



HIGHLAND CITY

HIGHLAND CITY COUNCIL WORK SESSION MINUTES

Tuesday, March 22, 2022

Approved May 17, 2022

Highland City Council Chambers, 5400 West Civic Center Drive, Highland Utah 84003

VIRTUAL PARTICIPATION



YouTube Live: <http://bit.ly/HC-youtube>



Email comments prior to meeting: council@highlandcity.org

7:00 PM WORK SESSION

Call to Order – Mayor Kurt Ostler

The meeting was called to order by Mayor Kurt Ostler as a work session at 7:02 pm. The meeting agenda was posted on the *Utah State Public Meeting Website* at least 24 hours prior to the meeting.

PRESIDING: Mayor Kurt Ostler

COUNCIL MEMBERS

PRESENT: Timothy A. Ball, Brittney P. Bills, Sarah D. Petersen (virtually), Kim Rodela, Scott L. Smith

CITY STAFF PRESENT: City Administrator/Community Development Director Nathan Crane, Assistant City Administrator Erin Wells, City Engineer Andy Spencer, City Recorder Stephannie Cottle, Finance Director Tyler Bahr

OTHERS PRESENT: Jon Hart, Tavis Timothy

1. DISCUSSION: FISCAL YEAR EXPENDITURES AND UPDATE ON CURRENT AND UPCOMING CONSTRUCTION PROJECTS

The City Council will discuss the expenditures and construction projects for the remaining fiscal year. This item is being presented for discussion only. No formal action will be taken.

Finance Director Bahr presented a handout titled ‘fund analysis’ and used the aid of a PowerPoint presentation to summarize current fund balances in various funds in the City’s Fiscal Year (FY) 2022 budget. Administration has identified a need of \$904,988 in the general fund to cover expenses initially understated in the budget pertaining to the City’s assessment from Lone Peak Fire District. Staff has reviewed revenue projections and identified contingencies and expenses that can be postponed. This includes Public Works equipment (\$120,000), the General Plan update project (\$75,000), FY22 allocation to trees (\$150,000), and FY22 allocation

to playground (\$150,000). He indicated he has identified unplanned revenue totaling \$932,000 as follows:

- FY2021 sales & property tax – \$384,000
- FY2022 projected surplus – \$248,000
- FY2022 sales tax – \$300,000

Additionally, \$150,000 for playground allocation will come instead from the Parks Capital Fund. This will free up money that was originally budgeted in the General Fund. Mr. Bahr then revisited the expenditures that have been placed on hold and stated staff needs direction from the Council regarding which items to move forward with.

- Public Works equipment purchases (skid steer or Jacobsen mower) - \$120,000
- General Plan update - \$75,000
- FY22 allocation to trees - \$150,000

The Council asked for an explanation of the equipment purchases and they concluded to support the purchase of the Jacobsen mower this year with plans to purchase the skid steer next year. They also discussed the tree replacement plan, with a focus on the number of trees to be replaced and what is causing the trees to die. Public Works Director Spencer stated that staff has performed an inventory of City trees and identified trees that have been damaged or are dying; the cost of the project includes the amount charged by a contractor to plant the trees.

Council Member Smith then asked about the legal requirement to update the City's General Plan; he asked if that must be done in the coming FY. Mayor Ostler stated that the moderate-income housing element of the General Plan has been updated in accordance with law and he is not aware of a requirement to update the remainder of the General Plan by a certain date. However, there are many sections of the Plan that are outdated and need to be addressed.

Mayor Ostler then stated that it will likely be necessary to consider a property tax increase this summer; the costs for public safety will be increasing dramatically as the Lone Peak Police Department has indicated they will be seeking an increase of \$598,000 and the Lone Peak Fire Department will be seeking an increase of \$324,000 (to be split between Highland and Alpine).

Discussion then recentered on the tree replacement project and Council Member Bills stated that there are some residents would be willing to help plant trees. Mr. Spencer stated that it would be important to ensure that any tree planted by a resident has an adequate water source; the City could have a contractor plant a certain percentage of the trees and allow residents to volunteer to plant the remainder. Mayor Ostler inquired as to the cost per tree that the City is planting. Mr. Spencer stated that the City purchases two-inch caliper trees and the largest portion of the cost associated with a tree planting is paid to the contractor. The cost per tree is approximately \$667, but the actual tree likely costs just \$200, so the City is paying \$467 in labor per tree. Council Member Rodela asked if there is a warranty for the tree, to which Mr. Spencer answered yes; a tree warranty is typically one year from the planting date. Council Member Rodela stated that the City can purchase two trees for the cost of one tree planted by a contractor; she suggested the City reach out to residents to gauge the level of interest in volunteering to plant trees. Mr. Spencer stated that his concern is being able to allocate labor from the Parks Department to support residents in those efforts. He stated that it may be possible for the City, with resident support, to take on a small portion of the total number of trees to be planted.

Mayor Ostler then polled the Council on each of the items presented by Mr. Bahr. The Council reiterated their support for the purchase of the Jacobsen mower. They also indicated they support allocating the funding for the General Plan update project and to allocate \$50,000 for trees this year with a plan to allocate an additional \$50,000 next year. They agreed to offer a small number of trees for resident planting and use the contractor to plant the remainder of the trees.

Mr. Bahr then discussed the purpose and characteristics of the City's fund balance; the fund balance allows the City to avoid debt and save for major expenses in capital and utility funds. It also compensates for irregular revenue cycles/cashflow, i.e., property tax revenue received at mid-year, sales tax revenue lags. It can serve as a contingency for emergencies and is impacted by one-time revenue. He provided historical information for the City's fund balance, dating back to 2005; in 2005 the City's fund balance was \$500,000 and in 2008, cashflow was insufficient to cover operations and the City was paying bills late. Since then, the City's financial position has improved dramatically. He discussed bond debt as of March 2022; the pressurized irrigation bond was paid in September 2021 and the two remaining bonds have a balance of \$5.7 million. All bond debt will be paid off in 2027 and this will create a great deal of money available in the General Fund. Mr. Bahr then presented a chart detailing the FY2022 estimated ending balance for the General Fund, Open Space Special Service District (SSD) fund, Library Fund, all enterprise funds, and Capital Improvement funds. Each fund has several budget lines that create revenue or result in expenditures from the fund. The ending balances do not include the City's American Rescue Plan Act (ARPA) allocation from last July as well as the additional \$1.1 million in ARPA funding the City should receive at the beginning of July in FY2023.

Council Member Smith inquired as to the City's bond rating. Mr. Bahr stated that the City does not have a current bond rating, but upon the recent refunding bond action, the City was able to save a significant amount of money in interest charges and that would not have been possible if the City did not have such a positive financial position. A bond rating would be based upon this position and the City would likely have a very good bond rating.

In closing, Mr. Bahr engaged in discussion with the Council and other members of staff regarding the basis of various fees that contribute to enterprise fund balances and the annexation fund balance. There was a focus on the changes that have been implemented since 2015 that have resulted in improving the health of the various funds of the City, with City Manager/Community Development Director Crane noting that in 2015 the City commenced several master planning and utility rate study processes; actions were taken based upon the findings of these plans and studies that have resulted in the improvement of the City's financial position. Mayor Ostler asked what will happen if the anticipated growth, which is identified in various utility studies and capital facilities plans, is not realized. Mr. Bahr stated that the impact fee revenues are based upon anticipated growth and the revenues are programmed to complete various capital projects; if the revenue is not realized, the capital plans must be adjusted accordingly.

Mayor Ostler referenced the Utah County quarter-cent sales tax, the revenues of which are to be dedicated to roads, trails, and sidewalks. He asked if that revenue is allocated in the General Fund, and he inquired as to the current balance of that revenue. Mr. Bahr stated that there is a specific fund for that revenue source. In regards to the Park Tax, retailers are to begin collecting the tax beginning in April and the City will likely see some revenue starting in May.

Public Works Director/City Engineer Spencer then used the aid of a PowerPoint presentation to facilitate discussion about upcoming infrastructure projects. He presented a bid tabulation for the bids received for the Dry Creek/Country Club Sewer project; the 2020 estimate for the project was approximately \$2 million, but prices have increased dramatically since that time. The City has hired an independent arborist to evaluate trees in the project area and they indicated that if the sewer contractor can maintain an eight-to-10-foot distance from the trees, the Siberian Elms should fare well during and after the construction project.

Engineering Consultant, Tavis Timothy, then discussed the scope of the Dry Creek Sewer Project; he presented a map to identify the existing sewer line, the area where pipe bursting will be performed, and the area where the eight-inch sewer line will be replaced with 12-inch sewer line. He also presented a map that illustrated the Country Club service area and problem areas within the service area. His final map illustrated phasing of the project.

Mayor Ostler stated there has not been dramatic growth in the Dry Creek area and he asked why the project is needed at this time. Mr. Spencer stated the project has been on the capital improvement plan since 2013; the area has been actively monitored for several years and it is needed. Mr. Timothy agreed and stated that the capacity of the existing lines has been exceeded and there have been some issues with flow that have caused surges and flooding. Mr. Spencer stated that upon completion of the 12-inch line, there will be approximately 400 new connections.

Council Member Smith asked Mr. Spencer to explain what would constitute as a major event in the Dry Creek area that could lead to surging or flooding. Mr. Spencer stated that there is a lift station that discharges into the sewer lines in the area and there are many connections that are discharging into the lines; with the addition of 400 new homes, the eight-inch lines are no longer sufficient.

Mayor Ostler stated that the bottom line is that the City budgeted \$2 million for the project, but the bid is \$3.2 million; the Council needs to decide if they want to dedicate an additional \$1.2 million from the sewer fund for the project. Mr. Spencer stated that staff is actually recommending adjusting the scope of the project by proceeding with the replacement of the worst sections of the line first; he referenced Mr. Timothy's phasing map and noted that the sections of the line that are marked red would be replaced first; the cost for this work is approximately \$2 million. The section of the line marked blue can be deferred to a later date. He then presented a chart detailing the current condition of the sewer fund; at the end of FY2021, the balance was \$4.1 million. In FY2022 and FY2023, there should be approximately \$1.8 million in revenue and impact fees, which will bring the construction fund to \$6 million. The two projects previously approved are the Victor View sewer project and the Pleasant Hollow lift station; with the addition of the Dry Creek project, the total project costs are \$4.5 million. The City can use some other funding sources for the Country Club project, leaving the net sewer expenses at \$4.1 million. The remaining fund balance at the time of final payment (January 1, 2023) will be \$1.9 million, which equates to 402 days of operating cash. Administration does not want to allow that amount to go below a year of operating cash; by the end of FY2023, the balance would be back up to \$2.3 million, which equates to 478 days of operating cash. However, it is important to remember that the Country Club project is essentially being split in half, and there will be an outstanding \$2.6 million in postponed projects. Administration is comfortable supporting the recommendation to phase the Country Club project in order to replace the worst portions of the lines in that area.

Council Member Bills referenced dramatic inflation and asked if it will be more expensive to phase the project. Mr. Spencer answered yes; the City will pay more for the project as a result of splitting it into phases, but the savings realized by completing the entire project at one time are not enough to risk pushing or exceeding the limit of the sewer fund.

Council Member Smith said he visited with many residents who felt maintaining infrastructure and providing basic services is the City's main responsibility; they felt that parks, trails, and other amenities were less important. He asked if it would be appropriate for the City to perform a utility study to determine if the sewer utility rates are adequate to provide funding for replacement of aging infrastructure. Mayor Ostler stated that there will be a public hearing and consideration of a proposed ordinance during the March 29 meeting regarding amended impact sewer and pressured irrigation impact fees. Mr. Spencer added that also, during that meeting, he will recommend awarding the sewer project as discussed tonight. The Council indicated they support phasing the project. Mr. Spencer stated that he will inform the contractor with the Council's intent to award the project in order for them to stand by their bid until March 29.

Mr. Spencer then discussed the proposed 2022 road improvement projects, which will actually be funded in the FY2023 budget; a typical road improvement project involves a variety of treatments of varying costs to address needs in a fiscally prudent manner. This includes seal coating, crack sealing, patching, and rehabilitation.

Mayor Ostler stated that on March 29, the Council will be asked to consider approving the 2022 road improvement project; he inquired as to the funding source for the project and if there will be a back-up funding source if the determination is made that the City's transportation fee can no longer be collected. Mr. Crane stated that the City already has funding from the past year of transportation fee collections.

Mr. Spencer then presented maps illustrating the areas of focus in the 2022 road improvement project; the project follows the plans adopted by the Council. He discussed the amount of funding currently available and the projects for which the City has received bids to date; projects still to be bid include crack sealing the Wildflower and Timberline sections of road. Additional monies in the capital road project fund can be used to proceed with these two sections of road as well. Mayor Ostler asked the Council if they would like to defer the Wildflower and Timberline sections of road or include them in the 2022 road improvement project. The Council supported including the Wildflower and Timberline sections of road in the 2022 project to avoid increased costs associated with deferring the projects to a future year.

Mr. Spencer then discussed the parks building project; the City held an open house last year to discuss the project and receive input from residents, but only three residents attended. He presented an aerial map to orient the Council to the improvements being considered. The City will spend approximately \$10,000 to complete design of the estimate for the actual construction of the project is approximately \$900,000; staff needs direction from the Council before proceeding with the additional design work.

Mayor Ostler stated that this past winter is the first winter that the Parks Division did not have a storage facility and he asked Mr. Spencer to detail the efforts of staff to protect parks equipment. Mr. Spencer stated that over the past winter, the equipment was stored in the storage units in American Fork; this cost staff time and money in transporting equipment to

those units and there was a loss of productivity as well. The bigger issue for him relates to operations; when the Division is fully staffed, there is not sufficient space for employee parking and day-to-day operations.

Council Member Smith stated there is definitely a need for a central location for staff and equipment and he supports proceeding with the design of the project. Mayor Ostler and the rest of the Council agreed.

Council Member Peterson stressed the need for space for the Arts Council, with Mayor Ostler agreeing and noting that it may be possible to develop a building usage policy for the Community Center that would prioritize use of the facility by the Arts Council and other Highland City groups. Council Member Smith stated that he supports prioritizing a space for the Arts Council and indicated that he is concerned about constantly delaying projects that are truly needed in the City; delaying projects ultimately increases costs in future years. Mr. Spencer stated he will proceed with the design phase of the project and will present the findings of that work and estimated costs for the project to the Council once it is available.

ADJOURNMENT

Council Member Scott L. Smith MOVED to adjourn the work session and Council Member Timothy A. Ball SECONDED the motion. All voted in favor and the motion passed unanimously.

The meeting adjourned at 9:45 pm.

I, Stephannie Cottle, City Recorder of Highland City, hereby certify that the foregoing minutes represent a true, accurate and complete record of the meeting held on March 22, 2022. This document constitutes the official minutes for the Highland City Council Meeting.



Stephannie Cottle
City Recorder

Welcome to the Highland
City Council Work Session

March 22, 2022



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Objectives

1. Review FY2022 expenditures

2. Review fund balances & their origins

3. Provide update on current & upcoming construction projects

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Expenditures On Hold

General Fund: Need = \$904,988

• Reviewed revenue projections

• Identified contingencies, expenses to postpone:

Public Works equipment purchases (skidsteer or Jacobsen mower)	120,000
General Plan update	75,000
FY22 allocation to trees	150,000
FY22 allocation to playground	150,000
TOTAL	495,000

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Expenditures On Hold

Unplanned revenue identified \$932K:

• FY2021 sales & property tax – \$384K

• FY2022 projected surplus – \$248K

• FY2022 sales tax – \$300K

Additionally, \$150K for playground will come instead from Parks Capital Fund

Need = \$904,988

Funding = \$1,082,000

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Expenditures On Hold

Public Works equipment purchases (skidsteer or Jacobsen mower)	120,000
General Plan update	75,000
FY22 allocation to trees	150,000
FY22 allocation to playground	150,000
TOTAL	495,000

Move forward with expenses?

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Fund Balance Purposes & Characteristics

1. Allow City to **avoid debt & save for major expenses** in capital & utility funds

2. Compensate for **irregular revenue cycles/cashflow** – examples:

• Property tax is received at mid-year

• Sales tax revenue lags – last two months received AFTER the end of the fiscal year

3. Provide **contingency for emergencies** – i.e., culinary water wells, HVAC

4. Impacted by **one-time revenues**

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Historical Context

- 2005 – \$500,000 Fund Balance
- 2008 – Cashflow insufficient to cover operations – paying bills late
- Bonds (as of March 2022)
 - PI paid in September 2021
 - Building \$2.1MM remaining thru 9/2026
 - Parks \$3.6MM remaining thru 9/2027

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Fund Analysis

FUND NAME	CASH BALANCE (6/30/15)	CASH BALANCE (6/30/20)	CASH BALANCE (6/30/21)	INCREASE (DECREASE) FY20 to FY21	FY2022 ESTIMATED ENDING BALANCE
General Fund	\$1,577,585	\$2,660,006	\$4,061,610	\$1,401,604	\$4,062,906
Open Space SSD	\$21,707	\$157,853	\$159,639	\$1,786	\$172,448
Library	\$0	\$37,735	\$55,854	\$18,119	\$58,995

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Fund Analysis

FUND NAME	CASH BALANCE (6/30/15)	CASH BALANCE (6/30/20)	CASH BALANCE (6/30/21)	INCREASE (DECREASE) FY20 to FY21	FY2022 ESTIMATED ENDING BALANCE
NW Annexation Cap Project	\$105,062	\$114,292	\$114,818	\$526	\$115,318
Town Center Exaction Fee Cap	\$387,693	\$179,243	\$343,374	\$164,131	\$403,374

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Fund Analysis

FUND NAME	CASH BALANCE (6/30/15)	CASH BALANCE (6/30/20)	CASH BALANCE (6/30/21)	INCREASE (DECREASE) FY20 to FY21	FY2022 ESTIMATED ENDING BALANCE
Sewer	\$1,370,573	\$4,188,399	\$4,185,546	(\$2,853)	\$2,945,918
Pressurized Irrigation	(\$72,376)	\$3,484,475	\$3,898,705	\$414,230	\$2,880,081
Storm Sewer	\$426,916	\$1,349,485	\$1,499,617	\$150,132	\$1,104,036
Culinary Water	\$1,781,450	\$2,283,424	\$1,874,061	(\$409,363)	(\$78,124)
Utility Transportation	\$0	\$1,186,150	\$989,927	(\$196,223)	\$992,701

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Fund Analysis

FUND NAME	CASH BALANCE (6/30/15)	CASH BALANCE (6/30/20)	CASH BALANCE (6/30/21)	INCREASE (DECREASE) FY20 to FY21	FY2022 ESTIMATED ENDING BALANCE
Cemetery Perpetual Fund	\$0	\$13,992	\$263,630	\$249,638	\$77,475
Debt Service	\$3,579	\$10,898	\$0	(\$10,898)	\$0
Internal Service IT Fund	\$0	\$14,856	(\$1,197)	(\$16,053)	(\$1,197)
Bonds (Fund 70)*	\$89,024	\$679,068	\$1,095,520	\$416,452	\$1,095,520

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Fund Analysis

FUND NAME	CASH BALANCE (6/30/15)	CASH BALANCE (6/30/20)	CASH BALANCE (6/30/21)	INCREASE (DECREASE) FY20 to FY21	FY2022 ESTIMATED ENDING BALANCE
Capital Improvement Fund Parks	\$951,824	\$3,474,464	\$4,675,767	\$1,201,303	\$2,627,717
Capital Improvement Fund Road Projects	\$9,145	\$1,668,690	\$2,515,817	\$847,127	\$2,444,517
Capital Improvement Fund Building	\$13,124	\$891,397	\$1,023,688	\$132,291	\$780,640

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2022 Country Club Sewer Improvements

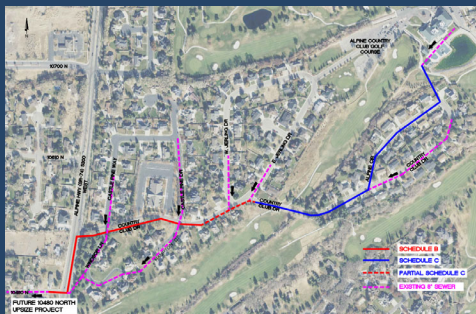
3/8/2020 @ 2:00 pm

Received From	Bid Schedule A Dry Creek	Bid Schedule B Country Club Open Trench	Schedule C Country Club Pipe Bursting	Schedule D Ridgeview Sewer
Condie Construction Company	\$ 464,510.00	\$ 1,104,752.00	\$ 1,634,892.00	\$ 94,432.00
Newman Construction	\$ 723,393.00	\$ 1,080,795.50	\$ 1,577,400.50	\$ 109,040.00
VanCon, Inc	\$ 781,625.00	\$ 1,705,150.00	\$ 2,092,225.00	\$ 149,300.00
S & L Inc.	\$ 599,550.00	\$ 1,717,400.00	\$ 2,093,365.00	\$ 98,000.00

[illegible]

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Country Club - Phasing



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Sewer Fund Analysis

Sanitary Sewer Fund Analysis		
Revenues		
Fund Balance at End of FY22	\$	4,285,246.00
10 months of interest earned project (FY22 & 1/2 FY23)	\$	11,110,454.50
10 months of impact fees toward project (FY22 & 1/2 FY23)	\$	796,538.50
Total Available Funds for Construction	\$	6,192,239.00
Expenses		
Victor View General Authorization (previously approved)	\$	521,320.00
Phosphate Reduction (PH) Station (previously approved)	\$	1,546,433.00
City Creek 12" Sewer Upgrade	\$	464,510.00
City Creek 18th Contingency	\$	46,402.00
Country Club (Schedule A & B Partial C) 12" Sewer Upgrade	\$	1,432,892.00
Country Club 18th Contingency	\$	345,209.00
Knight Blvd 8" Sewer Relocation	\$	39,889.75
Knight Blvd 18th Contingency	\$	7,489.00
Engineering Expenses (all projects - Estimated at 6.5%)	\$	275,194.47
Project Cost Total	\$	4,536,268.22
Country Club Route & Storm Drain Section (1% for good by other funds)		
Portion of CC Sited to roads	\$	211,357.75
Portion of Contingency allocated to roads	\$	25,761.76
Portion of CC Sited to storm drain	\$	127,883.50
Portion of Contingency allocated to storm drain	\$	14,766.24
Total	\$	379,873.25
Sewer Operating Capital		
Net Sewer Expenses	\$	4,156,394.97
Revolving Fund Balance at start of fiscal year (Jan. 1, 2023)	\$	1,955,202.00
Days of Operating Cash - Jan. 1, 2023	\$	462.75
Fund Balance at the end of FY 2023	\$	2,822,889.03
Days of Operating Cash - June 30, 2023	\$	479.35
Outstanding Projects/Projects yet to complete		
Balance of Country Club	\$	1,433,000.00
Using of other sewer lines in Country Club, Hidden Oaks area	\$	500,000.00
Sewer Upgrade on 20400 North	\$	700,000.00
Total	\$	2,633,000.00

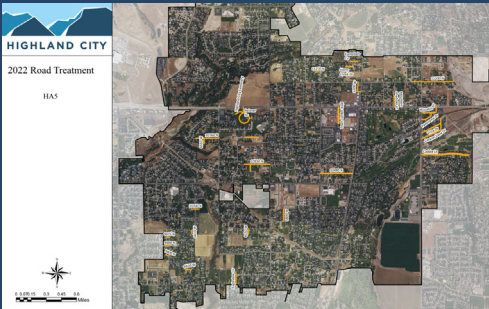
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2022 Roads - FY23 Budget

- Typical program involves a variety of treatments of varying costs to address needs in a fiscally prudent manner.
- Seal Coats
- Crack Seal
- Patching
- Rehabilitation

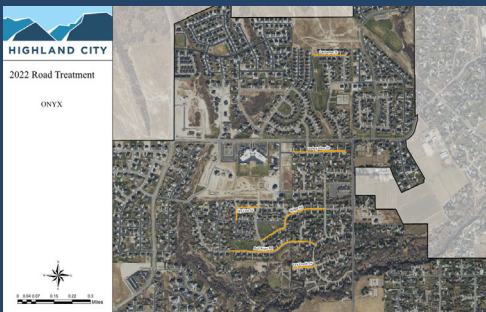
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2022 Roads – Seal Coat (HA5)



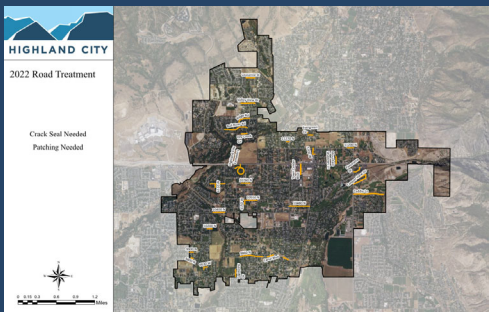
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2022 – Roads – Seal Coat (Onyx)



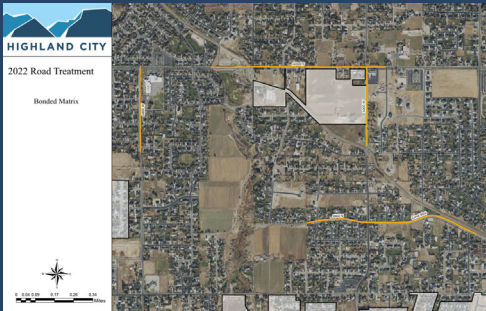
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2022 Roads – Crack Seal and Patching



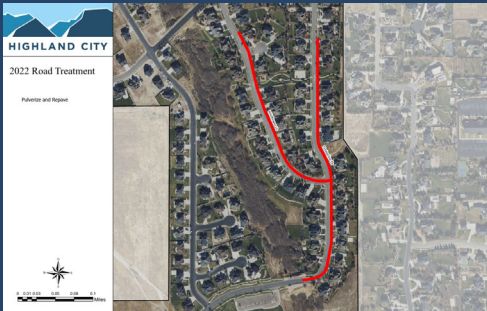
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2022 Roads – Bonded Matrix



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2022 Roads - Rehabilitation



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2022 Roads – FY23 Budget

2022 Road Preservation Project				
Projects with Bids	Bid	Contingency	Bid w/ Contingency	
Seal Coat - High Density Mineral Bond (HA5)	\$ 187,604.49	3%	\$	193,233
Seal Coat - Mastic Seal (Onyx)	\$ 52,855.50	3%	\$	54,441
Bonded Matrix	\$ 362,248.43	3%	\$	373,116
Patching	\$ 566,485.45	10%	\$	623,134
Crack Seal	\$ 42,900.00	3%	\$	44,187
Road Portion of Country Club Drive	\$ 217,167.75	10%	\$	238,885
Bid Total	\$ 1,429,261.62		\$	1,526,995.19
Projects Still to Bid	Budget		Contingent Budget	
Wildflower and Timberline (CTB estimate)	\$ 356,500.00		\$ 392,150.00	
Totals				
Anticipated FY23 Pavement Program Total	\$ 1,785,761.62		\$ 1,919,145.19	
Typical Budget in past Fiscal Years	\$ 1,600,000.00		\$ 1,600,000.00	
Amount over Budget	\$ 185,761.62		\$	319,145.19

*Source of additional funds: Road Capital Fund Balance

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Parks Building



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Alpine Highway Side



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Western (Interior) Side



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Fund Analysis - Highland City

FUND NAME	CASH BALANCE (6/30/15)	CASH BALANCE (6/30/20)	CASH BALANCE (6/30/21)	INCREASE (DECREASE) FY20 to FY21	FY2022 ESTIMATED ENDING BALANCE	MAJOR SOURCES & INTENDED USES of BALANCE
General Fund	\$1,577,585	\$2,660,006	\$4,061,610	\$1,401,604	\$4,062,906	4 months of operating cash - 35% of annual GF revenues <u>FY21:</u> Property tax actual \$1.99MM, \$84K above \$1.90MM budgeted Sales tax actual \$3.25MM, \$307MM above \$2.94MM budgeted Building permits actual \$757K, \$457K above \$300K budgeted CARES \$543K accounted for in FY21 <u>FY22:</u> Figures to the left do not include ARPA funds received after the budget was approved, in the amount of \$1.1MM; additional \$1.1MM anticipated in FY23
Highland Open Space SSD	\$21,707	\$157,853	\$159,639	\$1,786	\$172,448	Sale of property, net of expenses
Library	\$0	\$37,735	\$55,854	\$18,119	\$58,995	<u>FY21:</u> Property tax actual \$301K, \$19K above \$282K budgeted Fees actual \$43K, \$13K above \$30K budgeted
NW Annexation Cap Project	\$105,062	\$114,292	\$114,818	\$526	\$115,318	No longer used - transfer to enterprise funds
Town Center Exaction Fee Cap	\$387,693	\$179,243	\$343,374	\$164,131	\$403,374	Infrastructure development participation Owed developers: \$23K Tippetts, \$83K WPI Transfer net (\$297K) to capital fund
Sewer	\$1,370,573	\$4,188,399	\$4,185,546	(\$2,853)	\$2,945,918	Capital projects, maintenance, and expenses as identified in impact fee & utility rate studies
Pressurized Irrigation	(\$72,376)	\$3,484,475	\$3,898,705	\$414,230	\$2,880,081	Capital projects, maintenance, and expenses as identified in impact fee & utility rate studies <u>FY21:</u> Capital projects budgeted \$2.2MM, actual exp \$451K due to timing of construction
Storm Sewer	\$426,916	\$1,349,485	\$1,499,617	\$150,132	\$1,104,036	Capital projects, maintenance, and expenses as identified in impact fee & utility rate studies <u>FY21:</u> Bldg permit fee actual \$114K, \$84K above \$30K budgeted Reimbursement for Viewpoint mudslide - \$123K
Culinary Water	\$1,781,450	\$2,283,424	\$1,874,061	(\$409,363)	(\$78,124)	Capital projects, maintenance, and expenses as identified in impact fee & utility rate studies <u>FY21:</u> Capital projects budgeted \$479K, actual exp \$682K due to timing of construction
Utility Transportation	\$0	\$1,186,150	\$989,927	(\$196,223)	\$992,701	Road maintenance & reconstruction - existing facilities only Revenue collected for following year's expenses

FUND NAME	CASH BALANCE (6/30/15)	CASH BALANCE (6/30/20)	CASH BALANCE (6/30/21)	INCREASE (DECREASE) FY20 to FY21	FY2022 ESTIMATED ENDING BALANCE	MAJOR SOURCES & INTENDED USES of BALANCE
Cemetery Perpetual Fund	\$0	\$13,992	\$263,630	\$249,638	\$77,475	\$202K transferred to GF (FY18 & FY19) FY21: Lot sales actual \$393K, \$213K above \$180K budgeted
Debt Service	\$3,579	\$10,898	\$0	(\$10,898)	\$0	Bond payments pass through from the General, Building Capital, and Parks Capital funds
Internal Service IT Fund	\$0	\$14,856	(\$1,197)	(\$16,053)	(\$1,197)	Assessments to departments increased moving forward to avoid negative fund balance & plan for future expenses
Bonds (Fund 70)*	\$89,024	\$679,068	\$1,095,520	\$416,452	\$1,095,520	Development performance guarantees - refundable to owners
Capital Improvement Fund – Parks	\$951,824	\$3,474,464	\$4,675,767	\$1,201,303	\$2,627,717	Sale of Spring Creek property - FY20 \$1.5MM Sale of Drycreek property to Lehi - FY20 \$400K \$1.9MM for Mtn Ridge Park \$4.1MM in bond payments thru 9/2027 FY21: Transfer from General Fund - \$625K Impact fees actual \$676K, \$501K above \$175K budgeted
Capital Improvement Fund Road Projects	\$9,145	\$1,668,690	\$2,515,817	\$847,127	\$2,444,517	Road construction City's portion of Madison Ave/Canal Blvd (\$1.3MM) FY21: Impact fees actual \$276K, \$162K above \$114K budgeted Major Maint - budgeted \$600K, actual exp \$35K due to timing of construction
Capital Improvement Fund Building	\$13,124	\$891,397	\$1,023,688	\$132,291	\$780,640	\$300K from sale of property to WPI (FY20) Transfers from GF: FY18 \$150K, FY19 \$307K, FY20 \$274K Parks Building \$3.0MM in bond payments thru 9/2026 FY21: Impact fees actual \$152K, \$107K above \$45K budgeted

*Note: Due to aggregation in audited financial statements, figures for Bonds are taken from unaudited financial statements dated 4/30/2015, 6/30/2020, & 6/30/2021 to show these funds independently. All other balances are taken from audited financial statements.

Legend:

Old funds to be terminated	Utilities	Capital	Pass-through or restricted
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