



Fiscal Year 2016-2017 Annual Budget

Cottonwood Heights Elected Officials

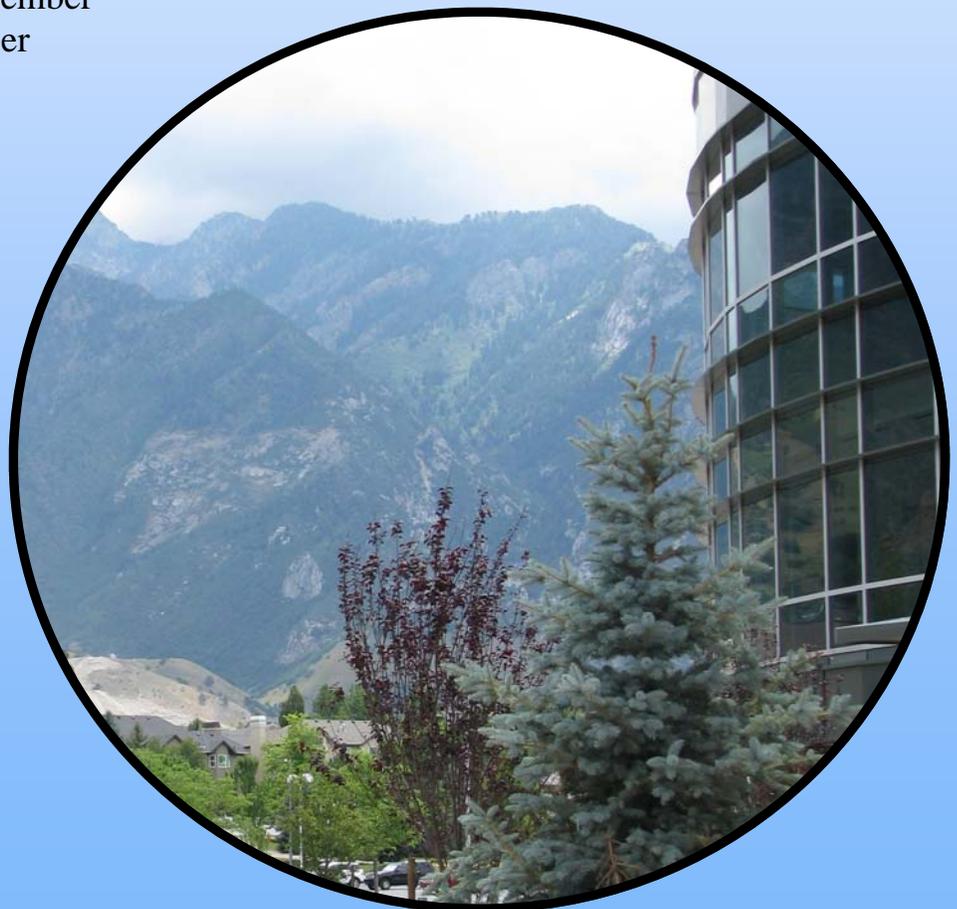
Kelvyn H Cullimore Jr, Mayor

J Scott Bracken, Council Member

Michael J Peterson, Council Member

Michael Shelton, Council Member

Tee W Tyler, Council Member



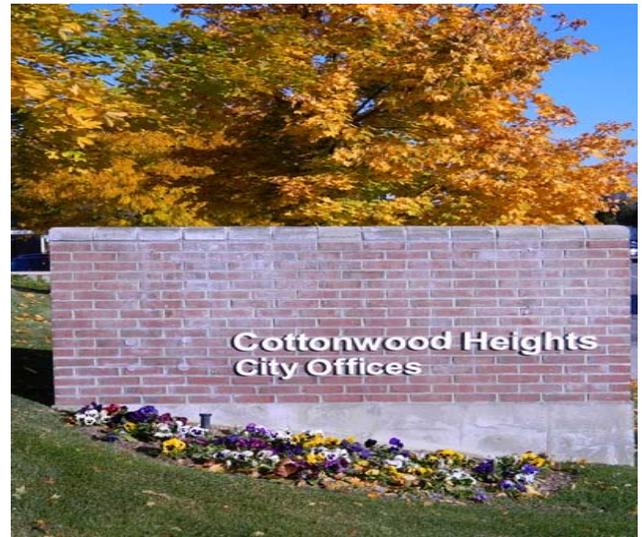


City of Cottonwood Heights Utah

1265 East Fort Union Blvd. Suite 250
Cottonwood Heights, Utah 84047

Annual Operating & Capital Budget Report

Fiscal Year 2016-17



Prepared by:

Cottonwood Heights
Finance Department



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Cottonwood Heights
Utah**

For the Fiscal Year Beginning

July 1, 2015

Jeffrey R. Emswiler

Executive Director

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John Park, City Manager

BUDGET EXECUTIVE SUMMARY

(City Manager's Message)
2016-2017

To The Honorable Mayor, City Council and Citizens of Cottonwood Heights

I present to you the Annual Operating and Capital Budget for the fiscal year beginning July 1, 2016 and ending June 30, 2017. (FY2017)

This budget represents the culmination of many hours of work by City staff and elected officials. Unfortunately, there is never enough funding to fully implement all worthwhile projects. The process of putting the budget together each year requires everyone to balance available resources between operating and capital needs. Our goal is to execute this process in an honest and open manner, and I believe this has been accomplished.

BUDGET ASSUMPTIONS

REVENUE OVERVIEW

Revenue estimates are based upon current economic conditions as well as historical trends, where appropriate. The City derives 80% of its revenues from three sources: property tax, sales tax, and energy sales and use tax. Each of these revenues are increasing at a different pace. Property tax, which is the largest source of revenue, does not increase based on inflation, only on growth. Property tax revenues are estimated to increase only 1.41% over the previous year.

With the addition of new businesses and a growing State economy, sales taxes are estimated to increase more rapidly. Based on the first nine months of fiscal year 2016, the City estimates FY 2016 revenues will increase by 6.3% over the previous year in part due to the opening of a new Trader Joe's retail outlet as well as overall economic growth in the State of Utah. Without anticipation of significant growth in retail businesses in the City. The sales tax revenues estimated for FY 2017 is conservatively budgeted at 3%, which is near the long-term historical growth rate.

The City's energy sales and use tax was first implemented part way through the 2016 fiscal year. Since FY 2017 will be the first full year of the implementation of this tax, it is forecasted to increase by 22.5% over the previous year. This tax will then level off in future budget years.

EXPENDITURE OVERVIEW

Expenditures by department were developed at levels necessary to meet the City Council expectations based on the goals and objectives established for FY2017.

Salaries and Benefits

The ability of Cottonwood Heights to provide high-quality services to its residents depends upon maintaining an experienced and professional workforce. Salary, wages and benefit costs are the largest components of the department budgets and have to be examined when budget decisions are made. The City currently has a formal merit based salary system. This merit step program was based on results of the salary survey of comparisons to selected local jurisdictions from within Utah conducted in FY2012. The initial results were indexed with the cost of living adjustment in CY2013. An updated review in FY2015 indicates that Cottonwood Heights substantially is still competitive with those entities.

City policy established all employees will receive a cost of living allowance equal to the national Consumer Price Index (CPI). The CPI for calendar year 2015 was 0.7%. All employees received this increase. The City's merit step consists of 32 steps. Each step is 1.2% and employees will receive between one and four steps based on the result of their performance evaluation.

The fastest rising cost related to employee benefits is typically health insurance. However, for the upcoming year, the City has moved all employees to a high deductible health plan in association with health savings accounts (HSA). The City makes contributions to employee HSA accounts each pay period. This change to 100% HSA plans has allowed the City to have no increase to health insurance premiums for FY2017.

Retirement contributions, which are based on market results and actuarial studies, are determined by Utah Retirement Services (URS). Due to positive results in both factors, there was no increase to contribution rates for the upcoming year. This is the second year in a row with no increase.

Contracted Services

Cottonwood Heights contracts out certain of the services it provides. The largest contract is to Unified Fire Authority (UFA). UFA is the largest fire and emergency response provider in the State of Utah. Funding for UFA comes from two methods. The first is from a property tax levied to property owners within the Unified Fire Service Area (UFSA). Cottonwood Heights is not within the UFSA. Rather, the City contracts directly with UFA to provide fire and emergency services to Cottonwood Heights residents. Paying UFA through a contract is a significant savings to the residents of the City. UFA is the largest contract maintained by the City. The budget for this service is \$3,443,759, which is a 3.30% increase over the previous year.

The City also contracts its engineering, building inspection, and plan review services. The cost of these services is budgeted as \$545,000, down from \$560,000 the previous year. Although these services are delegated to private entities, these companies work very close with City staff and elected officials to provide the level of service expected by the City's residents.

Public Works

The biggest change in City services will be cancelling the contract for public works with a private contractor and instead performing those services by City employees. Three years ago the City, which previously contracted these services with Salt Lake County, contracted with a private company to perform the services of street maintenance, snow plowing, and storm drain maintenance. Beginning July 1, 2016, Cottonwood Heights will begin the transition to self-providing these services. The City is currently in the process of hiring employees and acquiring equipment to perform these functions. It is anticipated there will be no increase in costs to bring this service in house. The primary emphasis in self-providing these services is to improve the quality of service.

Capital Projects

The City has significant capital needs in roads, facilities, and storm drain systems. Included in the upcoming budget is funding to complete the City's new Municipal Center. Since incorporation, the City has housed its offices in leased office space. In 2014, the City issued bonds for the purpose of construction a building to house the City's police station as well as general government offices. Additionally, it is the intent of the City for this facility to be a public space for the benefit of City residents.

Other funded projects include funds for the purchase of land and improvements for the City's new public works services, resurfacing of Creek Road, and recreation improvements. The City will continue to find avenues to fund and make improvement to City facilities and infrastructure.

Debt Service

The City currently has three primary areas of outstanding debt: sales tax revenue bonds, police vehicle lease, and public works vehicle lease. The sales tax bonds financed the construction of the new Municipal Center which will be opening September 2016. The police vehicle lease is combined with a guaranteed buyback from the dealer. This allows the City to finance the vehicles, return them and repurchase new vehicles every two years. This method allows the City to maintain good quality equipment with very little down time. This is also done at a very reasonable cost due to the competitive prices that come from buying from contracts negotiated by the State of Utah. The public works vehicle lease will be to finance the purchase of approximately \$3 million in snow plows, dump trucks and other heavy duty equipment. This equipment will be purchased during the first quarter of FY2017 and will be financed for a period of 7 – 10 years.

Economic Development

Cottonwood Heights has the second most Class A office space, behind Salt Lake City, of any City in the Salt Lake Valley. Recent office projects such as the Cottonwood Corporate Center and retail additions such as Trader Joe's and Sierra Post Trading Co. are adding to the City's taxbase. Anticipated projects along Ft Union Boulevard, the Canyon Center, and the gravel pit area will keep development opportunities alive for many years.

Conclusion

The future for Cottonwood Heights is bright. Potential economic growth along with conservative budgeting principles will keep the City moving forward. The City is committed to doing this in a transparent manner with prudence. We always look forward to input and comments from interested parties. I encourage you to read this full document to gain a greater understanding of the opportunities and challenges facing Cottonwood Heights.

Sincerely,



John Park
Cottonwood Heights City Manager



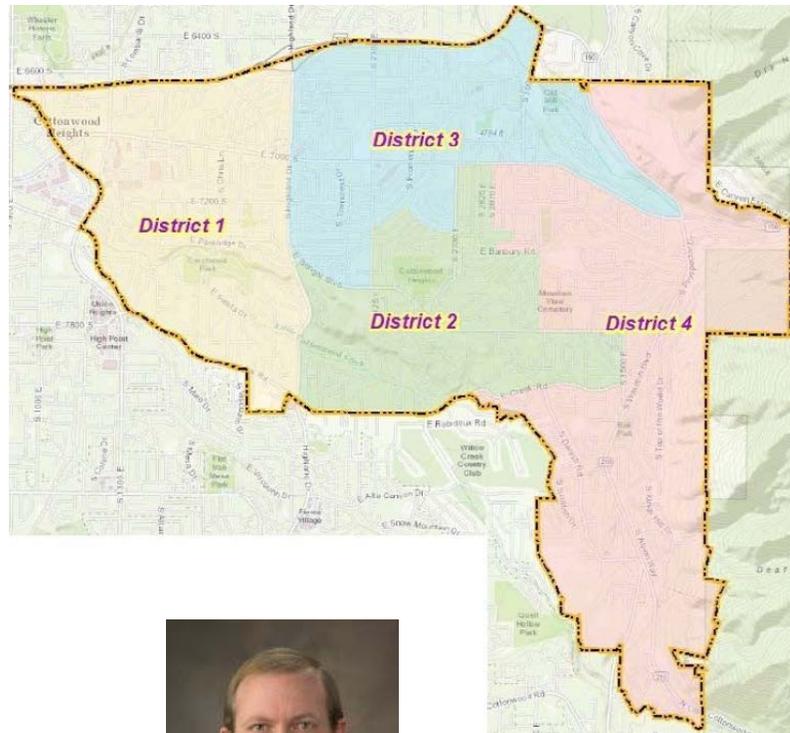


Mayor
Kelvyn H. Cullimore, Jr.

COTTONWOOD HEIGHTS, UTAH CITY COUNCIL: FISCAL YEAR 2016-17



Council Member
District 3
Michael J. Peterson



Council Member
District 1
Michael Shelton

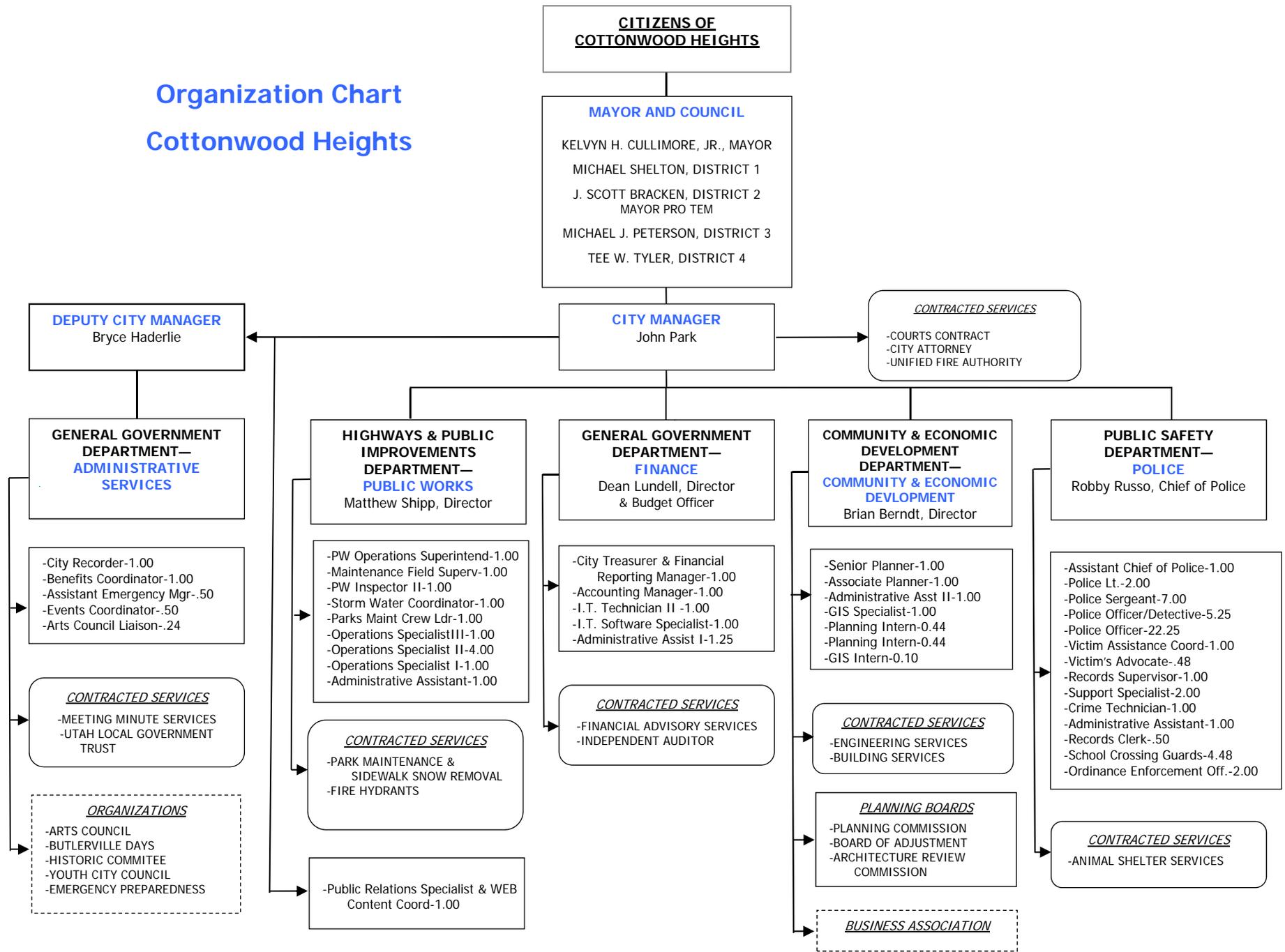


Council Member
District 4
Tee W. Tyler



Council Member
District 2
J. Scott Bracken

Organization Chart Cottonwood Heights





CITY PROFILE

ABOUT COTTONWOOD HEIGHTS (*City between the canyons*)



Cottonwood Heights was incorporated on January 14, 2005 out of the southeastern area of unincorporated Salt Lake County. The 2010 census reported a population of 33,433 residents. Current estimates place the population at 34,166. The City encompasses 9.24 square miles. It is known as the *City between the canyons* because it is located at the foot of the Wasatch Mountain Range between Big Cottonwood and Little Cottonwood Canyons. These two canyons are home to Salt Lake Valley's four major ski resorts, Alta, Brighton, Solitude and Snowbird. Each of these ski resorts has an international clientele and reputation.

The quality of life for Cottonwood Heights is very high with many cultural and recreational activities available within the city or in near proximity. Cottonwood Heights values highly its reputation as a well-maintained residential and business community. The preservation of quality of life is of utmost importance to residents and business owners. Cottonwood Heights views itself as a city where residents, businesses, and government come together to create an attractive, safe, well-groomed community and where people are proud to live, learn, work, recreate, and do business. The City presents with a stunning backdrop of the Wasatch Mountains and associated canyons and trails. Residents place a high value on the natural elements of hillsides, streams, natural open spaces and parks. The residents occupy a variety of residential dwellings in harmony with thriving commercial areas. In 2007 Money Magazine selected Cottonwood Heights as one of the 100 best places to live in the United States.



Cottonwood Heights is home to many corporate headquarters. At 2.5 million square feet of Class A office space, the City has one of the largest amounts of premium high rise office space in Salt Lake Valley. Office campuses include Union Park, Old Mill Corporate Center, and Cottonwood Corporate Center. These business parks provide important regional centers of employment providing jobs to many Cottonwood Heights residents. The City is home to the corporate offices of Extra Space Storage, JetBlue Airways, Instructure, MasterControl, and SanDisk.

As the gateway to the valley's largest ski resorts and with easy access to valley-wide transportation systems, Cottonwood Heights welcomes visitors. The City strives to attract businesses that will serve the needs of the residents, promote the attractive image and appearance of the community, support and increase the general income and prosperity of the City, strengthen existing business centers, and complement the City's location as the gateway to the canyons.

Nearby Attractions and Recreation

Besides having the largest number of high rise office structures in the Salt Lake Valley, second only to Salt Lake City, Cottonwood Heights is also happy to host or be closely located to many great scenic and recreational attractions and opportunities. City parks and those of our parks and recreation partner, the Cottonwood Heights Parks and Recreation Service Area have received numerous awards from the Utah Recreation and Parks Association. The City is the gateway to four premium ski resorts and is only 30 miles away from Park City, host of the 2002 Winter Olympic Games.

Recreation Center:

The award winning Cottonwood Heights Parks & Recreation Center: includes indoor & outdoor swimming pools, ice arena, sports fields, tennis courts, skate-park, fitness & cardio rooms & programs, playgrounds, & more!

Parks: 7

Including the award winning Mountview Park & Salt Lake County owned Crestwood Park & swimming pool

Ball Fields/Multiuse Fields:

Located throughout the city

Tennis Courts:

Located throughout the city including courts used for the annual City Tennis Tournament

Auditoriums:

Butler Middle School auditorium, a joint partnership project between Canyon's School District, Cottonwood Heights, & partially funded by a Salt Lake County Tourism, Recreation, Cultural, & Convention grant

Cultural Events:

Many cultural events including Butlerville Days'- the city's annual heritage celebration & annual "Beat the Mayor" Turkey Day 5K, Big Cottonwood Canyon Marathon

Trails:

Including Big Cottonwood Trail, and Prospector Trail, Boneville Shoreline Trail

Major Shopping:

Union Park Shopping Center, Cottonwood Corporate Center Shopping, Fort Union Blvd., Bengal Blvd., & more



A Little History about our City

Although Cottonwood Heights (The City) was not incorporated until January 14, 2005, this area has its roots dating back to the first pioneer settlers in the valley. The following narrative is taken from the *City General Plan*.

History and Neighborhoods

Near what is now Fort Union Blvd. and 2700 East, early settlers established a community center with a church and a school. Among the earliest settlers of the area were six colorful brothers. The 'Butler Brothers' were lumbermen – complete with wagons, teams, and sawmills.



The Butler Brothers: Alma, Alua, Leander, Neri, Phalander, and Eri

There were also four McGhie brothers and their families. Legend has it that they called a town meeting to organize their community and there was one more Butler than McGhie at the meeting, therefore the community received the name 'Butler' rather than McGhie. Natives differ on this name. Some say it was named 'Butlerville,' and others say the 'ville' was just a nickname.

This central area (Historic Butlerville) of what is now Cottonwood Heights is located on a large alluvial field, a remnant from ancient Lake Bonneville, that filled the Salt Lake Valley centuries ago. It is located between the two most majestic features along the Wasatch Front – Big and Little Cottonwood Canyons. This

sandbar rises hundreds of feet above the valley floor and above the historic community of Union. On the north, the Cottonwood Heights area tapers gently to the valley floor allowing a gradual, nearly nondescript, access from the lower to the higher ground.

Different parts of the west end of the city were known by other names. One area near 1500 East and 7200 South was known as 'Poverty Flats'. The southwest part of the current city was known as 'Little Cottonwood', or 'Union.'

Old Mill

One of the highlights of the area's history was the Deseret Paper Mill – the 'Old Mill' situated along Big Cottonwood Creek about a mile below the mouth of the Big Cottonwood canyon.



It was built in 1861 to make newspaper for the Deseret News. The paper was made with wood pulp taken from the canyons and rags gathered by families in the valley.

It was an immense pioneer undertaking. The finest paper making machinery was hauled across the country by team and wagon, and the mill was the pride of the community as well as the territory. It operated for many years, furnishing employment for the people of Butlerville and paper for the territory. But on the morning of April 1, 1893 (April Fools' Day), the cry echoed through the community that the mill was on fire. Most people believed it to be a April Fool's day joke and turned over in their

beds and went back to sleep. The mill burned down and was never rebuilt as a paper mill. Since the mill's construction, the railroad had come through and it was cheaper to bring paper in by train than to manufacture it locally.



The Deseret Paper Mill is one of the highlights of Cottonwood Heights' history, and still stands today.

Industry and Development

Lumber wasn't the only natural resource taken from the canyons. Millions of dollars-worth of gold, lead and silver were mined. Underground water, the high cost of production, and diminishing veins all contributed to the closure of the mines. Historically, the region has also been a fine area for growing fruit as well as dairy feed. Additionally, poultry and (later) mink farming contributed to the local industry.

Since water is always critical to the development of an area, the top flatland of the sandbar was too dry and desolate to attract settlers. While the Little Cottonwood Creek was the closest, it was also the least available because of the high bluff. It was apparently this problem that earned 'Poverty Flats' its nickname. Water had to be brought from Big Cottonwood Creek down from the mouth of the canyon to enable farms and orchards to be established where residents now live. Early settlers established small farms producing hay, wheat,

and a variety of vegetable crops. Yet, the area was most widely known for its fruit production, even marketing the fruit out-of-state.

The Southwestern part of the area has historically been known as 'Little Cottonwood Creek Valley', 'Little Cottonwood', or 'Union.' The earliest settlements in the area were located along the Little Cottonwood Creek, which lay well below the south and west bluff sides. It was along this creek that the old Union Fort was built in what is now the eastern edge of Midvale City, another stopping place for workers bringing granite from Little Cottonwood Canyon to Salt Lake City for building the L.D.S. Temple.

The Little Cottonwood settlement was initially organized as a series of small farms in order to ensure sufficient space for growth and to intensify social contact among villagers. The first recorded plan of the settlement shows a series of odd-shaped lots strung together along the creek bottomlands.

The community later became known as 'Union' in conjunction with the construction of the Union Fort in 1854.

The names 'Butlerville', 'Poverty Flats', 'Little Cottonwood', and 'Union' are still recognized by the residents of the City, but the area is now joined and together make up Cottonwood Heights (the City).

The traditional agricultural economy of the area has almost entirely given way to neighborhood and business development as growth in the region has continued at a rapid pace. Cottonwood Heights has become well known as a corporate headquarters for the south part of the Salt Lake Valley offering three major office park developments.





POLICIES AND PROCESSES

BUDGET POLICIES

In association with the preparation of the annual budget, the City uses the guidelines shown below to adopt a budget that transparently shows the City takes seriously its responsibility to carefully manage and account for public funds.

Operating Budget Policies

- The budget for each governmental fund will be balanced, which means appropriations will not exceed estimated expendable revenue. Expendable revenue may include allocation of previously accumulated fund balance.
- The City will cover current expenditures with current revenues. The city will avoid budgetary procedures that cover current expenditures at the expense of meeting future years' expenditures.
- The budget will provide for adequate maintenance of capital facilities and for the orderly replacement of equipment.
- The City will maintain checks and balances to verify budget balances prior to making spending commitments.
- The City will prepare monthly reports comparing actual revenues and expenditures to budgeted amounts.
- Where possible the city will integrate performance measurement and productivity indicators within the budget.

Capital Projects Budget Policies

- The city will enact an annual capital budget calculated to meet the multi-year Capital Improvement Plan (CIP). (Current funding of the CIP does not meet the project needs identified in this plan).
- The city will coordinate development of the capital projects budget with the operating budget. Future operating costs associated with new capital projects will be projected and included in the operating budget.
- The city will prioritize maintenance of all assets at a level adequate to protect the city's capital investment and to minimize future maintenance and replacement costs.
- The estimated cost and potential funding sources for each capital project proposal will be identified before it is submitted to the Mayor and City Council for approval.
- The city will identify the least costly financing method for all new capital projects.

Debt Management Policies

- The city will confine long-term borrowing to capital projects and purchases of equipment.
- When the city finances capital projects by issuing bonds, it will pay back the bonds within a period *not* to exceed the expected useful life of the asset acquired.
- The city will not use long-term debt for current operations.
- The city will meet all debt service obligations when due.
- The city will retire any tax and revenue anticipation debt annually.

Revenue Estimation Policies

- The city budget official will estimate annual revenues by an objective, analytical process. The city will *not* include revenue in the budget that cannot be verified with documentation of its source and amount.

Fund Balance Policy

- In order to maintain and protect the long term financial capacity of the city, the total fund balance in the General Fund will be maintained to achieve a balance of 6% of General Fund expenditures.

Accounting, Auditing, and Financial Reporting Policies

- The accounting system will report financial information on a basis consistent with Generally Accepted Accounting Principles.
- Regular monthly and annual financial reports will present a summary of financial activity to the city council and citizens.
- The City will contract with an independent Certified Public Accounting firm to perform an annual audit; and will publicly issue their opinion on the city's financial statements, after preliminary presentation to the City Audit Committee.

FUND BALANCE

Cottonwood Heights budget is divided into separate funds as required by Generally Accepted Accounting Principles, State Regulation, or City Policy. The City reports the difference between assets and liabilities in governmental funds as fund balance and further segregates fund balance as nonspendable, restricted, committed, assigned and unassigned. Unassigned fund balance in governmental funds is the City's measure of current available financial resources that are not budgeted for expenditure during the fiscal year.

BASIS OF MEASURING AVAILABLE REVENUE AND EXPENDITURES FOR BUDGETS**Governmental Funds**

Transactions or events may take place in one fiscal year and result in cash receipts or payments in either the same fiscal year or another fiscal year. Accounting for and reporting of a transaction in the fiscal year when a cash receipt or payment is made is called Cash Basis Accounting. Accounting for the transaction in the fiscal year when the event takes place, regardless of when cash is received or payment is made, is called accrual or accrual basis of accounting. The city recognizes revenue and expenditures for both budgeting and audited financial reporting purposes in the fiscal year when the underlying event takes place. This would generally be described as an accrual measurement basis. However, there are some exceptions to this general accrual measurement basis, and when these exceptions are considered, the budgetary basis for the governmental fund is called the Modified Accrual Basis of Accounting. The exceptions to the accrual basis are as follows:

Revenue

The City includes in available revenue only revenue that will be collected in cash within ninety days following the close of the fiscal year, if it was recognizable as of fiscal year end, and in the case of property tax revenue only revenue that will be collected within 60 days of the close of the fiscal year.

Expenditures

The City includes interest on long term debt as an expenditure in the year it is payable. Also, payments that will *not* be made within one year following the close of the fiscal year are *not* included in expenditures because of the current resources focus of these governmental funds.

The City does not include depreciation of its long term physical assets used in activities of the governmental funds as an expenditure of the funds. Purchases of long term physical assets are included as budgeted expenditures in the year purchased.

Proprietary Fund

In its proprietary fund, the Employee Benefits Fund (an Internal Service Fund) the city's budget measurement basis is accrual with no modifications.

DEBT AND DEBT LIMITS

DEBT RESTRICTIONS AND COVENANTS

General Obligation Debt

No long-term general obligation debt shall be created by any city unless the proposition to create such debt shall have been submitted to a vote of qualified electors. Cities shall *not* contract for debt in an amount exceeding four percent of the fair market value of taxable property in their jurisdictions. For the period ended June 30, 2016, the City had no outstanding general obligation debt.

BUDGET CONTROL AND MANAGEMENT

All appropriations in this budget are assigned to a staff member for control and management. The information system provides monthly reports used by each person assigned to an appropriation to know what has been charged to *their* budget and the balance available. Department heads may reallocate appropriations for their departments with the approval of the Budget Officer.

Appropriation changes between the various departments may be accomplished with the approval of the City Council. Any increase in total appropriations for each fund must be approved by the City Council after proper notice to the citizens and a public hearing.

BUDGET PRIORITIES

During the Feb 16, 2016 meeting, Cottonwood Heights City Council met with staff to discuss budget and other strategic priorities for this budget year and for future years. Several issues were addressed and prioritized. The following issues were identified to be the highest priorities.

- **Competitive Employee Compensation** – Cottonwood Heights considers its employees as its most valuable resource. Hiring and retaining a qualified, motivated, and enthusiastic work force is of utmost importance. Of particular importance is the need to hire and retain a qualified and professional police force. The City has evaluated its pay plan and made adjustments. The new pay plan now gives supervisors the ability to move high-performing employees further along the pay range more quickly than they could previously.
- **Successful City Hall Completion** – The City is in the process of constructing a new municipal center that will house both the police and general city functions. This facility will *not* just be a building in which to house staff but is intended to be an asset to the community. This building is intended to be accessible to the public and a point of pride for Cottonwood Heights residents. The City originally issued bonds to fund the building construction in 2014. However, at that time the final project costs were not known. In order to complete the facility, the City will borrow approximately 3.5 million dollars in FY2017.
- **Fund Roads at a Level to Maintain or Increase PCI Condition** – Due to funding shortfalls, the City's roads are in need of increased attention and funding. All roads are given a rating based on a standard pavement condition index (PCI). The PCI measures the condition of the roads for distress and drivability on a scale from 0 to 100. Currently, the average PCI for Cottonwood Heights roads is 66. The intent of City leaders is to increase the average PCI level to 70. This budget priority will be a focus for the next several years in association with taking on Public Works Service internally as shown below. However, new revenue sources will need to be identified to assure this goal is achieved and maintained.
- **Evaluate Public Works Alternatives** – Cottonwood Heights has always contracted with an outside provider for its Public Works Services. These services were previously provided by Salt Lake County and then by a private company. In an effort to better manage resources and improve service levels, the City will begin self-providing public works in the upcoming fiscal year. Included with annual operation will be an emphasis to improve street maintenance funding.
- **Evaluate and Consider Budget Savings and/or Reduce Service Levels**
As City leaders and staff look forward to ever-tightening budgets, an emphasis will be placed each year on finding areas where savings can be realized with minimal impact on service levels. Budget savings that will significantly impact service levels will be evaluated on a case-by-case basis.

➤ **Secondary Priorities**

In addition to the budget objectives shown above, additional items were discussed and will continue to be evaluated in future budget discussions. These items are listed below:

- Golden Hills Park Completion
- Park & Ride – State Partnership
- Mountview Park Playground Equipment Safety
- Big Cottonwood Canyon Trail Solution
- Storm Drain System Repair and Maintenance
- Public Works Facility
- Business Association Development
- 5-Year Financial Plan
- Gravel Pit Development
- Canyon Center Development
- Fort Union Redevelopment
- Citizen Communication
- Emergency Response Plan



BUDGET ESTIMATES

Revenues – The first step in budget preparation each year is an evaluation and estimation of future revenues. These estimates are intended to be conservative and based on current economic conditions and historical trends. Major revenue estimations are described below:

Revenue Type	Percentage Increase	Description
Property Tax	1.41%	As a City close to build out, Cottonwood Heights is not experiencing rapid growth. Property tax regulations in the State of Utah tend to constrict growth in property tax revenues without growth in taxable property.
Sales Tax	3.00%	Unlike property tax, sales tax revenue will growth with inflation. That growth along with natural economic growth causes sales tax revenue to grow at a more rapid rate than property tax.
Energy Sales Tax	22.50%	The City instituted a municipal energy sales tax last fiscal year. The tax began in October 2015, so it was not in place for the full year. In the 2016-2017 fiscal year the tax will be charged for the full year creating a one-time bump in revenue.
Building Permit Fees	4.93%	The City is anticipating a one-time bump in revenue due to several development projects occurring in the City during the next year.
Road Tax	4.20%	The City receives a portion of the tax charged on motor vehicle fuel as a grant from the State of Utah. This tax was increased by the State and a portion of that increase will come to Cottonwood Heights.
Public Works Equipment Lease	\$3,100,000	The city will begin self-providing for street maintenance and snow plowing for the upcoming year. With this operational change, the city will borrow these funds to purchase vehicles and equipment to provide this service
Sales Tax Revenue Bonds	\$3,500,000	The City will issue bonds to fund the completion of the Municipal Center and to purchase property and make improvements for public works purposes.

Expenditures – Once revenues are established, the City looks at upcoming increases and decreases in expenditures. Most operating line items are unchanged from the previous year. Significant changes are described on the page below:

Expenditure	Increase	Description
Wages	0.70% COLA 1.2% – 4.8% Merit	Employees are given a COLA annually based on the national CPI as determined by the Bureau of Labor Statistics. A modified pay plan was implemented, which would provide a merit increase to employees based on the result of their performance evaluation.
Health Insurance	0.0%	Previously, the City's health insurance plan included a traditional indemnity plan along with a Health Savings Account (HSA) option. By switching to an HSA-only plan, the City was able to avoid any increase in its insurance costs.
27th Payperiod	\$231,000	The City pays its employees every two weeks. Typically, this results in 26 pay periods each year. However, every twelve years, the City incurs 27 pay periods due to this timing. FY 2017 is a year which contains 27 pay periods.
Building Lease	(\$217,000)	The City is currently in leased office space. During FY 2016, while Cottonwood Heights is constructing the new Municipal Center, the City paid both lease payments and bond payments on the financing for the Municipal Center. The City will realize a savings by <i>not</i> incurring both payments for the full year.
Police Body Cameras	\$82,000	Cottonwood Heights Police Department will begin using body cameras during the upcoming fiscal year. These funds will be used for software, data storage, and personnel costs to manage this program.
Public Works Equipment	\$3,100,000	The City will purchase vehicles and equipment necessary to provide public works services.
Municipal Center	\$2,500,000	\$2.5 million is budgeted for the completion of the Municipal Center.
Public Works	\$1,500,000	\$1.5 million is budgeted for the purchase of property and to make improvements to that property in order to operate the City's new public works department.



GENERAL OVERVIEW

GENERAL FINANCIAL OVERVIEW

Funding for government services comes from a variety of sources. This narrative is offered to provide a more detailed analysis of how Cottonwood Heights receives the revenues it uses to provide services to its citizens. The intent of this section is to present the City's financial structure in a straightforward and transparent manner.

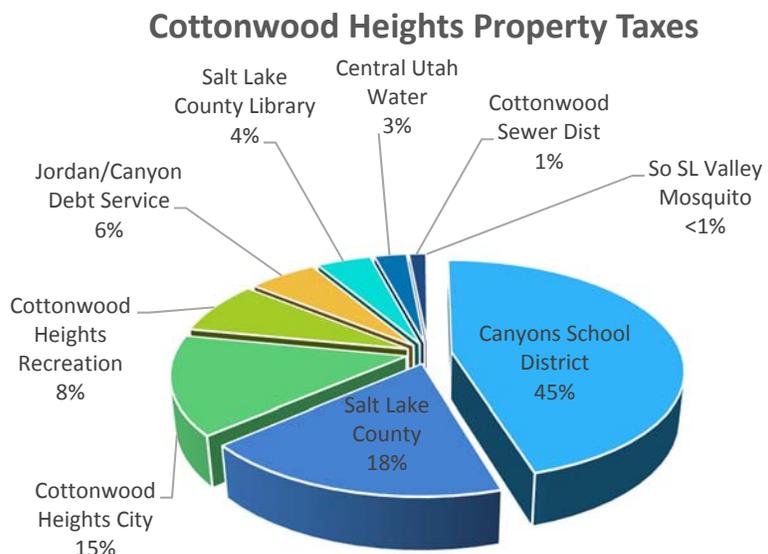
General Activities

Most of the services provided by Cottonwood Heights are funded through general tax revenues. While some functions have a fee associated with them, the vast majority do not. Rather they are funded through general tax revenues. The largest sources of tax revenue are property tax and sales tax, thus they will be the primary focus of this section.

Property Tax. Cottonwood Heights largest source of revenue is property tax, which represents 38% of total general fund revenue. Salt Lake County is charged with assessing all real and business personal property within the City and collecting the taxes for those properties. The County then distributes those funds to individual taxing districts. For the 2016 fiscal year, 15% of the total property taxes paid by most Cottonwood Heights residents was allocated to the City.

Property tax is a stable revenue source, and thus year-to-year fluctuations in revenue are relatively small. Taxes paid by individual property owners are distributed to school districts, municipalities, counties, and special districts. The chart to the right illustrates the relative percentage of each resident's property tax distributed to individual taxing entities.

By State law, primary residences are taxed at 55% of their value as assessed by Salt Lake County. All other real and business personal property is taxed at 100% of assessed value. Cottonwood Heights' property tax rate for the 2016 fiscal year is .2239%. So, a primary residence in Cottonwood Heights with an assessed value of \$300,000 would pay \$369.43 in property taxes to Cottonwood Heights. The rate for the 2017 fiscal year decreased to .2064%

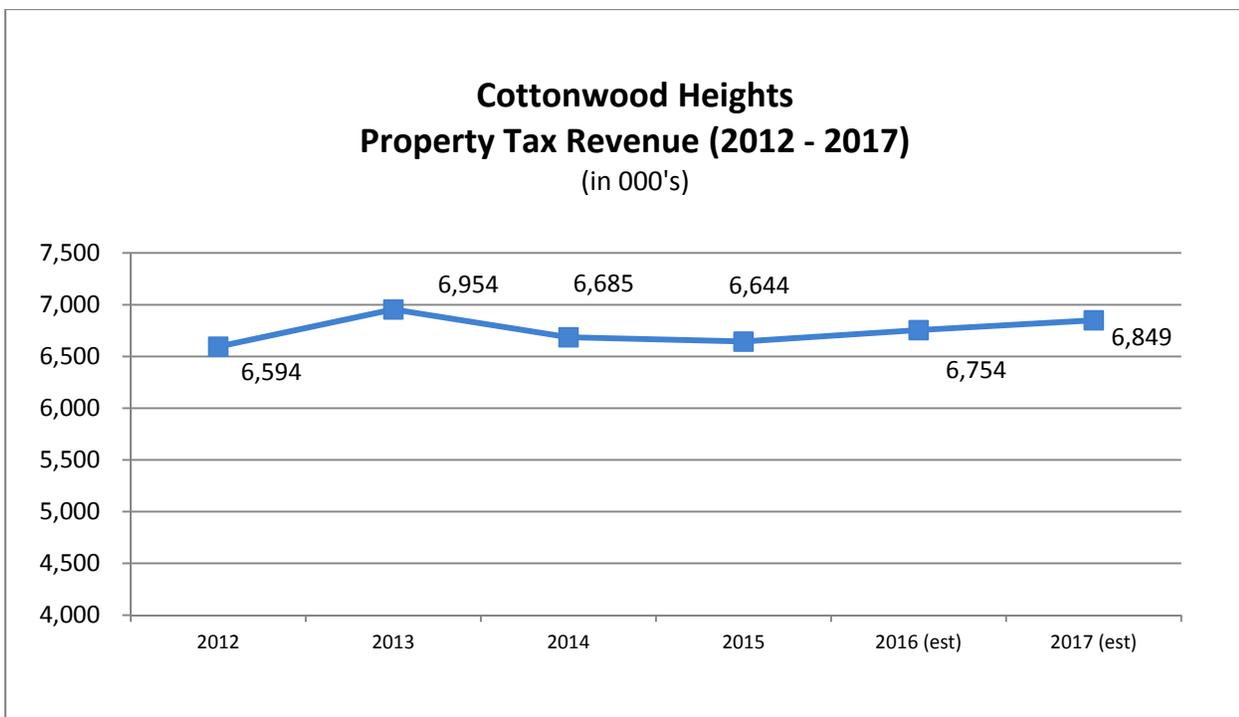


Truth in Taxation

In order to understand property tax in Utah, it is necessary to understand a section of Utah State Law known as "Truth in Taxation". The intention of "Truth in Taxation" legislation is to keep property taxes at a stable level despite what are sometimes wide fluctuations in real estate values. The calculations involved can get extremely complex, but the primary focus is to provide local governments a stable revenue source.

Salt Lake County is responsible for administering property taxes within the County. Every June, the County submits a “certified tax rate” to all taxing entities within its boundary. This is the rate that would provide the entity with the same amount of revenue as the previous year plus an additional amount for any new growth which occurred within the entity’s boundaries during the previous year. The certified tax rate does *not* provide for additional tax revenue due to increased valuation of existing property or for cost inflation. If an entity chooses to adopt a tax rate higher than the certified rate, Utah law has very specific requirements for newspaper advertisements and public hearings, from which the name “Truth in Taxation” is derived.

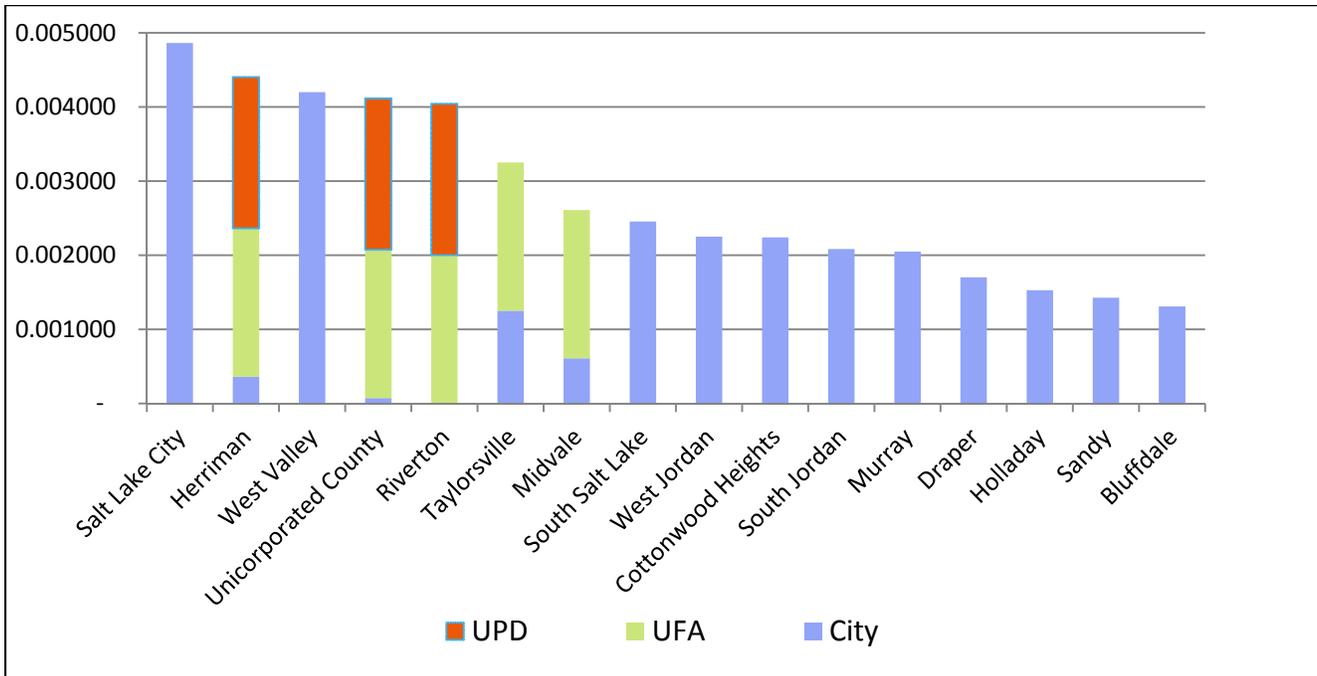
These regulations tend to keep property tax revenues steady in times of property inflation and property deflation. Absent any action from the taxing entity’s governing board, property tax rates will decrease during times of increasing property values and will increase in times of falling property values in order to keep actual taxes paid relatively level from year to year. However, entities must periodically evaluate and sometimes increase rates above the certified rate in order to add services or just to keep pace with inflation. As the graph below illustrates, property tax revenues have remained steady throughout the years. The bump in 2013 was related to the collection of taxes assessed in previous years but collect in 2013.



The City’s budgeted property tax revenue for the 2016-2017 fiscal year is \$6,849,089, an increase of 1.41% from the previous year’s budget of \$6,754,086. The budget is based on estimates of growth of taxable property in the City as well as historical trends.

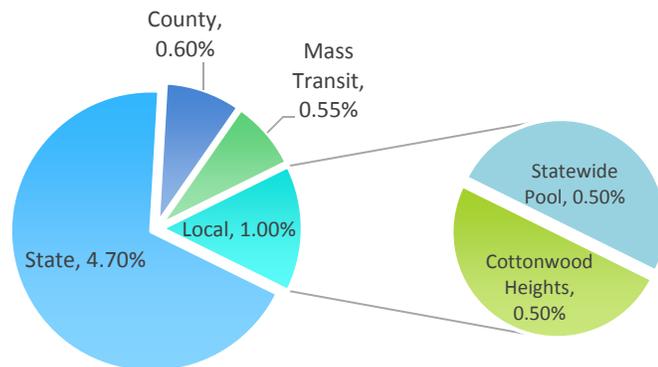
Relative Tax Rates

Below is a chart showing the tax rates for other cities in Salt Lake County for the 2016 tax year. For cities included in the United Fire Service Area and/or SL Valley Law Enforcement Service Area, those rates are added to those cities' rates. The average property tax rate for the cities shown below is .002160 and the median rate is .002172. Cottonwood Heights' rate for the 2016-2017 fiscal year is .002064.



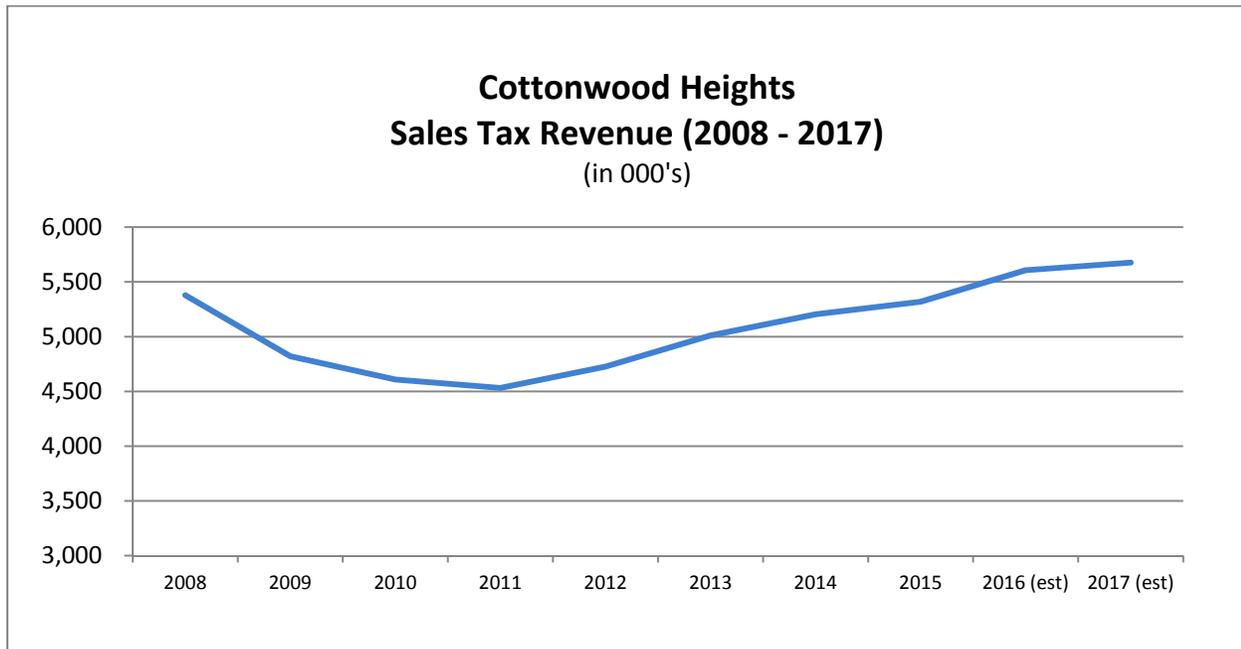
Sales Tax. Sales Tax is the second largest source of revenue for the City, representing 31% of total governmental revenue. Retail sales in Cottonwood Heights are assessed a tax at the rate of 6.85%. 1% of the 6.85% is assessed by the City. However, following State law, 50% of this revenue comes directly to Cottonwood Heights, while the other 50% is distributed Statewide based on population. Cottonwood Heights receives slightly more from the population distribution than it does from sales located in Cottonwood Heights. For the 2016-2017 fiscal year, the City received \$1.11 for every \$1.00 of local option sales tax collected. How this tax is distributed is shown by the chart to the right.

Sales Tax Distribution



Sales Tax Trends

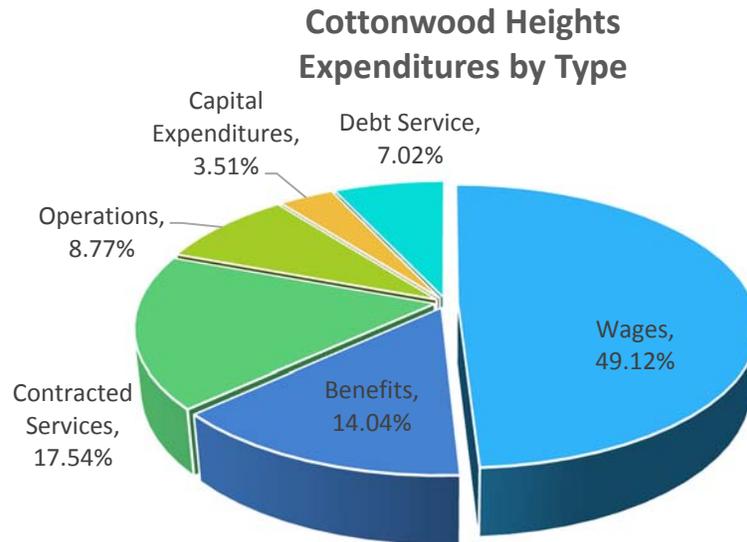
Sales tax revenue fluctuates with factors such as inflation and the economy, and it thus contains more volatility than property tax. The City has seen fluctuations in its sales tax revenues in the years following incorporation. It is anticipated the City will collect \$5,600,000 in sales tax revenue for fiscal year 2015-2016. This is the highest amount since the 2008 level of \$5,378,000. The average percentage growth in sales tax revenue from 2011 – 2015 is 3.47%. Based on trends and experience, we are forecasting an increase of 3.20% higher than the FY 2016 forecasted amount. The chart below shows revenue trends from 2008 – 2017.



Other Revenues. Property and sales tax make up 69% of the City's general fund revenues. The remaining revenues come from a variety of sources. The largest remaining source of revenue is the Municipal Energy Sales and Use Tax. The City assesses a 6% tax to electricity and natural gas bills for Cottonwood Heights residents and businesses. This tax represents 11% of general fund revenues. The Energy Sales and Use Tax was implemented for the first time during the 2015-2016 fiscal year with an estimate of \$1,600,000. However, the tax was only assessed for less than nine months of the year. With that data and a full year's assessment. We anticipate this revenue stream to increase to \$1,970,596 for the 2016-2017 fiscal year. Other City revenue sources are listed below:

- ❖ Cable Franchise Fees – There is a 5% tax charged to all cable television bills.
- ❖ Telecommunications Tax – Utah State Law allows municipalities to charge a 3.5% tax on telecommunication charges. Cottonwood Heights is currently the only city in Salt Lake County and one of very few cities in the State that does not charge this tax.
- ❖ State and Federal Grants – The largest State grant is the City's allocable portion of the State Gas Tax charges on all fuel purchases. The City also seeks grants, when beneficial, for capital and operation items. These grants primarily concern public safety, and the arts.
- ❖ Class C Road Funds. The State charges a tax on all fuel purchases. A portion of that tax is given to local governments for the purpose of road maintenance.
- ❖ Charges for Services – The City charges fees for such items as building permits, plan reviews, business licenses, and road cut permits.
- ❖ Court Fines – The City contracts with the City of Holladay for court services. Revenues from Cottonwood Heights cases come back to the City.
- ❖ E911 Fees – A fee is charged to all land and cell phone lines for emergency 911 service. The revenue received from the City for this service is paid to Valley Emergency Communications Center (VECC) to provide 911 service to City residents.

Expenditures. Individual department budgets are shown in detail in the *Department Descriptions* section of this document. In summary, these budgets are assembled according to the budget guidelines established by the City Council. Salaries are the largest expenditure in the general fund representing 49.12% of total expenditures. Other costs are incurred for benefits, contracted services, operations, capital expenditures, and debt service. The percentage of the costs in relation to the full budget is shown to the right.



Other Funds

In addition to general fund activities, the City maintains three other funds. Their descriptions are shown below.

Capital Projects Fund. This is the fund used to track revenues and expenditures for large capital projects. Often these projects overlap 2 or more fiscal periods. The revenues in this fund come primarily from State and Federal grants as well as transfers from the general fund.

Community Development and Renewal Fund. This is the fund used to track activity in the City's redevelopment areas. These areas are created under the authority of State law and in cooperation with other taxing entities. These areas allow a portion of the tax revenue generated in those areas to be used to incentivize economic development. The City currently has one such area known as *The Canyons Center*. It is anticipated that incentives in this area, which will allow this area to be redeveloped for commercial, retail and residential purposes.

Employee Benefits Fund. This fund is maintained as an Internal Service Fund to pay and accrue unused leave time for all City employees. Each City department is assessed a charge based on the amount of unused compensated absences.

Consolidated Budget

All Governmental Funds
2016-2017 City Budget

	General Fund	Special Revenue Funds	Capital Project Funds	FY 2017 Budget Total	FY 2016 Final Budget	FY 2015 Actual
Revenues						
Property Taxes	6,845,465	-	-	6,845,465	6,750,465	6,638,954
Sales Taxes	5,676,000	-	-	5,676,000	5,500,000	5,319,432
Other Taxes	2,920,920	-	-	2,920,920	2,550,321	999,746
Licenses & Permits	690,600	-	-	690,600	670,600	517,531
Class C Road Funds	1,240,000	-	-	1,240,000	1,190,000	1,088,281
Intergovernmental Revenues	70,000	-	-	70,000	1,807,414	2,084,284
Charges for Services	65,500	-	-	65,500	167,755	217,312
Fines and Forfeitures	460,000	-	-	460,000	460,000	528,102
Other Revenues	942,562	-	-	942,562	96,887	168,202
Developer Payments	-	-	-	-	50,000	42,369
Proceeds from Debt Issuance	-	-	7,940,000	7,940,000	-	15,832,587
Use of/(Contr To) Fund Balance	200,000	25,000	(18,625)	206,375	14,091,979	(12,766,215)
Transfers	(278,625)	-	278,625	-	-	-
Total Budgeted Revenue	18,832,422	25,000	8,200,000	27,057,422	33,335,421	20,670,586

	Expenditures					
Operations						
Salaries & Wages	5,023,490	-	-	5,023,490	4,587,481	4,383,580
Employee Benefits	2,383,682	-	-	2,383,682	2,195,134	2,085,187
Operating Expenditures	5,087,161	25,000	-	5,112,161	5,482,890	4,903,749
Contracted Services	4,558,781	-	-	4,558,781	4,505,281	4,204,306
Equipment and Capital Improvements	-	-	8,200,000	8,200,000	15,315,671	5,079,798
Debt Service Payments	1,779,308	-	-	1,779,308	1,248,964	13,966
Total Budgeted Expenditures	18,832,422	25,000	8,200,000	27,057,422	33,335,421	20,670,586



BUDGET PROCESS

The budget setting process begins midway through the current fiscal year. The Mayor and City Council first identify needs and issues and alternative strategies to address the identified issues and needs. Simultaneously, the City Manager and Department Directors conduct the same analysis.

The objective is for the elected officials, with input from City Staff, to establish priorities and guidelines, which will be used to determine how the City's limited resources will be allocated. The guidelines established in these meetings are listed as Budget Priorities shown on pages 19-20.

The following are tasks that must be completed during the last half of the City's fiscal year to develop and approve the budget document. The City Council solicits public comment and input at the beginning of every business meeting, and when the budget is discussed it is an opportunity for citizens to comment regarding the budget. Agendas notifying the public of such meetings are published throughout the community and on the City's website where citizens may request agendas be sent to them automatically, by electronic means, before each meeting.

JANUARY/FEBRUARY



Goal setting and budget planning retreat held in late January or early February with the Mayor, City Council, City Manager, and Department Directors.

MARCH / APRIL



During March and April, the elected officials meet with the City Manager and Budget Officer regarding the current fiscal year budget, department goals, and budget estimates for the upcoming budget year. This also begins the final planning process for the capital expenditures portion of the new budget.

Department Directors and the City Manager meet weekly and refine the budget proposal.

MAY



In the first regularly scheduled business meeting in May the proposed budget is presented to the Mayor and City Council. The budget is adopted during that meeting as the tentative budget. They are asked to establish the time and place (Cottonwood Heights Council Chambers, 1265 Fort Union Blvd #300) for a public hearing prior to considering its adoption.

A meeting notice must be published at least seven days prior to the hearing date in a daily newspaper, the notice of a public hearing to consider revising the current year budget and adopting the upcoming year's budget. The public hearing date for this year's budget was June 14.

JUNE



The tentative budget is on file at the city offices and on the city's website for public inspection until the date of budget adoption (This year's date was June 21, 2016), at which time the City Council adopts the final budget and sets the final property tax rate. State law requires the budget be adopted on or before June 22 each year.

The Mayor and City Council pass a resolution adopting the budgets and sets the property tax rate for the 2016 calendar year which provides the revenue for the 2016-2017 fiscal year budget.

BUDGET CONTROL AND MANAGEMENT

All appropriations in this budget are assigned to a staff member for control and management. The information system provides monthly reports used by each person assigned to an appropriation to know what has been charged to each department's respective budgets and unexpended funds available. Department Directors may reallocate appropriations for their departments with the approval of the Budget Officer.

Appropriation changes between the various departments may be accomplished with the approval of the City Council. The process to amend the City budget is similar to adoption of the original budget. The budget is made available to the general public, and the public is invited to a public hearing to provide comment. Only after the public process can the City Council approve an amendment to the budget. The City carefully monitors revenues and expenditures to identify areas where the budget may need to be amended.





FY 2016-17
OPERATING & CAPITAL
BUDGET

General Fund
Revenue and Other Sources with Impact on Fund Balance

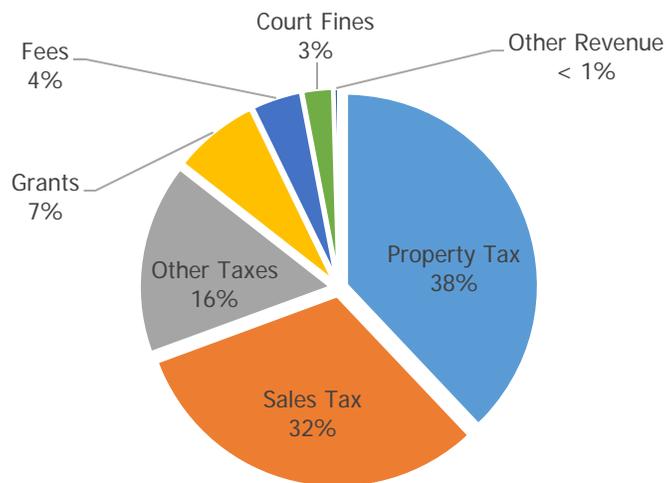
Description	2014-15 Year Actual	2015-16 Year Adopted	2015-16 Year -end Estimated	2016-17 Year Budget	2016 Budget to 2017 Budget % Change
BEGINNING FUND BALANCE	2,426,952	2,136,364	2,136,364	2,136,364 *	
REVENUES					
TAXES					
Real Property Taxes	6,643,805	6,754,086	6,754,086	6,849,089	1.41%
General Sales and Use Taxes	5,319,432	5,500,000	5,548,147	5,676,000	3.20%
E911 Telephone Fees	296,984	265,000	265,000	265,000	0.00%
Fee-In-Lieu of Property Taxes	366,675	350,000	350,000	350,000	0.00%
Franchise Taxes - Cable TV	305,641	306,700	306,700	306,700	0.00%
Franchise Taxes - Energy Use Tax	0	1,600,000	1,600,000	1,970,596	23.16%
Transient Room Tax	22,865	25,000	25,000	25,000	0.00%
Total Taxes	12,955,402	14,800,786	14,848,933	15,442,385	4.33%
LICENSES AND PERMITS					
Business Licenses and Permits	240,937	220,000	220,000	220,000	0.00%
Buildings, Structures and Equipment	383,009	405,600	405,600	425,600	4.93%
Road Cut Fees	22,301	35,000	35,000	35,000	0.00%
Animal Licenses	12,196	10,000	10,000	10,000	0.00%
Total Licenses and Permits	658,443	670,600	670,600	690,600	2.98%
INTERGOVERNMENTAL REVENUE					
Federal Grants	32,435	25,000	39,600	25,000	0.00%
State Grants	67,165	0	0	0	#DIV/0!
Class C Roads	1,088,281	1,190,000	1,190,000	1,240,000	4.20%
Liquor Fund Allotment	42,986	45,000	45,000	45,000	0.00%
Local Grants	16,000	0	0	0	#DIV/0!
Total Intergovernmental Revenues	1,246,868	1,260,000	1,274,600	1,310,000	3.97%
CHARGES FOR SERVICE					
Zoning and Sub-division Fees	70,049	60,000	60,000	60,000	0.00%
Pavilion Fees	5,700	5,500	5,500	5,500	0.00%
Other Charges for Services	1,622	0	0	0	#DIV/0!
Total Charges for Services	77,371	65,500	65,500	65,500	0.00%
FINES AND FORFEITURES					
Courts Fines	528,102	460,000	460,000	460,000	0.00%
Total Fines and Forfeitures	528,102	460,000	460,000	460,000	0.00%
MISCELLANEOUS REVENUE					
Interest Revenues	13,097	20,000	20,000	20,000	0.00%
Miscellaneous Revenues	35,412	59,254	89,142	59,254	0.00%
Total Miscellaneous Revenue	48,508	79,254	109,142	79,254	0.00%
TOTAL REVENUES	15,514,694	17,336,140	17,428,775	18,047,739	4.10%

* estimated

General Fund
Revenue and Other Sources with Impact on Fund Balance

Description	2014-15 Year Actual	2015-16 Year Adopted	2015-16 Year -end Estimated	2016-17 Year Budget	2016 Budget to 2017 Budget % Change
OTHER FINANCING SOURCES					
IMPACT FEES					
Storm Water Impact Fees	0	0	0	0	#DIV/0!
Transportation Impact Fees	0	0	0	0	#DIV/0!
Total Impact Fees	0	0	0	0	#DIV/0!
OTHER SOURCES					
Transfer from Capital Projects Fund	0	0	0	0	#DIV/0!
Sale of Capital Assets	18,824	0	0	863,308	#DIV/0!
Proceeds from Capital Leases	1,168,247	0	0	0	#DIV/0!
Total Other Sources	1,187,071	0	0	863,308	#DIV/0!
FUND BALANCE					
General Fund	0	0	0	0	#DIV/0!
Total Use of Fund Balance	0	0	0	0	#DIV/0!
TOTAL OTHER FINANCING SOURCES	1,187,071	0	0	863,308	#DIV/0!
GRAND TOTAL REVENUES AND OTHER FINANCING SOURCES	16,701,765	17,336,140	17,428,775	18,911,047	9.08%

General Fund Revenues



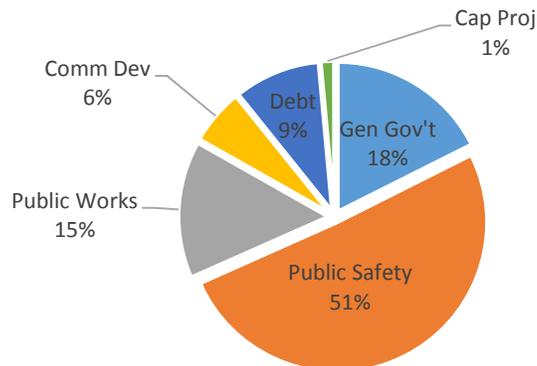
General Fund
Expenditures and Other Uses with Impact on Fund Balance

Description	2014-15 Year Actual	2015-16 Year Adopted	2015-16 Year -end Estimated	2016-17 Year Budget	2016 Budget to 2017 Budget % Change
EXPENDITURES					
GENERAL GOVERNMENT					
<i>LEGISLATIVE</i>					
Mayor & City Council	523,082	561,064	561,064	569,062	1.43%
Planning Commission	3,579	6,000	6,000	6,000	0.00%
Legislative Committees	159,363	129,000	194,237	143,000	-26.38%
Total Legislative	686,024	696,064	761,301	718,062	-5.68%
<i>JUDICIAL</i>					
Court, Prosecutor, & Defender	394,452	400,000	400,000	400,000	0.00%
Total Judicial	394,452	400,000	400,000	400,000	0.00%
<i>EXECUTIVE & GENERAL GOVERNMENT</i>					
City Manager & General Government	700,125	658,602	718,502	769,411	7.09%
capital outlay	0	0	0	0	#DIV/0!
Total Executive & General Government	700,125	658,602	718,502	769,411	7.09%
<i>ADMINISTRATIVE OFFICES</i>					
Finance	378,978	382,081	595,331	645,771	8.47%
Attorney	243,961	229,022	229,022	229,022	0.00%
Administrative Services/Recorder	492,932	590,396	415,893	442,584	6.42%
Emergency Management	6,036	17,600	17,600	17,600	0.00%
Information Technology	122,745	137,100	137,100	137,100	0.00%
Elections	0	35,600	35,600	0	-100.00%
Total Administrative Offices	1,244,652	1,391,799	1,430,546	1,472,077	2.90%
TOTAL GENERAL GOVERNMENT	3,025,254	3,146,465	3,310,349	3,359,550	1.49%
PUBLIC SAFETY					
Police	5,206,890	5,441,440	5,456,040	5,746,822	5.33%
Fire	3,499,487	3,674,759	3,674,759	3,784,759	2.99%
Ordinance Enforcement	154,643	159,377	159,377	170,215	6.80%
Total Public Safety	8,861,020	9,275,576	9,290,176	9,701,796	4.43%
HIGHWAYS AND PUBLIC IMPROVEMENTS					
Public Works (non-Class C)	1,526,586	1,643,764	1,630,264	1,644,484	0.87%
Class C Road Program	1,088,281	1,190,000	1,190,000	1,190,000	0.00%
Total Highways and Public Improvements	2,614,867	2,833,764	2,820,264	2,834,484	0.50%

General Fund
Expenditures and Other Uses with Impact on Fund Balance

Description	2014-15 Year Actual	2015-16 Year Adopted	2015-16 Year -end Estimated	2016-17 Year Budget	2016 Budget to 2017 Budget % Change
COMMUNITY AND ECONOMIC DEVELOPMENT					
Planning	444,962	492,624	473,124	541,103	14.37%
Economic Development	84,862	70,513	71,513	71,180	-0.47%
Engineering	460,858	560,000	541,500	545,000	0.65%
Total Community & Economic Development	990,682	1,123,137	1,086,137	1,157,283	6.55%
DEBT SERVICE					
Principal Payments	0	380,514	380,514	1,202,734	216.08%
Interest Payments	13,966	868,451	868,451	576,574	-33.61%
Total Lease Expense	13,966	1,248,964	1,248,964	1,779,308	42.46%
TOTAL EXPENDITURES	15,505,788	17,627,906	17,755,890	18,832,421	6.06%
OTHER USES					
Proceed from Issuance of Debt	1,486,565	0	0		
Transfers to Cap Improvement Fund	0	278,625	278,625	278,625	0.00%
Transfers to CDA Fund	0	0	0	0	#DIV/0!
Total Other Financing Uses	1,486,565	278,625	278,625	278,625	0.00%
TOTAL OTHER (USES)	1,486,565	278,625	278,625	278,625	0.00%
GRAND TOTAL BUDGETED EXPENDITURES AND OTHER USES	16,992,354	17,906,531	18,034,515	19,111,047	5.97%
TOTAL ENDING FUND BALANCE	2,136,364	2,136,364	2,136,364	1,936,364	-9.36%
NET CHANGE TO FUND BALANCE	(290,588)	(570,391)	(605,740)	(200,000)	

General Fund Expenditures



Capital Projects Fund
Expenditures and Other Uses with Impact on Fund Balance

Description	2014-15 Year Actual	2015-16 Year Adopted	2015-16 Year -end Actual (Estimated)	2016-17 Year Budget	2016 Budget to 2017 Budget % Change
BEGINNING FUND BALANCE	2,546,784	11,210,959	11,210,959	1,210,959	
REVENUES					
State Grants	0	461,000	461,000	0	-100.00%
Local TRCC Grant	0	0	0	0	#DIV/0!
CDBG Funds	0	50,550	50,550	0	-100.00%
Private Contribution	9,167			0	#DIV/0!
Federal Government Grants	0			0	#DIV/0!
Impact Fees	42,369	50,000	50,000	0	-100.00%
Interest Revenue	88,317	30,000	30,000	0	-100.00%
TOTAL REVENUES	139,853	591,550	591,550	0	-100.00%
OTHER FINANCING SOURCES					
Debt Proceeds	14,664,340			7,940,000	#DIV/0!
Transfers In	0	278,625	278,625	278,625	0.00%
Use of Fund Balance	0	2,133,205	2,133,205	(18,625)	-100.87%
TOTAL OTHER SOURCES AVAILABLE	14,664,340	2,411,830	2,411,830	8,200,000	239.99%
TOTAL REVENUE/OTHER SOURCES	14,804,193	3,003,380	3,003,380	8,200,000	173.03%
EXPENDITURES					
Pavement Management	779,562	25,000	25,000	0	-100.00%
Storm Drain Improvements	0	25,000	25,000	0	-100.00%
ADA Ramps	15,299	50,550	50,550	0	-100.00%
Ft Union/Highland Intersection	31,579	339,848	339,848	0	-100.00%
Cross Gutter Replacement	39,765	0	0	0	#DIV/0!
Big Cottonwood Trail	80,439	0	0	0	#DIV/0!
Sidewalk Replacement	51,153	53,750	53,750	0	-100.00%
Public Works Site	14,465	1,031,500	1,031,500	0	-100.00%
Bengal Boulevard	67,526	1,092,874	1,092,874	0	-100.00%
7200 S Sidewalk	39,752	0	0	0	#DIV/0!
Hazard Mitigation	75,000	15,558	15,558	0	-100.00%
1700 E Reconstruction	191,007	0	0	0	#DIV/0!
Union Park Landscape	41,917	0	0	0	#DIV/0!
Ft Union Park & Ride	1,151,718	0	0	0	#DIV/0!
Traffic Adaptive Control	20,515	114,300	114,300	0	-100.00%
Highland Access Ramp	5,737	0	0	0	#DIV/0!

Capital Projects Fund
Expenditures and Other Uses with Impact on Fund Balance

Description	2014-15 Year Actual	2015-16 Year Adopted	2015-16 Year -end Actual (Estimated)	2016-17 Year Budget	2016 Budget to 2017 Budget % Change
3000 E Wall Reconstruction	128,972	0	0	0	#DIV/0!
Brown Sanford Inventory	0	30,000	30,000	0	-100.00%
Prospector Street Light	0	25,000	25,000	0	-100.00%
Toni Circle School Zone	32,704	0	0	0	#DIV/0!
Pine Cr Lane Extension	26,514	0	0	0	#DIV/0!
Police Vehicles	0	0	0	1,340,000	#DIV/0!
Public Works Vehicles	0	0	0	3,100,000	#DIV/0!
Municipal Center Construction	799,609	200,000	10,200,000	2,500,000	1150.00%
Public Works Site	0	0	0	1,000,000	#DIV/0!
Pickleball Courts	0	0	0	30,000	#DIV/0!
Creek Road Resurface	0	0	0	230,000	#DIV/0!
TOTAL EXPENDITURES	3,593,233	3,003,380	13,003,380	8,200,000	173.03%
OTHER USES					
Transfers Out	0	0	0	0	#DIV/0!
Contribution to Fund Balance	0	0	0	0	#DIV/0!
TOTAL OTHER USES	0	0	0	0	#DIV/0!
TOTAL EXP/OTHER USES	3,593,233	3,003,380	13,003,380	8,200,000	173.03%
TOTAL ENDING FUND BALANCE	13,757,744	11,210,959	1,210,959	1,210,959	-89.20%
NET CHANGE TO FUND BALANCE	11,210,959	0	(10,000,000)	0	-100.00%

Community Development and Renewal Fund
Expenditures and Other Uses with Impact on Fund Balance

Description	2014-15 Year Actual	2015-16 Year Adopted	2015-16 Year -end Actual (Estimated)	2016-17 Year Budget	2016 Budget to 2017 Budget % Change
BEGINNING FUND BALANCE	-	1,845,843	1,845,843	1,845,843	
REVENUES					
Property Tax	0	0	0	0	#DIV/0!
Intergovernmental	1,928,429	0	0	0	#DIV/0!
Interest Revenue	2,414	0	0	0	#DIV/0!
TOTAL REVENUES	1,930,843	0	0	0	#DIV/0!
OTHER FINANCING SOURCES					
Bond Proceeds	0	0		0	#DIV/0!
Transfers In	0	0	0	0	#DIV/0!
Use of Fund Balance	0	0	0	25,000	#DIV/0!
TOTAL OTHER SOURCES AVAILABLE	0	0	0	25,000	#DIV/0!
TOTAL REVENUE/OTHER SOURCES	1,930,843	0	0	25,000	#DIV/0!
EXPENDITURES					
Professional Services	85,000	0	0	25,000	#DIV/0!
	0	0	0	0	#DIV/0!
	0	0	0	0	#DIV/0!
	0	0	0	0	#DIV/0!
TOTAL EXPENDITURES	85,000	0	0	25,000	#DIV/0!
OTHER USES					
Transfers Out	0	0	0	0	#DIV/0!
Contribution to Fund Balance	0	0	0	0	#DIV/0!
TOTAL OTHER USES	0	0	0	0	#DIV/0!
TOTAL EXP/OTHER USES	85,000	0	0	25,000	#DIV/0!
TOTAL ENDING FUND BALANCE	1,845,843	1,845,843	1,845,843	1,845,843	0.00%
NET CHANGE TO FUND BALANCE	1,845,843	0	0	0	#DIV/0!

Employee Benefits
Expenditures and Other Uses with Impact on Fund Balance

Description	2014-15 Year Actual	2015-16 Year Adopted	2015-16 Year -end Actual (Estimated)	2016-17 Year Budget	2016 Budget to 2017 Budget % Change
BEGINNING NET ASSETS	-	-	-	-	
REVENUES					
Charges for Employee Benefits	64,202	104,371	104,371	104,371	0.00%
Interest Revenue	1,658	900	900	900	0.00%
TOTAL REVENUES	65,860	105,271	105,271	105,271	0.00%
EXPENDITURES					
Employee Benefits	65,860	105,271	105,271	105,271	0.00%
TOTAL EXPENDITURES	65,860	105,271	105,271	105,271	0.00%
TOTAL ENDING FUND BALANCE	-	-	-	-	#DIV/0!
NET CHANGE TO FUND BALANCE	0	0	0	0	#DIV/0!





***DEPARTMENTS,
DIVISIONS,
& PROGRAMS***

Mayor and City Council



FUND:	General Fund	COST CENTER NUMBER	11-4111
DEPARTMENT:	General Government	FULL TIME EQUIVALENT	5.00
DIVISION	Legislative	BUDGET: FY2016 Adopted	561,064
		FY2015 Amended	561,064
		FY2017 Budget	569,062
SUB-DIVISION	Mayor & City Council	Kelvyn H. Cullimore Jr.-Mayor Michael Shelton-Council Member-1 st District J. Scott Bracken-Council Member-2 nd District Mike Peterson-Council Member-3 rd District Tee W. Tyler-Council Member 4 th District	

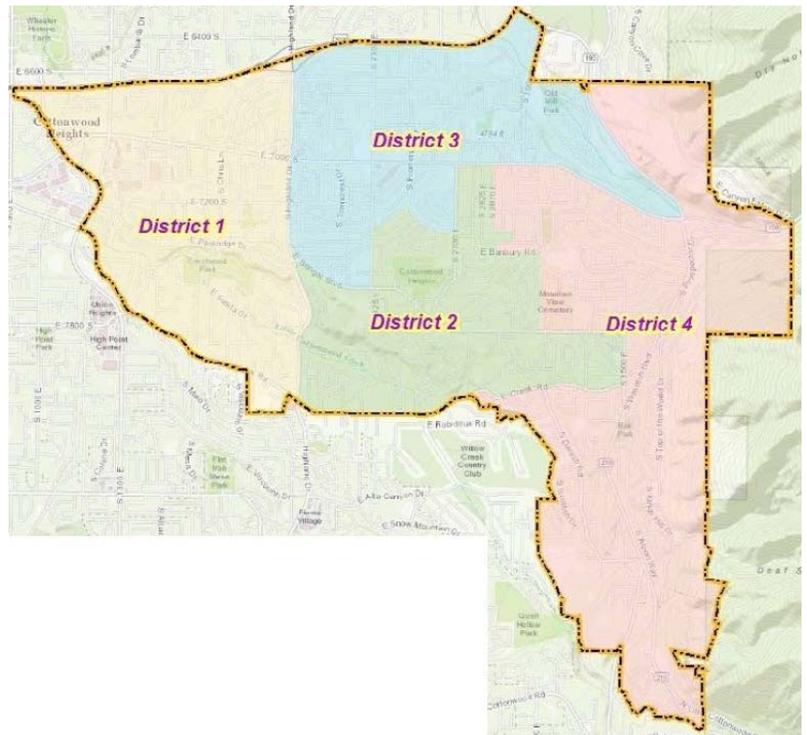
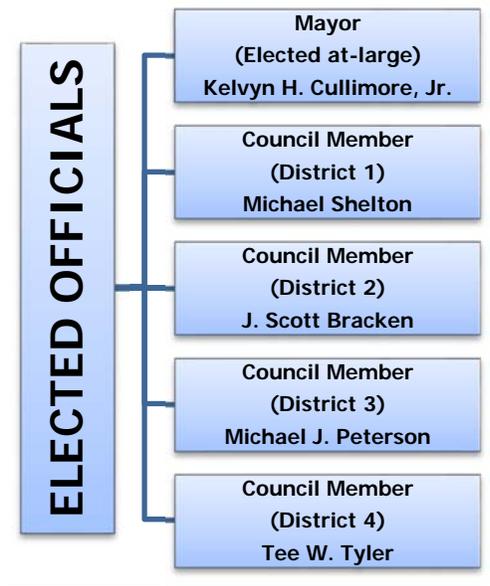
AUTHORITY: COTTONWOOD HEIGHTS CODE OF ORDINANCES: Chapter 2.10. Chapter 2.10.020—The city has adopted the council-manager form of government pursuant to UTAH CODE ANN. § 10-3-1201, *et seq.* The legislative branch of the city government is vested in a five (5) person city council, composed of four (4) council members and the mayor. See also COTTONWOOD HEIGHTS CODE OF ORDINANCE: Chapter 2.20 Elected Officers.

PURPOSE

The purpose of the Mayor and City Council is to act on behalf of the electorate as the legislative body of the City, who pass laws and regulations and determine overall policy direction on behalf of the City. The Mayor signs all contracts on behalf of the City. As a body they oversee the special events and committees.

ORGANIZATION PROFILE

The Mayor and City Council organization consists of the Mayor, who is elected at-large and four City Council members, who are elected from their respective Council District within the City.



Council Assignments

Mayor Cullimore. In addition to serving as Mayor, representing the Council at City Events and on the Audit Committee (which oversees the annual financial audit of the City), Mayor Cullimore also serves as a board member of the Unified Fire Authority (UFA) serving as the chairman of its finance committee; chair of the SL County Tourist, Recreational, Cultural and Convention Advisory Board (TRCC); member of the Wasatch Front Regional Council; member of the Mountain Accord Executive Committee; board member of the Urban Land Institute – Utah Chapter Advisory Board; member of the Utah Substance Abuse Advisory Council Sober Living Homes Subcommittee; member of the Transportation Coordinating Committee (Trans Com) of the Wasatch Front Regional Council; Chair of the Council of Governments Public Works Subcommittee; Legislative Policy Committee of the Utah League of Cities and Towns; member of the Salt Lake County Boundary Committee; current member and former president of the SL County Conference of Mayors; and member and past president of the Salt Lake County Council of Governments.

Councilmember Shelton. In addition to serving as the City Council Member from District One, and representing the City on the Arts Council, and City Audit Committee, Council Member Shelton serves as a board member of the Valley Emergency Communications Center (VECC), (the organization that provides dispatch services for both UFA and CH Police), a member of the City Emergency Planning Committee, and on the City Information Systems Committee.

Councilmember Bracken. In addition to serving as the City Council Member from District Two, Council Member Bracken serves as the Mayor Pro Tem, as the advisor for the Youth City Council, City liaison with the Cottonwood Heights Parks and Recreation Special Service Area, Board Member of the Wasatch Front Waste and Recycling District, and as a member of the City Information Systems Committee.

Councilmember Peterson. In addition to serving as the City Council Member from District Three, and representing the Council on the Historic Committee and Butlerville Days Committee, Council Member Peterson serves as the City Courts Liaison, on the Appeals Board, and on the Long Range Planning Committee that focuses on needs of the Homeless.

Councilmember Tyler. In addition to serving as the City Council Member from District Four, Council Member Tyler serves as the City Liaison with the Mosquito Abatement District, the Jordan River Commission, the Association of Municipal Councils, and the Utah League of Cities and Towns Legislative Policy Committee.

FY2015-16 MAJOR ACCOMPLISHMENTS

- Completed groundbreaking for new Municipal Center.
- Established the City’s first Public Works Department. These services were previously provided through a private contractor.
- Upgraded the City’s website for both the content and navigation.

EXPENDITURE DETAIL BY MAJOR CATEGORY

FINANCE BUDGET ACCOUNT CATEGORY / DESCRIPTION	FY2014-15 Actual	FY2015-16 Actual (Estimated)	FY2016-17 Budget	Explanation of Significant Changes
	<u>(5.0 FTE)</u>	<u>(5.0 FTE)</u>	<u>(5.0 FTE)</u>	
Salaries and Wages (100)				
Mayor	21,926	22,101	23,807	COLA
City Council	58,255	58,711	63,243	COLA
Employer Paid Benefits (200)	23,850	24,185	25,942	
Other Purchased Services (500)	380,221	414,597	414,600	
General Expenses and Supplies (600)	38,840	41,470	41,470	
Total Budgeted Expenditures	<u>523,092</u>	<u>561,064</u>	<u>569,062</u>	

Legislative Committees & Special Bodies



FUND:	General Fund	COST CENTER NUMBER	11-4112
DEPARTMENT:	General Government	FULL TIME EQUIVALENT	0.00
DIVISION	Legislative	BUDGET: FY2016 Adopted	129,000
		FY2016 Amended	194,237
		FY2017 Budget	143,000
SUB-DIVISION	Legislative Committees	DIRECTOR: Bryce Haderlie	

AUTHORITY: COTTONWOOD HEIGHTS CODE OF ORDINANCES: Chapter 2.140 "Standing and Advisory Committees; Volunteers" The intent of this chapter is to encourage citizen involvement and obtain citizen advice and input through the formation of the various advisory committees described in this chapter and providing for volunteerism in the city. The committees and councils authorized by this chapter are in addition to the legislative advisory committees and the administrative advisory committees authorized in sections 2.30.180 and 2.40.070, respectively, of this title.

PURPOSE

The purpose of the Legislative and Special Bodies program is to account for City sponsored special events held each year within the City, as well as special groups, such as Youth City Council, Historical Committee, and the Cottonwood Heights Arts Council.

Legislative Committees Responsibilities

- Sponsor and hold public events and activities within the City each year.
- Support activities and events held at or organized by the Cottonwood Heights Parks and Recreation Service Area.
- Support special committees who promote various activities throughout the City.

FY2015-16 MAJOR ACCOMPLISHMENTS

- Implemented carnival rides for Butlerville Days for the first time, with great success
- Largest crowds ever for the City's Easter Egg Hunt
- The musical Shrek was the highest attended play ever produced by the Arts Council
- Received \$30,000 grant to upgrade sound equipment at Butler Middle School
- Hired a historian to write the City's history
- Completed survey of the City's historic buildings.

EXPENDITURE DETAIL BY MAJOR CATEGORY

LEGISLATIVE COMMITTEES BUDGET ACCOUNT CATEGORY / DESCRIPTION	FY2014-15 Actual	FY2015-16 Actual (Estimated)	FY2016-17 Budget	Explanation of Change
	<u>(0.0 FTE)</u>	<u>(0.0 FTE)</u>	<u>(0.00 FTE)</u>	
City Events	109,031	93,500	107,500	Increased Funding for Butlerville Days Celebration
Arts Council	21,464	10,000	10,000	
Community Theater	18,279	10,000	10,000	
Historical Committee	5,920	10,000	10,000	
Youth City Council	4,669	5,500	5,500	
Total Budgeted Expenditures	<u>159,363</u>	<u>129,000</u>	<u>143,000</u>	

City Manager



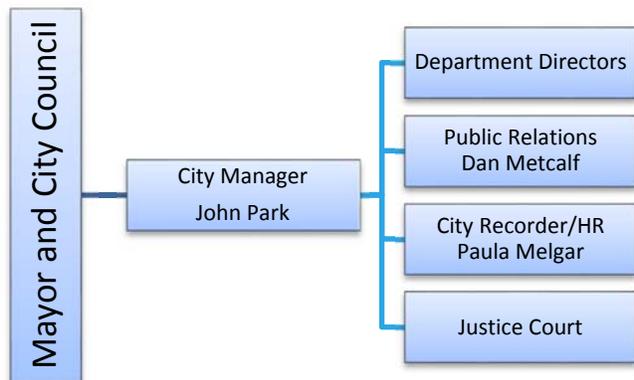
FUND:	General Fund	COST CENTER NUMBER	11-4131
DEPARTMENT:	General Government	FULL TIME EQUIVALENT	3.00
SUB DEPARTMENT	Executive	BUDGET: FY2016 Adopted	700,125
		FY2016 Amended	658,602
		FY2016 Budget	769,411
DIVISION	City Manager	DIRECTOR: John Park	

AUTHORITY: COTTONWOOD HEIGHTS CODE OF ORDINANCES Chapter 2.40. Chapter 2.40.010--The City Manager is the chief executive officer of the city in accordance with UTAH CODE ANN. §10-3-1223, et seq. The administrative powers of the city government are vested in and exercised by the city manager and their subordinates.

PURPOSE

The purpose of the City Manager is to administer the policies adopted by the City Council and sets and administers administrative policies and procedures.

ORGANIZATION PROFILE



The City Manager's Office functions with three full time employees.

- The City Manager manages the Department Directors (Executive Staff) which consists of the Administrative Services Director, Police Chief, Community & Economic Development Director, Finance Director, and the Public Works Director.
- The City Manager's Office includes the City Manager, and the Public Relations Specialist and the City Recorder/HR Officer
- The City Manager coordinates operations of the Justice Court with the City of Holladay.

City Manager Responsibilities

- **City Manager** – As a City organized under the Council/Manager form of government, the City Manager is the Chief Executive Officer of the City. The City Manager, under the direction of the City Council manages all day-to-day operations of the City.
- **City Recorder/HR** – The City Recorder serves as the clerk of the City Council, attends all Council meetings, and keeps records of those meetings. The City Recorder is also responsible for the recording, filing, and safekeeping of all City records and responds to requests made under the "Government Records Access Management Act" (GRAMA).

This position also acts as the Human Resources Officer for the City. These duties include: recruiting, certification, hiring, and maintenance of all City personnel records. The Human Resource Officer also acts as the Equal Employment Opportunity (EEO) officer and Occupational Safety and Health (OSHO) officer.

- **Public Relations** – The Public Relations Officer is responsible to monitor information coming from the City or reported about the City. Public Relations provides accurate and timely information to the public and news organization through a monthly newsletter and social media. This position works with news agencies to provide information and access to City communications. The Public Relations Officer also acts as the City's Public Information Officer (PIO).

City Manager Goals and Objectives

Previous Year Goals and Objectives		
Goal	Objective	Status Update
Find a way to improve service delivery for public works.	Explore options to either improve service delivery from our contract provider or explore other options to deliver public works services.	After intense data gathering and in-depth analysis, Cottonwood Heights has taken the steps to self-provide public works services.
Build our new building in a manner to keep on budget and within schedule	Work with the architect and general contractor to creatively solve problems that would ensure the building is complete, within budget, and occupied by September 30, 2016.	Building is currently in budget and scheduled for opening mid-September
Growth and development of staff	Emphasis great hires, especially in the executive level positions and maintain and excellent police force, despite the current difficulty in hiring police officers.	We have hired Bryce Haderlie as the Assistant City Manager, Dean Lundell as the Finance Director, and Matt Shipp as the Public Works Director. Both are outstanding members of our Executive Staff. We also have been able to keep police staffing at a full level. In fact, we believe we currently have improved our expertise and moral in the Police Department.

Current Year Goals and Objectives		
Goal	Objective	Status Update
Completion of the new Municipal Center	Bring the building in under budget and on time and move in with minimal interruption of services to our public.	On schedule with the move in scheduled the week of September 4.
Create a new Public Works Department	Establish very high standards of customer service while instilling confidence with the Council and City residents. Then, delivering services matching that standard.	The City has hired a Public Works Director. Equipment has also been purchased to perform Public Works functions. Great has been exercised to redesign snow-plowing districts in order to more effectively remove snow this Winter.
Secure Project and Funding for Canyon Center	Negotiate the appropriate agreements with the developer, Salt Lake County, and other governmental agencies.	Talks are ongoing with the Developer and all of the taxing entities.
Continue to build a cohesive, hardworking, and creative staff to handle the issues facing the City.	Concentrate on building trust with the Council and City residents with fun, innovative, and inexpensive programs that involve our citizens even more than they are involved today.	Great care has been used to hire and maintain qualified employees that will buy into the vision created by City leaders.

EXPENDITURE DETAIL BY MAJOR CATEGORY

CITY MANAGER BUDGET ACCOUNT CATEGORY / DESCRIPTION	FY2014-15 Actual	FY2015-16 Actual (Estimated)	FY2016-17 Budget	Explanation of Change
	<u>(2.5 FTE)</u>	<u>(2.0 FTE)</u>	<u>(3.0 FTE)</u>	
Salaries and Wages (100)	229,035	198,220	300,982	COLA and Merit increases; 1 FTE moved from Admin to City Mgr
Employer Paid Benefits (200)	81,968	61,499	107,480	
Other Purchased Services (500)	331,249	339,932	301,998	
General Expenses and Supplies (600)	57,873	58,951	58,951	
Total Budgeted Expenditures	<u>700,125</u>	<u>658,602</u>	<u>769,411</u>	

FY2015-16 MAJOR ACCOMPLISHMENTS

- After extensive analysis, it was determined that the City will cancel the contract with the private company to perform public works services. Going forward these services will be provided by Cottonwood Heights employees. The analysis encompassed both service quality and cost. The intent is to provide a higher level of service at the same cost.
- The City experienced significant turnover in senior management during the year. The City has put forth great effort to secure experienced and dedicated employees to replace those positions.
- The new Municipal Center is making great progress. The building is on schedule to begin operations in early September. We anticipate the project to be completed on time and on budget.

Finance

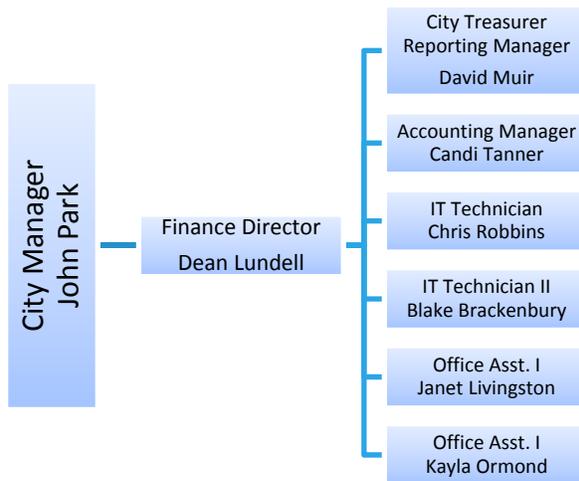


FUND:	General Fund	COST CENTER NUMBER	11-4141
DEPARTMENT:	General Government	FULL TIME EQUIVALENT	6.45
DIVISION	Administrative Office	BUDGET: FY2016 Adopted	382,081
		FY2016 Amended	595,330
		FY2017 Budget	645,771
SUB-DIVISION	Finance	DIRECTOR: Dean Lundell	

AUTHORITY: COTTONWOOD HEIGHTS CODE OF ORDINANCES Chapter 2.80.010 Finance Department.
 In all cases where the duty is not expressly charged to any other department or office, it is the duty of the finance department to act to promote, secure, and preserve the financial and property interests of the city; to supervise financial activities; to advise the City Manager on fiscal policy; and to make interim and annual financial reports as requested by the City Manager.

PURPOSE

The purpose of the Finance Department is to promote, secure, and preserve the financial and property interests of the city; to supervise financial activities; to advise the City Manager on fiscal policy; and to make interim and annual financial reports as requested by the City Manager, and to prepare the annual budget.

ORGANIZATION PROFILE

The Finance Office functions with five full time employees and two part time employees.

Finance Department Responsibilities

- **Accounting** – The Finance department is responsible to maintain the general ledger for each fund of the City and all related subsidiary records. The department also prepares payroll and administer the City's accounts payable in accordance with the Uniform Fiscal Procedures Act for Utah Cities, UTAH CODE ANN. §10-6-101, et seq as well as City policies.
- **Financial Reporting** – Financial reporting includes preparing the City's Comprehensive Annual Financial Report (CAFR) according to Generally Accepted Accounting Principles (GAAP) and Utah State Law. This function is also responsible to post all of the City's financial transactions to the State's transparent.utah.gov website.
- **Purchasing** – The Finance Director acts as the Procurement Officer to encourage uniform bidding, maintain full and open competition, and establish procedures aimed to procure the highest quality goods and services at the least expense to the City.
- **Treasury Management** - The City Treasurer is a statutory position appointed by the City Manager with the advice and consent of the City Council. The Treasurer's responsibilities include: monitoring cashing functions, custodial supervision of all City funds, acting as signatory on cash disbursements to vendors and employees, and overseeing the billing and collections for services provided on accounts receivable.
- **Budgeting** – The Finance Director is also appointed by the City Manager with the advice and consent of the City Council and functions as the City's Budget Officer. These duties primarily consist of preparing the City's annual budget consistent with State law, City budget guidelines, and specific parameters established by the City Council.

Finance Goals and Objectives

Previous Year Goals and Objectives		
Goal	Objective	Status Update
Implement policies and provide for the current and future financial stability of the City	Work toward a plan to allocate no less than \$750,000 per year of general fund resources to transfer to the capital projects fund	Operational needs as well as the demands of funding a new municipal center have made it difficult to allocate adequate fund towards infrastructure maintenance and improvement. Increasing funding to the City's infrastructure is still a primary focus of the City's long-range financial plan.
Implement policies and provide for the current and future financial stability of the City	Evaluate cost structures to determine where money could be saved from each department and identify cost saving ideas during FY2016, in preparing for the FY2017 budget	City services have been evaluated and recommendations were made to the City Council at the annual budget retreat. Those recommendations will be evaluated each year to identify opportunities for cost savings.
Submit and receive the GFOA awards for budget and presentation and financial reporting	Budget submitted to GFOA for award of Distinguished Budget Presentation and award received	GFOA Budget Award was received for the 2015-2016 Budget document.

Current Year Goals and Objectives		
Goal	Objective	Status Update
Plan and Prepare for Cottonwood Height's financial future	Develop five and ten year budget plans	Budget preparation for the FY 2016-2017 budget included discussions for the current year and the next five budget years.
Work with Community Development on Fort Union Improvements	Develop revenue model to evaluate land-use decisions	Model is close to completion and is being evaluated by City Management.
Improve financial management of capital projects	Create comprehensive summary report for each major capital project	Finance will meet regularly with public works and engineering to update progress and budgets of capital projects
Increase emphasis on funding for City infrastructure	Identify needs and shortfalls in infrastructure funding	Include infrastructure needs with the City's long-term financial plan.

FY2015-16 MAJOR ACCOMPLISHMENTS

- Recipient for nine consecutive years of the Distinguished Budget Presentation Award from the Government Finance Officers Association for excellence in budgeting.
- External audit resulted in no findings for the 2014-2015 fiscal year.
- Received the third consecutive Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report (CAFR).
- Received the third consecutive Award for Outstanding Achievement in Popular Annual Financial Reporting.

FIVE YEARS LOOK AHEAD**1. Operating Software**

- In September, 2017 the City's general ledger software will be 8 years old. It is possible that the City would want to assess the current system and determine if a new system would be beneficial.

2. Staffing

- As the Community Development Renewal Agency (CDRA) progresses and the city potentially adds other programs that operate on user fees; collecting and accounting for these fees could require additional accounting staff to properly account and manage these programs. Depending on the nature of these programs, there are also potential software enhancement costs that could become necessary.

EXPENDITURE DETAIL BY MAJOR CATEGORY

FINANCE BUDGET ACCOUNT CATEGORY / DESCRIPTION	FY2014-15 Actual	FY2016-17 Estimated	FY2016-17 Budget	Explanation of Change
	<u>(3.0 FTE)</u>	<u>(3.0 FTE)</u>	<u>(6.45 FTE)</u>	
Salaries and Wages (100)	280,189	276,722	461,629	.7% COLA, performance merit increases 3.45 additional FTE's
Employer Paid Benefits (200)	87,975	93,612	169,895	
Other Purchased Services (500)	7,788	8,000	11,100	Additional training associated with additional staff
General Expenses and Supplies (600)	3,026	3,747	3,147	
Total Budgeted Expenditures	<u>378,978</u>	<u>382,081</u>	<u>645,771</u>	

**Information
Technology**



AUTHORITY: Information Technology is authorized by annual appropriation of resources adopted by the City Council.

PURPOSE

The purpose of Information Technology is to account for the software, hardware and associated non-personnel costs relating to the purchase, usability and support of:

- Data storage
- Servers
- Desktops/laptops
- Software licensing
- VECC Co-location/Disaster recovery

Personnel costs associated with delivering IT services are found in the Finance Budget beginning on page 51.

WORKLOAD INDICATORS/STATISTICAL ACCOMPLISHMENTS

Workload Indicators	FY2013-2014 Actual	FY2014-2015 Actual	FY2015-2016 Budget	FY2016-2017 Estimate	FY2017-2018 Estimate
Computer Workstations/laptops supported	36	36	37	37	37
Public Safety In-vehicle laptops supported	61	61	63	63	63
Servers supported, including virtual servers	28	28	28	28	28

FY2015-16 MAJOR ACCOMPLISHMENTS

- Trained all civilian city employees in Microsoft Excel, Word and Outlook
- Budgeted and planned for new hardware and software needs for the new Municipal Center
- Identified a new and more secure solution for backup storage

EXPENDITURE DETAIL BY MAJOR CATEGORY

INFORMATION TECHNOLOGY BUDGET ACCOUNT CATEGORY / DESCRIPTION	FY2014-15 Actual	FY2015-16 Estimated	FY2016-17 Budget	Explanation of Change
	<u>(0.0 FTE)</u>	<u>(0.0 FTE)</u>	<u>(0.0 FTE)</u>	
Salaries and Wages (100)	-	-	-	
Employer Paid Benefits (200)	-	-	-	
Other Purchased Services (500)	57,231	44,600	44,600	
General Expenses and Supplies (600)	65,514	92,500	92,500	
Total Budgeted Expenditures	<u>122,745</u>	<u>137,100</u>	<u>137,100</u>	



Administrative Services



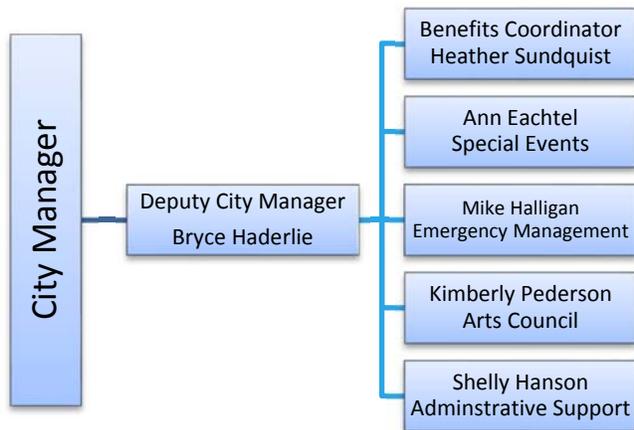
FUND:	General Fund	COST CENTER NUMBER	11-4144
DEPARTMENT:	General Government	FULL TIME EQUIVALENT	3.75
SUB DEPARTMENT	Administrative Offices	BUDGET: FY2016 Adopted	590,396
		FY2016 Amended	415,893
		FY2017 Budget	442,584
DIVISION	Administrative Services	DIRECTOR: Bryce Haderlie	

AUTHORITY: COTTONWOOD HEIGHTS CODE OF ORDINANCES 2.100.010. The administrative services department is supervised by a director appointed by the manager. The administrative services department is divided into the city recorder's office, public relations, human resources, events, and customer and community services.

PURPOSE

The purpose of the Administrative Services Department is to provide support to the City in a variety of areas. Administrative Services includes the City Arts Council, Events, as well as Risk and Emergency Management. The Department also assists all city employees in the management of their benefits.

ORGANIZATION PROFILE



The Administrative Services Department functions with four full time employees and three part time employees.

Administrative Services Responsibilities

- **Assistant City Manager** – The Assistant City Manager oversees the Administrative Services Department including all functions listed below. The Assistant City Manager also is acting City Manager whenever the City Manager is unavailable.
- **Employee Benefits** – Administers benefits for all City employees. These benefits include: health and dental insurance, pensions, and supplemental insurance. The department also coordinates training to employees on a variety of topics including safety and City policies.
- **Special Events** – Coordinates, oversees and serves as a resource for the City's internal and external events. Also acts as a liaison with volunteer committees to the City, Recreation District and School District in using City resources. The Arts Council budget is included with Legislative Committees, but the staff liaison with the Arts Council is in this budget.
- **Risk and Emergency Management** – Risk Management program manages the City's purchase of insurance to cover potential liabilities including general liability, automobile and other vehicles, unemployment, workers' compensation and property. The Risk Manager is responsible for handling all claims.

Administrative Services Goals and Objectives

Previous Year Goals and Objectives		
Goal	Objective	Status Update
Promote and emphasize an attitude of pleasantly assisting all customers.	Set metrics for measuring customer service and provide quarterly reports to the City Council.	Changes in management have delayed the completion of this goal. Staff will focus on achieving this objective during the first quarter of fiscal year 2017.
Provide active support to the City Emergency Management Team.	Promote personal preparedness by demonstrating actual preparedness and mitigation activities.	The Administrative Services Department team attends training sessions that assisted with each team member's role in an active disaster situation. The team also attends NIMS certification classes.
Maintain strong records management	Continue records management program to help the City economically and efficiently manage records.	Staff has worked to identify accurate retention schedules. Records that can be stored electronically have been scanned into a database.

Current Year Goals and Objectives		
Goal	Objective	Status Update
Update and clarify to employees City policies	Update employee policies and procedures.	Staff is working to evaluate current employee policies to determine their objectivity and effectiveness. Recommendations will be brought to the City Council.
Improve preparation for City events	Complete emergency management plan for events.	Emergency Management Coordinator is working with City staff as well as community partners to evaluate the effectiveness of the current plan.
Improve customer service	Update new employee training to build and maintain a service oriented culture.	Training plans will be developed for all new employees for the purpose of providing information and resources to assist them in their successful transition.
Reduce accidents and associated costs	Reduce EMOD rating through training and Executive Accident Review Committee	The City is working to reduce costs related to insurance loss and workers compensation claims.

FIVE YEAR LOOK AHEAD

1. Continue to reduce EMOD and improve employee safety through training and culture changes.
2. Improve employee hiring process through enhanced advertising, job descriptions, interviewing and on-boarding process.
3. Improve emergency management plan, citizen involvement, and preparedness through community outreach, CERT training, and neighborhood readiness.
4. Strengthen the arts committee with diversity on the Board and produce a wide range of community shows and exhibits.
5. Promote and enlarge community events such as Butlerville Days, Bark in the Park and other activities that promote the strengths and individuality of Cottonwood Heights.

FY2015-16 MAJOR ACCOMPLISHMENTS

- The City has developed policies and guidelines and will develop further guidelines with the aim to reduce liability losses and workers compensation “lost time” claims”
- Significant amount of paper records have been scanned into a database. This will allow for easier and quicker retrieval and eliminate the need to store those records.
- Emergency Management Committee has met on a regular basis to find ways to help the City be better able to recover from emergency situations.

EXPENDITURE DETAIL BY MAJOR CATEGORY

ADMINISTRATIVE SERVICES BUDGET ACCOUNT CATEGORY / DESCRIPTION	FY2014-15 Actual	FY2015-16 Actual (Estimated)	FY2016-17 Budget	Explanation of Change
	<u>(5.25 FTE)</u>	<u>(6.25 FTE)</u>	<u>(3.75 FTE)</u>	
Salaries and Wages (100)	327,204	385,959	287,864	2 FTE's moved to Finance; 1 FTE moved to City Manager
Employer Paid Benefits (200)	137,127	166,046	116,330	
Other Purchased Services (500)	23,977	29,750	29,750	
General Expenses and Supplies (600)	4,624	8,640	8,640	
Total Budgeted Expenditures	<u>492,932</u>	<u>590,395</u>	<u>442,584</u>	

Police



FUND:	General Fund	COST CENTER NUMBERS	11-4211
DEPARTMENT	Public Safety	FULL TIME EQUIVALENT	50.96
DIVISIONS	Police	BUDGET: FY2016 Adopted	5,441,440
		FY2016 Amended	5,456,040
		FY2017 Budget	5,746,822
		DIRECTOR: Robby Russo	

AUTHORITY: COTTONWOOD HEIGHTS CODE OF ORDINANCES 2.130.010: There is established the Cottonwood Heights Police Department, and the position of chief of police, who shall serve as the Department Director, be the appointing power and be responsible for the administration of the department. The Chief of Police shall have command over all of the officers, members and employees of the Police Department. The Chief of Police shall report to and be subject to supervision by the City Manager.

PURPOSE

The purpose of the Police Department is to serve the citizens of this community through the following methods:

- We believe in dedicated, skillful enforcement of the law and the delivery of humanitarian services which promote community peace through proactive, solution-oriented policing.
- We strive to maintain a level of professional competence that ensures member safety and the safety of the public. We take every complaint seriously and treat every citizen with appropriate respect and courtesy.
- We base our decisions and actions on ethical as well as practical perspectives, and accept responsibility for the consequences of those actions.
- We strive for innovation while remaining prudent in sustaining our fiscal health through wise use of resources. We consider contract services, shared services, and consolidation as methods of maximizing the community's tax dollars so long as quality of service is not negatively impacted.
- We are committed to the PROBLEM-SOLVING process and let FACTS, not emotions, drive decisions. When making decisions, we are receptive to the *input* of members of the community.
- We focus on the personal safety of our citizens. We view citations as a means to encourage appropriate behavior and not as a method for revenue generation.
- We are committed to training in the most up-to-date policing methods and will actively search out and be aware of such methods.
- We hold inviolable the constitutional rights of every person.
- Personal honor, dedication to professional ideals, and devotion to duty shall be the ideals of our commitment to public service.
- We accept the role of being ambassadors of local government to the community by interacting proactively with citizens and businesses in non-incident situations, being professional and courteous in dealing with all individuals involved with incidents of any kind, and rendering service to residents and businesses as needs are recognized.



ORGANIZATION PROFILE

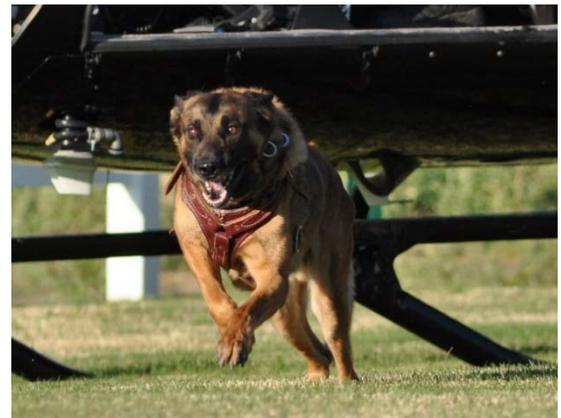


- The Police Department functions with forty-six full time and three part time employees, unpaid volunteer victim advocate assistants and police officers, in addition to sixteen part time school crossing guards.

Police Department Responsibilities

The Police Department and its Chief, by and through its sworn officers, shall be responsible for the following:

- Preserving the public peace and enforcing the law.
- Preventing crime, emphasizing adoption of programs for crime prevention.
- Repress crime through identification and apprehension of criminals, recovery of stolen property, and detecting and arresting criminal offenders.
- Regulate non-criminal conduct, such as traffic control, crowd control, etc.
- Regulating and controlling motorized, bicycle, and pedestrian traffic, emphasizing adoption of programs to prevent traffic accidents.
- Provide community oriented police work and assist citizens in such matters as crime prevention, drug abuse resistance education (DARE), traffic safety, and giving general information as needed.
- Make investigations of vice and narcotics activities.
- Identify and recover stolen property, investigate reports of stolen automobiles, and property stolen from automobiles
- Conduct investigations of thefts, conduct special investigations for other law enforcement agencies, investigate all complaints on checks and forgeries, and investigate complaints of crimes committed by juveniles.
- Testify as a witness in court as needed.
- Compile and prepare required information and evidence to assist in prosecution of criminal cases.
- Providing and maintaining police records and communication systems.



Public Safety Goals and Objectives

Previous Year Goals and Objectives		
Goal	Objective	Status Update
Improve Service to the Community	Create an officer training program with particular focus on creating a community friendly police force	During the fiscal year, the police department held quarterly training on CIT-mental illness and the use of MCOT for psychiatric patients and comprehension judgment training.
Promote Public Safety	Ensure the best possible response times and crime solvability rates	Track issues and methodologies that help determine the impacts upon response times and crime rate solvability.
Develop Good Community Relations	Expand Neighborhood Watch to include civilian area commanders and recruit new block Captains to expand the program.	The COP Unit comprised of police civilians, volunteers and sworn officers are in the process of expanding the neighborhood watch program.
Develop Good Community Relations	Communicate cooperation with public stakeholders and citizens while improving officer to business relationships	Patrol sergeants will use their assigned officers to make quarterly contact with each identified business within their assigned COP areas.
Improve First Responder Abilities	Examine ways to be more effective in drug abuse enforcement with particular emphasis on prescription drug abuse and abuse by teenage youth	Established first Narcan First Responder Program in the State

Current Year Goals and Objectives		
Goal	Objective	Status Update
Enhance Fiscal Responsibility	Evaluate cost structures to determine where money could be saved from each department	The Department evaluates all resources and needs on an annual basis.
Improve Emergency Response	Member agency in Salt Lake County Major Accident Team. Using the newest technology to recreate a 3D model of the accident team with remarkable accuracy.	Cottonwood Heights has 5 members of the valley CART Team used to conduct accident reconstruction. This allows the venue agencies to benefit from the current science with minimal fiscal impact. It also allows patrol officers to return to other duties as the TASK Force conducts the accident investigation.
Promote Public Safety	Partner with other City departments to improve and deliver City services and improve response times through the use of available technology	Continue to promote good relationships with other agencies and participate in interlocal agreements.
Improve Service to the Community	Establish Officer Involved Critical Incident Response Teams to investigate police officer use of force in a transparent manner.	Three Protocol teams established using officers trained in various disciplines and the use/investigation of force. All metro agencies including CHPD have members assigned to the various groups to conduct reviews of all critical uses of force by officers in an objective unbiased environment.

WORKLOAD INDICATORS/STATISTICAL ACCOMPLISHMENTS

Workload Indicators	FY 2014 Actual	FY 2015 Actual	FY 2016 Projection	FY 2017 Estimate	FY 2018 Estimate
Part I Person Crimes	N/A	187	180	185	191
Property Crimes	N/A	860	952	980	1,010
Calls for Services	N/A	18,107	17,742	18,274	18,822
Adult Arrests	1,000	1,228	1,248	1,285	1,324
Juvenile Arrests	N/A	159	164	169	174
DUI Arrests	300	166	155	159	164
Accidents w/injuries	N/A	133	118	121	125
Accidents w/o injuries	N/A	472	598	616	634
Dollar Value of Property Recovered	N/A	\$3,314	\$1,654	\$1,703	\$1,754

FY2015-16 MAJOR ACCOMPLISHMENTS

- Implemented the first Narcan program in the State of Utah
- Expanded neighborhood watch program
- Received training on dealing with issues related to mental illness
- Transitioned function and use of victim advocate position

FIVE YEAR LOOK AHEAD

- The department is evaluating the need and benefits of an additional victim advocate.

EXPENDITURE DETAIL BY MAJOR CATEGORY

POLICE BUDGET ACCOUNT CATEGORY / DESCRIPTION	FY2014-15 Actual	FY2015-16 Estimated	FY2016-17 Budget	Explanation of Change
	<u>(48.96 FTE)</u>	<u>(50.96 FTE)</u>	<u>(50.96 FTE)</u>	
Salaries and Wages (100)	2,808,649	2,921,073	3,137,697	COLA, Merit Pay
Employer Paid Benefits (200)	1,474,571	1,540,206	1,650,825	
Other Purchased Services (500)	523,176	553,382	449,521	
General Expenses and Supplies (600)	400,494	426,779	508,779	
Total Budgeted Expenditures	<u>5,206,890</u>	<u>5,441,440</u>	<u>5,746,822</u>	

Ordinance Enforcement



FUND:	General Fund	COST CENTER NUMBERS	11-4256
DEPARTMENT	Public Safety	FULL TIME EQUIVALENT	2.00
DIVISIONS	Ordinance Enforcement	BUDGET: FY2016 Adopted	154,643
		FY2016 Amended	159,377
		FY2017 Budget	170,215
		DIRECTOR: Robby Russo	

AUTHORITY: COTTONWOOD HEIGHTS CODE OF ORDINANCES 2.60.050. The Ordinance Enforcement Division is supervised by the Police Chief.

PURPOSE

- The purpose of Ordinance Enforcement is to provide the following services:
- Enforcement of city zoning, business licensing, health and other ordinances.
 - Abating nuisances.
 - Manage the animal services program of the City.

Ordinance Enforcement Responsibilities

Ordinance enforcement:

- Enforces or assists in the enforcement of city zoning, business licensing, health and other ordinances, including coordination of all ordinance enforcement within the city
- Abates nuisances and other unsightly or noxious objects or sounds.
- Enforces animal control ordinances and providing animal control pickup services.
- Administers the city's animal licensing program
- Promulgates rules and regulations in conformity with state law and city ordinances dealing with animal licensing and regulation, tags, and collars; running at large and impounding; notice to owners and redemption; disposition of unclaimed or infected animals; confinement of certain animals and muzzling; rabies control and notices vaccinations, and enforcing the same; and other pertinent matters
- Manages the impound, care, redemption, sale, and euthanasia of animals.
- Conducts publicity programs to acquaint the public with the laws and regulations dealing with animal ownership and control



WORKLOAD INDICATORS/STATISTICAL ACCOMPLISHMENTS

Workload Indicators	FY 2014 Actual	FY 2015 Actual	FY 2016 Budget	FY 2017 Estimate	FY 2018 Estimate
Animal Involved Calls for Service	1,300	1,003	733	700	700
Ordinance Violation Citations Issued	N/A	7	9	10	10
Impounded Cats and Dogs	122	124	82	100	100
Impounded Animals Euthanized	N/A	12	1	5	5

FIVE YEAR LOOK AHEAD

- Training and Certification in tranquilization guns for large animals when required
- Look at ways to lower the rate of euthanizations

EXPENDITURE DETAIL BY MAJOR CATEGORY

ORDINANCE ENFORCEMENT BUDGET ACCOUNT CATEGORY / DESCRIPTION	FY2014-15 Actual	FY2015-16 Estimated	FY2016-17 Budget	Explanation of Change
	<u>(2.0 FTE)</u>	<u>(2.0 FTE)</u>	<u>(2.00 FTE)</u>	
Salaries and Wages (100)	103,102	102,183	110,090	COLA, Merit Increases
Employer Paid Benefits (200)	43,146	42,694	45,625	
Other Purchased Services (500)	8,094	14,200	14,200	
General Expenses and Supplies (600)	300	300	300	
Total Budgeted Expenditures	<u>154,642</u>	<u>159,377</u>	<u>170,215</u>	



Community & Economic Development (CED)



FUND:	General Fund	COST CENTER NUMBER	11-4611
DEPARTMENT:	Community and Economic Development	FULL TIME EQUIVALENT	5.00
SUB DEPARTMENT	Planning	BUDGET: FY2016 Adopted	492,624
		FY2016 Amended	473,124
		FY2017 Budget	541,103
DIVISION	Planning	DIRECTOR: Brian Berndt	

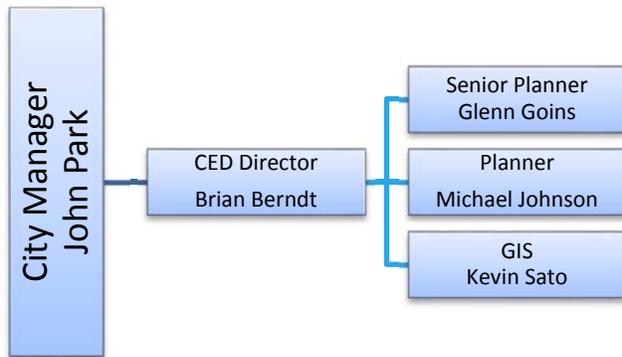
AUTHORITY: COTTONWOOD HEIGHTS CODE OF ORDINANCES 2.60.010: Duties of community development director/planning director.

In all cases where the duty is not expressly charged to any other department or office, it is the duty of the director of the city's community development department to:

- A. Plan, promote, and coordinate all activities affecting community development;
- B. Speak on behalf of the department concerning the public issues in the community over which the department has jurisdiction or advisory responsibility;
- C. Establish overall work priorities and allocate work among the staff and divisions within the department;
- D. Review the work of all divisions and make the final decisions for the department;
- E. Coordinate departmental activities with other departments; and
- F. Perform all such related duties and such others as may be imposed by statute, by ordinance, or by the city manager.

PURPOSE

The purpose of the planning division is to provide for the City long range planning, current planning, overseeing city building inspection, and administer the policies adopted by the City Council.

ORGANIZATION PROFILE

- Including the Director, Planning functions with three full time employees.

CED Department Responsibilities

- **Planning** – The Planning Department provides services which guide the City's long-range and current planning, orderly development in a manner that maintains a balance between the quality of life, environment and the economic stability of the City by applying the City's General Plan, zoning regulations, including land use, housing, economic, policies, transportation, the general plan, and assisting in the development of the Capital Facilities Plan and the adoption of any related impact fees and implementing development standards.
- **Geographic Information Systems** – Geographic Information Systems (GIS) manages, shares and analyzes information about locations through Specialized Mapping Technology. This information increases transparency, improves many City technology applications and provides critical data to decision makers and the public. Providing city departments and citizens with GIS support and technology.
- **Engineering** - The City's Engineering Department is responsible for working with engineers, architects, developers, and contractors by providing engineering designs and inspecting all project infrastructure, including structures to be dedicated to the City. Engineering also reviews plans for all building and development projects occurring in the City. The Department has oversight responsibilities related to the City's flood plain issues and traffic control.
- **Building** – The responsibility of the Building Department is to review all construction documents for compliance with the current Building Code, and to issue necessary permits. It is also the responsibility of the Building Department to monitor all projects while under construction, perform a final inspection, and issue a Certificate of Occupancy.

CED Goals and Objectives

Previous Year Goals and Objectives		
Goal	Objective	Status Update
Promote an attitude of pleasantly assisting all customers with the goal of satisfactorily "resolving the issue" for the customer.	Each Department will set metrics for measuring "customer service and provide quarterly reports to the City Council regarding those measurements.	The CED Director has set the metrics for measuring customer service and will report to the City Council quarterly regarding those measures.
Implement policies and provide for the current and future financial stability of the city.	Evaluate cost structures to determine where money could be saved from each department and identify cost saving ideas during FY2016, in preparing for the FY2017 budget.	City services have been evaluated and recommendations were made to the City Council at the annual budget retreat. Those recommendations will be evaluated each year to identify opportunities for cost savings.
Provide effective policy and appropriate administrative oversight for the planning operations of Community and Economic Development.	<ul style="list-style-type: none"> • Support future planning efforts for: <ul style="list-style-type: none"> • Fort Union Blvd • Gravel Pit • SE quadrant of the city • Participate in and support the Mountain Accord Effort. 	The project teams for Fort Union and Wasatch Boulevard have completed their study and analysis. Those are being worked on to become addendums to the General Plan. Both projects will be presented to the Planning Commission and City Council in 2016.

Current Year Goals and Objectives		
Goal	Objective	Status Update
Plan and Prepare for Fort Union Area Plan.	Develop Area Plan that includes five and ten year Capital Improvement budget plans.	Plan presentation to the Planning Commission and City Council will begin in summer of 2016
Work with Finance and on Fort Union Improvements.	Develop revenue model to evaluate land-use decisions.	Model is close to completion. The findings are scheduled to be presented to the City Council in April.
Work on Wasatch Boulevard Master Plan including management of capital projects.	Create comprehensive Area Plan with goals, objectives and policies for transportation, land use, economics.	Plan is being worked on and will be completed soon.
Continue revising Cottonwood Heights Zoning Ordinance.	Categorize chapter needs and draft proposed changes for consideration by Planning Commission and City Council.	CED is working closely with the City Council to revise and improve zoning ordinances in order to meet the needs of both developers and residents.
Encourage Development at the Canyon Centre and Gravel Pit.	Work with developers and community partners to facilitate the development of these 2 critical areas.	These development areas are critical to the long-term environment for the City. Great care is taken to assist development in a way that will be beneficial to all stakeholders.

WORKLOAD INDICATORS/STATISTICAL ACCOMPLISHMENTS

Workload Indicators	FY2014-2015 Actual	FY2015-2016 Budget	FY2016-2017 Estimate	FY2017-2018 Estimate
# of Businesses (New)	195	227	200	200
Square Footage of New Commercial Space	75,000	-0-	-0-	15,000
Square Footage of New Office Space	325,000	40,000	100,000	100,000
Total Square Footage of Office Space	2,610,842	2,650,842	2,750,842	2,830,842

FY2015-16 MAJOR ACCOMPLISHMENTS

- Bike Plan adoption
- Reviewed 62 Planning and Development Applications
- Adopted Planned Development District zoning code
- Received 2 WFRC Grants to perform work on Fort Union and Wasatch Boulevards
- Worked with Jordan School District - Box City
- Produced 1500 maps for the citizens involved Emergency Response Shake Out Drill.
- Map of the Fort Union Study Area was showcased in the State Capitol for "Maps on the Hill". The map displayed Fort Union as it exists today with current zoning and what the zoning will look like in the future.

FY2016-17 DEPARTMENT SERVICE LEVEL ADJUSTMENTS

- There are no service level adjustments

FIVE YEAR LOOK AHEAD

- Update Zoning Ordinance
- Update Subdivision Ordinance

EXPENDITURE DETAIL BY MAJOR CATEGORY

Community and Economic Development BUDGET ACCOUNT CATEGORY / DESCRIPTION	FY2014-15 Actual	FY2015-16 Actual (Estimated)	FY2016-17 Budget	Explanation of Change
	<u>(5.0 FTE)</u>	<u>(5.0 FTE)</u>	<u>(5.00 FTE)</u>	
Salaries and Wages (100)	293,535	333,943	353,978	COLA, Merit Pay
Employer Paid Benefits (200)	119,186	124,331	152,775	
Other Purchased Services (500)	25,047	21,800	21,800	
General Expenses and Supplies (600)	7,194	12,550	12,550	
Total Budgeted Expenditures	<u>444,962</u>	<u>492,624</u>	<u>541,103</u>	

ECONOMIC DEVELOPMENT

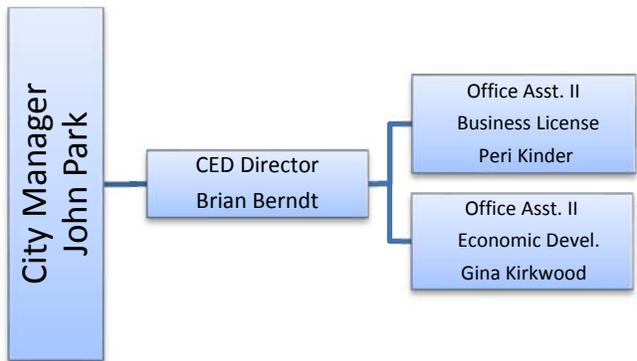
FUND:	General Fund	COST CENTER NUMBER	11-4610
DEPARTMENT:	Community & Economic Development	FULL TIME EQUIVALENT	1.50
SUB DEPARTMENT	Economic Development	BUDGET: FY2016 Adopted	70,513
		FY2016 Amended	71,513
		FY2017 Budget	71,180
DIVISION	Economic Development	DIRECTOR: Brian Berndt-CED Director	

AUTHORITY: Created by City Policy

PURPOSE

The purpose of the Economic Development Division is to promote local economic development, utilizing among other things, a contract with the Economic Development Corporation of Utah.

ORGANIZATIONAL PROFILE



The City contracts with the Economic Development Corporation of Utah (EDCU) to assist in economic development efforts within the City. The City will identify certain target industries to relocate to the city. Economic development will work to establish retention strategies to retain existing businesses already in the city.

ECONOMIC DEVELOPMENT RESPONSIBILITIES

- **Business Licensing** – The Business License Office collects all license fees and issues all licenses in the name of the City to all qualified persons. Promulgates, enforces, and supervises the enforcement of all reasonable rules and regulations necessary to the operation of the business licensing functions.
- **Economic Development** – The Economic Development Department promotes Cottonwood Heights as an attractive location for new businesses, retaining and expanding our valued existing businesses, and increasing our tax base. We provide planning support, technical assistance, coordination, and advisory services to City officials, boards, and committees on issues involving business licenses, economic development, Cottonwood Heights Business Association (CHBA) affiliation, and demographics. Economic and business development, including business outreach, retention, networking, and growth.

GOALS AND OBJECTIVES

Previous Year Goals and Objectives		
Goal	Objective	Status Update
Utilize the Economic Development and Redevelopment Strategic Plan.	Work with Economic Development Corp of Utah to augment plans for economic development.	Implemented Economic Development Plan & continued to market the city with EDCU to further economic development in the City.
Implement policies and provide for the current Economic Development Program.	Target key industries and companies for possible relocation and/or expansion in the city. Additionally, we will be progressive in the retention of our existing businesses.	Targeted businesses that complement the city goals using relocation services, state incentive programs, networking events and on-line services through the city's website. For example, successfully located Trader Joes within the City.
Recognize the importance of a strong and vibrant business community by seeking ways to support Cottonwood Heights businesses and diminishing regulatory burdens for businesses to thrive in our community.	Seek ways to support Cottonwood Heights' businesses and diminishing red tape for businesses to thrive in our community.	Streamlined business development process to allow businesses to construct and open faster.

Current Year Goals and Objectives		
Goal	Objective	Status Update
Plan and continue to implement the Economic Development Program.	<p>Create Business Development Program and marketing campaign –</p> <p>Economic Development: Responsible for job creation, revenue enhancements, quality of life enhancements, and general economic research.</p> <p>Market Development: Responsible for the City's Destination Development Program, including support of signature events, development of destination attractions, visitor marketing, and regional interest related research.</p> <p>Business Services: Responsible for the retention and expansion of existing businesses in the community, with particular focus on small businesses.</p>	Marketed the city with business outreach using community profile, relocation information, retail market analysis, and growth and development publications.
Establish and implement a business improvement program.	Create business retention program.	Reviewed business retention programs and made improvements when needed.
Promote and emphasize an attitude of pleasantly assisting all customers with the goal of satisfactorily "resolving the issue" for the customer.	Complete business licensing application process in a timely manner.	Completed business licensing application process within 10 working days 90% of the time.

WORKLOAD INDICATORS/STATISTICAL ACCOMPLISHMENTS

Workload Indicators	FY 2015 Actual	FY2016 Projection	FY2017 Estimate	FY2018 Estimate
# Business Licenses	1525	1540	1500	1500
# Retail Business (not including online sales)	42	45	45	45
# of Office-type of Business Licenses	505	550	550	600

FY2015-16 MAJOR ACCOMPLISHMENTS

- Organization and expansion of the Cottonwood Heights Business Association (CHBA)
- Creation of CHBA newsletter/CHBusiness.org site
- CHBA social media platforms created
- Expanded Business Boot Camp series
- First Business Expo
- CHBA luncheons/speakers
- City's first magazine published
- Lots of ribbon cuttings
- Brighton High Food Truck event
- Brighton High Shark Tank
- CHBA Sub for Santa
- Involvement in the InnovateHER competition with the Salt Lake Chamber
- Recreational Lifestyle Fair (end of June)
- Partnership with Miller Business Resource Center

FIVE YEAR LOOK AHEAD

- Continue to grow Business Association to include retention and business growth opportunities
- Update City General Plan to incorporate elements of the Economic Development Strategic Plan

EXPENDITURE DETAIL BY MAJOR CATEGORY

ECONOMIC DEVELOPMENT BUDGET ACCOUNT CATEGORY / DESCRIPTION	FY2014-15 Actual	FY2015-16 Estimated	FY2016-17 Budget	Explanation of Change
	<u>(1.50 FTE)</u>	<u>(1.50 FTE)</u>	<u>(1.50 FTE)</u>	
Salaries and Wages (100)	17,607	17,607	17,650	.7% COLA, performance merit increases 3.45 additional FTE's
Employer Paid Benefits (200)	5,905	5,905	6,530	
Other Purchased Services (500)	36,000	37,000	47,000	
General Expenses and Supplies (600)	11,404	10,000	-	
Total Budgeted Expenditures	<u><u>70,916</u></u>	<u><u>70,512</u></u>	<u><u>71,180</u></u>	

Public Works



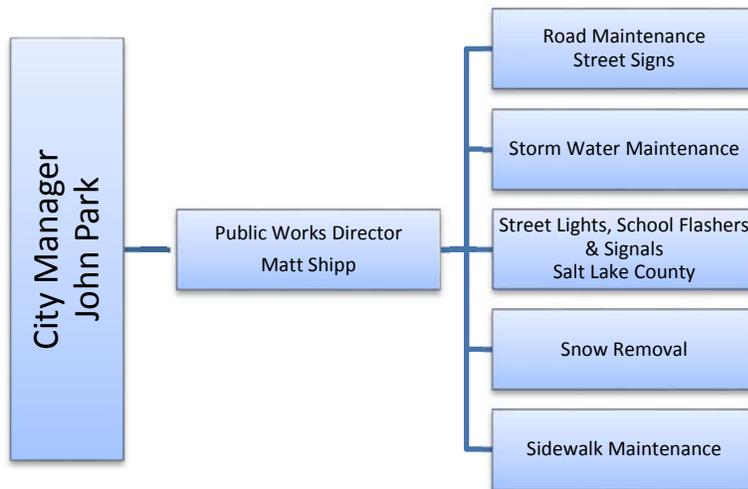
FUND:	General Fund	COST CENTER NUMBER	11-4410 11-4415
DEPARTMENT:	General Government	FULL TIME EQUIVALENT	4.65
SUB DEPARTMENT	Public Works	BUDGET: FY2016 Adopted	2,833,764
		FY2016 Amended	2,820,264
		FY2017 Budget	2,834,484
DIVISION	Public Works	DIRECTOR: Matt Shipp	

AUTHORITY: COTTONWOOD HEIGHTS CODE OF ORDINANCES 2.70.010 Duties of the Public Works Director. The Public Works Director is responsible for all matters relating to engineering review, construction, management, maintenance, and operation of the physical properties of the city. 2.70.020 Organization of the Public Works Department. The Public Works Department is divided into the engineering, street maintenance, storm drain maintenance, and public facilities maintenance.

PURPOSE

The purpose of the Highways and Public Improvements Department, functioning as the Public Works Department, maintains and improves the city's infrastructure. There are three distinct programs within this department. 1. The Public Works (non-class C) program which provides design, coordination and inspection services for public works projects as well as supervision and inspection service for private projects that affect and impact the city and its infrastructure. 2. The Impact Fee Program which uses transportation and storm water impact fees for improvements related to growth. 3. The Class C Road Program which uses the city's share of State Motor Fuels Taxes to improve roads, bridges, sidewalks, and street lights. Public works manages maintenance of all City infrastructure systems including: storm drains, snow removal, street signs, and asphalt maintenance.

ORGANIZATION PROFILE



The Public Works Department functions with five full time employees and one seasonal worker. The department has contracted these services with a private company previously but will bring these operations internally during the 2016-2017 fiscal year. Some services will still be contracted with Salt Lake County and the Cottonwood Heights Parks and Recreation Service Area.

Public Works Responsibilities

- **Street Maintenance** – Public Works is responsible for the maintenance of all City streets, sidewalks and right-of-ways. Included in these services are the following items:
 - Removal of snow from public streets.
 - Maintenance of signage and traffic control striping.
 - Asphalt maintenance, including pothole repair and hazard mitigation.
 - Inspection of permit work in City Right-of-Way.
 - Traffic signals, school flashers and streetlights maintained by salt lake county.

- **Storm Drain Maintenance** – The Public Works Department also oversees the maintenance and improvements of the City's 72 miles of storm water conveyance pipes. Additionally, storm water is channeled through other open channels, ditches, and drains.

- **Fleet and Facilities Management** – Public Works manages the maintenance, replacement, licensing and disposal of all City Vehicles. The department also takes care of all City Facilities. These services include: placing banners for City Events, maintaining City Buildings, and other properties.

- **Capital Improvement Projects** – Public Works works closely with the City Engineer to develop and oversee capital improvement projects within the City. The department is also in charge of ensuring quality through regular inspections.

Public Works Goals and Objectives

Previous Year Goals and Objectives		
Goal	Objective	Status Update
Provide active support of the City Emergency management team in providing services to the residents and businesses within the City.	Promote personal preparedness by demonstrating actual preparedness and mitigation activities.	Attended training on FEMA's National Incident Management System (NIMS). Participate in monthly City emergency management meetings.
Provide effective and clear communications to constituents	Notify residents in a timely and accurate manner.	The Department is working closely with community residents to keep them informed of situations that could affect them.
Continue development of programs to maximize the beneficial impact of capital improvements, parks, trails, and beautification projects	Emphasize City Beautification program for immediate removal of graffiti as well as consideration of other beautification projects.	The Department is working closely with Code Enforcement to proactively attend to the proper maintenance of the City on both public and private property.

Current Year Goals and Objectives		
Goal	Objective	Status Update
Develop policies/procedures and Standard Operating Procedures for the new Public Works Department.	Provide guidelines for the safe and effective maintenance of City Infrastructure and the safe operation of City Equipment.	With several new employees as well as new equipment, the Department will participate in regular training to contribute towards safe and effective operation of equipment.
Hiring of Qualified Personnel.	Find and hire the most qualified and experienced employees.	The Department has been reorganized to reflect the changes in public works responsibilities. Great care has been taken to hire qualified and experienced employees.
Create a training plan for all Public Works employees.	Train all employees in the safe operation and maintenance of City equipment and support the City's objective of National Incident Management System compliance.	The Department will participate in regular training on safety, equipment, and emergency management.
Successful completion of major CIP projects schedule for 2016-2017.	In support of Utah Department Of Transportation, see all scheduled CIP projects through to completion.	The Department will meeting monthly with engineering and finance staff to effectively manage and monitor CIP projects.

WORKLOAD INDICATORS/STATISTICAL ACCOMPLISHMENTS

Workload Indicators	FY 2015 Actual	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate	FY 2019 Estimate
Square feet of asphalt overlay	460,095	640,800	500,000	500,000	500,000
Capital Improvement Inspections	157	302	300	300	300
Road Cut Permits Issued	373	191	250	250	250
Miles of Storm Drain Inspected	5	16	15	15	15
Linear Feet of Storm Drain Lines Cleaned	3,816	1,206	2,500	2,500	2,500
# Manholes Identified for Improvement	N/A	261	250	250	250

FY2015-16 MAJOR ACCOMPLISHMENTS

- Completion of the street sign inventory/condition evaluation.
- Completion of the Bengal Boulevard road improvement project.
- Overlay of the Creek Road/Highland Drive intersection.
- Maintenance and chip seal of Creek Road.
- Participation in the statewide APWA sponsored Mutual Aid Agreement.
- Mapping and inspection of the Brown and Sanford Irrigation Systems.
- Decision to move forward to self-provide public works services.

FY2016-17 DEPARTMENT SERVICE LEVEL ADJUSTMENTS

- There are no service level adjustments.

FIVE YEAR LOOK AHEAD

- Successful implementation of new Public Works Department.
- Raise all of the buried storm drain manholes and complete the storm drain mapping.
- Completion of Highland Drive improvements.
- Improvement on Fort Union Boulevard.
- Improve walkability of City sidewalks by eliminating trip hazards.

EXPENDITURE DETAIL BY MAJOR CATEGORY

FINANCE BUDGET ACCOUNT CATEGORY / DESCRIPTION	FY2014-15 Actual	FY2015-16 Estimated	FY2016-17 Budget	Explanation of Change
	<u>(4.5 FTE)</u>	<u>(4.5 FTE)</u>	<u>(5.5 FTE)</u>	
Salaries and Wages (100)	237,177	249,653	266,550	COLA, Merit Pay
Employer Paid Benefits (200)	110,607	124,456	108,280	
Other Purchased Services (500)	1,954,163	1,995,934	1,995,934	
General Expenses and Supplies (600)	312,920	463,720	463,720	
Total Budgeted Expenditures	<u>2,614,867</u>	<u>2,833,763</u>	<u>2,834,484</u>	

Other City Services

Not all services to Cottonwood Heights residents are provided by Cottonwood Heights employees. The City contracts with other governmental agencies and with private entities to perform these services. These services are paid for from general revenues of Cottonwood Heights and are included in the City's Annual Budget. Other services are provided directly to Cottonwood Heights residents by governmental agencies acting as special districts. Payment for those services is made directly from customers to the districts. Therefore, Cottonwood Heights does not include a budget for those services.

Contracted Services

Unified Fire Authority (UFA) – The City contracts with UFA to provide fire protection, emergency management, hazardous materials response, bomb disposal, emergency medical response, urban search and rescue operations, fire prevention, public education, community relations, and fire and explosives investigations.



UFA is its own political subdivision in the State of Utah and is directed by a 12-member Board of Directors, made up of elected officials from both Salt Lake and Utah counties. The Chief of the Department functions as the Chief Executive Officer for UFA and answers to the Board of Directors.

UFA maintains 2 stations in the City employing 25.5 FTE's. The City is serviced by 8 emergency service vehicles.

Gilson Engineering - The City contracts with the engineering firm of Gilson Engineering, Inc. for engineering services in connection with building and other real property development and public works. Brad Gilson serves as the city engineer.

Gilson Engineering provides the following services to Cottonwood Heights:

- Plan Reviews and Inspections
- Bond Calculations
- Site Inspections
- Administrative Functions
- Roadway Planning and Design
- Drainage Planning and Design
- Storm Water Quality Management
- Emergency Preparedness
- Material Testing
- Surveying
- Reporting
- Public Meetings

Sunrise Engineering – The City contracts with the engineering firm of Sunrise Engineering, Inc. to provide building services in connection with building and other real property development.

Sunrise Engineering provides the following services to Cottonwood Heights:

- Plan Examination
- Building Inspection
- Building Services Coordination
- Compliance and Stop Work Orders
- Fire Safety
- Public Health Requirements
- Local Utilities Coordination
- Boards and Committees Support
- Review Business License Applications

Engineering and Building are responsible for the following functions:

- Inspect or supervise the inspection of all work done under the provisions of the Uniform Codes adopted by the city.
- Inspect or supervise the inspection of all premises, including structures and appurtenances thereon, for safety.
- Perform such zoning ordinance compliance as directed by the community development director.
- Examine or supervise the examination of all construction plans to assure their compliance with the building codes and other appropriate laws and ordinances.
- Issue building permits when plans comply with the building codes and all other appropriate laws and ordinances.
- Assist and advise the public with respect to construction and code requirements.
- Investigate complaints or information regarding the probability of the presence of hazardous or illegal conditions or uses in premises.
- Perform, when requested or directed, inspections for compliance with the requirements of the Community Development Department, the Public Works Department, and the Fire Department pursuant to the city's subdivision ordinance.
- Perform any other inspections or services directed by the City Manager or the Director of the Community Development Department.

Callister, Nebeker, & McCullough – The City contracts with the law firm of Callister, Nebeker, & McCullough for legal services. W. Shane Topham, attorney from the firm, functions as the City's sworn attorney. Mr. Topham acts in the capacity as City Attorney attends all City Council Business and Work Session meetings and attends all Planning and Zoning Commission meetings.

The City Attorney's responsibilities include:

- Advising the city council, the city manager and other city officers and employees, including members of boards and commissions, on matters of law affecting the city or their actions.

- Preparing and reviewing contracts, ordinances, resolutions and other legal documents concerning the city.
- Approving as to form all contracts, legal instruments and bonds affecting the city.
- Represent the city in litigation in which the city is a party and/or cooperate with outside counsel hired for such litigation.
- Defending all city officials and employees in any civil action when authorized to do so by State law, City Ordinance, or Resolution of the City Council.
- Having the power to adjust, settle, compromise, or submit to arbitration or mediation any action, cause of action, account, debt, claim, demand, dispute or other matters in favor of or against the city or in which the city is concerned as a party, now existing or which may hereafter arise, when it is not covered by any city insurance policy and upon approval of the City Manager.
- Advising the city manager concerning legal issues involved in employee hiring, firing and discipline, as requested by the City Manager, and handle other personnel matters as directed by the City Manager, including city representation before any board, commission or body with oversight over such matters.

Holladay Court - The City of Holladay, our neighbors to the north of Cottonwood Heights, operates a justice court.

The City contracts with Holladay to provide traffic and misdemeanor justice court services, prosecutorial services, and indigent defense services as required by law, as well a Small Claims Court. Justice courts in Utah are not considered courts of record, so as is necessary, the State District Court System will also provide services on behalf of the City.

EXPENDITURE DETAIL BY MAJOR CATEGORY

CONTRACTED SERVICES BUDGET ACCOUNT CATEGORY / DESCRIPTION	FY2014-15 Actual	FY2015-16 Estimated	FY2016-17 Budget	Explanation of Change
Fire and Emergency Services	3,499,487	3,674,759	3,784,759	
Engineering Services	460,858	473,124	545,000	
City Attorney/Legal Services	243,961	229,022	229,022	
Justice Court	351,465	400,000	400,000	
Total Budgeted Expenditures	4,555,771	4,776,905	4,958,781	

Special Districts

Cottonwood Heights Parks and Recreation Service Area was created in June, 1967, and is legally separate and distinct from the City. They operate a recreation center, recreation programs, and several parks within the city, including such amenities as swimming pools, an ice skating rink, a skate park, baseball diamonds, tennis courts, soccer fields, playgrounds, trails and social gathering places. Revenues come in the form of user fees and a property tax assessed to residents living within the service district.

Salt Lake City Public Utilities Department provides water treatment and distribution to the majority of Cottonwood Heights residents. In areas not serviced by Salt Lake City, water is provided by **Jordan Valley Water Conservancy District**. These district charge end-users directly for their services.

Cottonwood Improvement District provides wastewater collection services to an area that includes the entire city boundary. Fees are paid directly by users of the service.

Solid Waste and recycling is provided by **Wasatch Front Waste & Recycling District**. This district also collects fees directly from end users.

Valley Emergency Communications Center (VECC) – VECC provides dispatch services for both the City Police department and Unified Fire Authority. VECC receives funding through a tax on phone services and allocations made to member cities.





CAPITAL PROJECT SCHEDULES

CAPITAL PROJECTS

The City's Capital Projects Fund is used to account for expenditures that span multiple fiscal years or are one-time, large projects. The funding for these projects will come from a variety of areas including: operational transfers, intergovernmental revenues (grants), and debt proceeds. By accounting for these transactions in a separate fund, the City is able to delineate between annual, operational expenditures and one-time capital expenditures.

For the 2016-2017 fiscal year, budgeted capital expenditures went from \$13,003,380 to \$8,200,000. The bulk of the decrease is due to significant expenditures for the new Municipal Center in the 2015-2016 fiscal year budget. The largest expenditures for the upcoming year are: Public Works Vehicles, Public Safety Vehicles, Municipal Center Construction, and the Public Works Site.

The table below details the capital projects for the upcoming year as well as their funding source.

General Funds	Previously Funded Amount	New Allocation	Total Project Funding	Description
Police Vehicles		1,340,000	1,340,000	The Police Department purchases vehicles on a two-year rotating basis with a guaranteed dealer buyback.
Public Works Vehicles		3,100,000	3,100,000	The City will begin self-providing street maintenance and snowplowing during this fiscal year. A capital lease will be attained to finance these vehicles over a 7-10 year period.
Mahogany Park Playground			-	The CWH Police Department purchases vehicles on a two-year rotating basis with a guaranteed dealer buyback.
Manila Park Fence			-	The CWH Police Department purchases vehicles on a two-year rotating basis with a guaranteed dealer buyback.
Municipal Center Construction	14,500,000	2,500,000	17,000,000	The final phase of the new Municipal Center will be funded through the issuance of sales tax revenue bonds.
Public Works Site		1,000,000	1,000,000	Land acquisition and improvements to house the City's Public Works vehicles and salt storage
Pickleball Courts		30,000	30,000	The City will partner with the Cottonwood Heights Recreation District to construct pickleball courts. This amount is the City's portion.
Creek Road Resurface		335,000	335,000	Resurfacing of significant City road.
Total	14,500,000	8,305,000	22,805,000	-



MUNICIPAL DEBT

Debt Levels

The City uses great caution before borrowing funds. As stated in our budget policies, “The City will confine long-term borrowing to capital projects and purchases of equipment” and “it will pay back the bonds within a period not to exceed the expected useful life of the asset acquired.”

Debt will only be issued when it can be shown there is an adequate revenue stream to service the debt. All debt and debt service payments of Cottonwood Heights adhere to these principles. The schedule below gives the City’s legal debt margin, and the schedule on the next pages lists all City debt along with repayment source and payment schedules.

COTTONWOOD HEIGHTS
 Legal Debt Margin Information
 (amounts expressed in thousands)

Legal Debt Margin Calculation for Fiscal Year

Assessed value (in thousands)	\$ 4,624,167
Debt limit (4% of assessed value)	184,967
Debt applicable to limit:	
General obligation bonds	-
Less: Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	-
Legal debt margin	\$ 184,967

	Fiscal Year				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Debt limit	\$ 164,046	\$ 161,340	\$ 168,046	\$ 171,491	\$ 184,967
Total net debt applicable	-	-	-	-	-
Legal debt margin	\$ 164,046	\$ 161,340	\$ 168,046	\$ 171,491	\$ 184,967
Total net debt applicable to the limit as a percentage of d	0.00%	0.00%	0.00%	0.00%	0.00%

Utah cities are limited by Utah State law in the amount of debt allowed to be outstanding. The limit is applied to general obligation debt only and is 4% of the City's assessed valuation. An additional 8% of assessed valuation may be issued for public utility projects.

Debt Security and Funding FY 2016-17

Series Name	FY 2017 Payment	Balance as of 06/30/2016	Security	Funding Source	Use of Funds	Maturity Date
General Fund Debt						
2014 Sales Tax Revenue Bonds	916,000	13,705,000	Sales Tax Revenues	General Revenues	City Hall	7/1/2039
2016 Sales Tax Revenue Bonds	-	-	Sales Tax Revenues	General Revenues	City Hall, Public Works	7/1/2039
2014 Public Safety Vehicle Lease	863,308	852,734	Leased Equipment	General Revenues	Public Safety	7/15/2016
Total General Fund Debt	1,779,308	14,557,734				

Bond Repayment Schedules FY 2017-21

	2014 Sales Tax Revenue Bonds		2016 Sales Tax Revenue Bonds	
	Interest	Principal	Interest	Principal
FY 2016-17	566,000	350,000	-	-
FY 2017-18	557,100	360,000	171,011	40,000
FY 2018-19	548,000	370,000	114,350	100,000
FY 2019-20	540,550	375,000	111,350	100,000
FY 2020-21	532,950	385,000	108,275	105,000





OTHER INFORMATION

POSITIONS BY DEPARTMENT AND EXPLANATION OF CHANGES

Position Titles	Grade	2012-13	2013-14	2014-15	2015-16	2016-17	Changes from FY 2015-16 to FY 2016-17
GENERAL GOVERNMENT DEPARTMENT							
Mayor and City Council 4111							
Mayor	NA	1.00	1.00	1.00	1.00	1.00	No Change
City Council Member	NA	4.00	4.00	4.00	4.00	4.00	No Change
Mayor and City Council Total		5.00	5.00	5.00	5.00	5.00	
City Manager 4131							
City Manager	NA	1.00	1.00	1.00	1.00	1.00	No Change
Information Systems Technician II	17	1.00	1.00	1.00	1.00	0.00	1.00 Moved to Finance
Information Systems Technician	14	0.00	0.00	1.00	0.00	0.00	No Change
City Recorder/Human Resources Mgr	19	0.00	0.00	0.00	0.00	1.00	1.00 Moved from Admin Services
Public Relations Specialist	14	1.00	0.00	0.00	0.00	1.00	1.00 Moved from Admin Services
Emergency Mgmt. Admin. Assistant	14	.50	.50	0.00	0.00	0.00	No Change
Administrative Intern	7	0.00	0.00	0.00	0.25	0.00	Position Not Funded
City Manager Total		3.50	2.50	3.00	2.25	3.00	
Finance 4141							
Finance Director and Budget Officer	24	1.00	1.00	1.00	1.00	1.00	No Change
Treasurer & Financial Reporting Mgr.	19	1.00	1.00	1.00	1.00	1.00	No Change
Accounting Manager	12	1.00	1.00	1.00	1.00	1.00	No Change
Information Systems Technician II	17	0.00	0.00	0.00	0.00	1.00	1.00 Moved from City Manager
Information Systems Technician	14	0.00	0.00	0.00	.00	1.00	1.00 Moved from City Manager
Administrative Assistant II	7	0.00	0.00	1.25	1.25	1.25	No Change
Finance Total		3.00	3.00	4.25	4.25	4.25	
Administrative Services 4144							
Deputy City Manager/Director of Administrative Services	26	0.00	1.00	1.00	1.00	1.00	No Change
City Recorder	19	0.00	1.00	1.00	1.00	0.00	No Change
Information Systems Technician II	17	0.00	0.00	0.00	1.00	0.00	1.00 Moved to Finance
Information Systems Technician	14	0.00	0.00	0.00	1.00	0.00	1.00 Moved to Finance
Public Relations Specialist	14	0.00	1.00	1.00	1.00	0.00	1.00 Moved to City Manager
Emergency Mgmt. Admin. Assistant	14	0.00	0.00	0.50	0.50	0.50	No Change
Benefits Coordinator	12	.63	.60	1.00	1.00	1.00	No Change
Events Coordinator	11	.50	.50	.50	0.50	0.50	No Change
Arts Council Liaison	7	0.00	0.00	0.25	0.00	0.00	No Change
Arts Council Production Manager	7	0.00	0.00	0.00	0.25	0.25	No Change
Office Assistant II	NA	.63	0.00	0.00	0.00	0.50	No Change
Deputy City Recorder and Business License Coordinator	NA	1.00	0.00	0.00	0.00	0.00	No Change
Office Assistant I	NA	1.00	1.25	0.00	0.00	0.00	No Change
Office Technician	NA	.38	.38	0.00	0.00	0.00	No Change
Administrative Services Total		5.14	5.73	5.25	6.25	3.75	
TOTAL GENERAL GOVERNMENT DEPT		16.64	16.23	17.50	17.75	16.00	

Position Titles	Grade	2013-14	2014-15	2015-16	2016-17	2017-18	Changes from FY 2015-16 to FY 2016-17
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COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT

Planning & Economic Devel. 4611

Director of Community & Economic Development & Planning Director	24	1.00	1.00	1.00	1.00	1.00	No Change
Senior Planner	18	0.00	0.00	1.00	1.00	1.00	No Change
Planner	16	1.00	2.00	1.00	1.00	1.00	No Change
GIS Specialist	14	1.00	1.00	1.00	1.00	1.00	No Change
Office Assistant II (Business License)	7	0.00	0.63	.50	1.00	1.00	No Change
Office Assistant II (Economic Develop)	7	0.00	0.00	0.50	0.50	0.50	No Change
Planning Intern	NA	0.44	0.44	0.44	0.44	0.50	No Change
Planning Technician	NA	1.00	0.00	0.00	0.00	0.00	No Change
GIS Intern	NA	.10	.10	.10	0.10	0.50	No Change
Planning and Zoning Total		4.54	5.17	5.54	6.04	6.50	

TOTAL COMMUNITY & ECON DEV DEPT		4.54	5.17	5.54	6.04	6.50	
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HIGHWAYS & PUBLIC IMPROVEMENTS DEPARTMENT

Public Works 4410

Public Works Director	22	1.00	1.00	1.00	1.00	1.00	No Change
PW Inspector	17	1.00	1.00	1.00	1.00	1.00	No Change
PW Operations Specialist II	14	1.00	1.00	1.00	1.00	1.00	No Change
PW Operations Specialist I	13	1.00	1.00	1.00	1.00	1.00	No Change
PW Intern	NA	.00	0.00	0.00	0.00	0.00	No Change
PW Seasonal Laborer	NA	0.00	0.65	0.65	0.65	0.65	No Change
Public Works Total		4.00	4.65	4.65	4.65	4.65	

TOTAL PUBLIC WORKS DEPARTMENT		4.20	4.65	4.65	4.65	4.65	
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PUBLIC SAFETY DEPARTMENT

Police 4211

Police Chief	24P	1.00	1.00	1.00	1.00	1.00	No Change
Assistant Police Chief	22P	1.00	1.00	1.00	1.00	1.00	No Change
Lieutenant	21P	0.00	0.00	1.00	1.00	2.00	Promote Sgt to Lieutenant
Sergeant	19P	8.00	8.00	8.00	8.00	7.00	Promote Sgt to Lieutenant
Corporal	NA	0.00	0.00	0.00	0.00	0.00	No Change
Police Officer/Detective	17P	5.25	5.25	5.25	5.25	5.25	No Change
Police Officer	15P-17P	21.25	21.25	21.25	23.25	23.25	No Change
Administrative Assistant	11	1.00	1.00	1.00	1.00	1.00	No Change
Records Supervisor	13	0.00	0.00	1.00	1.00	1.00	No Change
Support Specialist	9	3.00	3.00	2.00	2.00	2.00	No Change
Forensic Specialist	19	1.00	1.00	1.00	1.00	1.00	No Change
Victims Assistance Coordinator	16	1.00	1.00	1.00	1.00	1.00	No Change
Victims Advocate	7	.48	.48	.48	.48	.48	No Change
Police Records Clerk	9	0.00	0.50	.50	.50	.50	No Change
School Crossing Guards	NA	4.48	4.48	4.48	4.48	4.48	No Change
Police Total		47.46	47.96	48.96	50.96	50.96	

Position Titles	Grade	2012-13	2013-14	2014-15	2015-16	2016-17	Changes from FY 2015-16 to FY 2016-17
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Ordinance Enforcement 4256							
Ordinance Enforcement Officer	13	2.00	2.00	2.00	2.00	2.00	No Change
Ordinance Enforcement Total		2.00	2.00	2.00	2.00	2.00	

TOTAL PUBLIC SAFETY DEPARTMENT		49.46	49.96	50.96	52.96	52.96	
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TOTAL GENERAL GOVERNMENT DEPT		16.64	16.23	17.50	17.75	17.75	
TOTAL COMMUNITY & ECON DEV DEPT		4.54	5.17	5.54	6.04	6.04	
TOTAL PUBLIC WORKS DEPARTMENT		4.00	4.65	4.65	4.65	4.65	
TOTAL PUBLIC SAFETY DEPARTMENT		49.46	49.96	50.96	52.96	52.96	

TOTAL CITY EMPLOYEES		74.64	76.01	78.65	81.40	81.40	
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LONG-RANGE FINANCIAL PLAN

Cottonwood Heights has a range of unique opportunities and challenges that will impact future budgets. As a city close to full build out, Cottonwood Heights' budget will not experience large, future revenue streams based on growth. The City's long-term future is dependent upon redevelopment and managing resources in a way that will build a long-term sustainable future.

Redevelopment Opportunities – The City will look for ways to encourage redevelopment in the City in a way that will both increase the City's tax base and retain the local charm of the community. The City currently has three areas that hold opportunity for future growth.

- **Fort Union Boulevard.** Fort Union Boulevard is the main East-West corridor through the City. This road was developed decades ago. The high traffic counts on this thoroughfare have the potential to lead to new and varied economic development. The City is currently studying ways to redevelop this corridor in a manner that will benefit current and future residents.
- **Canyons Center.** This area contains the City's only active Community Redevelopment Area (CDRA). The City is currently working with a developer on a project containing retail, commercial, and residential properties. This development will provide economic and housing opportunities and variety to the City.
- **Gravel Pit.** The City's largest future development area lies at the mouth of Big Cottonwood Canyon. This property has been operated as a gravel pit for many years. As the mining opportunities dwindle, the property has enormous economic potential for retail, hospitality, commercial office, and housing developments. This project is still several years from realization. However, the City is already working with the property owner to assist in the development in a way that can be a source of pride for the City.

Challenges – Current trends show growth in expenditures is outpacing growth in revenues. Care will need to be exercised to keep growth in expenditures in check. Since the majority of the City's general fund budget is related to personnel, the City must look for ways keep personnel costs sustainable. The long-term challenge is to do this while maintaining a qualified, professional, and experienced workforce. Each year as the budget is assembled, City leaders will progressively look at the following options with the City's long-term goals in mind.

- **Look for opportunities for cost savings.** City operations will be assessed to find ways to reduce operational costs while at the same time not reducing levels of service. This is done each year as part of the budget process.
- **Potential new revenue sources.** Cottonwood Heights currently provides two services without a fee. This fee is charged by most municipalities.
 - **Telecommunications Tax.** A City is allowed to charge a 3.5% tax on all telecommunications bills. This tax is estimated to bring in approximately \$450,000 annually and is already assessed by every other City within Salt Lake County.
 - **Storm Water Fee.** Most cities charge a fee ranging from \$5.00 to \$12.00 per month to residents for the maintenance of storm water systems. This could be a significant source of revenue in the future.
- **Personnel Costs.** Our employees are our most valuable resource. The City has a very competitive pay plan that has allowed the City to provide professional and quality services to Cottonwood Heights residents. However, this pay and benefits plan will be evaluated each year in order to keep it sustainable for future years.
- **Infrastructure.** Like all Utah cities, Cottonwood Heights is struggling with the ability to keep up with regular maintenance of infrastructure. The City's street and storm drain systems are aging and maintenance and upgrade needs outpace available revenues. The City is working to come up with ways to address these needs for the City's residents.

Inter-fund Transfers

At times, resources are transferred from one fund to another in order to account for certain transaction in a way that is understandable for all users. The table below shows all transfers in the opening FY 2017 budget. For the upcoming year, the only transfer budgeted is a transfer from the General Fund to the Capital Projects Fund. This transfer is made annually to pay for improvement projects in the City.

<u>Purpose</u>	<u>Transfer To</u>	<u>Transfer From</u>
Annual Allocation for Capital Improvement Projects	Capital Projects Fund	General Fund

