes from impact fees, transfers from other funds, or from financing sources.

### Revenues

Transfers to the Capital Projects Fund from another fund are comprised of earmarked revenues, reserve funds intended for a capital project, and 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. Occasionally, monies accounted for as revenues in the General Fund are earmarked revenues that are set aside for building roads, parks, etc., and must be transferred to

the Capital Projects Fund. Also, monies from reserve accounts (sometimes earmarked) are transferred into the General Fund before they are sent to the Capital Projects Fund. Finally, any excess revenues over expenditures in either the General Fund or the Water & Sewer Fund are transferred to the Capital Projects Fund before being sent to a reserve account.

### Expenditures

Some of the more significant planned capital projects expenditures include:

- \$850,000 for a new public works building
- \$375,000 for improvements on Cottonwood Dr.
- \$940,000 for the Harvey land purchase
- \$742,000 for Harvey Park improvements
- \$455,000 for Canyon Heights Park
- \$1.4 million of a new well

The following changes in operating costs are anticipated for FY'06 as a result of these capital projects:

- A net increase of \$100/month for utilities at the

Public Works Building;

- A net increase of \$90/month for cleaning the Public Works Building;
- An additional \$40/month for utilities at Canyon Heights Park;
- An additional \$70/month for grounds maintenance at Canyon Heights Park;
- An additional \$500/month for utilities for the new well.

Further explanations of capital projects expenditures planned for fiscal '06, as well as long-term capital projects plans, can be obtained from the CIP, located in Appendix A of this Budget Document.

The unreserved fund balance for the Capital Projects Fund is currently \$509,000 and is budgeted to remain so throughout the budget year. All excess revenues over expenditures are scheduled to be transferred to reserves and PTIF accounts.

## 2006 Fiscal Year Revenue Estimates

Revenue Type	FY04 Actual	FY 05 Estimate	FY2006 Budget
Impact Fees - Park Development	\$309,080	\$305,531	\$243,380
Impact Fees - Park Land	\$316,300	\$361,206	\$196,940
Impact Fees - Recreation	\$448,164	\$441,288	\$352,600
Impact Fees - Public Safety	\$134,698	\$148,582	\$98,255
Impact Fees - Streets	\$214,546	\$242,155	\$132,225
Interest Income	\$56,304	\$88,300	\$70,000
Transfers in from General Fund	\$445,967	\$159,283	\$332,883
Transfers in from W&S Fund	\$0	\$0	\$300,000
Transfers in from IF Reserve	\$0	N/A	\$2,033,913
Financing Income	\$0	\$0	\$2,075,500
<b>Total Revenues</b>	<b>\$1,925,058</b>	<b>\$1,746,344</b>	<b>\$5,835,696</b>

## 2006 Fiscal Year Expenditures Cont.

Account Description	FY 04 Actual	FY 05 Estimate	06 Budget
<b>Capital Facilities</b>			
Public Works Building	\$0	\$0	\$875,500
	<b>\$0</b>	<b>\$0</b>	<b>\$875,500</b>
<b>Street Projects</b>			
Sidewalk Projects	\$27,676	\$0	\$15,000
Turn Signal-4800 W	\$0	\$0	\$50,000
Speed Table	\$0	\$0	\$30,000
	<b>\$27,676</b>	<b>\$0</b>	<b>\$95,000</b>
<b>Park Projects</b>			
Harvey Land Purchase	\$0	\$0	\$940,000
Harvey Park - Phase 1 Improvement	\$0	\$0	\$742,400
Canyon Road Crossing Park	\$0	\$2,319	\$30,000
Hayes Park Improvement	\$0	\$0	\$100,000
Cedars West-LeDoux Land	\$0	\$0	\$75,000
Cedars West-LeDoux Improvement	\$0	\$0	\$20,000
Cedar Run-Development	\$0	\$0	\$12,000
Canyon Heights Park - Park #4	\$0	\$0	\$455,000
Bonneville Shoreline Trail Land	\$0	\$0	\$100,000
	<b>\$0</b>	<b>\$2,319</b>	<b>\$2,474,400</b>
<b>Miscellaneous Capital Projects</b>			
Prior Year Projects	\$0	\$0	\$20,000
Impact Fee Analysis	\$0	\$0	\$70,000
	<b>\$0</b>	<b>\$0</b>	<b>\$90,000</b>
<b>Water Projects</b>			
Well Purchase	\$0	\$0	\$1,480,000
			<b>\$1,480,000</b>
<b>Bond Payments</b>			
MBA Bond Payment-PSB	\$35,000	\$65,201	\$68,250
	<b>\$35,000</b>	<b>\$65,201</b>	<b>\$68,250</b>
<b>Other Uses</b>			
Transfer to IF Reserve	\$105,418	\$0	\$619,153
	<b>\$105,418</b>	<b>\$0</b>	<b>\$619,153</b>
<b>Total Fund Expenditures</b>			<b>\$5,702,303</b>

## Motor Pool Fund Summary

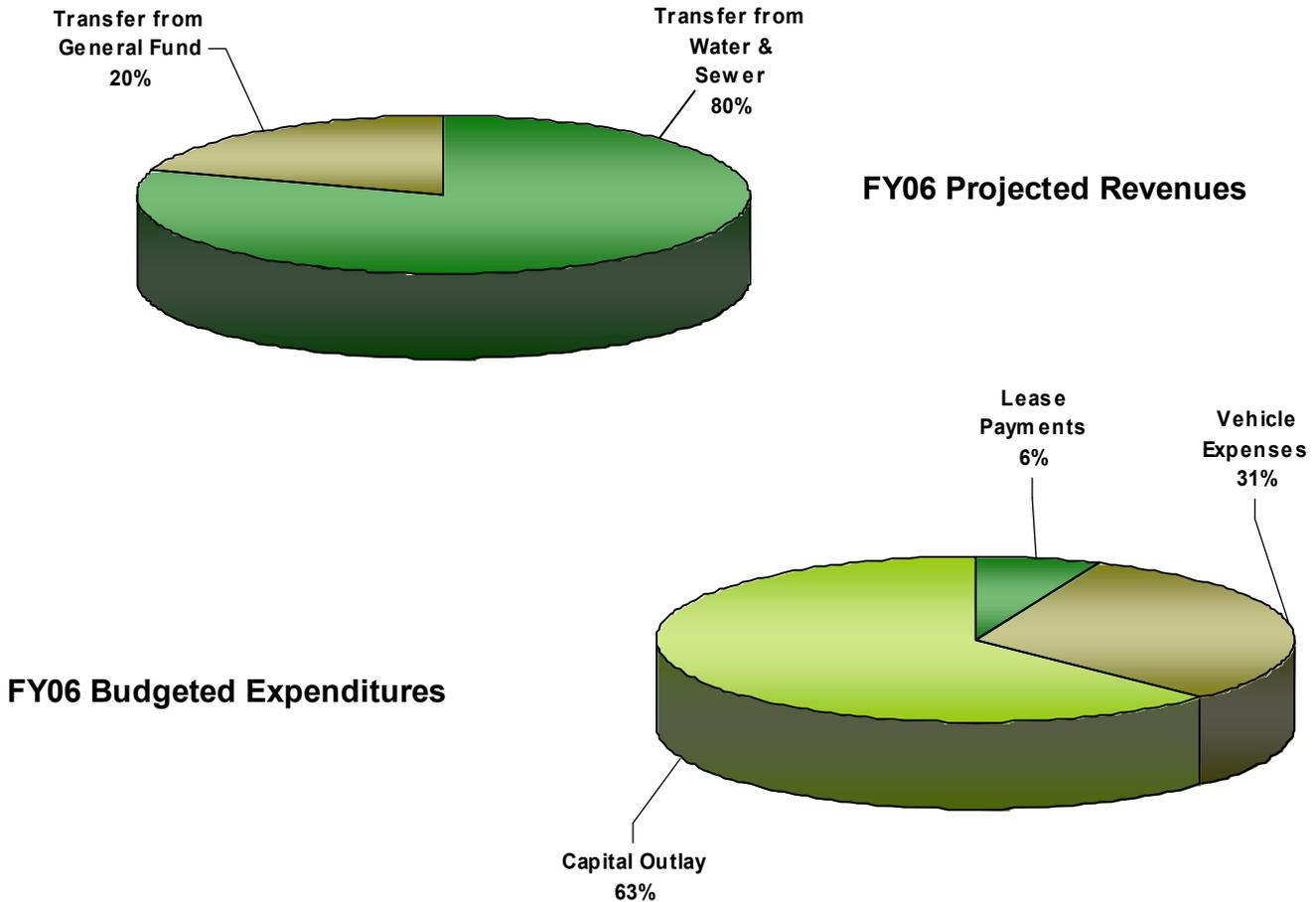


Figure MP-1

The City of Cedar Hills Motor Pool Fund accounts for the City's vehicle expenses and purchases. It accounts for vehicle maintenance, gasoline and oil purchases, and new vehicle purchases that have been approved through the vehicle replacement program. A more detailed accounting of the City's vehicle replacement pro-

gram is presented in the City Manager's Message in this Budget Document.

The City of Cedar Hills currently has a fleet of nine vehicles as well as a backhoe. For fiscal year 2006, the City has budgeted to replace two Public Works vehicles and one Building and Zoning ve-

hicle. In addition to replacing these vehicles, the City also plans to purchase a Bobtail (a small dump truck) and an office pool car.

As a governmental fund, the Motor Pool Fund is accounted for on a modified accrual basis. Hence, revenues are recognized when they are

both measurable and available, and expenditures are recognized when the related fund liability is incurred.

### **Revenues**

The Motor Pool Fund receives some of its funding through contributions from the General Fund and some from the Water & Sewer Fund. The required expenditures are determined and the burden of funding those expenditures is divided between the two 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 that analysis certain percentages are derived and assigned to the General Fund and the Water & Sewer Fund in order to establish the amount of funding

each will contribute to the Motor Pool Fund.

### **Expenditures**

The 2006 Fiscal Year Budget represents a net increase in the Motor Pool Fund of \$129,547 from the 2005 Fiscal Year Budget of \$77,704. Reasons for the drastic increase result mainly from the purchase of the Bobtail, which will increase City efficiency in the likes of snow removal and prevention of other contract labor.

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. That means that the City has enough vehicles that are suited to the tasks required of them at a minimum cost to the City. For further information about the Vehicle Replacement Schedule, see the City Manager's Message or contact the City offices.

Cedar Hills does not allow excess revenues over expenditures to roll over into the fund balance of the Motor Pool Fund. Hence, the fund balance for the Motor Pool Fund is zero and is budgeted to remain zero. There are no excess revenues over expenditures since revenues are only transferred into the Motor Pool Fund as needed to cover expenditures.

## 2006 Fiscal Year Revenue Estimates

Revenue Type	FY04 Actual	FY05 Estimate	FY2006 Budget
<b>Transfers</b>			
Transfer from General Fund	\$49,295	\$39,306	\$149,559
Transfer from Water & Sewer	\$41,778	\$38,398	\$57,692
	<b>\$91,073</b>	<b>\$77,704</b>	<b>\$207,251</b>
<b>Total Revenue</b>	<b>\$91,073</b>	<b>\$77,704</b>	<b>\$207,251</b>

## 2006 Fiscal Year Expenditure Projections

Account Description	FY04 Actual	FY05 Estimate	FY06 Budget
<b>Vehicle Expenses</b>			
Gas & Oil - Admin	\$2,500	\$3,369	\$3,000
Vehicle Maintenance - Admin	\$197	\$85	\$500
Insurance - Admin	\$552	\$705	\$1,321
Gas & Oil - Bldg/Zoning	\$1,500	\$1,670	\$1,800
Vehicle Maintenance - Bldg/Zoning	\$150	\$167	\$180
Insurance - Bldg/Zoning	\$1,159	\$1,410	\$1,450
Gas & Oil - PW	\$5,000	\$8,491	\$7,500
Vehicle Maintenance - PW	\$1,000	\$3,886	\$1,000
Insurance - PW	\$3,163	\$3,253	\$3,300
Contingency	\$0	\$0	\$1,000
	<b>\$15,221</b>	<b>\$23,035</b>	<b>\$21,051</b>
<b>Capital Outlay</b>			
Capital Outlay	\$0	\$52,302	\$166,700
Vehicle Lease Payments	\$19,412	\$18,199	\$9,500
Rent Expense	\$0	\$0	\$10,000
	<b>\$19,412</b>	<b>\$70,501</b>	<b>\$186,200</b>
<b>Total Fund Expenditures</b>	<b>\$34,633</b>	<b>\$93,536</b>	<b>\$207,251</b>



## Golf Fund Summary

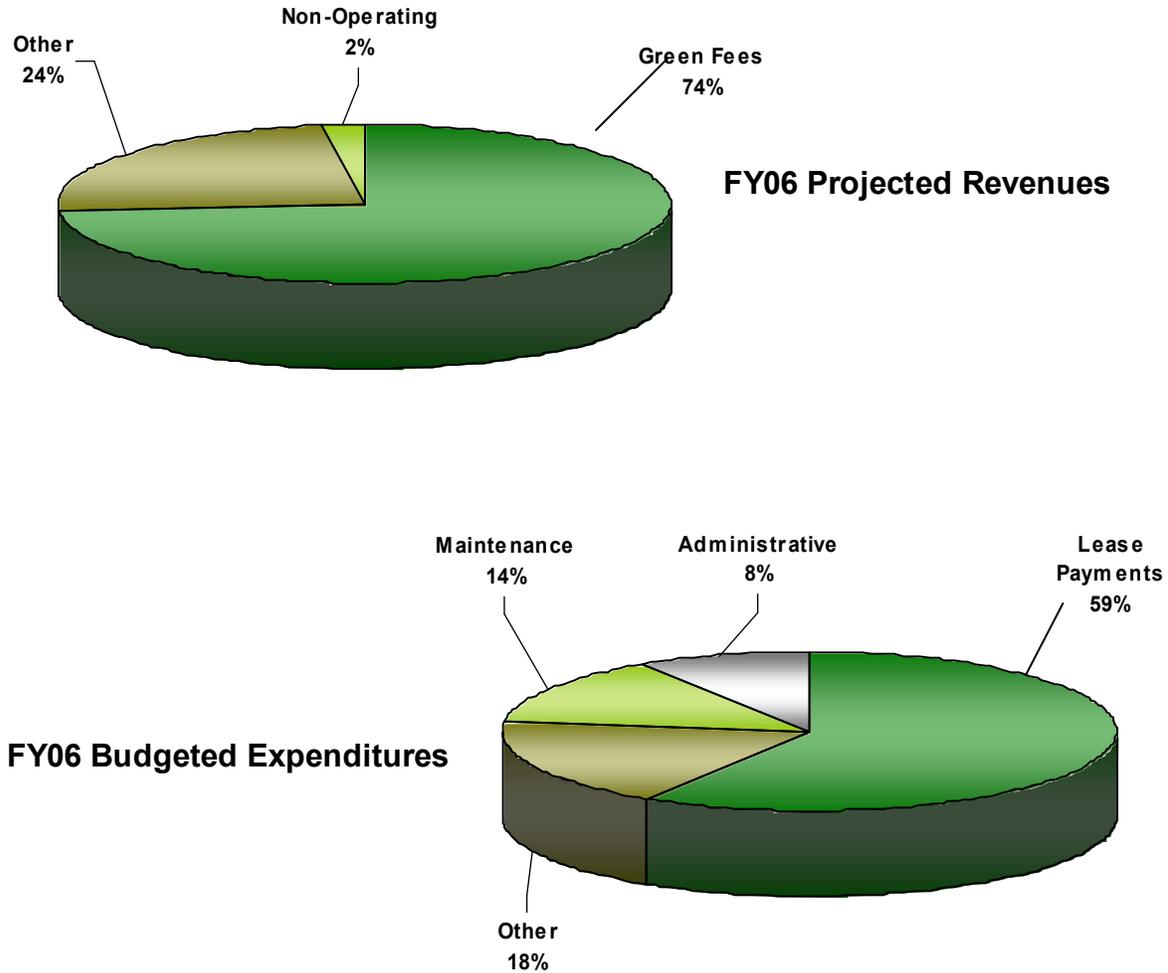


Figure GO-1

The Cedar Hills Golf Club is 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, the driving range, the pro shop and the snack bar, the Cedar Hills Golf Club also offers a reception and event rental—The Sunset Room.

The golf course is entering its third year of operation, as a result, staff enjoyed a full year of operational data to rely on

when forecasting revenues and expenditures. The projections are more accurate and realistic than prior year projections.

The City of Cedar Hills Municipal Golf Course is accounted for through the Golf Fund. All revenues related to golf and golf peripherals are received in the Golf Fund, and

any expenditures related to the maintenance, upkeep, payroll, and operations of the golf course and its peripherals are expensed out of the Golf Fund.

The Fiscal Year 2006 Budget represents a net decrease in the Golf Fund of \$17,000 or 2.7% from the Fiscal Year 2005 Estimate of \$659,103. The budget was developed to encourage efficient spending while maintaining an excellent public golf course. Significant and/or noteworthy revenue and expenditure items include the following:

### **Revenues**

**Green Fees:** This is the principal revenue in the Golf Fund as it makes up 74% of the forecasted earnings for FY06. The \$476,220 projected green

fees represents a 52% increase over the prior year estimate. The increase is due to the abolishment of tracking cart rentals separate from green fees. Revenues were projected to reflect realistic expectations. Projections from the previous year were too optimistic. Obviously, the City would benefit from the revenue projections coming in too low. Most of the revenue items such as concessions, pro shop revenue, driving range income, etc., are driven by rounds played; therefore, increased rounds equates to increases in all other revenues.

### **Expenditures**

Operationally, costs have decreased from years past. When the sum of the operational expenses and leases are

compared to the projected revenues, the golf course is projected to be in the red roughly \$90k. However, if the current bond is not restructured, the City will face an additional \$570,701 to add to the shortfall. The residents of Cedar Hills voted in June '05 to give the City the option of restructuring to a General Obligation Bond. The new bond would have a lower interest rate and more manageable semi-annual payments.

All operational expenditures have remained closely the same as Fiscal Year 2005.

As an enterprise fund for the City, the Golf Fund is budgeted and accounted for on a full accrual basis.



## 2006 Fiscal Year Revenue Estimates

Revenue Type	FY04 Actual	FY05 Estimate	FY2006 Budget
<b>G.C. Operating Revenues</b>			
Green Fees	\$332,239	\$313,719	\$476,220
Cart Rental	\$131,702	\$193,232	\$0
Practice Range	\$10,000	\$20,787	\$18,540
Pro Shop Revenue	\$9,754	\$2,769	\$1,133
Concessions	\$15,800	\$42,287	\$39,140
Season Passes	\$59,402	\$27,869	\$34,038
Tournaments	\$10,784	\$27,216	\$40,759
Sunset Room Rental	\$2,080	\$10,165	\$16,082
Other Income	\$11,146	\$600	\$480
	<b>\$582,907</b>	<b>\$633,106</b>	<b>\$626,392</b>
<b>G.C. Non-Operating Revenues</b>			
Transfer In	\$253,943	\$10,000	\$0
Interest Income	\$0	\$15,997	\$15,000
	<b>\$253,943</b>	<b>\$25,997</b>	<b>\$15,000</b>
<b>Total Fund Revenues</b>	<b>\$836,850</b>	<b>\$659,103</b>	<b>\$641,392</b>

## 2004-2005 Expenditure Projections

Account Description	FY04 Actual	FY05 Estimate	FY2006 Budget
<b>G.C. Clubhouse Payroll</b>			
Payroll - Clubhouse	\$88,651	\$109,050	\$111,550
Payroll Taxes/fees - Clubhouse	\$8,506	\$12,541	\$8,591
	<b>\$97,156</b>	<b>\$121,591</b>	<b>\$120,141</b>
<b>G.C. Maintenance Payroll</b>			
Payroll - Maintenance	\$172,972	\$154,247	\$162,584
Payroll Taxes - Maintenance	\$16,903	\$15,171	\$17,072
Miscellaneous	\$1,000	\$1,448	\$1,000
	<b>\$190,875</b>	<b>\$170,867</b>	<b>\$180,656</b>
<b>Clubhouse Expenses</b>			
Supplies	\$1,147	\$6,031	\$6,000
Utilities	\$9,434	\$11,109	\$16,380
Miscellaneous Expenses	\$1,497	\$4,984	\$2,220
Concessions	\$9,168	\$34,523	\$30,000
Credit Card Expenses	\$6,250	\$9,125	\$6,250
	<b>\$27,495</b>	<b>\$65,772</b>	<b>\$60,850</b>

## 2006 Fiscal Year Expenditures Cont.

Account Description	FY04 Actual	FY05 Estimate	FY2006 Budget
<b>Golf Course Operating Expense</b>			
GC Repairs/Maintenance/Misc	\$32,645	\$88,236	\$28,584
Fertilizer & Chemicals	\$31,308	\$30,336	\$29,250
Water & Pumping Costs	\$22,287	\$21,892	\$28,872
Petroleum/Oil	\$10,982	\$7,769	\$9,672
Equipment Repair/Replacement	\$18,139	\$16,600	\$16,500
Equipment Rental	\$35,768	\$1,196	\$4,855
	<b>\$151,127</b>	<b>\$166,029</b>	<b>\$117,733</b>
<b>Management Expense s</b>			
Supplies/Dues/Subscription	\$4,052	\$4,066	\$3,700
Printing	\$1,598	\$429	\$2,500
Travel/Training	\$601	\$218	\$1,600
Licenses/Fees	\$3,373	\$2,709	\$3,500
Computers/Phones	\$5,739	\$4,435	\$5,500
Advertising	\$46,659	\$33,741	\$40,000
	<b>\$62,023</b>	<b>\$45,599</b>	<b>\$56,800</b>
<b>Miscellaneous Expense s</b>			
Restroom Water Hookup	\$10,000	\$10,000	\$0
	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$0</b>
<b>Total Operating</b>	<b>\$538,677</b>	<b>\$569,858</b>	<b>\$536,180</b>
<b>Non Operating Expense s</b>			
Cart Barn & Events Tent Lease	\$42,922	\$46,677	\$46,668
Clubhouse Lease Payment	\$22,205	\$27,064	\$25,872
Cart Lease payment	\$0	\$8,326	\$48,450
Maintenance Equipment Lease	\$0	\$13,641	\$75,500
MBA Bond 2001	\$210,442	\$329,390	\$570,701
	<b>\$275,569</b>	<b>\$425,098</b>	<b>\$767,191</b>
<b>Total Expenditures</b>	<b>\$814,246</b>	<b>\$1,004,956</b>	<b>\$1,303,371</b>









# CAPITAL IMPROVEMENTS PLAN

## FISCAL YEAR 2006

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- Appendix I Summary of Projected Needs vs. Resources
- Appendix II Project Descriptions
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## PURPOSE IN VIEW

The City of Cedar Hills' Capital Improvements Plan 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 2 to 6 year time period, and the long-range horizon of projects undertaken and/or completed within a 7 year or greater time period. The CIP plans for all major capital purchases and/or projects for both the General Fund and the Water/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/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:

- 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; and
- 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, with the deletion of the "prior year" and the addition of a new planning year, in order to maintain the full time frame of the program. 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 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 is 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.

## PLANNING SCHEDULE FOR CAPITAL IMPROVEMENTS

The City's proposed schedule of planning for capital improvements is as follows:

January	Preliminary planning session with Mayor, City Manager, and key staff.
March	Summary of preliminary capital improvement requests prepared by City Manager and submitted to City Council.
April	Mayor, City Manager, and key staff complete project review. Tentative approval by City Council
June	CIP submitted to the City Council for final approval.

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, property taxes, etc.). Prioritization is based on two factors:
  - a.) Is the project one which will be undertaken in the current fiscal year, within the two to six year horizon, or within the seven year+ horizon? What are the estimated dates of construction?
  - b.) 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 that includes a capital budget for the coming year and a capital plan for the two to six year horizon and the seven year+ horizon. 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 that will then be accepted by the City Council. This plan will become the document that helps direct the City in future capital facility projects.

## SHORT RANGE HORIZON

Projects to be completed during the 2006 Fiscal Year

### Capital Projects

#### Facilities

##### **1. Public Works Facility - Building**

A 2 acre public works storage/maintenance facility that includes a small office area (2-3 offices), bays and a shop/warehouse area. Used to service/store City equipment and vehicles. Base of operations for Public Works, including water and sewer functions. City has 2-3 sites in mind of where to put the building.

- a.) Cost of Construction in FY2006

\$875,500

- b.) Sources of Funding

\$875,500 from bond/loan proceeds. Repaid through franchise fees and water & sewer fund sources.

- c.) Need for Project

Current facilities are too small to house all of the public works supplies and equipment. This will also help in extending life of the Public Safety Building which is at capacity.

#### Parks

##### **2. Harvey Park - Land Acquisition**

Approximately 12 acres in size, this park will include major recreation facilities such as baseball diamonds, soccer fields, etc. Cost includes \$75,000/acre for land.

- a.) Cost of Acquisition in FY2006

\$939,360

- b.) Sources of Funding

\$939,360 from Park Land Impact Fees

- c.) Need for Project

Along with providing open space, beautification, recreation opportunities and improving residents' quality of life, this will help the City meet its park element objective as outlined in the General Plan and Parks & Trails Master Plan. The current level of service in the General Plan requires 44 acres of park land (5.5 acres of park per 1,000 residents; current population is 7,943 residents.) Currently there are approximately 26.5 acres of park leaving the City with a current deficiency of 17.5 acres.

##### **3. Harvey Park Development 1**

Project includes development 12 acres of Park. Development cost of \$60,000/acre

- a.) Cost of Project in FY2006

\$741,600

- b.) Sources of Funding

\$656,000 from Park Development Impact Fees and \$86,400 from General Fund

- c.) Need for Project

Along with providing open space, beautification, recreation opportunities and improving residents' quality of life, this will help the City meet its park element objective as outlined in the General Plan and Parks & Trails Master Plan. The Harvey Park is proposed to be a 12 acre sports park.

**4. Canyon Road Crossing Park**

Project includes landscaping and improving land along pedestrian trail that crosses under Canyon Road at Bayhill Drive

a.) Cost of Project in FY2006

\$30,000

b.) Sources of Funding

\$30,000 from Park Development Impact Fees

c.) Reasons for Project

This will beautify the land around the trail crossing which is visible along one of the City's main collectors. This land was traded for another small lot the City owned for a pocket park.

**5. Hayes Park Improvement**

Improving Hayes Park

a.) Cost of Project in FY2006

\$100,000

b.) Sources of Funding

\$100,000 from Park Development Impact Fees

c.) Reasons for Project

To beautify Hayes Park

**6. Cedars West-LeDoux Land**

Buying land for Cedars West-LeDoux

a.) Cost of Project FY2006

TBA

b.) Sources of Funding

TBA from Park Land Impact Fees

c.) Reasons for Project

To beautify Cedars West

**7. Cedars West-LeDoux Improvement**

Improving Cedars West-LeDoux

a.) Cost of Project FY2006

\$20,000

b.) Sources of Funding

\$20,000 from Park Development Impact Fees

c.) Reasons for Project

To beautify Cedars West

**8. Cedar Run-Development**

Developing Cedar Run

a.) Cost of Project FY2006

\$12,000

b.) Sources of Funding

\$12,000 from Park Development Impact Fees

c.) Reasons for Project

To develop Cedar Run

**9. Canyon Heights Park - #4**

Developing Canyon Heights Park

a.) Cost of Project FY2006

\$455,000

b.) Sources of Funding

\$455,000 from Park Development Impact Fees

c.) Reasons for Project

To develop Canyon Heights Park

## **10. Bonneville Shoreline Trail Land**

Development for Bonneville Shoreline Trail

- a.) Cost of Project FY2006  
\$100,000
- b.) Sources of Funding  
\$100,000 from Park Land Impact Fees
- c.) Reasons for Project  
To create Bonneville Shoreline Trail

## **Miscellaneous**

### **11. Sidewalk Projects**

For miscellaneous curb, gutter and sidewalk projects (\$17.65/sq.ft.).

- a.) Cost of Project FY2006  
\$15,000
- b.) Sources of Funding  
\$15,000 from General Fund
- c.) Reasons for Project  
Beautifies city, storm water alleviation, safety, ADA Compliance

### **12. Impact Fee Analysis**

Analyze the City's future impact fees

- a.) Cost of Project FY2006  
\$70,000
- b.) Sources of Funding  
\$10,000 from each Impact Fee
- c.) Reasons for Project  
To improve the City's impact fee analysis

### **13. Turn Signal – 4800 W.**

Create a turn signal at 4800 W.

- a.) Cost of Project FY2006  
\$50,000
- b.) Sources of Funding  
\$50,000 from B&C Road
- c.) Reasons for Project  
To improve the City's road safety

### **14. Speed Table**

Put in a speed table

- a.) Cost of Project FY2006  
\$30,000
- b.) Sources of Funding  
\$30,000 from B&C Road
- c.) Reasons for Project  
To improve the City's road safety

## **Water & Sewer Fund Projects**

### **Water**

#### **1. Well Purchase**

This will entail the purchase of an existing well or the construction of a new one

a.) Cost of Construction in FY2006

\$1,200,000

b.) Sources of Funding

\$280,000 from Well & Source Development Impact Fees for cost of financing, \$1,200,000 from bond proceeds

c.) Reasons for Project

Provide City with an additional water source, increasing redundancy and reliability and decreasing our dependency on others.

**MID-RANGE HORIZON**  
Projects to be completed between 2007 and 2011

**Capital Projects Fund**

<u>Project</u>	<u>Date</u>	<u>Total Cost</u>
Cemetery-Phase 1	2007	\$ 400,000
Community Center (City Hall, Rec Center, Pool, Library)	2009	\$5,071,824
Oak Road/Sage Road Park Land	2009	\$ 200,000
Oak Road/Sage Road Park	2009	\$ 115,927
Public Safety Building Remodel	2010	\$ 585,086
Harvey Blvd. Widening	2011	<u>\$ 491,950</u>
	TOTAL	<b>\$6,864,787</b>

**Water/Sewer Fund**

<u>Project</u>	<u>Date</u>	<u>Total Cost</u>
Canyon Road 1 Sewer Line	2007	\$ 101,296
Telemetry System (Remaining)	2007	\$ 25,535
4000 West Sewer Line	2010	<u>\$ 246,691</u>
	TOTAL	<b>\$ 373,522</b>

**Summary of Uses Table**

	2007	2008	2009	2010	2011	Totals
Gen. Fund	\$385,000	\$0	\$109,200	\$ 173,668	\$ 133,760	\$ 801,628
Cap Proj Fd	\$ 15,000	\$0	\$800,800	\$3,647,847	\$ 979,596	\$5,443,243
Financing	\$0	\$0	\$0	\$1,566,036	\$0	\$1,566,036
Water/Sewer	\$0	\$126,831	\$0	\$0	\$246,691	\$ 373,522
<b>TOTALS</b>	<b>\$400,000</b>	<b>\$126,831</b>	<b>\$910,000</b>	<b>\$5,387,551</b>	<b>\$1,360,047</b>	<b>\$8,184,429</b>

**LONG-RANGE HORIZON**  
Projects to be completed after 2011

The projects planned for the Long-range Horizon do not have a timetable for completion. Rather, they are a plan of long-range projects that are foreseen to be constructed in the future when the need exists and resources are available.

**Capital Projects Fund**

**Current Dollars**

Hayes Annexation Park - Park #8 - 10 Acres	\$ 907,554
NorthEast Bench Park - Park #9 - 4 Acres	\$ 181,511
Cemetery Phase II	<u>\$ 242,014</u>
TOTAL	<b><u>\$1,331,079</u></b>

Inflation rate 3%

**Streets**

Harvey Blvd. Widening  
 Sidewalk Projects  
 Turn Signal-4800 W  
 Speed Table

Est. Cost 7/1/2004	Construction Year	Construction Cost	Funding Source(s)						
			Franchise	B&C	Impact Fees	Fund Bal.	Finance	Storm Fees	Other
\$ 400,000	7/1/2011	\$ 491,950			\$ 432,916	\$ 59,034			
\$ 15,000	<b>7/1/2005</b>	\$ 15,000				\$ 15,000			
\$ 50,000	<b>7/1/2005</b>	\$ 50,000		\$ 50,000					
\$ 30,000	<b>7/1/2005</b>	\$ 30,000		\$ 30,000					

**Facilities**

Public Works Facility - Building  
 Community Center  
 Public Safety Building Remodel

Acres

\$ 850,000	<b>7/1/2005</b>	\$ 875,500					\$ 875,500		
\$ 4,375,000	7/1/2009	\$ 5,071,824			\$ 3,369,820	\$ 135,768	\$ 1,566,036		
\$ 490,000	7/1/2010	\$ 585,086			\$ 514,876	\$ 70,210			

**Parks**

Harvey Park Land  
 Harvey Park - Park Development 1  
 Canyon Road Crossing Park  
 Hayes/Savage Annexation Park Land  
 Hayes Park Improvement  
 Cedars West-LeDoux Land  
 Cedars West-LeDoux Improvement  
 Cedar Run-Development  
 Canyon Heights Park - Park #4  
 Bonneville Shoreline Trail Land  
 Oak Road/Sage Road Park Land  
 Oak Road/Sage Road Park - Park #7  
 Hayes Annexation Park - Park #8  
 Northeast Bench Park - Park #9

Acres

12.0	\$ 912,000	<b>7/1/2005</b>	\$ 939,360		\$ 940,000				
	\$ 720,000	<b>7/1/2005</b>	\$ 741,600		\$ 656,000	\$ 86,400			
	\$ 30,000	<b>7/1/2005</b>	\$ 30,000		\$ 30,000				
14.0	\$ 750,000	7/1/2004	\$ 750,000		\$ 750,000				
	\$ 100,000	<b>7/1/2005</b>	\$ 100,000		\$ 100,000				
		<b>7/1/2005</b>							
	\$ 20,000	<b>7/1/2005</b>	\$ 20,000			\$ 20,000			
	\$ 12,000	<b>7/1/2005</b>	\$ 12,000			\$ 12,000			
5.0	\$ 455,000	<b>7/1/2005</b>	\$ 455,000		\$ 455,000				
	\$ 100,000	<b>7/1/2005</b>	\$ 100,000		\$ 100,000				
3.0	\$ 200,000	7/1/2009	\$ 200,000		\$ 200,000				
	\$ 100,000	7/1/2009	\$ 115,927		\$ 102,027	\$ 13,900			
14.0	\$ 600,000	7/1/2018	\$ 907,554		\$ 798,647	\$ 108,907			
2.0	\$ 120,000	7/1/2018	\$ 181,511		\$ 159,730	\$ 21,781			

**Miscellaneous**

Impact Fee Analysis  
 Cemetery-Phase 1  
 Cemetery (remaining)

\$ 70,000	<b>7/1/2005</b>	\$ 70,000		\$ 70,000					
\$ 400,000	7/1/2006	\$ 400,000	\$ 15,000			\$ 205,000			\$ 180,000
\$ 160,000	7/1/2018	\$ 242,014							\$ 242,014

**Water**

Well Purchase  
 Telemetry System (Remaining)

\$ 1,200,000	<b>7/1/2005</b>	\$ 1,200,000		\$ 280,000		\$ 1,200,000			
\$ 23,368	7/1/2007	\$ 25,535				\$ 25,535			

**Sewer**

Canyon Road 1 Sewer Line  
 4000 West Sewer Line

\$ 92,700	7/1/2007	\$ 101,296		\$ 94,205	\$ 7,091				
\$ 206,600	7/1/2010	\$ 246,691		\$ 246,691					

TOTALS	\$ 12,556,668		\$ 14,032,847	\$ 15,000	\$ 80,000	\$ 9,374,912	\$ 780,626	\$ 3,641,536	\$ -	\$ 422,014
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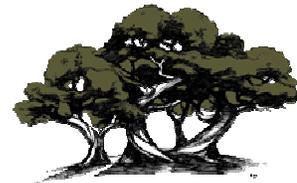
**CIP Appendix I—Projected Needs vs. Resources**







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



CEDAR HILLS

### **Financial Planning Policies**

**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 the 21<sup>st</sup> of June. 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 that limits total bond obligation to 12% of the prior year 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 10% (not to exceed 18%) 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 10% 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 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 \$25K 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.

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 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 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 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 livelihood 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.

Nestled at the mouth of American Fork Canyon, people find the quiet, rural setting a relaxing place to raise their families. The City offers an extensive pedestrian trail system, linking its many parks and open spaces. The 18-hole Cedar Hills Golf Club opened in August 2003.

## Historical Notes

### 2002 - Present

- Pressurized Irrigation contract awarded to Xcavate in the amount of \$222,652.96.
- Bid awarded to Sterling Codifiers.
- Preliminary study funds appropriated for participation in UTOPIA.
- Lease of golf course reviewed.
- Sunset Park bid awarded to Premier Excavation.
- Water Conservation ordinance adopted.
- Grant approved for matching funds to construct a portion of the Bonneville Shoreline Trail.

- Cedar Hills awarded the Distinguished Budget Award from the GFOA.
- Harvey Blvd West bid granted to Premier Excavation in the amount of \$56,647.
- Final approval granted to the Lexington Heights Office Park/Assisted Living Center, Cedar Hills' first commercial buildings.
- Citizen Initiative Petitions placed on the ballot.
- Traffic calming improvements along 4600 West approved in the amount of \$60,631.
- Contract awarded to Jay Diggs to construct the Pressurized Irrigation Project in the amount of \$1,260,254.
- Public Hearing set for Walmart proposal.
- Youth City Council formed.
- Cedar Hills appropriates funds to participate in the North Utah County Choir.
- Utility Fee Waiver for active military personnel approved.
- Allocation of funds and matching grant approved to construct portions of the Bonneville Shoreline Trail.
- Funds allocated to participate in the Alpine City Family Focus Days.
- Premises Occupations approved.
- Purchase of five acres of park land in Canyon Heights.
- City continues participation as a non-pledging city in UTOPIA.
- Issuance authorized for \$6 million water revenue bond.
- Proposal for Secondary Water Feasibility Study accepted from Gilson Engineering.
- Utah Power requests conditional use to install electrical substation.
- Initiative Petition regarding bonding put on ballot for public vote.
- Initiatives regarding 2002 Tax Rate and Certified Tax Rate put on the General Election Ballot. Later, 2002 Tax Rate Initiative removed from consideration.
- Golf course clubhouse site work started by Layton Construction.
- Design and construction of Forest Creek Trail begins.
- Jay Diggs Co. begins construction of Pressurized Irrigation Project 2003.
- Development of new City Web site funded.
- Harvey Boulevard East construction approved.
- Site plan for LDS Stake Center at 4600 West/Cedar Hills Drive granted.
- City Recorder Kim Holindrake receives Certified Municipal Clerk designation.

**1997 - 2001**

- Transportation and Non-Motorized Trails elements approved in the General Plan.
- Commercial Development Standards and Resolution approved.
- Letter of Intent drafted to acquire property at the corner of Cedar Hills Drive and Canyon Road for a Public Safety Building.
- Heritage Park improvements completed.
- Public Safety Master Plan started.
- Police report given stated 213 calls to Cedar Hills in 1998.
- Parks/Trails Advisory Committee bylaws and charter adopted.
- Cedar Hills unanimously approved to become part of the Public Safety District with Alpine and Highland.
- Full-time building inspector position hired.
- Contract with American Fork police authorized.
- Land Exchange Agreement signed for Public Safety Building property.
- Additional Council seat filled due to Cedar Hills becoming a Third-Class City.

- Public Safety Building construction begins.
- School marquee approved at Cedar Ridge Elementary School.
- Hubble Design Group accepted to complete the Commercial District Master Plan.
- Cedar Hills Library Committee established.
- Lone Peak Public Safety District makes application for paramedic-level service.
- American Fork City extended invitations to Cedar Hills, Highland and Alpine to participate in a library district.
- Resolution approved creating a citizen advisory Technology Committee.
- Lease/Financing approved for the Harvey Well and sewer improvements.
- Review of THK, Inc. feasibility study relative to the golf course.
- West Cedar Hills Drive improvement project approved in the amount of \$545,931 (\$372,000 Class "C" road funds and \$89,000 of Street Impact Fee).
- Hiring approved for paramedics for Lone Peak Public Safety District.
- Authorization given to move forward relative to the MBA golf course bond election.
- Funds to pay for 1/3 cost of the traffic light at 4800 West and Cedar Hills Drive approved.
- Hiring of City Engineer approved.
- Special Golf Course Lease Revenue Bond Election results reviewed. 56% in favor of proceeding with the City owning the golf course.
- Ordinance adopted establishing Campaign Financial Disclosure Requirements for Candidates.
- New England style approved for the LDS church located at 4600 West Cedar Hills Drive.
- Participation offered to Cedar Hills in the Miss Timpanogos Pageant, to include Alpine, Highland and Cedar Hills.
- Resolution adopted to participate in UTOPIA (Fiber-optic system) preliminary study.
- Completion of Cedar Hills Golf Club, a 6,700 yard, 18-hole, par 72 golf course situated at the mouth of American Fork Canyon.
- Pressurized irrigation implemented, bringing City's storage of water from 1.5 million gallons to over 13 million gallons.
- Clafin Associates approved to complete design and construction documents for Sunset and Forest Creek Park, Phase 1.
- Hayes Annexation Agreement approved.
- Funds approved to pay for 1/3 of the cost of the traffic light at 4800 West/Cedar Hills Drive.
- Special Golf Course Lease Revenue Bond election held. 56% voted in favor of proceeding with the City owning the course.
- Public Safety Building Park name approved as Heiselt's Hollow Park.
- Sear-Brown approved as traffic-calming consultant for 4600 West neighborhood.
- Library card reimbursement approved.

**1992 - 1996**

- Manila Water issues - Town intends to stay with 300 connections but maintain the philosophy to have their own system at some point.
- Trash recycling reviewed.
- Town to be annexed into district for UTA.
- 20% of law enforcement calls are dog-related.
- Youth Council sworn in.
- 76-lot subdivision proposed.
- Park to be completed by June 1994.
- Moratorium lifted on water with work proceeding on new tank.
- Park completion eminent with Mayor heading the volunteers and mowing the grass.
- Planning Commission begins work on Street Plan.

- Concern of having an east- west corridor in the Town.
- First full-time employee hired.
- Timpanogos Special Service District (sewer treatment) considers conditions for Cedar Hills becoming a member.
- Support in creating Parks/Trails Master Plan.
- Alpine School District requests water and sewer connection for Lone Peak High School, which was to go out to bid in January 1996.
- Agreement signed to join Alpine and Highland in establishing Mountain Ridge Community Library.
- Magnolia tree planted in the park in memory of the Oklahoma City bombing victims.
- Discussion about implementing Impact Fees.
- Joint meeting with Pleasant Grove City Council regarding common boundary.
- Development of the Bonneville Trail.
- Discussion of construction of an additional one-million gallon water tank.
- Cedar Hills General Plan and Zoning Ordinances approved.
- Discussion of construction of an elementary school on Cedar Hills Drive.
- Office trailer suggested.
- Water tank nearly completed.
- Town is accepted as member of Timpanogos Special Service District.
- Consider change in Town logo.

#### 1987 - 1991

- Resident expresses dissatisfaction with the Town meetings as being uninteresting, tedious and not inviting to the citizenry generally.
- Installation of clustered mailboxes completed.
- North Meadows Annexation approved.
- Resident suggested that Town needs to have newsletter, flyers, publicity, Welcome Wagon and Town Hall.
- Presentation of \$1,000 check given to Pleasant Grove Library. Mayor expressed pleasure in the reception and felt this to be a turning point in the Town's relationship with Pleasant Grove.
- Interlocal agreement signs for county-wide funding of the Enhanced 911.
- Request was made to allow horses to be kept in the lagoon area. The request was denied unless approved by the State Health Department.
- Discussion of mandatory garbage services was adopted at a cost of \$9.50 per month.
- July 24th celebration to include: flag raising, continental breakfast, speeches and songs, hot air balloon, golf tournament, parade, pie-eating contest, games, bake sale, pony rides, melodrama and street dance.
- Resident concerns voiced regarding vacant lots, motor bikes being driven on vacant lots, loud music, and watering restrictions due to a broken pump.
- Secondary irrigation system discussed.
- Review of whether to install street lights or not.
- Funds approved for City computer and software.
- Law enforcement and animal control approved through County.
- Cable TV franchise lease dissolved.
- National Guard continues grading of park.

**1982 - 1986**

- Discussion regarding a fire station.
- Considerable discussion regarding extending Cedar Hills Drive to the Training School Road to facilitate contract for Town fire service.
- Discussion of removing existing speed bump on Cedar Hills Drive and installing stop signs. Extensive concern about children playing in the street; discussion of installing speed limit signs. Sheriff was asked to ticket speeding on Cedar Hills Drive twice a month.
- Citizens raised concerns about burning of weeds and grasshoppers. Later decided that burning of insects is no longer permitted.
- General Obligation Bond for Proposition #1 Firehouse/Town Hall \$80,000 and Proposition #2 Cedar Hills Drive Completion \$50,000 considered. Proposition #1 Vote: 49 For 97 Against - Failed. Proposition #2 Vote: 67 For 80 Against - Failed.
- Town Clerk requested that the records of the Town be prepared to be on the computer and also microfilmed in the State Micro-filming Program.
- Town considered purchasing a vacant building in Lehi and relocating it to Cedar Hills to be used as Town hall.
- Request from Mayor Wilson of Salt Lake City was denied for funds to study whether the Winter Olympics would be held in Utah.
- Council authorizes Mayor to purchase typewriter, not to exceed \$400.
- Petition submitted by residents to request that 9600 North remain unsanded on icy days to allow for sleighing - petition refused.
- Mayor requested that elected official compensation be voluntarily forfeited until March 31, 1986 and donated back to Town funds to maintain a balanced budget. If funds were not needed they would be designated for the Capital Improvement Funds.
- Mr. Smart approached Planning Commission regarding a request for rezoning of 47 acres west of the lagoons to Training School Road. Council approved property zone as SC-1 Commercial Zone.
- Due to lack of support, the proposal to hold two Council meetings per month was dropped.
- Residents asked Town Council to review options for recreational programs for Cedar Hills children.
- County resident asked if annexing into Cedar Hills would allow her home to be re-zoned for a mini-mall.

**1977 - 1981**

- Cedar Hills incorporated November 2, 1977. Thirty-one occupied homes at the time.
- Concern regarding sufficient water supply for the future.
- Council urged to adhere to high building standards and wise planning.
- Pleasant Grove City offers use of their City Council room for meetings.
- Discussion of need to hire part-time secretary and establishing regular office hours.
- Issues which were discussed: police protection, water wells, water problems, street maintenance, crushing plant at the mouth of American Fork Canyon.
- Discussion of Mayor and Council salaries to be \$1.00 per year.
- Rumors circulating about law suits.
- Animal control officer hired and his pay was raised to \$5 per hour. Tranquilizer gun purchased. Position was terminated one month later.
- Adverse feelings from area and townspeople to change the name of Cedar Hills to something else to rid city of stigma.
- Highland rejects proposal to adjust annexation declaration to consider matching Cedar Hills' north border; law suit by lower Manila residents; American Fork considers annexations at south border.
- Borrowing money from Water/Sewer fund for General Fund opposed by residents.
- Pro's and con's of small town discussed.
- Discussion of proposed annexation to American Fork.
- Town's "War on Weeds" foiled by rain.

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 exceed 8,000 residents during 2006. 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

**Cedar Hills Population as of 6/1/2005:** Est. 7,881

**Number of Residential Dwellings as of 6/1/2005:** 1,775 residences @ 4.44 per household

**Altitude:** 5,280 ft.

The topography 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 ft., 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 at the Cedar Hills Golf Club is named the Mile High hole because it (#14) is actually at 5,280 ft. above sea level.

**Zip Code:** 84062

The Pleasant Grove Post Office services the City of Cedar Hills.

**Area Code:** 801

**Time Zone:** Mountain Time Zone.

**Utah House Representative:** Craig A. Frank

**Utah Senate Representative:** John L. Valentine



**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.

**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.

**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.

**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, street maintenance, and records storage).

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

**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, which includes 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.

#### ACRONYMS

<b>CIP</b>	Capital Improvement Plan
<b>FA</b>	Finance Assistant
<b>FTE</b>	Full Time Equivalent
<b>FY</b>	Fiscal Year
<b>GAAP</b>	Generally Accepted Accounting Principles
<b>GASB</b>	Governmental Accounting Standards Board
<b>GFOA</b>	Government Finance Officers Association
<b>IF</b>	Impact Fee
<b>MBA</b>	Municipal Building Authority
<b>PI</b>	Pressurized Irrigation
<b>PTIF</b>	Public Treasurers Investment Fund

