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# SANTAQUIN CITY ANNUAL BUDGET

*Fiscal Year 2024-2025*



*Adopted*

*June 18, 2024*

FY2024- 2025 Approved Budget

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# BUDGET MESSAGE

June 18, 2024

To: Mayor Daniel M. Olson,  
Members of the Santaquin City Council,  
and Residents of Santaquin City,

It is with great pleasure that we present the final budget for FY2024-2025. This budget is the culmination of many hours of work which began in December. It was prepared based on department needs and new year proposals presented by City staff and priorities identified by the Mayor and City Council. This document is prepared for your consideration following the presentations of the Tentative Budget on May 6, 2024, and the Public Hearing on May 22, 2024.

The annual budget is one of the City's primary guiding documents that is prepared each year. This financial plan for Fiscal Year (FY)2024-2025 provides the guidance necessary to implement the goals and objectives established by the Mayor and City Council. It provides a delicate balance to ensure that city resources are managed responsibly, and essential city services are held to the highest level of quality.

The FY2024-2025 budget has been prepared consistent with the mission and goals of the City Council, budget guiding principles, established budget processes, financial structure and with consideration of the current economic overview as outlined later in this budget document.

There are several noteworthy aspects of the FY2024-2025 Budget, including two (2) new full-time positions, enhancements for current services in the fire and community services departments, no property tax increase, and many on-going and new capital projects, as detailed in the Capital Projects section of this document.

Below are a few highlights in specific areas that have been included in the FY2024-2025 budget.

- Funding of Fire and EMS 24/7 Coverage - As our community continues to grow and evolve, one of your priorities in this year's budget was to fund additional part-time wages & corresponding benefits for the Fire Department to provide 24/7 coverage. This will allow staff to be on-site at the fire station and ready to respond to emergencies, reducing response times. This budget also includes funding to upgrade the Public Safety Facility to include sleeping quarters and other amenities to accommodate staff working these new shifts.
- New Revenue & New Fund - In January of 2024, Utah County Cities began receiving a new tax for roads maintenance. The new revenue source adds approximately \$120K to be used for Roads Capital Projects. Note: The FY2024-2025 Budget reflects the overall General Fund decreasing by 7.9%. This is due to the creation of a new Class C Road Fund, moving all Class C Road funds previously collected in the General Fund to a new fund, as shown the the 97% decrease in Intergovernmental Revenue in the General Fund. This will allow better accounting of funds required to be used for Road improvements.

- Capital Vehicle & Equipment - Due to the instability for the economy over the past few years, the Capital Vehicle and Equipment Budget has either been reduced or conservatively compiled, putting rotation schedules and purchase of vehicles and equipment behind. In effort to prevent vehicle maintenance issues and reduce current and future maintenance costs, this years budget includes approximately \$1.3M to work towards getting back on track with vehicle and equipment rotation schedules. For a detailed list, see the Capital Vehicles and Equipment section of this document.

This budget emphasizes maintaining the highest possible level of service that the residents of Santaquin have come to expect. Great effort is taken to enhance our overall efficiency so that we can meet the increased growth and demand for services in a sustainable manner. We believe this budget, as proposed, addresses the needs which will be of the greatest benefit to the residents of Santaquin.

We express our sincere appreciation to all who contributed to this year's budget proposal and appreciate the dedication of our many employees and volunteers that serve this community.

We present this balanced budget to you and look forward to another prosperous year. Please feel free to contact us if you have any questions.

Respectfully submitted,

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Norman E. Beagley  
City Manager

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Shannon Hoffman  
Finance Director



# GENERAL GOVERNMENT



*Mayor*  
*Daniel M. Olson*  
*(2022-2025)*



*Council Member*  
*Arthur L. Adcock*  
*(2022-2025)*



*Council Member*  
*Brian Del Rosario*  
*(2024-2027)*



*Council Member*  
*J. Travis Keel*  
*(2024-2027)*



*Council Member*  
*D. Lynn Mecham*  
*(2024-2027)*



*Council Member*  
*Jeffery M. Siddoway*  
*(2022-2025)*

Santaquin City has a Six Member Council form of Government. The elected governing body is made up of a Mayor and five City Council members. The elected officials appoint a City Manager to oversee the day-to-day management and operations of the City and to implement policy. The Mayor and City Council members are elected to serve four-year terms.

# MISSION STATEMENT

The mission of Santaquin City is to provide for a high quality of life for people who live and work in Santaquin City; by providing guidelines and standards that endure the orderly and balanced distribution of growth, sound fiscal and economic investment and preservation of the open and rural environment in a clean and attractive physical setting.

# STRATEGIC GOALS

Preserving our agricultural heritage while developing a clean, safe, fun, family-oriented community through well-planned growth and fiscal responsibility.

## **PROVIDE QUALITY CITY SERVICES**

- Build a well-planned and reliable infrastructure
- Continue to provide excellent public safety services
- Maintain our valuable facilities
- Provide affordable quality leisure services

## **PROMOTE AND SUPPORT ECONOMIC DEVELOPMENT**

- Strategically plan for growth
- Retain and expand existing businesses
- Maintain fair and competitive development fees and incentives
- Foster job creation

## **ENSURE PROACTIVE REGIONAL COLLABORATION**

- Encourage membership and leadership in decision making bodies
- Be a voice of involvement in local, State, and Federal Government affairs

## **MAINTAIN A SUSTAINABLE BUDGET**

- Ensure the responsible use of resources
- Encourage a highly motivated and well-trained municipal workforce
- Encourage varied revenue streams
- Enhance capital facility repair and replacement planning

## **PROMOTE COMMUNITY INVOLVEMENT**

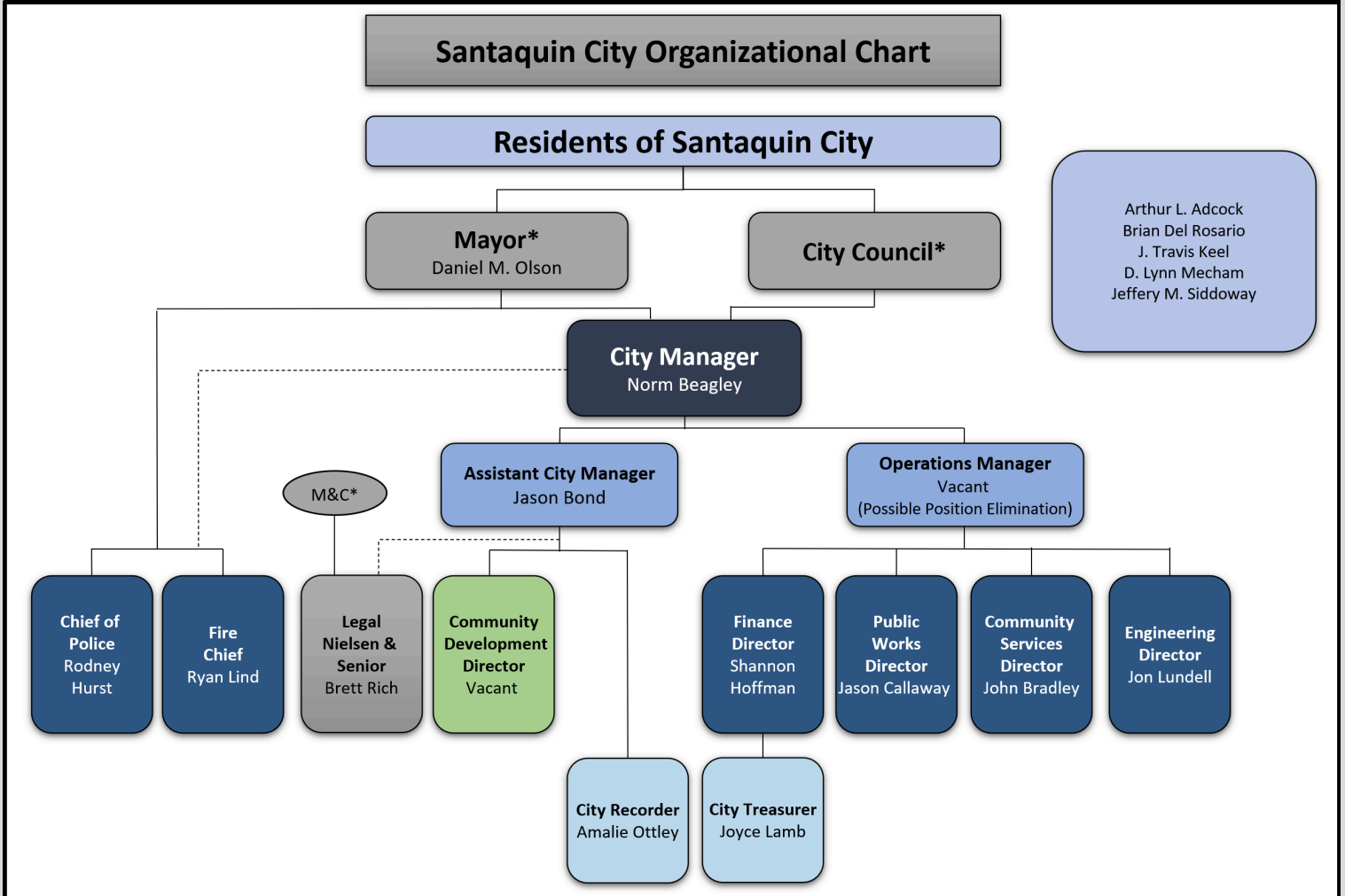
- Focus on communication and transparency
- Promote and encourage diverse public events
- Promote meaningful service opportunities and celebrate volunteer efforts

## **PROVIDE A SAFE COMMUNITY FOR RESIDENTS, SCHOOLS BUSINESSES AND VISITORS**

- Enhance safety, manage risks and increase engagement of citizens through planning, creating and exercising plans/programs designed to prevent, reduce and mitigate against hazards and injury
- Provide clear, concise and early communication of natural and man-made threats
- Provide the highest level of customer service and resources in every single call
- Enhance the well-being of our team through professional treatment, proactive training and by providing a safe work environment



# ORGANIZATIONAL CHART



Santaquin City operates under the five (5) Functional Areas described below. Each Functional Area is composed of multiple departments. Each department is supervised by a Department Head and each of the Department Heads within a Functional Area is supervised by one or more Functional Area Directors.

**Administrative Services:** The Administrative Services Functional Area plays a huge supporting role for all other departments and handles treasury, accounts receivable, accounts payable, budgeting, utility billing, cemetery management, records management, human resources, and payroll. Administrative Services also has a supporting role in the Justice Courts of Santaquin, Genola and Goshen. The Administrative Services Functional Area ensures that every department in the city has the tools and resources they need to excel in their functions and duties.

Community Development: The Community Development and Engineering Departments handle city planning, zoning, economic development, engineering, GIS, building permits, building inspections, and business licensing. These departments, and the committees and commissions they support, are responsible for ensuring that residential and commercial developments meet requirements of both city code and the city council's vision for Santaquin City.

Community Services: The Community Services Department represents outreach to the community and is charged with increasing residents' quality of life through the following functional areas: Chieftain Museum, Events, Orchard Days, Historic Preservation, Library, Miss Santaquin Pageant, Recreation, Classes, Cultural Arts, Sports, and Senior Programs.

Public Safety: The Police Department enforces the local, state, and federal laws, both criminal and civil, within Santaquin City to ensure the safety and wellbeing of its residents. The Fire & Emergency Services Department strives to make Santaquin a safe community by providing professional fire response, prevention, and containment services as well as emergency medical services to those in need.

Public Works: Public Works is the backbone of city operations. Public Works operations provide the essential city services and infrastructure maintenance residents interact with daily. These services include water, sewer, parks, cemetery, and roads. Public Works crews do the behind the scenes work that keeps Santaquin moving forward.





# BUDGET GUIDING PRINCIPLES

The financial management policies outline the guidelines and goals that will influence and guide the financial management practices for Santaquin City. Financial policies that are adopted, adhered to, and regularly reviewed are recognized as the cornerstone of sound financial management.

The city is required by State law to enact a balanced budget or financial plan of operation where expenditures made by the city are equal to the revenues brought in. Santaquin City's budget proposal is presented with conservative revenue and expenditure projections in a balanced and fiscally responsible manner. The Santaquin City Council has directed staff to prepare this and future budgets with the following guiding principles:

## GENERAL GUIDING PRINCIPLES

- Enact policies that are in harmony with adopted ordinances, the General Plan, Capital Facilities Plans and the goals and vision established by the city council
- Revenues and expenditures should be estimated at levels that are believed to be achievable.
- One-time revenues should be used for one-time expenses.
- Due to its volatility in poor economic times, incremental increases in sales taxes should be used with caution to meet long-term financial commitments and where possible should be used to meet one-time expenses and build reserves as needed.
- Property taxes, fees, and other more stable sources of revenue should be set at sufficient rates to support critical services and programs essential for maintaining public health, safety, and welfare.
- Sustainable, ongoing revenue sources should be used to pay for ongoing expenses.
- Fees and utility rates should be increased annually, consistent with inflationary rates, to maintain the operations of the city and to protect the public from significant increases in rates and fees.
- Enterprise funds should be self-sustaining. The city should develop healthy reserves in enterprise funds for long-term replacement needs, emergency repair, and maintenance of critical facilities.
- Maintain updated capital facility master plans for culinary water, irrigation water, sanitary sewer, storm drainage, parks, transportation, and public safety infrastructure needs. The master plans should include strategic operations, maintenance, and replacement guidelines with supporting financial plans. Financial plans should justify rate structures that support the implementation of the master plan.

- Develop and follow a market driven compensation plan that will entice and retain good, quality employees. Analyze the need for additions to staff and evaluate the need to replace staff when a position becomes open due to resignation or retirement.
- Use debt with prudence and wisdom. Debt should be used for capital expenditures that would place the city in a position of strength and preparedness for the community's future. Revenue bonds are the preferred bonding tool for all critical infrastructure needs. Community amenities or 'wants' should go before the voters in the form of general obligation bonds.
- Develop and maintain healthy enterprise fund reserves to sustain the impact of emergencies. Manage healthy General Fund reserves consistent with state law.

These principles enhance the City's image and credibility with the public, credit rating agencies, and investors. Many people and businesses who deal with the City (including the rating agencies) take comfort knowing the City adheres to established guiding financial policies.

Policy changes may be needed as the City and its citizen base grows and becomes more diverse and complex. It is important to regularly engage in the process of financial planning including reaffirming and updating these financial guidelines.





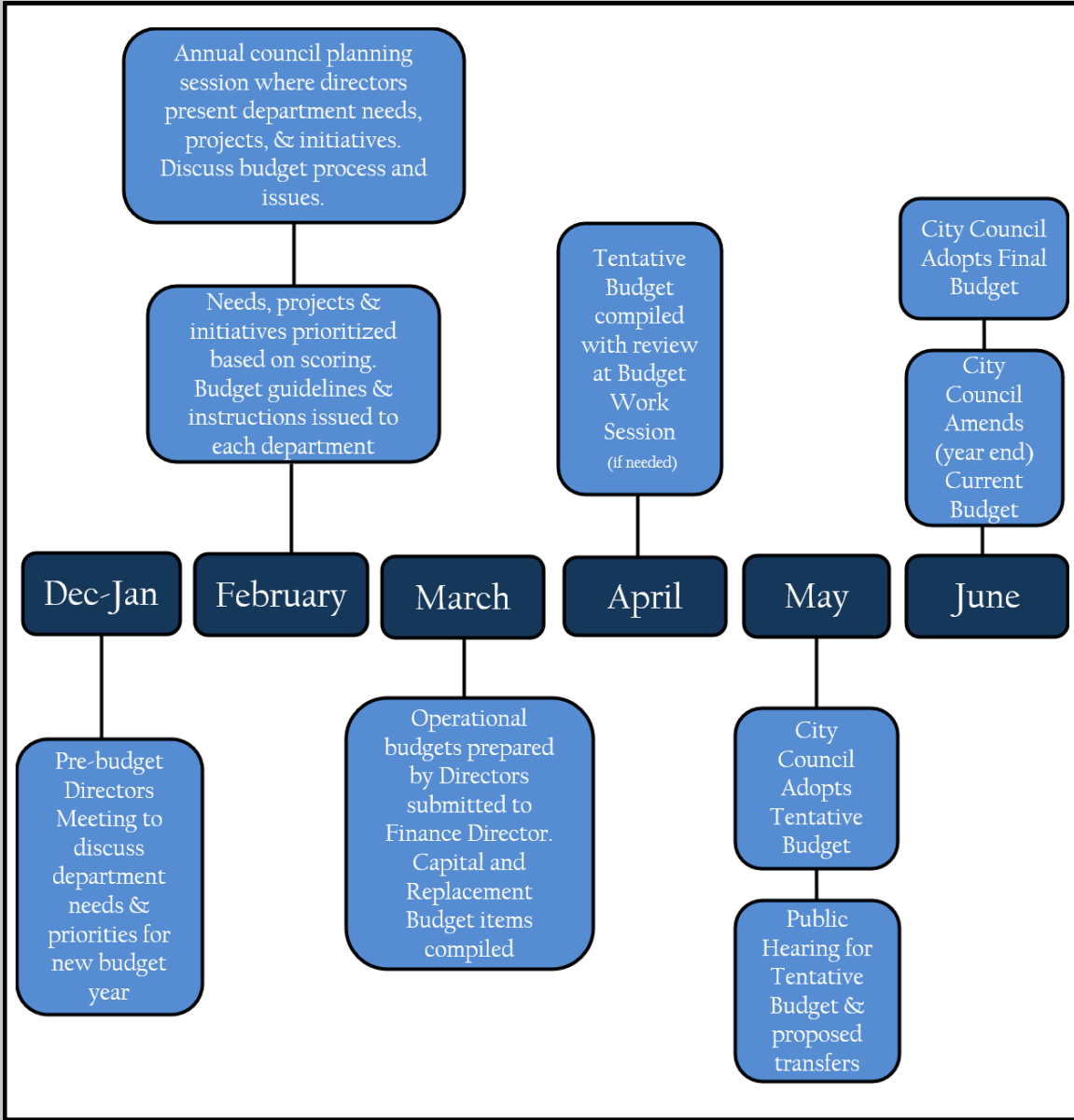
# BUDGET PROCESS

## BUDGET ROLES & RESPONSIBILITIES

- Santaquin City Residents – The citizens’ role is to provide feedback to the elected officials about the level of service they desire and about how satisfied they are with the services provided. This may occur either in the budget work sessions that take place February through April or, after the tentative budget is released in May or, in the public hearing process that takes place in June.
- The City Council – The City Council’s role is to provide policy direction to the Mayor, City Manager, Functional Area Directors, and Finance Director. They receive a tentative budget from the Mayor on or before the first regularly scheduled meeting in May. Council Members also discuss the budget with staff and the Mayor and determine whether to add new items to the budget or to increase or decrease appropriation amounts for budgeted line items (see Appendix A). Council Members should also facilitate citizen input by holding public hearings on the adopted tentative budget. The City Council legally adopts the final budget by resolution on or before June 30th of each year, unless a property tax increase is proposed, which extends the approval process through August to facilitate “Truth in Taxation” procedures outlined and mandated by the state of Utah.
- The Mayor via the City Manager – The Mayor’s role is to preside over the preparation and presentation of a tentative budget to the City Council for review, consideration, and adoption.
- The Finance Director – The Finance Director’s role is to oversee the budget process as the City’s Chief Budget Officer, making sure the budget is balanced and that appropriations are within projected revenues. With the City Manager’s approval, the Finance Director prepares a tentative budget that is presented to the City Council on or before the first regularly scheduled meeting in May. The Finance Director holds departments accountable for expenditures, making sure they are within budgeted appropriations.
- The Department Heads – The department heads’ role is to prepare budget requests for both their operational line items and for personnel, vehicles, equipment, and projects. Department heads are responsible for making sure their department’s expenditures are within their budgeted appropriations.

## BUDGET CALENDAR

The annual budget serves as the foundation for the city’s financial planning and control. The city’s budget process is well laid out starting in January for a budget that will be adopted by June 30th, at the latest, and goes into effect July 1st. The creation of the budget follows the timeline below.



## BUDGET AMENDMENTS & MANAGEMENT

Once adopted, the budget can be amended by subsequent city council action. Reductions or reallocations of departmental appropriations can be approved by the city council. Budget appropriations within a governmental fund and/or transfers from one fund to another fund cannot be increased without a public hearing. However, transfers of unexpended appropriations from one budgeted expenditure account to another in the same department can be made with the approval of the Functional Area Director.

# FINANCIAL STRUCTURE

The various funds Santaquin City uses for accounting and reporting purposes are the foundation of the city's financial structure. Likewise, all of those funds account for different functions or programs found within each department whose activities make up the backbone of the city's operations. On the next page you will find a chart illustrating the organization of the city's funds. Below you will find a description of the fund structures organized as dictated by governmental accounting standards.

## GOVERNMENTAL FUNDS

Governmental funds account for most of the city's activities, functions, or programs that are financed through taxes and program or related service fees. In accordance with Governmental Finance Officers Association (GFOA) standards, these funds are accounted for using a modified accrual basis. In Santaquin City, governmental funds are classified into the following three types:

- General Funds – The primary governmental fund, known as the General Fund, provides the resources for the core administrative and operational activities of the city. These activities include what most people think of when they think of a city including police, courts, streets, planning & zoning, building inspection, parks, cemetery, and administrative support services such as attorneys, engineers, finance, and utility billing.
- Capital Project Funds – Reserved for long-term capital investment projects such as infrastructure or maintenance projects for any city owned asset including roads, water, sewer, storm drainage, public buildings, parks, and cemetery.
- Special Revenue Funds – Restricted or committed funds for a specific purpose. This includes the Class C Road Fund, RAP Tax Fund, all Community Services funds and the Fire Department which have been separated out from the General Fund for cleaner accounting of department expenditures.

## PROPRIETARY FUNDS

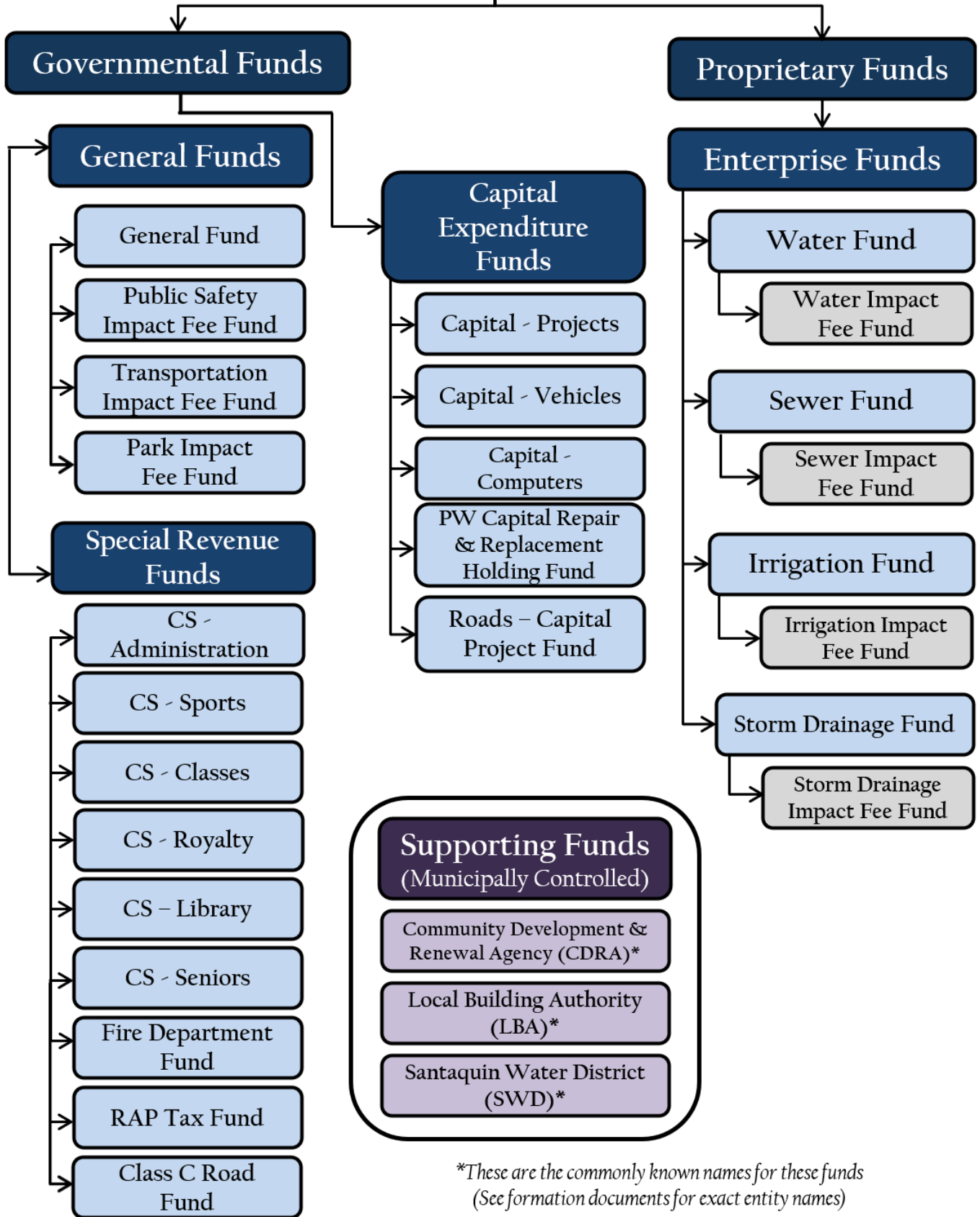
Proprietary funds account for the city's business-type activities. These funds are financed by fees or charges for services provided by the city. As a business-like activity, accounting for these funds is done on an accrual basis under GFOA standards. In Santaquin City, proprietary funds are classified into the following:

- Enterprise Funds – Used for goods or services provided to the public on a user charge basis, like the operations of a commercial business. This includes the water, sewer, pressurized irrigation, and storm drainage operations funds and their associated impact fee funds.

## MUNICIPALLY CONTROLLED SUPPORTING FUNDS

These funds are financially supported by the city and are technically separate entities but are included in the annual audited financial statements.

# Financial Structure



*\*These are the commonly known names for these funds  
(See formation documents for exact entity names)*



# ECONOMIC OVERVIEW

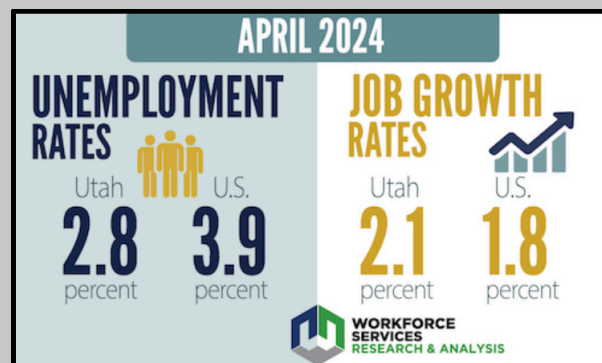
Based on the current economic conditions as described below, budget forecasts continue to be made conservatively to allow for the City to respond to changing conditions. The intent is to maintain a high level of service, while also being able to respond to economic realities.

The local economy continues to grow. Residential growth increased by approximately 4% during FY2023-2024, with 221 new residential building permits being issued from July 2023 to May 2024. This is an indicator that the housing market is slowly recovering. However, continued high inflation, high interest rates and elevated home prices are still affecting home sales. Due to these factors, along with the rising cost of living and continued worldwide supply chain shortages, this budget reflects a conservative number of homes (200) being constructed in FY2024-2025.

Business growth in Santaquin continues to grow slowly as well. In the past year we have seen several new businesses open their doors. With these additional businesses and continued moderate residential growth in Santaquin, it is projected that sales tax revenue will increase at a conservative rate.

According to the Utah Department of Workforce Services, the April 2024 unemployment rate for Utah County was 2.8%, which is the same as the State of Utah's average of 2.8% and below the national average of 3.9%. Both national and local economies continue to see higher than normal inflation, though those rates have decreased since 2022. The Consumer Price Index Urban (CPI-U) shows an average 4.1% inflation rates from January 2023 to December 2023.

In efforts to boost the local economy, Santaquin City continues to develop the Santaquin Peaks Industrial Park, a CDRA project area, with the goals of creating jobs, increasing property tax revenue, and possibly receiving additional sales tax revenue. Property sales within the project area continue to take place which have fully funded infrastructure improvements needed for the development area. This approach eliminated the need to bond or raise taxes, taking the burden off residents, in order to develop this city property asset. Construction of several businesses within the Industrial Park is currently underway with completion dates within the new FY. We will continue to review and monitor the impacts these businesses will have on future budgets.



Source: Utah Department of Workforce Services

# BUDGET SUMMARY

Below is a Budget Summary of each fund for FY2024-2025

Budget Summary by Department & Fund 2024-2025 Final Budget						
Description	Actuals (2022-2023)	Revised Budget (2023-2024)	Actuals March 31, 2023	Projected Budget (2024-2025)	%Chg.	\$ Chg.
<b>GENERAL FUND</b>						
<b>REVENUES:</b>						
TOTAL TAXES	\$5,135,122	\$5,789,880	\$5,085,482	\$6,221,852	7.5%	\$ 431,972
TOTAL LICENSES AND PERMITS	\$817,280	\$990,350	\$890,314	\$962,200	-2.8%	\$ (28,150)
TOTAL INTERGOVERNMENTAL REVENUE	\$772,646	\$765,500	\$616,758	\$20,000	-97.4%	\$ (745,500)
TOTAL CHARGES FOR SERVICES	\$1,493,300	\$1,658,705	\$1,216,151	\$1,796,683	8.3%	\$ 137,978
TOTAL FINES AND FORFEITURES	\$236,658	\$237,500	\$168,161	\$238,000	0.2%	\$ 500
TOTAL INTEREST	\$543,366	\$555,500	\$557,883	\$451,000	-18.8%	\$ (104,500)
TOTAL MISCELLANEOUS REVENUE	\$30,492	\$32,000	\$38,804	\$52,900	65.3%	\$ 20,900
TOTAL CONTRIBUTIONS AND TRANSFERS	\$1,600,000	\$3,239,310	\$1,295,000	\$2,471,488	-23.7%	\$ (767,822)
<b>TOTAL FUND REVENUES</b>	<b>\$10,628,865</b>	<b>\$13,268,745</b>	<b>\$9,868,553</b>	<b>\$12,214,123</b>	<b>-7.9%</b>	<b>\$(1,054,622)</b>
<b>EXPENDITURES:</b>						
TOTAL LEGISLATIVE	\$114,797	\$166,326	\$121,096	\$133,064	-20.0%	\$ (33,263)
TOTAL COURT	\$255,654	\$300,487	\$208,865	\$304,484	1.3%	\$ 3,997
TOTAL ADMINISTRATION	\$1,160,756	\$1,257,143	\$785,491	\$1,415,666	12.6%	\$ 158,523
TOTAL ENGINEERING DEPT	\$193,851	\$309,691	\$170,410	\$314,703	1.6%	\$ 5,012
TOTAL GENERAL GOVERNMENT BUILDINGS	\$175,636	\$290,352	\$217,601	\$310,338	6.9%	\$ 19,986
TOTAL POLICE	\$2,461,648	\$2,619,621	\$1,888,482	\$2,860,375	9.2%	\$ 240,754
TOTAL STREETS	\$409,741	\$444,100	\$342,138	\$513,128	15.5%	\$ 69,028
TOTAL SANITATION	\$805,011	\$821,000	\$592,004	\$912,500	11.1%	\$ 91,500
TOTAL BUILDING INSPECTION	\$456,512	\$479,252	\$345,354	\$514,091	7.3%	\$ 34,839
TOTAL PARKS	\$355,751	\$346,869	\$237,850	\$416,237	20.0%	\$ 69,368
TOTAL CEMETERY	\$208,625	\$231,281	\$138,548	\$252,826	9.3%	\$ 21,545
TOTAL PLANNING & ZONING	\$247,974	\$307,386	\$167,781	\$316,731	3.0%	\$ 9,345
TOTAL DEBT SERVICE	\$419,362	\$625,981	\$283,544	\$671,431	100.0%	\$ 45,450
TOTAL TRANSFERS	\$3,301,862	\$5,069,255	\$2,128,168	\$3,278,549	-35.3%	\$(1,790,706)
<b>TOTAL FUND EXPENDITURES</b>	<b>\$9,799,667</b>	<b>\$13,268,745</b>	<b>\$7,627,334</b>	<b>\$12,214,123</b>	<b>-7.9%</b>	<b>\$(1,054,622)</b>
<b>NET REVENUE OVER EXPENDITURES</b>	<b>\$684,502</b>	<b>\$0</b>	<b>\$2,241,219</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$ 0</b>
<b>CLASS C ROADS FUND</b>						
TOTAL FUND REVENUES	\$0	\$0	\$0	\$970,000	100.0%	\$ 970,000
TOTAL FUND EXPENDITURES	\$0	\$0	\$0	\$970,000	100.0%	\$ 970,000
<b>NET REVENUE OVER EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$ 0</b>
<b>CAPITAL PROJECTS - CAPITAL FUND</b>						
TOTAL FUND REVENUES	\$5,531,458	\$5,118,100	\$1,839,908	\$1,519,500	-70.3%	\$(3,598,600)
TOTAL FUND EXPENDITURES	\$7,757,908	\$5,118,100	\$3,182,448	\$1,519,500	-70.3%	\$(3,598,600)
<b>NET REVENUE OVER EXPENDITURES</b>	<b>-\$2,226,450</b>	<b>\$0</b>	<b>-\$1,342,540</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$ 0</b>
<b>CAPITAL VEHICLE AND EQUIPMENT - CAPTIAL FUND</b>						
TOTAL FUND REVENUES	\$612,892	\$882,336	\$593,002	\$1,546,000	42.9%	\$ 663,664
TOTAL FUND EXPENDITURES	\$1,156,554	\$882,336	\$499,998	\$1,546,000	42.9%	\$ 663,664
<b>NET REVENUE OVER EXPENDITURES</b>	<b>-\$543,662</b>	<b>\$0</b>	<b>\$93,003</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$ 0</b>

## Budget Summary by Department & Fund

2024-2025 Final Budget

Description	Actuals (2022-2023)	Revised Budget (2023-2024)	Actuals March 31, 2023	Projected Budget (2024-2025)	%Chg.	\$ Chg.
<b>COMPUTER TECHNOLOGY - CAPITAL FUND</b>						
TOTAL FUND REVENUES	\$380,000	\$365,300	\$258,750	\$405,401	9.9%	\$ 40,101
TOTAL FUND EXPENDITURES	\$406,915	\$365,300	\$255,248	\$405,400	9.9%	\$ 40,100
NET REVENUE OVER EXPENDITURES	-\$26,915	\$0	\$3,502	\$0	0.0%	\$ 0
<b>PUBLIC WORKS CAPITAL REPAIR AND REPLACEMENT - HOLDING FUND</b>						
TOTAL FUND REVENUES	\$289,368	\$359,480	\$269,609	\$411,000	14.3%	\$ 51,520
TOTAL FUND EXPENDITURES	\$224,558	\$359,480	\$55,000	\$411,000	14.3%	\$ 51,520
NET REVENUE OVER EXPENDITURES	\$64,810	\$0	\$214,609	\$0	0.0%	\$ 0
<b>ROADS - CAPITAL PROJECT FUND</b>						
TOTAL FUND REVENUES	\$1,375,144	\$6,341,391	\$796,157	\$15,174,000	139.3%	\$ 8,832,609
TOTAL FUND EXPENDITURES	\$1,371,708	\$6,341,391	\$1,038,000	\$15,174,000	139.3%	\$ 8,832,609
NET REVENUE OVER EXPENDITURES	\$3,436	\$0	-\$241,843	\$0	0.0%	\$ 0
<b>STORM DRAINAGE - ENTERPRISE FUND</b>						
TOTAL FUND REVENUES	\$144,118	\$149,769	\$117,890	\$167,995	12.2%	\$ 18,226
TOTAL FUND EXPENDITURES	\$0	\$149,769	\$39,515	\$167,995	12.2%	\$ 18,226
NET REVENUE OVER EXPENDITURES	\$144,118	\$0	\$78,374	\$0	0.0%	\$ 0
<b>WATER - ENTERPRISE FUND</b>						
TOTAL FUND REVENUES	\$3,091,867	\$2,569,385	\$2,300,451	\$2,916,391	13.5%	\$ 347,006
TOTAL FUND EXPENDITURES	\$1,970,600	\$2,569,385	\$1,532,926	\$2,916,391	13.5%	\$ 347,006
NET REVENUE OVER EXPENDITURES	\$1,121,266	\$0	\$767,526	\$0	0.0%	\$ 0
<b>SEWER FUND - ENTERPRISE FUND</b>						
TOTAL FUND REVENUES	\$2,639,073	\$3,309,321	\$2,561,784	\$3,544,407	7.1%	\$ 235,086
TOTAL FUND EXPENDITURES	\$2,195,659	\$3,309,321	\$1,868,644	\$3,544,407	7.1%	\$ 235,086
NET REVENUE OVER EXPENDITURES	\$443,414	\$0	\$693,141	\$0	0.0%	\$ 0
<b>PRESSURIZED IRRIGATION - ENTERPRISE FUND</b>						
TOTAL FUND REVENUES	\$7,268,177	\$2,596,436	\$1,765,696	\$2,429,357	-6.4%	\$ (167,079)
TOTAL FUND EXPENDITURES	\$1,375,316	\$2,596,436	\$1,250,450	\$2,429,357	-6.4%	\$ (167,079)
NET REVENUE OVER EXPENDITURES	\$5,892,861	\$0	\$515,247	\$0	0.0%	\$ 0
<b>CULINARY WATER - IMPACT FEE FUND</b>						
TOTAL FUND REVENUES	\$233,996	\$470,000	\$237,623	\$353,700	-24.7%	\$ (116,300)
TOTAL FUND EXPENDITURES	\$699,845	\$470,000	\$125,435	\$353,700	-24.7%	\$ (116,300)
NET REVENUE OVER EXPENDITURES	-\$465,849	\$0	\$112,188	\$0	0.0%	\$ 0

## Budget Summary by Department & Fund

2024-2025 Final Budget

Description	Actuals (2022-2023)	Revised Budget (2023-2024)	Actuals March 31, 2023	Projected Budget (2024-2025)	%Chg.	\$ Chg.
<b>SEWER - IMPACT FEE FUND</b>						
TOTAL FUND REVENUES	\$1,017,362	\$7,237,046	\$1,193,973	\$8,219,260	13.6%	\$ 982,214
TOTAL FUND EXPENDITURES	\$1,114,728	\$7,237,046	\$406,771	\$8,219,260	13.6%	\$ 982,214
NET REVENUE OVER EXPENDITURES	-\$97,366	\$0	\$787,202	\$0	0.0%	\$ 0
<b>PARK - IMPACT FEE FUND</b>						
TOTAL FUND REVENUES	\$580,075	\$1,537,828	\$759,255	\$1,458,223	-5.2%	\$ (79,605)
TOTAL FUND EXPENDITURES	\$1,639,888	\$1,537,828	\$547,914	\$1,458,223	-5.2%	\$ (79,605)
NET REVENUE OVER EXPENDITURES	-\$1,059,813	\$0	\$211,342	\$0	0.0%	\$ 0
<b>PUBLIC SAFETY - IMPACT FEE FUND</b>						
TOTAL FUND REVENUES	\$123,273	\$213,500	\$146,245	\$1,193,992	459.2%	\$ 980,492
TOTAL FUND EXPENDITURES	\$10,525	\$213,500	\$25,274	\$1,193,992	459.2%	\$ 980,492
NET REVENUE OVER EXPENDITURES	\$112,748	\$0	\$120,971	\$0	0.0%	\$ 0
<b>TRANSPORTATION - IMPACT FEE FUND</b>						
TOTAL FUND REVENUES	\$222,621	\$573,338	\$308,002	\$160,000	-258.3%	\$ (413,338)
TOTAL FUND EXPENDITURES	\$302,937	\$573,338	\$274,837	\$160,000	-258.3%	\$ (413,338)
NET REVENUE OVER EXPENDITURES	-\$80,316	\$0	\$33,165	\$0	0.0%	\$ 0
<b>PRESSURIZED IRRIGATION WATER - IMPACT FEE FUND</b>						
TOTAL FUND REVENUES	\$295,810	\$921,375	\$489,543	\$854,600	-7.2%	\$ (66,775)
TOTAL FUND EXPENDITURES	\$647,776	\$921,375	\$679,886	\$854,600	-7.2%	\$ (66,775)
NET REVENUE OVER EXPENDITURES	-\$351,966	\$0	-\$190,343	\$0	0.0%	\$ 0
<b>COMMUNITY SERVICES (CS-SPORTS) - SPECIAL REVENUE FUND</b>						
TOTAL FUND REVENUES	\$268,911	\$254,319	\$253,756	\$278,250	9.4%	\$ 23,931
TOTAL FUND EXPENDITURES	\$273,265	\$254,319	\$188,097	\$278,250	9.4%	\$ 23,931
NET REVENUE OVER EXPENDITURES	-\$4,354	\$0	\$65,658	\$0	0.0%	\$ 0
<b>COMMUNITY SERVICES (CS-EVENTS) - SPECIAL REVENUE FUND</b>						
TOTAL FUND REVENUES	\$283,823	\$258,290	\$200,856	\$272,690	5.6%	\$ 14,400
TOTAL FUND EXPENDITURES	\$244,937	\$258,290	\$216,944	\$272,690	5.6%	\$ 14,400
NET REVENUE OVER EXPENDITURES	\$38,886	\$0	-\$16,088	\$0	0.0%	\$ 0
<b>COMMUNITY SERVICES (CS-MUSEUM) - SPECIAL REVENUE FUND</b>						
TOTAL FUND REVENUES	\$18,206	\$21,700	\$15,871	\$19,450	-10.4%	\$ (2,250)
TOTAL FUND EXPENDITURES	\$16,132	\$21,700	\$16,509	\$19,450	-10.4%	\$ (2,250)
NET REVENUE OVER EXPENDITURES	\$2,074	\$0	-\$637	\$0	0.0%	\$ 0



## Budget Summary by Department & Fund

2024-2025 Final Budget

Description	Actuals (2022-2023)	Revised Budget (2023-2024)	Actuals March 31, 2023	Projected Budget (2024-2025)	%Chg.	\$ Chg.
<b>COMMUNITY SERVICES (CS-ROYALTY) - SPECIAL REVENUE FUND</b>						
TOTAL FUND REVENUES	\$12,484	\$25,300	\$12,192	\$12,300	-51.4%	\$ (13,000)
TOTAL FUND EXPENDITURES	\$9,351	\$25,300	\$11,464	\$12,300	-51.4%	\$ (13,000)
NET REVENUE OVER EXPENDITURES	\$3,133	\$0	\$728	\$0	0.0%	\$ 0
<b>STORM DRAINAGE IMPACT FEE FUND</b>						
TOTAL FUND REVENUES	\$216,440	\$1,116,250	\$226,243	\$1,554,000	39.2%	\$ 437,750
TOTAL FUND EXPENDITURES	\$0	\$1,116,250	\$0	\$1,554,000	39.2%	\$ 437,750
NET REVENUE OVER EXPENDITURES	\$216,440	\$0	\$226,243	\$0	0.0%	\$ 0
<b>RAP TAX FUND</b>						
TOTAL FUND REVENUES	\$124,163	\$130,000	\$106,963	\$146,000	12.3%	\$ 16,000
TOTAL FUND EXPENDITURES	\$119,194	\$130,000	\$87,643	\$146,000	12.3%	\$ 16,000
NET REVENUE OVER EXPENDITURES	\$4,969	\$0	\$19,321	\$0	0.0%	\$ 0
<b>COMMUNITY SERVICES (CS-ADMINISTRATION) - SPECIAL REVENUE FUND</b>						
TOTAL FUND REVENUES	\$214,515	\$256,950	\$170,572	\$268,460	4.3%	\$ 11,510
TOTAL FUND EXPENDITURES	\$213,168	\$256,950	\$182,653	\$268,460	4.3%	\$ 11,510
NET REVENUE OVER EXPENDITURES	\$1,347	\$0	-\$12,081	\$0	0.0%	\$ 0
<b>COMMUNITY SERVICES (CS-CLASSES) - SPECIAL REVENUE FUND</b>						
TOTAL FUND REVENUES	\$227,657	\$234,727	\$199,127	\$256,000	8.3%	\$ 21,273
TOTAL FUND EXPENDITURES	\$211,032	\$234,727	\$205,644	\$256,000	8.3%	\$ 21,273
NET REVENUE OVER EXPENDITURES	\$16,625	\$0	-\$6,517	\$0	0.0%	\$ 0
<b>COMMUNITY SERVICES (CS-LIBRARY) - SPECIAL REVENUE FUND</b>						
TOTAL FUND REVENUES	\$238,806	\$302,078	\$228,946	\$294,534	-2.6%	\$ (7,544)
TOTAL FUND EXPENDITURES	\$227,926	\$302,078	\$185,661	\$294,534	-2.6%	\$ (7,544)
NET REVENUE OVER EXPENDITURES	\$10,880	\$0	\$43,285	\$0	0.0%	\$ 0
<b>COMMUNITY SERVICES (CS-SENIOR CITIZENS) - SPECIAL REVENUE FUND</b>						
TOTAL FUND REVENUES	\$70,546	\$84,018	\$58,754	\$124,900	48.7%	\$ 40,882
TOTAL FUND EXPENDITURES	\$59,169	\$84,018	\$68,548	\$124,900	48.7%	\$ 40,882
NET REVENUE OVER EXPENDITURES	\$11,377	\$0	-\$9,794	\$0	0.0%	\$ 0
<b>FIRE - SPECIAL REVENUE FUND</b>						
TOTAL FUND REVENUES	\$1,042,761	\$1,213,025	\$889,028	\$1,615,800	33.2%	\$ 402,775
TOTAL FUND EXPENDITURES	\$1,137,889	\$1,213,025	\$903,019	\$1,615,800	33.2%	\$ 402,775
NET REVENUE OVER EXPENDITURES	-\$95,128	\$0	-\$13,991	\$0	0.0%	\$ 0

# REVENUE SUMMARY

## CITYWIDE REVENUES

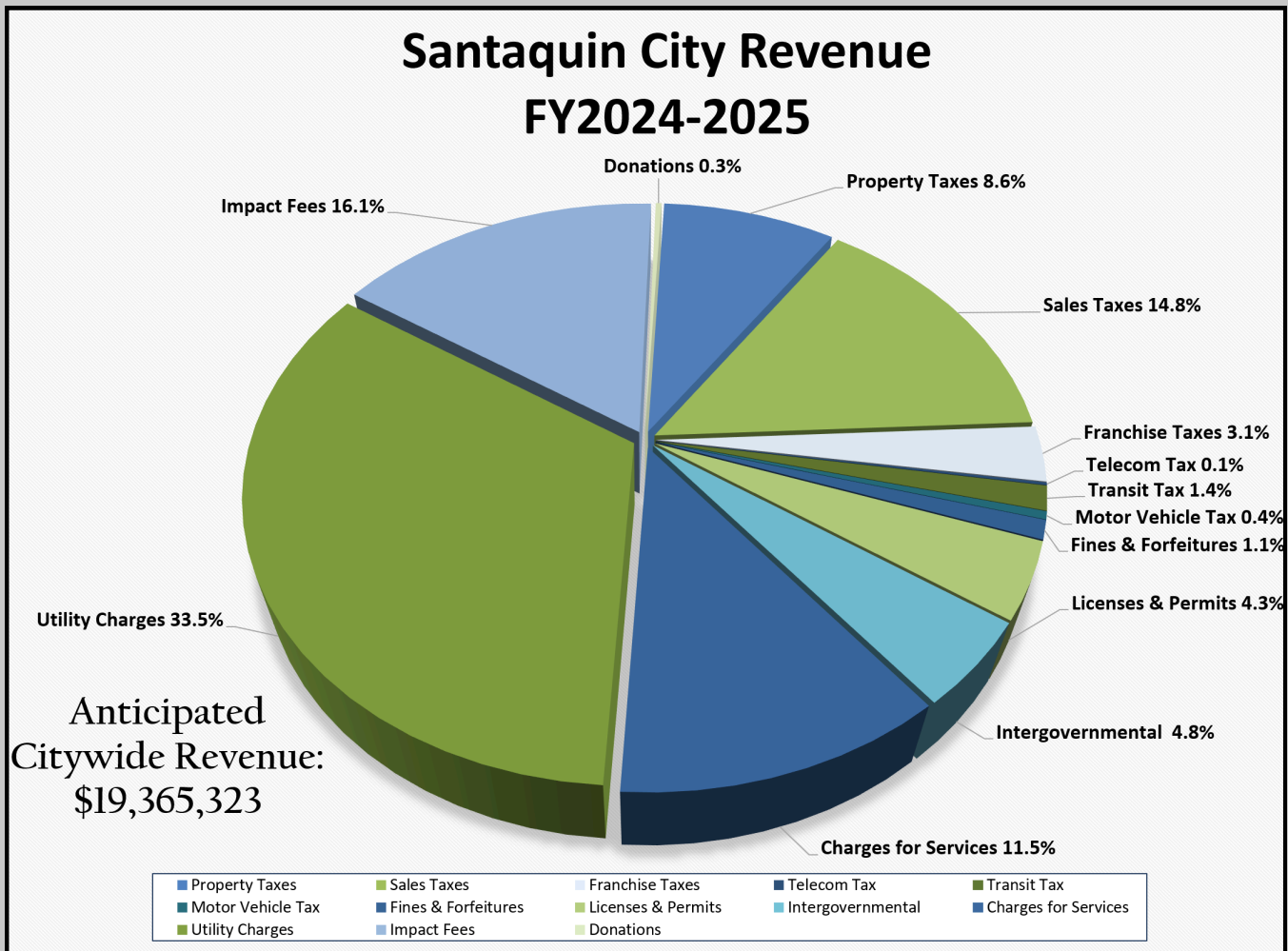
Santaquin City operations are funded through three (3) categories of revenue: taxes, fees and enterprise related revenue.

Tax revenue goes into the governmental fund and is primarily used to pay for services provided to the public in general such as police, fire, streets, and parks.

Government fees related to building permits, business licenses, development review fees, etc. are also captured into the General Fund.

Enterprise related fee revenue, such as utility charges and connection fees, goes into the respective proprietary funds and generates revenue based on the services provided to residents on a user charge basis.

The chart below shows the sources of Santaquin City's Revenue net of transfers and capital projects.



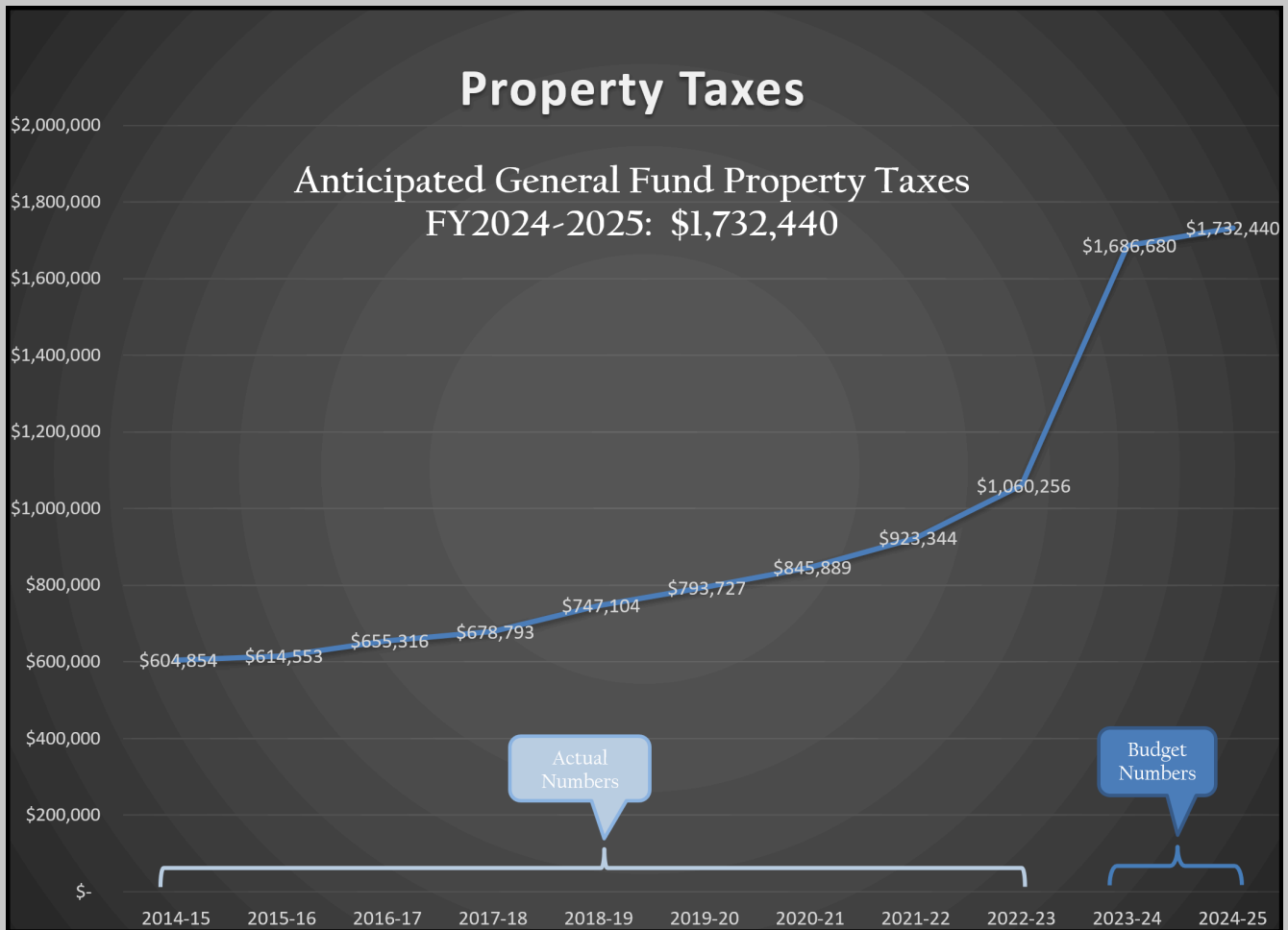
## PROPERTY TAXES

The FY2024-2025 Budget, as currently proposed, does not include a property tax increase. The certified property tax rate for FY2024-2025 is 0.001293 for General Operations and 0.000116 for the Library. As such, our Total Municipal Certified Tax Rate is 0.001409.

Property taxes in Santaquin City are a relatively small component of the city's overall revenue structure, representing just 9.4% of total revenues. Due to relatively flat housing values, significant inflation, and the slight growth in the number of homes built in the city, the overall taxable value of the city has increased from \$1,266,916,848\* in FY2023-2024 to \$1,339,860,783\* in FY2024-2025, which reflects an increase of 5.75%.

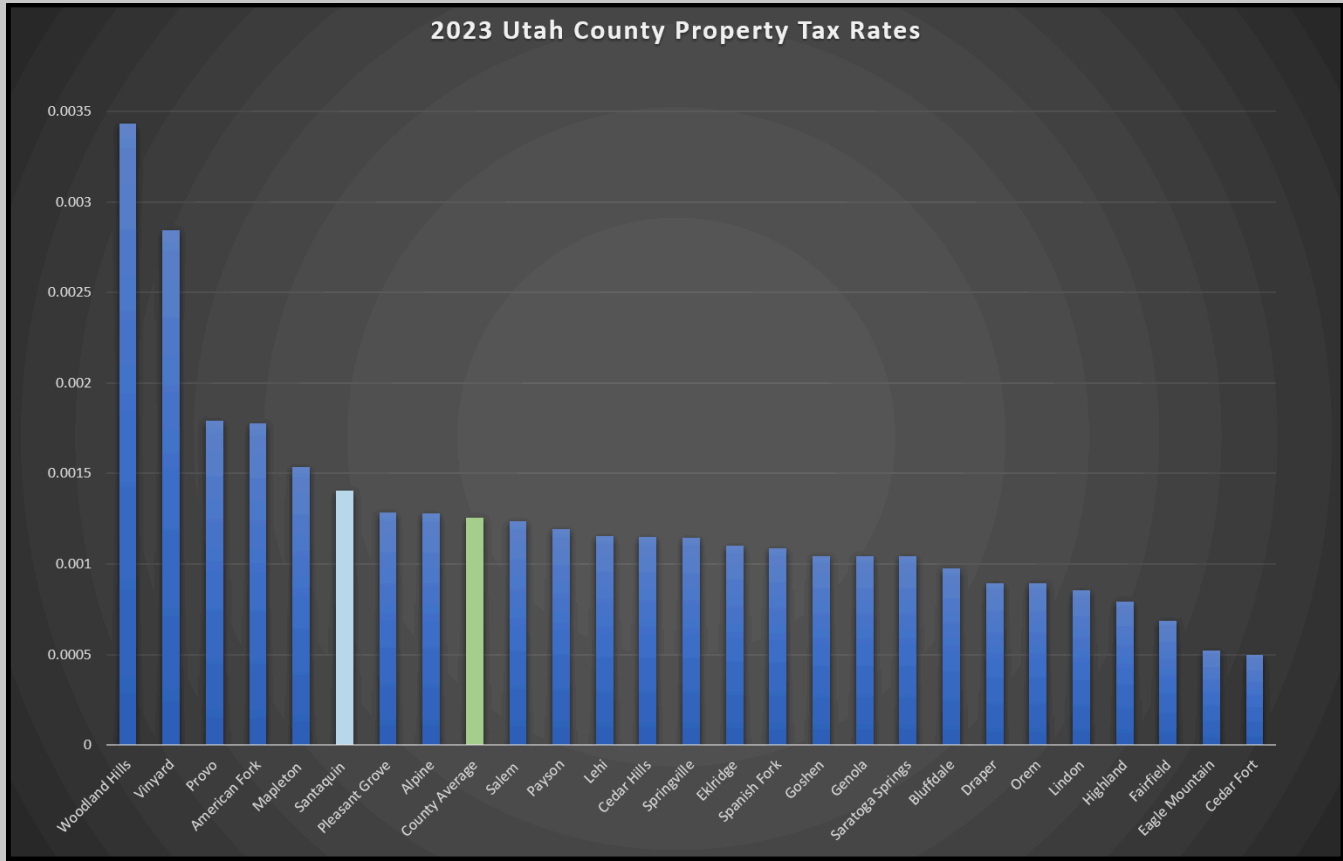
New housing, as a result of growth, reflects a big portion of that increase in value. According to the Utah County Assessor's Office, property values within Santaquin City remained "mostly flat" for calendar year 2023. While some property owners may have seen a slight increase in their property value, others saw a slight decrease in their property value.

Property Taxes are estimated by the Utah County Assessors' office to be \$1,732,440 for the General Fund and \$155,424 for the Library for FY2024-2025.



\*Source: Utah County Auditor's Office (includes a small portion of Juab County that is within Santaquin City boundaries)

In the FY2023-2024 rate study, Santaquin City's property tax rate was shown to be slightly above the average of all cities within Utah County as shown in the graph below.



### PROPERTY TAX DISTRIBUTION

While property tax is one of the main sources of income for cities, it should be noted that of all the property tax paid by the average resident, only 16.34% makes it back to Santaquin City, with 69.24% of their property tax going to the local school district. Of the smaller portions, 9.0% goes to Utah County, and 5.42% goes to pay for regional water and charter schools. The table below illustrates this breakdown in relation to each dollar of property tax paid by Santaquin residents.

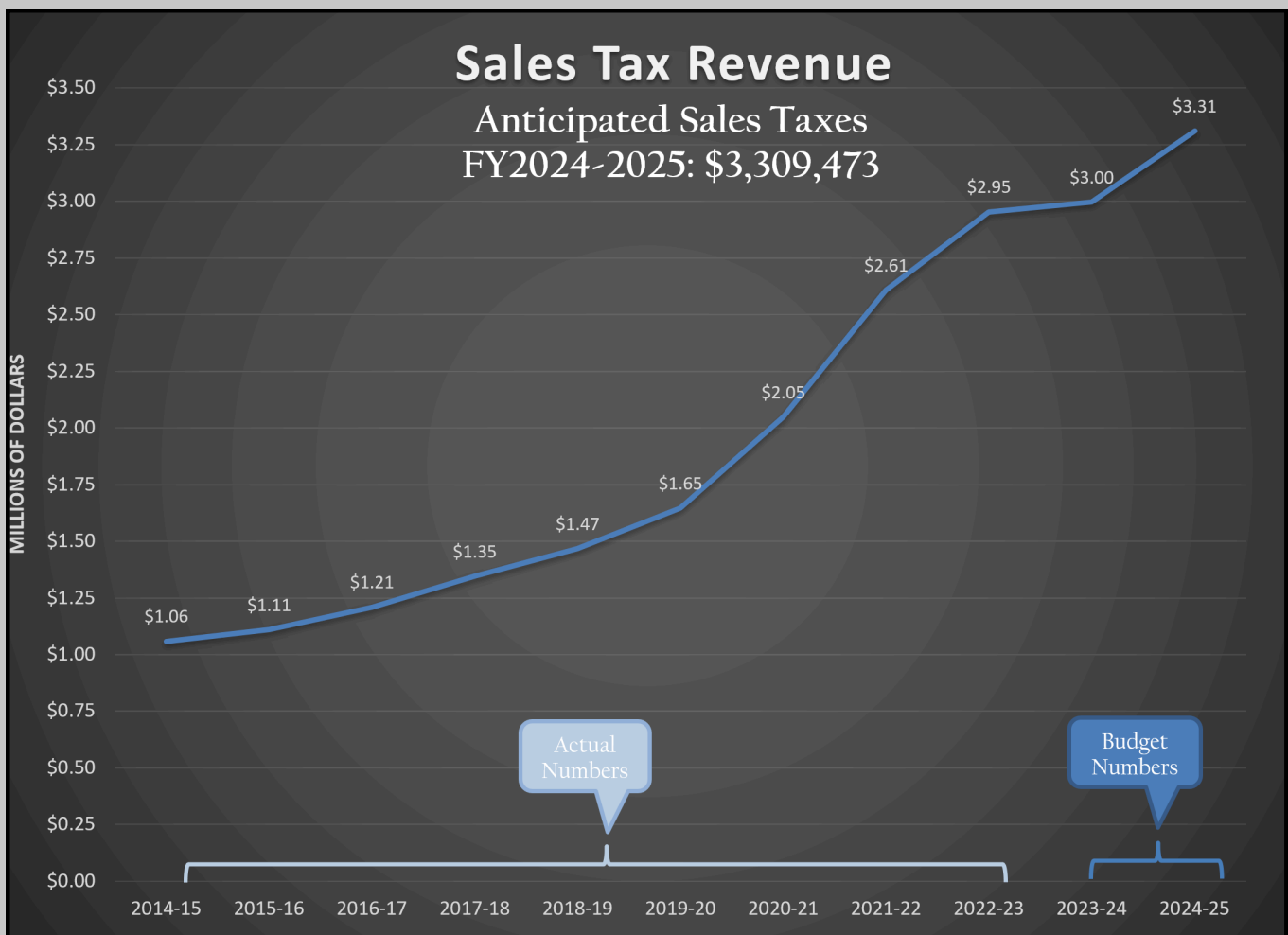
Property Tax Distribution - 2024		
Type of Tax	Tax Rate	%
Santaquin City	0.001409	16.34%
State Charter School - Nebo	0.00008	0.93%
Nebo School District	0.005969	69.24%
Central Utah Water Conserveny District	0.000387	4.49%
Utah County	0.000652	7.56%
Assessing & Collection	0.000124	1.44%
<b>Total</b>	<b>0.008621</b>	<b>100.00%</b>



## SALES TAXES

Sales tax has been an ever-growing source of revenue due to state wide growth and local business growth over the past 10 years. However, compared to the statewide municipal average of 23-29% of total revenue, Santaquin City's sales taxes only comprise roughly 14.8% of the city's overall source of revenue, as seen on the revenue chart on page 18. When other communities saw a decline in sales tax revenue during COVID and the years following, sales taxes growth has held strong in Santaquin thanks to several new businesses opening and residents shopping local. Based on our trend analysis, sales taxes are estimated to increase to approximately \$2.66M in FY2024-2025.

Below is a trend graph of actual sales taxes collected from FY2014-2015 to FY2022-2023. The sales tax numbers for FY2023-2024 and FY2024-2025 are budgeted figures and not actuals.



## SALE TAX DISTRIBUTION

Santaquin City has a sales tax rate of 7.45%, but not all those funds make it back to Santaquin. The table below shows that of the 7.45% sales tax collected, most of the funds go to the state, county, and to fund transportation infrastructure. One percent of total sales tax is received by the city to fund general operations. In addition, the Recreation, Arts, Parks (RAP) Tax of 0.10% brings in funds restricted for recreation purposes only. The recently enacted 0.20 % County Public Transit Tax will also bring in restricted funds for road and trail maintenance and repairs.

All sales taxes are collected and distributed by the Utah State Tax Commission and are divided among local governments according to 1) point of sale transactions within city limits and 2) population. With new retail businesses within Santaquin and updated census estimates, the City's portion of the point of sale and population-based distribution is expected to increase.

Sales Taxes	
Type of Tax	Tax Rate
State Sales & Use Tax	4.85%
Local Sales & Use Tax	1.00%
County Option Sales Tax	0.25%
Mass Transit Fixed Guideway	0.30%
County Airport, Highway, Public Transit	0.25%
Transportation Infrastructure	0.25%
County Public Transit	0.20%
Recreation, Arts, Parks (RAP) Tax	0.10%
<b>TOTAL Tax Rate</b>	<b>7.45%</b>

## FRANCHISE TAX

Santaquin City collects Franchise Fees for Electricity, Natural Gas and Cable Television. Franchise Fees are similar to paying rent for the use of the City owned right-of-way. Utility and cable companies are allowed to "pass the fee through" to customers. Most, if not all, cities have franchise fees that are paid to the cities by these types of companies. The fees go into the general fund for use in operating the City. The table below shows the current Franchise Tax rates.

Franchise Tax	
Type of Tax	Tax Rate
Energy Sales (Natural Gas & Electricity)	6.00%
Cable TV	5.00%
Telecommunications	3.50%

## UTILITY CHARGES

This year, 33.5% of total city revenue comes from utility charges. Utility charges consist of water, sewer, pressurized irrigation, storm drainage, and garbage collection charges to Santaquin residents. Utility Service Fees are modified each July with a Cost-of-Living Adjustment (COLA) based upon the Consumer Price Index for the preceding calendar year. For FY2024-2025, this table reflects a 5.0% increase to base and user rates for Culinary Water, Pressurized Irrigation Water, Storm Water, Solid Waste (includes Recycling) and Sewer\* Fees (\*The sewer base rate increase of \$20/month imposed in FY2011 is exempt from the annual COLA increase). These adjustments, in combination with new home construction, will increase revenues as follows:

Service:	Revenue FY2023-2024	Projected Revenue FY2024-2025
Culinary Water	\$1,972,430	\$2,201,891
Pressurized Irrigation Water	\$1,408,102	\$1,486,468
Storm Water	\$149,769	\$167,995
Sanitary Sewer	\$2,742,549	\$3,032,115
Solid Waste & Recycle	\$1,264,843	\$1,426,089
<b>Total:</b>	<b>\$7,537,693</b>	<b>\$8,314,558</b>

While these revenue increases provide a means for the city to maintain services for its residents, only the Culinary Water and Pressurized Irrigation Water rates (combined) meet the Median Adjusted Gross Income (MAGI) threshold provided by the State of Utah for eligibility to their grant and low-interest bond funding program. If Santaquin City intends to seek grants or low interest loans, or to bond in future years for Sewer or Storm Drainage projects, it would be prudent for the city council to consider a multi-year stepped utility rate increase plan for these utilities.

## IMPACT FEES

Impact Fees are one-time funds that are earmarked for specific capital projects for which they were collected. Their intended purpose is to mitigate the effects of new growth on existing infrastructure and its associated system capacity. Impact fee revenues (new home construction fees) are estimated across all the enterprise funds and based upon a projection of 200 new homes to be constructed in FY2024-2025. Currently, Santaquin City charges impact fees for culinary and pressurized irrigation water, sewer, storm drainage, public safety, transportation, and parks.

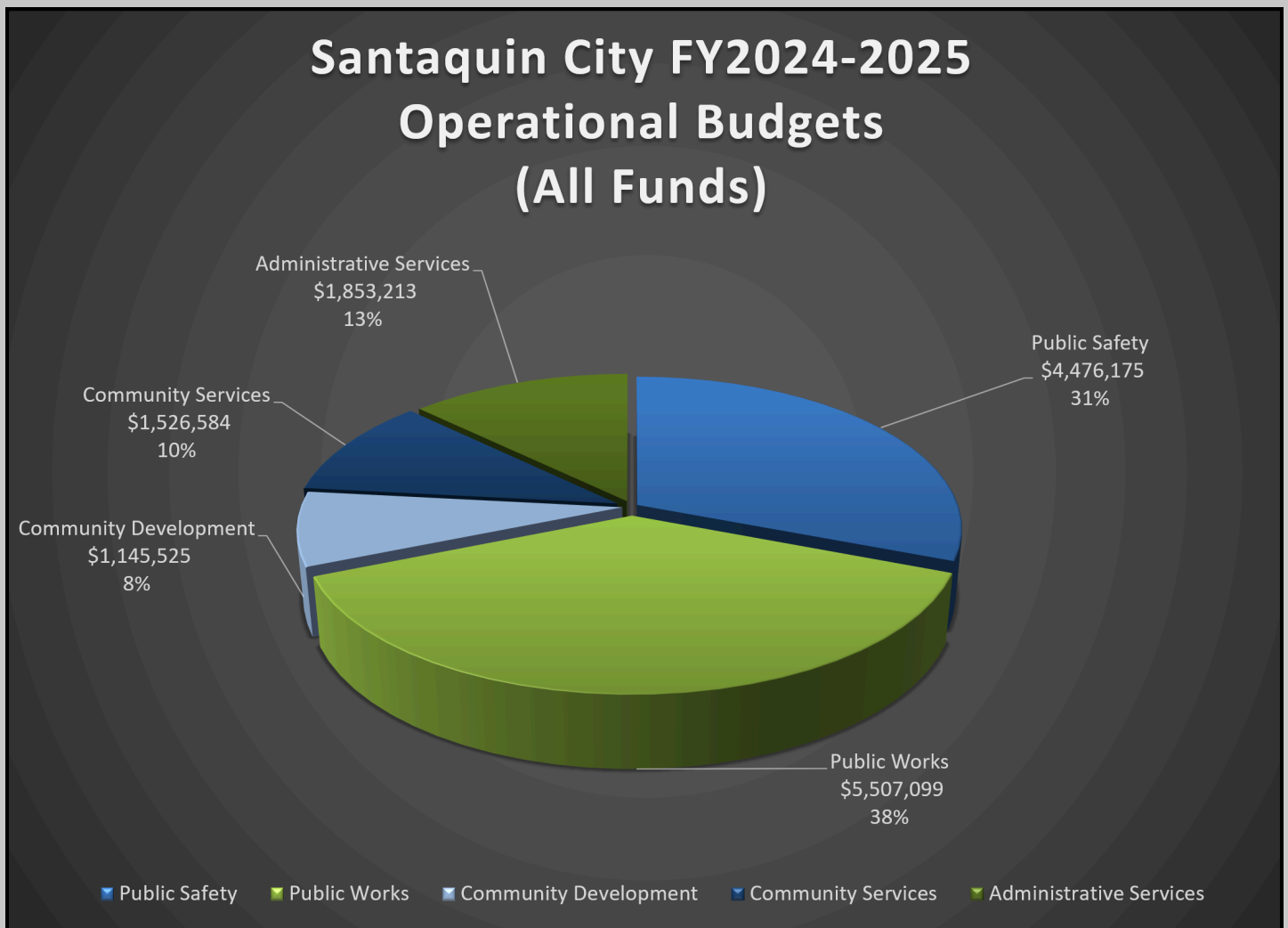
Once an impact fee is collected it can only be expended on projects outlined in each of the associated impact fee type's master plan, impact fee analysis, and impact fee facilities plan as required by Utah State Code 11-36a-301 & 11-36a-303. The use of impact fee funds are closely monitored and audited by the Office of the Utah State Auditor and an annual report of every impact fee dollar expended is required by Utah State Code 11-36a-601.

The timing of the projects as outlined in their respective Master Plans, Impact Fee Facilities Plans, and Impact Fee Analyses, are based upon actual impact fee receipts. This strategy ensures that fluctuations in the housing market will not affect the operational budgets outlined in the FY2024-2025 Budget. However, increases or decreases to the rate at which new housing is constructed may influence the timing of these projects.

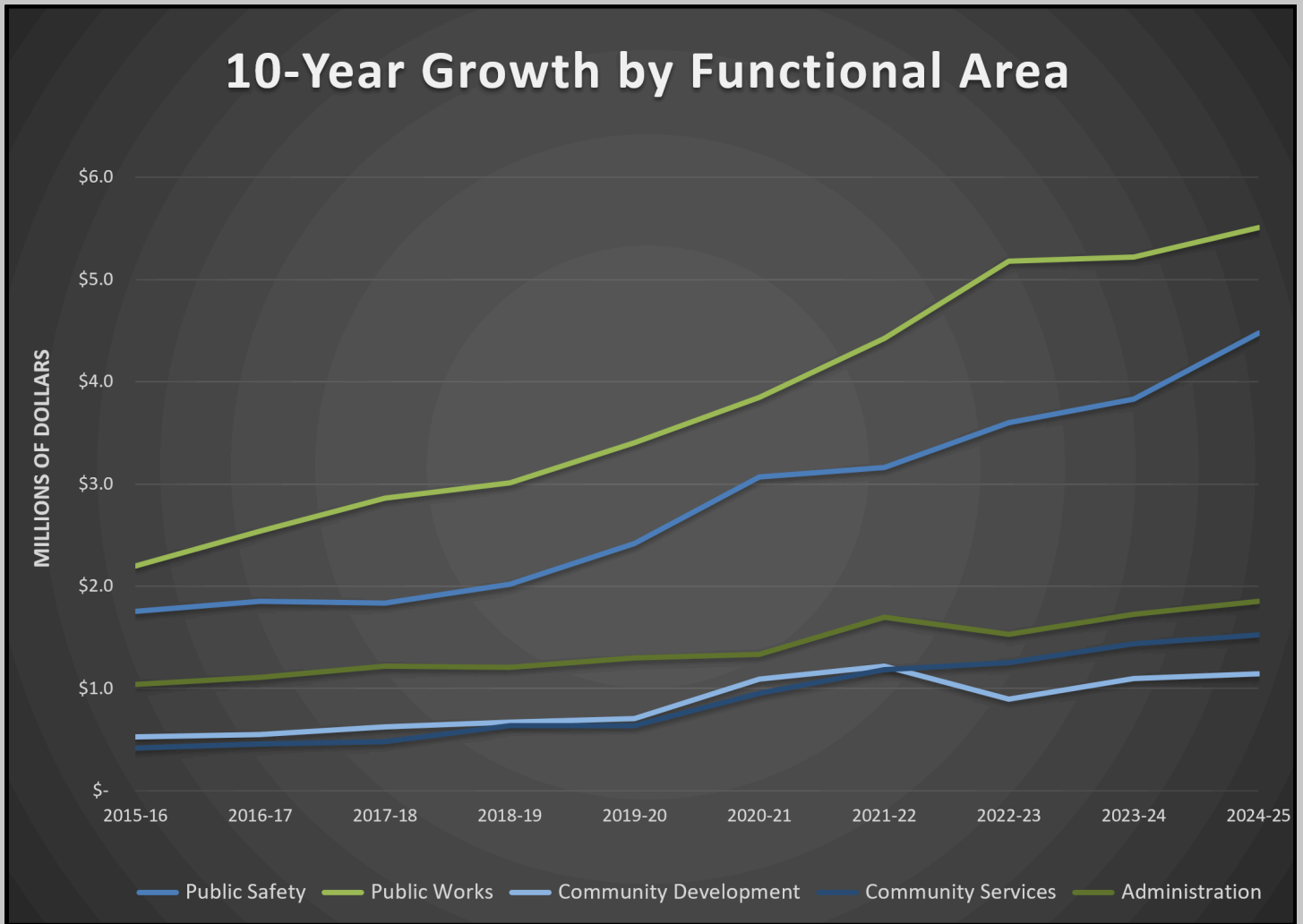
# EXPENSE SUMMARY

This section presents the charts and graphs of the projected FY2024-2025 Santaquin City budget expenditures in summary format. The information contained herein includes expenditures of the General Fund, Enterprise Funds and Special Funds by the various Functional Areas.

Santaquin City is organized into five (5) Functional Area of operation. They are Administrative Services, Community Development, Community Services, Public Safety and Public Works. As seen in the chart below, the total operational budget (excluding capital) for FY2024-2025 is \$14,508,596.

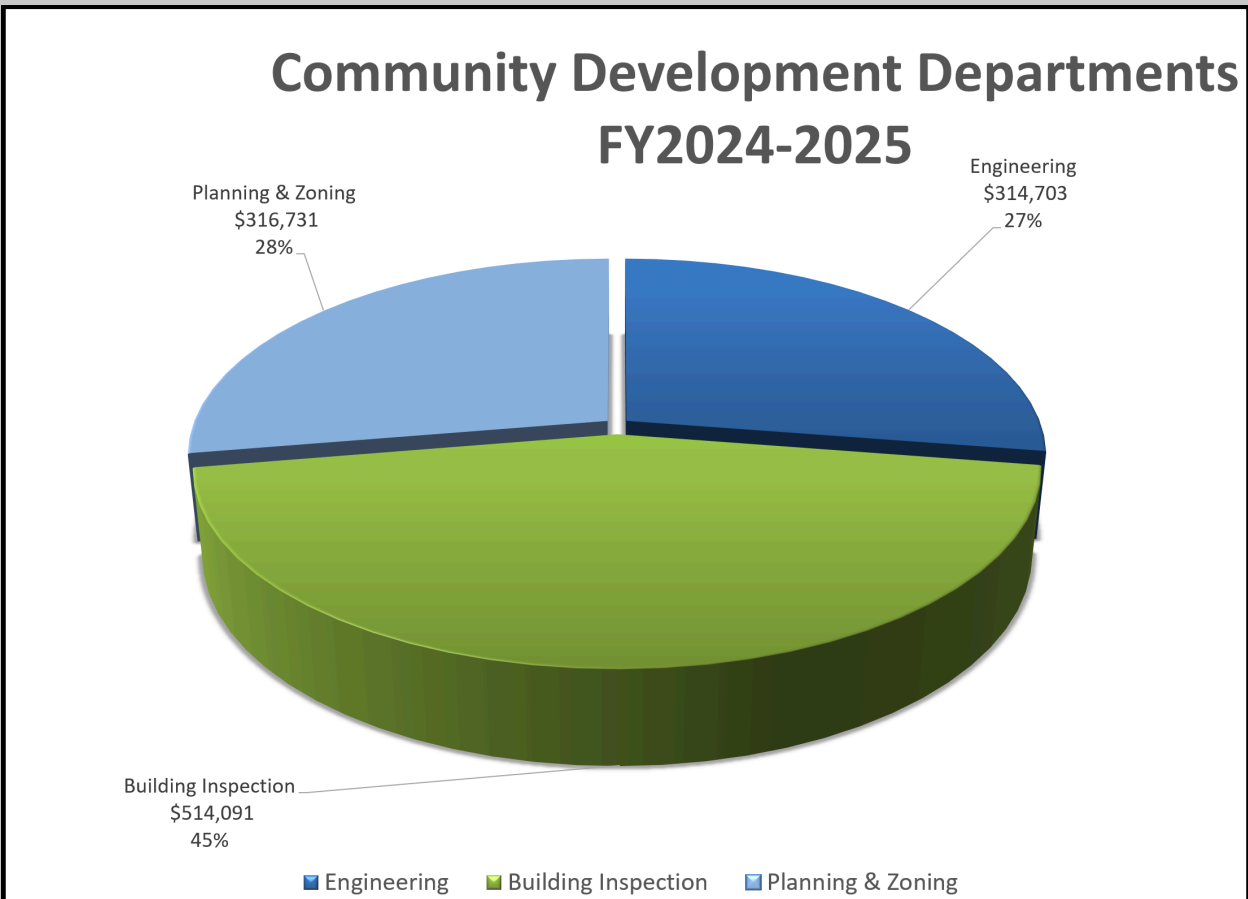
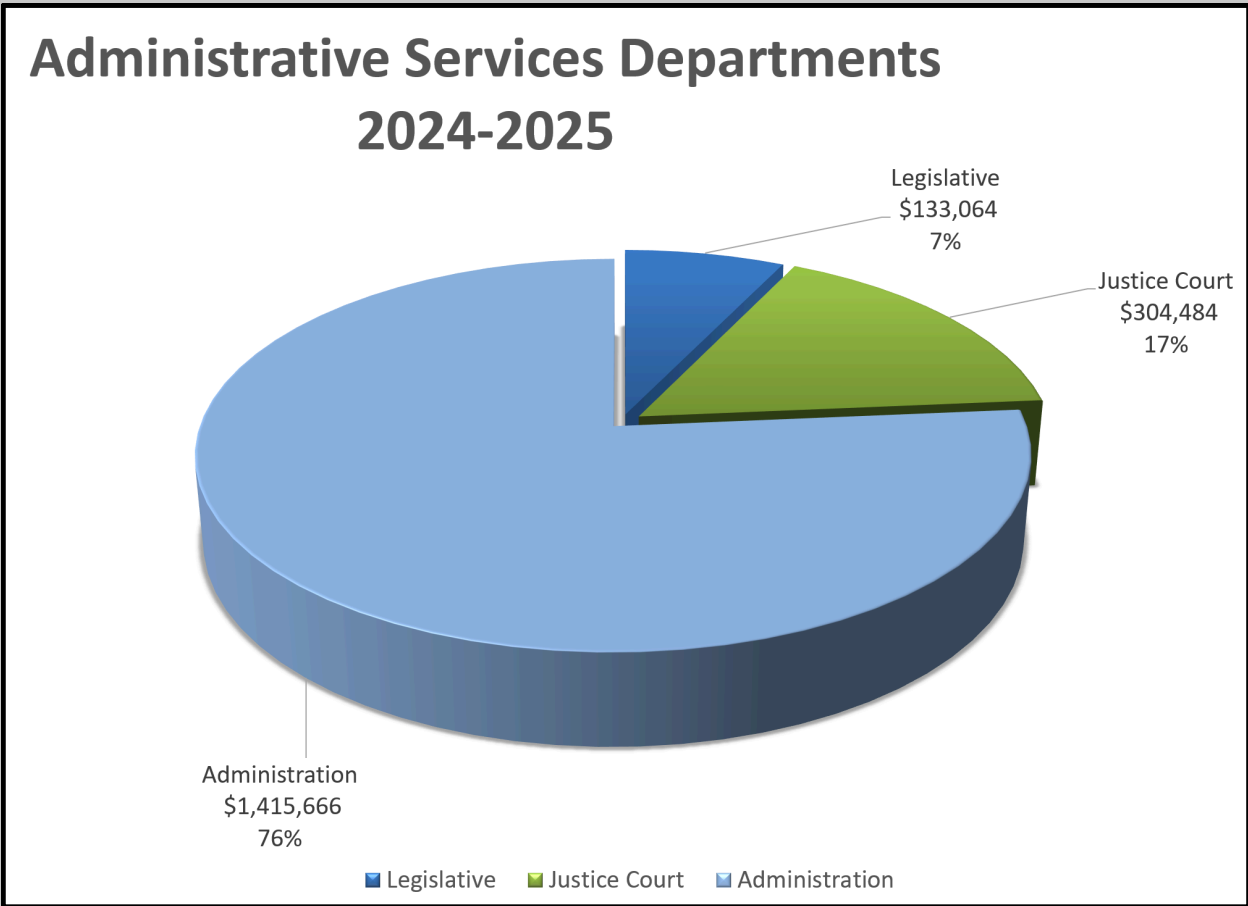


The graph below is a budget summary schedule of the General Fund growth by Functional Area over the past ten (10) years.



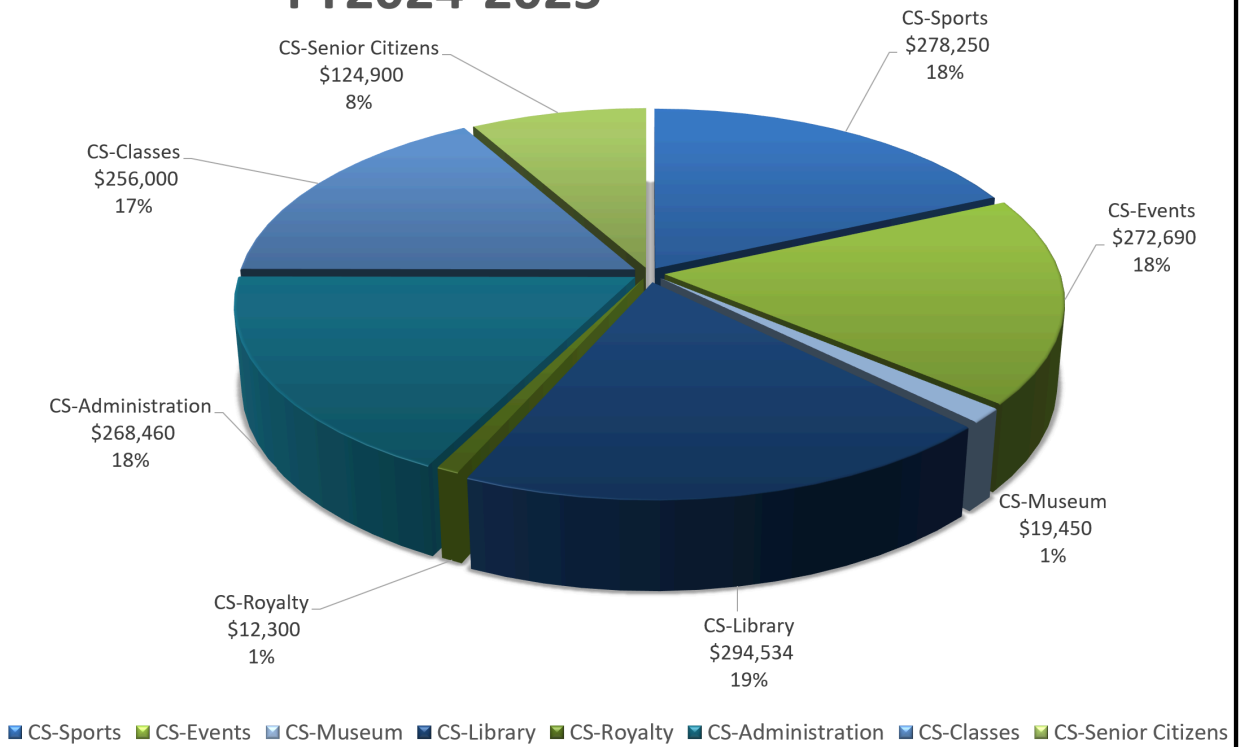


The charts on the following pages are budget summaries of each functional area for FY2024-2025.



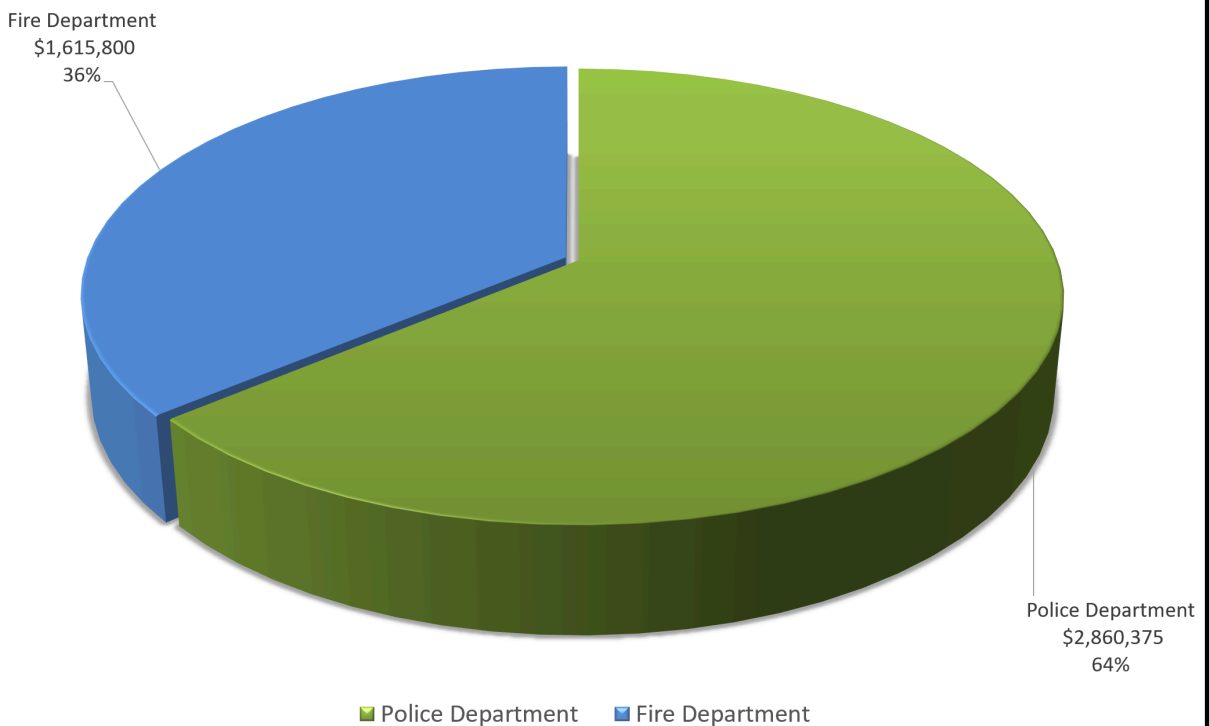
# Community Services Departments

## FY2024-2025

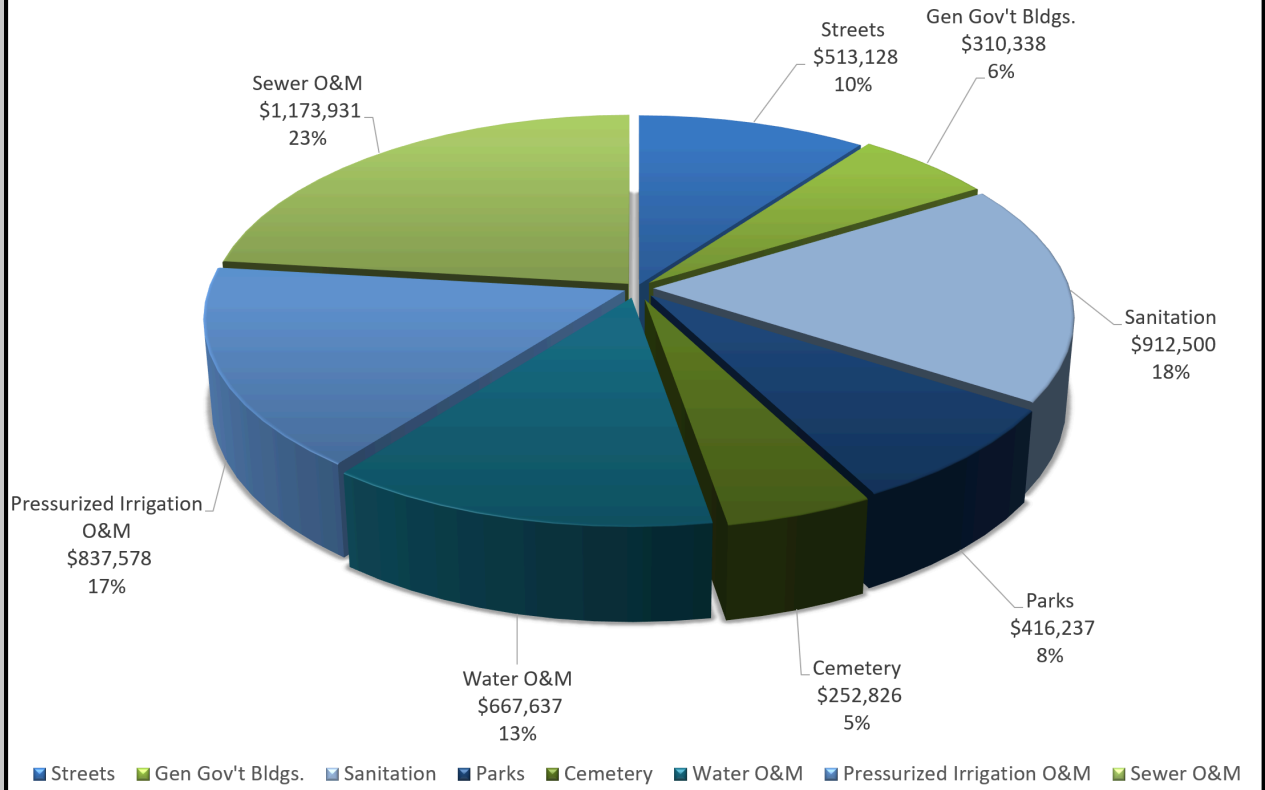


# Public Safety Departments

## FY2024-2025



# Public Works Departments FY2024-2025





## NEW POSITIONS

In an effort to meet increasing service demands and enhance other services, the following new personnel additions have been included in the FY2024-2025 budget.

- Full-Time

Police Officer - Due to continued growth in Santaquin over the past several years, the police department is proposing an additional position to ensure a continued level of service.

Public Works Parks & Grounds - With over 216 acres of parks, trails and open space currently being maintained and the addition of several new parks amenities in FY2024-2025, the public works department is proposing an additional Parks & Grounds Maintenance position.

- Part-Time

Fire & EMS 24/7 Coverage - As the community continues to grow the need for twenty-four (24) hours a day Fire and EMS coverage has become a high priority. This investment in our Fire Department will ensure faster response times and will provide a higher level of service to the citizens of Santaquin.

Police Department Office Clerk/Additional Hours - Additional administrative hours have been requested by the Police Department to assist with legal support for the city's contracted legal counsel.

Library Staffing/Additional Hours - As the city continues to grow, so does the demand for increased library services. These additional hours will expand programming at the Library.

Senior Citizens Staffing/Additional Hours - These additional hours will enhance programming for Senior Citizens allowing for expansion of the lunch program to offer home cooked meals two times per week instead of one (Tuesdays and Thursdays).



# CAPITAL PROJECTS

## INTRODUCTION

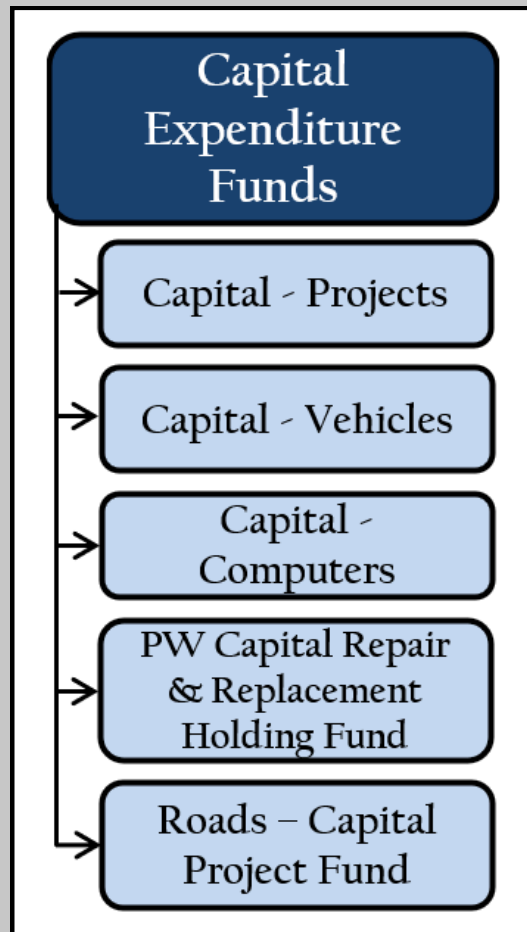
Capital Assets are defined as any city asset with:

- Value of \$5,000 or more

AND

- Useful life of 5 years or more

The chart below illustrates the different types of capital expenditures made by the city. Not all capital expenditures are accounted for in the Capital Expenditure Funds; certain equipment, for example, when it does not quite fit into the fund categories shown below, may be accounted for in a department's operational fund where there are designated capital expenditure appropriation accounts.



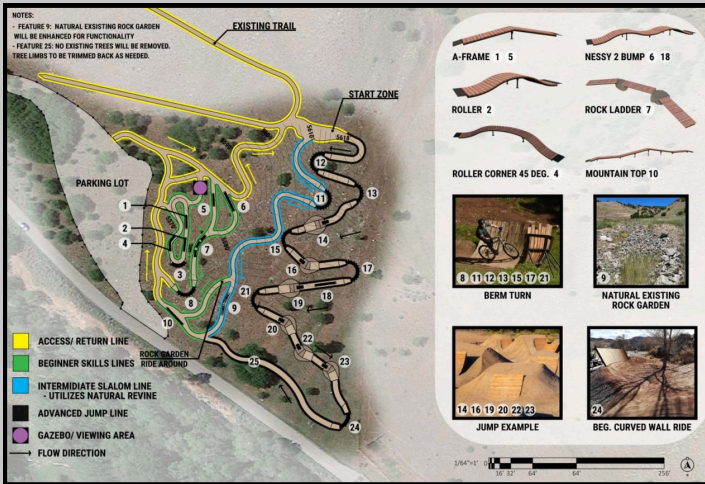




**FUNDED CAPITAL PROJECTS - IMPACT FEE ELIGIBLE**

Harvest View Park Walking Trail - This project consists of a 10' walking trail around the Harvest View Park Sports Complex that will enhance the park amenities, providing outdoor facilities to promote health and wellness to Santaquin residents.

FY2024-2025 Budget Amount: \$125K  
Funding: Park Impact Fees



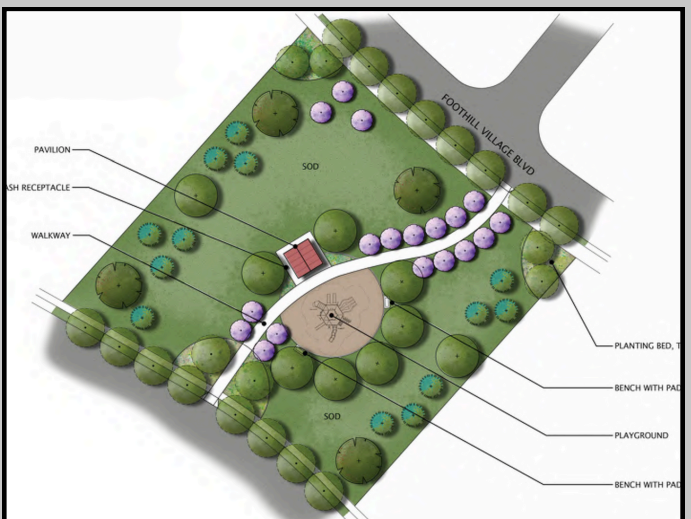
Foothill Village Playground - Installation of a playground and shade structure at the neighborhood park located in the Foothill Subdivision

FY2024-2025 Budget Amount: \$125K  
Funding: Park Impact Fees

Prospector View Park Improvements\* - Over the past two years, a trail system at the mouth of Santaquin Canyon with a trailhead, parking, and bathroom facilities as been constructed. This new trail system is just one phase of a citywide trail network which will connect to city parks, future development areas, and the regional Bonneville Shoreline Trail. This year, a bike skills park and pavilion will be added to the trailhead and additional portions on the trail will be improved.

FY2024-2025 Budget Amount: \$415K

Funding: State of Utah Parks & Recreation Grant \$200K and Park Impact Fees





Orchard Hills Park Ballfield Lighting\* - Increased participation in the city's youth baseball/softball recreation programs has created a need to make improvements to existing city facilities. This project will expand the usability of the baseball fields by Orchard Hills Elementary by providing lights and expanding the usable hours of the facility.



FY2024-2025 Budget Amount: \$105K  
 Funding: Park Impact Fees



Cemetery Storage Building - With additional equipment being purchased to maintain the increasing numbers of parks and open space, storage for this equipment has become an issue. The Public Works Department is proposing to build a steel framed structure on the property by the cemetery to store parks/cemetery equipment and vehicles.

FY2024-2025 Budget Amount: \$125K  
 Funding: Park Impact Fees

City Center Park - The FY2024-2025 budget includes \$38K for the City Center Park. This future park is located adjacent to City Hall. The proposed park amenities, such as a splash pad and stage, will be phased over the next few year. This years funding will assist with the phased planning of the park.



FY2024-2025 Budget Amount: \$38K  
 Funding: Park Impact Fees



Fire Ladder Truck - The growth in Santaquin over the past 10 years has brought a variety of residential housing and commercial structures. Some of these structures, especially along Main Street, have exceeded a height that current fire apparatus can provide fire suppression services for. For the safety of firefighters and citizens, the City Council has authorized staff to order a Fire Ladder Truck that will meet the needs for the community. Lead times on this type of equipment can be 2-3 years out. The total cost of the Ladder Truck is \$1.5M.

FY2024-2025 Budget Amount: \$1,175M  
Funding: Public Safety Impact Fees and Fire Department Fund Balance (when delivered)

WRF Upgrades\* - As Santaquin City continues to grow, treatment of increased volumes of wastewater is necessary. Outfitting of existing and new components within the WRF will increase capacities for solids handling, treatment, processing, new holding, UV, and more of the 17 processes within the facility

FY2024-2025 Budget Amount: \$7.7M  
Funding: Sewer Impact Fees

Culinary Well Study and Design\* - This project is carried over from FY2023-2024. Complete the initial engineering study and design for a new culinary grade well that will be used in a future but separate construction project.

FY2024-2025 Budget Amount: \$240K  
Funding: Water Impact Fees

Pressurized Irrigation Winter Storage Pump\* - Increasing pump sizing for one of the pressure irrigation pumps will increase the pumping capacity of stored treated water into the pressure irrigation system and allow for more efficient use of treated water.

FY2024-2025 Budget Amount: \$80K  
Funding: Pressurized Irrigation Impact Fees

Land Acquisition (East Bench Debris Basin)\* - Due to occasional "burned over" conditions cause by wildland fires along the mountain range on the east side of Santaquin, debris basins are needed to protect homes, businesses, and City infrastructure that sit below these mountain drainages. This project will allow for property acquisition to construct these recently designed debris basins.

FY2024-2025 Budget Amount: \$1.4M  
Funding: Storm Drain Impact Fees



# CAPITAL VEHICLES & EQUIPMENT

To lower the costs of repairs and ensure the highest possible residual/resale value, Santaquin City has implemented a vehicle rotation program. This vehicle rotation program has been interrupted over the last few years due to supply chain issues and budget reductions. As such, we have encountered additional wear and tear on vehicles and increasing maintenance costs for older fleet vehicles. Both of these factors increase fleet costs, and it is important to make every effort to get back on track with vehicle rotation plans. The FY2024-2025 Capital Vehicles & Equipment Budget includes a \$440,000 to rotate or purchase the following vehicles:

## VEHICLES

Police Vehicles - Rotate four (4) police vehicles as part of the rotation plan. Although these additional vehicles will replace some older vehicles, we will still be behind on the rotation of our police fleet.

Public Works Trucks - Rotate two (2) public works trucks as part of the rotation plan and surplus older vehicles that are costing more for maintenance.

Engineering Truck - Rotate one (1) engineering truck as part of the rotation plan and surplus an older vehicle.

Used Bucket Truck - This specialized vehicle will provide the safety features necessary to assist with the maintenance of streetlights, tree trimming, city facility repairs and maintenance, and hanging decorations and flags on Main Street.



The FY2024-2025 Capital Equipment Budget includes a \$874,000 to purchase the following equipment:

## **EQUIPMENT**

Grasshopper Mowers - Public Works/Parks has requested to purchase two (2) Grasshopper mowers, (1) as part of the rotation plan will replace an older mower and one (1) new mower due to the addition of new parks and trails.

Excavator - This equipment will assist the several Public Works departments with city water and pressurized irrigation line installation, asphalt removal, and flood mitigation efforts. Purchase of new equipment lease to own (5 years) will also reduce equipment rental costs.

Tire Changer/Balancer/Lift - In efforts to reduce outsourcing of fleet maintenance, Public Works has requested equipment to do some vehicle maintenance in-house. A lift will assist with small fleet repairs and maintenance and the tire changing and balancing equipment will allow these services to be done in-house for the City's fleet.

Self-Contained Breathing Apparatus (SCBA) Cylinders - Rotate (10) SCBA cylinders as part of the Fire Department equipment rotation plan.

Portable Radios - Purchase twenty (20) portable radios as part of the Fire Departments equipment rotation plan.

Line Locator - This equipment will assist Public Works in locating water, pressurized irrigation, and sewer line for blue stakes and in-house construction projects.

Field Painter - Automated equipment will assist Public Works and Community Services with recreation field preparation and will save staff time and costs of outsourcing for these services.

Large Format Printer/Plotter/Scanner - Community Development/Engineering has proposed the replacement of their large scale plotter. This equipment is used for scanning large format maps for presentations, scanning prints for archives and printing of large banners for advertising of city events. This equipment is part of the equipment rotation plan.

Keypads for offsite buildings - To provide better security at city owned facilities such as wells, pumphouses, tanks, etc., and in efforts to reduce the number of keys each employee must carry, Public Works is proposing to install keypads on all offsite buildings.

Used Forklift - Public Works has proposed the purchase of a used forklift to assist with loading and unloading of supply and delivery trucks and large items such as pallets of sand bags and jersey barriers.

Generators for Wells - Santaquin City has applied for a grant to purchase two (2) back-up generators for water wells that would provide power to the wells in emergency situations or when there is no power. *These funds will only be spent if the grant is awarded.*

# CAPITAL ROADS

The FY2024-2025 Capital Roads Budget reflects funding of approximately over \$14.5M in Projects & Roads Maintenance.

Main Street Widening\* - This multi-year project will widen Santaquin Main Street from 300 East to approx 600 West, adding new curb, gutter, sidewalk, streetlighting, storm drainage and underground utilities the entire length.

FY2024-2025 Budget Amount: \$13,753,000

Funding: Grants from Mountainland Association of Governments (MAG) - \$12,000,000  
Utah Department of Transportation (UDOT) - \$1,753,000



Roads Maintenance Projects - The FY2024-2025 Budget includes a 69.1% increase in the Road Maintenance budget. Roads maintenance projects will be determined following an evaluation of current road conditions and review of the road maintenance plan.

FY2024-2025 Budget Amount: \$788,000

Funding: Class C Roads Funds & County Public Transit Tax



# FUND TO FUND TRANSFERS

Fund to fund transfers provide the city an opportunity to fund quality of life offerings such as Santaquin Special Events, Recreation, City Library, Museum and Senior's Programs. They also

It is necessary for Santaquin City to transfer funds from the Enterprise Funds (e.g., Water, Sewer, and Pressurized Irrigation Water) into the General Fund for the purpose of covering overhead related costs.

Funds are also transferred from the General Fund into the Special Revenue Funds to meet their operational needs. Finally, funds are transferred from the Enterprise Funds into the Capital Project Funds to cover capital-related expenditures related to the Enterprise Funds.

The city works to keep those transfers as low as possible from year to year. For FY 2024-2025, proposed transfers to the General Fund represent 16.74% of the total General Fund Budget.



State law requires that the City provide an annual disclosure on funds transferred from Enterprise Fund to any other fund. The City has budgeted the following transfers. The document below shows all proposed transfers for the FY2024-2025 Budget.

## Santaquin City 2024-2025 Final Budget Transfers

### General Fund Transfers In:

Fund	Acct No	Amount
General Fund	10-39-909	\$ 325,000
General Fund	10-39-910	\$ 800,000
General Fund	10-39-911	\$ 800,000
General Fund	10-39-916	\$ 20,000
<b>Total GF Transfer In</b>		<b>\$ 1,945,000</b>

### Transfer From:

Fund	Acct No	Amount
P. Irrigation Fund <i>(13.2% of Enterprise Fund)</i>	54-40-900	\$ 325,000
Water Fund <i>(27.2% of Enterprise Fund)</i>	51-40-900	\$ 800,000
Sewer Fund <i>(21.5% of Enterprise Fund)</i>	52-40-900	\$ 800,000
Santaquin CDA Fund	Separate Entity	\$ 20,000
<b>Total Transfer Out:</b>		<b>\$ 1,945,000</b>

### General Fund Transfers Out:

Fund	Acct No	Amount
General Fund	10-90-200	\$ 40,000
General Fund	10-90-205	\$ 8,300
General Fund	10-90-300	\$ 15,200
General Fund	10-90-400	\$ 82,300
General Fund	10-90-500	\$ 57,000
General Fund	10-90-510	\$ 230,000
General Fund	10-90-520	\$ 65,000
General Fund	10-90-550	\$ 130,000
General Fund	10-90-600	\$ 267,500
General Fund	10-90-700	\$ 396,000
General Fund	10-90-800	\$ 100,000
General Fund	10-90-860	\$ 1,142,700
General Fund	10-90-871	\$ 225,000
General Fund	10-90-884	\$ 189,549
<b>Total GF Transfer Out:</b>		<b>\$ 2,948,549</b>

### Transfer To:

Fund	Acct No	Amount
CS-Sports Fund	61-39-100	\$ 40,000
CS-Royalty Fund	64-39-100	\$ 8,300
CS-Chieftain Museum Fund	63-39-100	\$ 15,200
CS-Library Fund	72-39-410	\$ 82,300
CS-Seniors Fund	75-39-100	\$ 57,000
CS-Administration Fund	67-39-100	\$ 230,000
CS-Classes Fund	68-39-100	\$ 65,000
Computer Capital Fund	43-39-100	\$ 130,000
Capital Projects Fund	41-39-100	\$ 267,500
Capital Vehicles & Equipment Fund	42-39-100	\$ 396,000
CS-Events Fund	62-39-100	\$ 100,000
Fire Department Fund	76-39-100	\$ 1,142,700
Road Capital Project Fund	45-39-100	\$ 225,000
Local Building Authority	Separate Entity	\$ 189,549
<b>Total Transfers In:</b>		<b>\$ 2,948,549</b>

### Other Fund Transfers Out:

Fund	Acct No	Amount
B & C Road Fund	11-40-100	\$ 850,000
Water Fund	51-40-910	\$ 90,000
Sewer Fund	52-40-905	\$ 90,000
Pressurized Irrigation Fund	54-40-905	\$ 75,000
Water Fund	51-40-902	\$ 100,000
Sewer Fund	52-40-902	\$ 100,000
Water Fund	51-40-901	\$ 125,800
Sewer Fund	52-40-901	\$ 124,000
Pressurized Irrigation Fund	54-40-901	\$ 99,200
Storm Drainage Fund	50-40-901	\$ 62,000
Transportation Impact Fee Fund	59-40-910	\$ -
Pressurized Irrigation Fund	54-40-254	\$ 44,000
Water Fund	51-40-917	\$ 250,000
Sewer Fund	52-40-920	\$ 250,000
Pressurized Irrigation Fund	54-40-920	\$ 115,000
PI Impact Fee Fund	60-40-910	\$ 775,889
Culinary Impact Fee Fund	55-40-905	\$ 92,810
Sewer Impact Fee Fund	56-40-900	\$ 511,792
<b>Total Other Transfers From:</b>		<b>\$ 3,755,491</b>

### Other Fund Transfers In:

Fund	Acct No	Amount
Roads Capital Project Fund	45-39-105	\$ 850,000
Computer Capital Fund	43-39-110	\$ 90,000
Computer Capital Fund	43-39-120	\$ 90,000
Computer Capital Fund	43-39-130	\$ 75,000
Roads Capital Project Fund	45-39-110	\$ 100,000
Roads Capital Project Fund	45-39-120	\$ 100,000
PW Capital Fund	44-39-110	\$ 125,800
PW Capital Fund	44-39-120	\$ 124,000
PW Capital Fund	44-39-130	\$ 99,200
PW Capital Fund	44-39-140	\$ 62,000
Roads Capital Project Fund	45-39-141	\$ -
Santaquin Water District	Separate Entity	\$ 44,000
Capital Vehicles & Equipment Fund	42-39-103	\$ 250,000
Capital Vehicles & Equipment Fund	42-39-104	\$ 250,000
Capital Vehicles & Equipment Fund	42-39-105	\$ 115,000
Pressurized Irrigation Fund	54-39-100	\$ 775,889
Culinary Fund	51-39-105	\$ 92,810
Sewer Fund	52-38-910	\$ 511,792
<b>Total Other Transfers In:</b>		<b>\$ 3,755,491</b>

A public hearing was held on May, 22, 2024 at 7 p.m. in the City Council Chambers, located at 110 S Center Street, Santaquin, Utah to discuss the FY 2024-2025 Tentative Budget and proposed transfers therein.

# FUND BALANCE & RESERVES

## PURPOSE OF FUND BALANCES AND RESERVES

An important aspect of the financial health of a city is the fund balance. The fund balance is the excess of an entity's assets over its liabilities in governmental funds, much like a surplus in the private sector. Like the private sector, negative fund balance is also called a deficit. The State of Utah requires cities to maintain a fund balance in the city's General Fund of at least 5%, and allows no more than 35% of budgeted revenues less qualifying transfers (Utah State Code 10.6.116). Municipalities are not allowed to have a deficit fund balance.

Santaquin City accumulates fund balances in its various funds for the following purposes:

- To avoid short-term debt that might be needed to provide working capital.
- To meet unexpected expenditures as the result of an emergency.
- To secure the city's debt and its bond rating.
- To accumulate funding for planned capital expenditures including the replacement of capital assets.

## CITYWIDE PROJECTED FUND BALANCE INCREASES

For FY2024-2025, the projected increases to fund balances for both Governmental and Proprietary funds can be found below.

Projected Increase to Fund Balances	
Fund	Amount
General Fund*	\$ 252,688
Public Works Capital Repair & Replacement	\$ 411,000
Water Fund *	\$ 338,961
Sewer Fund*	\$ 281,794
Pressurized Irrigation Fund	\$ 25,000
<b>Total Increase to Fund Balances</b>	<b>\$ 1,309,442</b>

\* The increases in Water fund balance are due to the city's intentional building of reserves and intentional acceptance of money- in-lieu of water dedications to prepare for the Central Utah Water Conservancy District's pipeline, which started construction in Santaquin in the Spring of 2024.

Sewer reserves have been accumulated in anticipation of a Water Reclamation Facility upgrade. Design of these upgrades began in the Spring of 2024.

In June of 2024, Santaquin City purchased property for a future cemetery. Reserves from the General Fund were used for this purchase, with planned reimbursement from Park Impact Fees over the next few years to replenish those reserves.



An excerpt from Santaquin City's FY2023-2024 Audited Financial Statement can be found below and outlines the actual revenues, expenditures, and changes in fund balances in the Governmental Funds as of June 30th, 2023. This represents the fund balances citywide at the start of the current fiscal year.

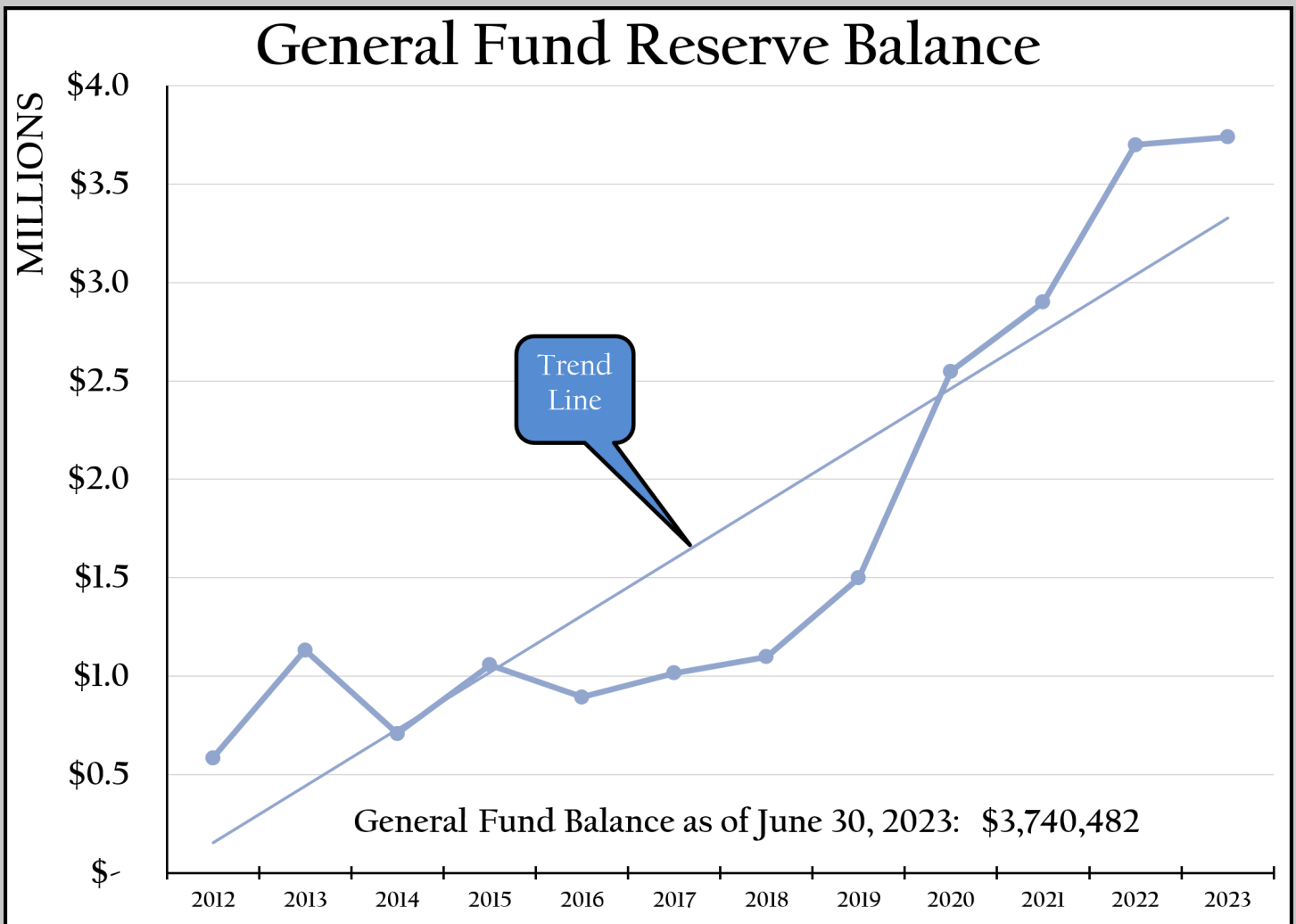
**Santaquin City**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds - June 30, 2023**

	General Fund	Capital Projects Funds	Non-Major Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>				
Taxes:				
Property	\$ 1,275,054	\$ -	\$ -	\$ 1,275,054
Sales	\$ 2,954,308	\$ -	\$ -	\$ 2,954,308
Other Taxes	\$ 1,118,720	\$ -	\$ -	\$ 1,118,720
Licenses and permits	\$ 817,280	\$ -	\$ -	\$ 817,280
Intergovernmental Revenues	\$ 829,014	\$ 1,708,973	\$ -	\$ 2,537,987
Charges for Services	\$ 2,345,937	\$ -	\$ 20,038	\$ 2,365,975
Fines and forfeitures	\$ 236,658	\$ -	\$ -	\$ 236,658
Interest	\$ 549,592	\$ 14,936	\$ 104,559	\$ 669,087
Miscellaneous revenue	\$ 145,867	\$ -	\$ -	\$ 145,867
<b>Total Revenues:</b>	<b>\$ 10,272,430</b>	<b>\$ 1,723,908</b>	<b>\$ 124,598</b>	<b>\$ 12,120,936</b>
<b>EXPENDITURES:</b>				
General government	\$ 2,123,213	\$ 5,574,788	\$ 2,285	\$ 7,700,286
Public safety	\$ 3,599,537	\$ 1,024,833	\$ 10,525	\$ 4,634,895
Highways and public improvements	\$ 866,253	\$ 1,635,262	\$ 470,451	\$ 2,971,966
Sanitation	\$ 805,011	\$ -	\$ -	\$ 805,011
Parks, recreation and public property	\$ 1,696,212	\$ 100,328	\$ 1,699,057	\$ 3,495,597
Cemetery	\$ 208,625	\$ -	\$ -	\$ 208,625
Debt service:				
Principal	\$ 260,000	\$ 721,845	\$ 109,000	\$ 1,090,845
Interest	\$ 159,362	\$ 113,446	\$ 76,812	\$ 349,620
<b>Total Expenditures:</b>	<b>\$ 9,718,213</b>	<b>\$ 9,170,503</b>	<b>\$ 2,368,130</b>	<b>\$ 21,256,845</b>
<b>Excess (Deficiency) of Revenues over (Under) Expenditures</b>	<b>\$ 554,217</b>	<b>\$ (7,446,595)</b>	<b>\$ (2,243,532)</b>	<b>\$ (9,135,909)</b>
<b>Other Financing Sources and (Uses):</b>				
Impact fees	\$ -	\$ -	\$ 828,126	\$ 828,126
Bond Issuance	\$ -	\$ 3,362,991	\$ -	\$ 3,362,991
Gain on Sale of Capital Assets	\$ -	\$ 52,328	\$ 1,075,000.00	\$ 1,127,328
Transfers in	\$ 1,600,000	\$ 3,018,627	\$ 280,083	\$ 4,898,710
Transfers (out)	\$ (2,114,102)	\$ (1,716,132)	\$ (28,100)	\$ (3,858,334)
<b>Total other financing sources and (uses)</b>	<b>\$ (514,102)</b>	<b>\$ 4,717,813</b>	<b>\$ 2,155,109</b>	<b>\$ 6,358,820</b>
<b>Net Change in Fund Balances</b>	<b>\$ 40,115</b>	<b>\$ (2,728,782)</b>	<b>\$ (88,423)</b>	<b>\$ (2,777,089)</b>
Fund balances - beginning of year	\$ 3,700,366	\$ 4,770,623	\$ 3,730,785	\$ 12,201,774
<b>Fund balances - end of year</b>	<b>\$ 3,740,481</b>	<b>\$ 2,041,841</b>	<b>\$ 3,642,362</b>	<b>\$ 9,424,685</b>

## GENERAL FUND RESERVES

Santaquin City places a high priority each year to grow and maintain the city's operational reserves to ensure adequate coverage during downturns in the economy. As mentioned, the state of Utah requires cities to maintain a minimum fund balance in the General Fund of at least 5%, and allows no more than 35% of budgeted revenues, less qualifying transfers ([Utah State Code 10.6.116](#)). As of June 30th, 2023, the General Fund reserves sit at \$3,740,482 or 33.6% of the budget as shown in the Statement of Revenues, Expenditures, and Changes in Fund Balance on the previous page.

Even with the use of General Fund Reserves to balance the budget in FY2022-2023 due to the downturn of the economy, Santaquin City has grown its General Fund Reserves significantly in the past 10 years and is well equipped to handle unexpected or emergency expenditures, avoid short-term debt, maintain the city's excellent bond rating, and replace non-major capital assets. Revenue growth and conservative operational budgets has allowed for annual increases to General Fund reserves as illustrated in the following chart:



# DEBT

Santaquin City utilizes two forms of debt instruments for investment into its capital infrastructure and equipment needs.

- Long-Term Debt – Used for capital infrastructure and is enacted in the form of bonds.
- Short-Term Debt – Used for purchase of vehicles and equipment and is enacted in the form of leases.

Bonds can come in two forms. The first is the more commonly used “Revenue” bond, which dedicates a portion of a revenue stream, such as utility revenues, sales or property taxes, or state allocated road funds, for the purpose of repayment of the bond. The second type of bonding available to the city is a “General Obligation” bond commonly referred to as G.O. bonds. These bonds pledge the overall asset/taxable value of all property within the jurisdiction and require a vote of the people. The city currently enjoys a AA bond rating from Standard and Poor’s which is valuable in getting lower interest rates on bonds.

## CURRENT DEBT OBLIGATIONS AND LIMITS

The bonded debt of the city is limited by the Utah Constitution (Article XIV, Section 4) to 8% of the value of taxable property. Of this percentage, a maximum of 4% may be used for general purposes. The remaining 4% and any unused portion of the 4% available for general purposes up to the maximum 8% may be utilized for water and/or sewer purposes. The table below outlines the City’s current long and short term debt obligations.

	Description	Original Amount	FY2024-2025 Payment	Balance as of 6/30/2025	Maturity Date
	General	2018 SCBA Fire	\$169,173	\$27,265	\$0
2018 Road Bond		\$4,300,000	\$502,759	\$1,424,000	07/15/2028
2020 City Hall		\$6,655,000	\$412,530	\$5,305,000	06/15/2040
2021 Equipment Lease		\$730,000	\$188,071	\$188,071	08/15/2025
<b>Total:</b>		<b>\$11,854,173</b>	<b>\$1,130,625</b>	<b>\$6,917,071</b>	
	Description	Original Amount	FY2024-2025 Payment	Balance as of 6/30/2024	Maturity Date
	Water & Sewer	2011A-1 Sewer Bonds	\$6,034,000	\$375,940	\$2,042,000
2011A-2 Sewer Bonds		\$2,912,000	\$126,852	\$2,323,482	02/15/2052
2011B-1 Sewer Bonds		\$900,000	\$9,000	\$900,000	01/01/2033
2018 Water/PI Bond		\$3,441,000	\$185,620	\$2,702,000	01/01/2039
2021 Water Bond		\$11,236,000	\$683,079	\$9,744,000	09/01/2041
<b>Total:</b>		<b>\$24,523,000</b>	<b>\$1,380,491</b>	<b>\$17,711,482</b>	

## COMPUTATION OF LEGAL DEBT MARGIN – JUNE 30, 2024

Assessed Valuation of Real Property:	\$1,339,860,783*
Legal Debt Limit:	$\times \frac{8\%}{1}$
	\$107,188,863

\*Source: Utah County Auditor’s Office (includes a small portion of Juab County in that is within Santaquin City boundaries)

Below is a summary table of the city’s current debt obligations compared to the legal limits for both general debt and water and sewer related debt. The city is currently using only 25.3% of its total legal debt capacity.

	General - 4%	Water & Sewer - 4%	Total - 8%
Legal Debt Limit	\$53,594,431	\$53,594,431	\$107,188,863
Current Debt Limit	\$8,047,696	\$19,091,973	\$27,139,669
% of Allowed	15.0%	35.6%	25.3%

## DESCRIPTION & PURPOSE OF CURRENT DEBT OBLIGATIONS

- General Fund Debt

2021 Equipment Leases – The Vehicle Lease Program allows for the regular rotation of municipal vehicles to ensure that our staff has operable and low maintenance cost vehicles and equipment to perform their duties.

2020 City Hall Bond – Construction began in June of 2021 and was completed in the fall of 2023. The project was financed with a sales tax revenue bond and is designed to help expand the capacity of the police, fire, community development, and administrative services departments that previously shared the public safety building located at 275 West Main Street. The new City Hall will also serve as the heart of the community with gathering space for community events, recreation classes, and the seniors.

2018 Roads Bond – This \$4.3M Bond was undertaken to fund the construction of Summit Ridge Parkway Extension to US-6 Main Street (\$2.9M), 500 West Street Construction (\$888K - \$200K from Nebo School District = \$688K), Orchard Lane Economic Development Road Construction Incentive (\$400K), and 300 West Widening Project (\$150K) plus project contingency and bond closing costs.

2018 SCBA Fire – Similar to the Vehicle Rotation Program, the city carries out a rotation program for the Fire Department’s Self-Contained Breathing Apparatus (SCBA) equipment. The SCBAs are a critical piece of equipment needed for the health and protection of our firefighters. As such, the city council authorized the funding of this equipment rotation on a seven-year schedule. This debt will be paid off in September 2025.

- Enterprise Fund Debt

2021 Water (Culinary & Irrigation) Bond – The Summit Ridge Development has two separate water systems to meet its culinary and irrigation needs. However, both water systems used to draw their water from the same culinary water tank and source. By constructing a pressurized irrigation system tank and booster pump in the Summit Ridge Development, the draw of pressurized irrigation water from the culinary water tank was discontinued. A revenue bond from the city's pressurized irrigation system was utilized to fund this project.

2018 Water (Culinary & Irrigation) Bond – This 20-year bond for \$3.44M funded the construction of a culinary and irrigation booster pump station that allowed the city the ability to move water from any source to any pressure zone within the city. The bond also provided the funding necessary for the construction of an irrigation storage pond on the city's east bench. This bond was purchased by the State of Utah – Department of Water Resources at an interest rate of 2.0%. This critical infrastructure project has enhanced the city's infrastructure and overall system capacity. Phase 1 – Booster Pump was completed in FY2018-2019. Phase 2 – Irrigation Tank was completed in FY2019-2020.

2011A-1, A-2 and B-2 Sewer Bonds – By 2011, the population growth of the city expanded to over 9,300 and over 2,500 homes with an additional 5,482 lots approved for development through a series of annexations and development agreements. The original sewer lagoon processing system was insufficient to meet the needs of the existing population or the projected growth. Over the preceding four years, considerable study was undertaken regarding what type of sewer replacement system was most optimal for the community. After a voter referendum, which passed by only three votes, a Water Reclamation Facility (WRF) Project with Membrane Bioreactor (MBR) technology commenced construction. This state-of-the-art system is the first in the State of Utah to reuse 100% of a city's treated sewer effluent into the city's pressurized irrigation system. In the second most aired state in the Union, this renewable and sustainable water resource will continue to grow as the city continues to expand. During the first ten years of operation, the WRF regenerated more than 2 billion gallons of water for reuse.

# SUPPORTING ENTITIES

Santaquin City has three (3) municipal controlled supporting entities. A description of each entity along with their corresponding FY 2024-2025 budget are shown below.

## COMMUNITY DEVELOPEMNT & RENEWAL AGENCY (CDRA)

A Brief Introduction to Community Development and Renewal Agencies in Utah

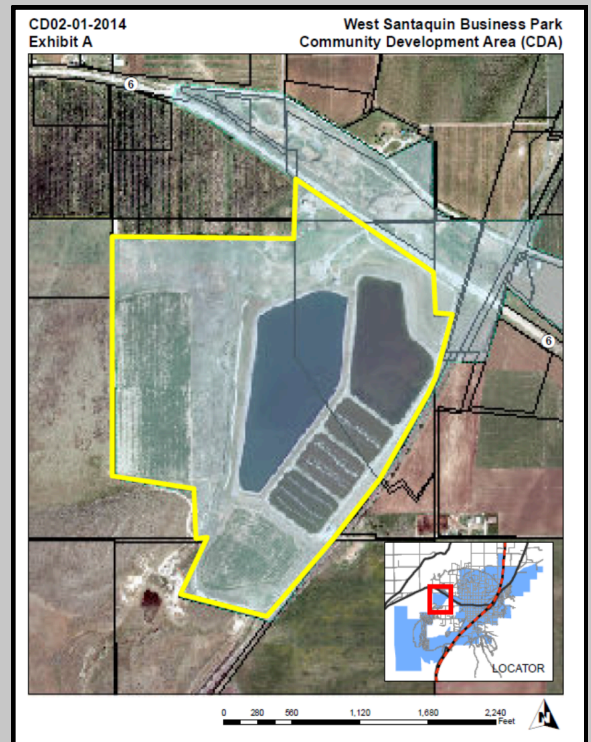
CDAs found their start in Utah in 1965 with the Utah Community Development Act. Title 17C of Utah Code provides the structure and mandate for CDAs. The community's legislative body, such as a city council, is designated as the governing body of the agency. The agency creates a project area, forms a planning commission, develops a general plan, and enters contracts for development in the area, and raises money to assist in funding projects.

“Economic development” means to promote the creation or retention of public or private jobs within the state or community through:

- planning, design, development, construction, rehabilitation, business relocation, or any combination of these, within a community; and
- the provision of office, industrial, manufacturing, warehousing, distribution, parking, public, or other facilities, or other improvements that benefit the state or the community.

“Community development” means development activities within a community, including the encouragement, promotion, or provision of development.

The main tool for CDAs is the “tax increment.” CDAs aid with urban renewal, economic development, and community development from revenues provided by the tax increment incurred from developed projects. This tax increment amount is calculated by subtracting the “base taxable value of the property” from the “amount of property tax revenues generated within the project area.” In other words, the county assessed value of the property is frozen for the life of the project, the taxing entities collect the new value of the property after improvement, and then the taxing entities pass any amount above the frozen value to the CDA. The tax increment can be used as a revenue stream for the CDA to bond for up-front infrastructure improvements that will provide positive development momentum within the project area.





To encourage economic development within Santaquin City through increased property tax revenue, job creation, and possible sales tax revenue, the City is currently, through the Community Development and Renewal Agency of Santaquin, developing seventeen (17) lots within the West Fields Community Reinvestment Area. This development is known as the Santaquin Peaks Industrial Park. Property sales for new businesses continue to take place which are fully funding infrastructure improvements needed for the development area. This approach eliminated the need to bond or raise taxes (taking the burden off residents) in order to develop this city property asset.

The budget for the CDRA is outlined below:

<b>Community Development and Renewal Agency of Santaquin City 2024-2025 Budget</b>						
<b>Carry Over Reserve Balance from Prior Year (Equity):</b>				<b>\$ 984,715</b>		
<b>Revenues:</b>						
Interest Earned:				\$ 20,000		
Proceeds from Property Sales				\$ 700,000		
Transfers from Santaquin City 2024-25:				\$ -		
<b>Total Revenues:</b>				<b>\$ 720,000</b>		
<b>Total Equity &amp; Revenue</b>				<b>\$ 1,704,715</b>		
<b>Expenditures:</b>						
Licensing & Registration				\$ 50		
Project Area Plan Development & Engineering				\$ 25,000		
West CDRA - Subdivision Improvements				\$ 1,634,850		
West CDRA - Offsite Infrastructure				\$ -		
Bank Charges				\$ 100		
Transfer to City (Admin, Eng, Inspection Costs)				\$ 20,000		
<b>Total Expenditures:</b>				<b>\$ 1,680,000</b>		
<b>Estimated Ending Equity (Carry Over) Balance:</b>				<b>\$ 24,715</b>		
<i>*Note: Any unspent funds will carry over to the next FY as Equity</i>						
Account Number	Description	Revised Budget (2023-2024)	Actuals (2023-2024) 75% Thru Yr.	Projected Budget (2024-2025)	%Chg.	\$ Chg.
<b>Revenues:</b>						
81-3610	Interest Earned	\$ 20,000	\$ 80,960	\$ 20,000	0.0%	\$ 0
81-3615	Proceeds from Property Sales	\$ 1,550,000	\$ 2,043,285	\$ 700,000	-54.8%	\$ (850,000)
81-3620	Misc. Income	\$ -	\$ -	\$ -	0.0%	\$ -
81-3910	Transfers from City	\$ -	\$ -	\$ -	0.0%	\$ -
81-3999	Contribution from Fund Balance	\$ 975,000	\$ -	\$ 970,000	-0.5%	\$ (5,000)
<b>Total Revenues:</b>		<b>\$ 2,545,000</b>	<b>\$ 2,124,245</b>	<b>\$ 1,690,000</b>	<b>-34%</b>	<b>\$ (855,000)</b>
<b>Expenditures:</b>						
81-4410.451	Licensing & Registration	\$ 35	\$ -	\$ 50	41.5%	\$ 15
81-4410.455	Legal & Professional (New)	\$ 10,000	\$ 3,588	\$ 10,000	0.0%	\$ 0
81-4410.485	Project Area Plan Development & Engineering	\$ 50,000	\$ 7,800	\$ 25,000	-50.0%	\$ (25,000)
81-4410.490	West CDRA - Subdivision Improvements	\$ 2,464,945	\$ 1,515,050	\$ 1,634,850	-33.7%	\$ (830,095)
81-4410.495	West CDRA - Offsite Infrastructure	\$ -	\$ 188,433	\$ -	0.0%	\$ -
81-4410.611	Bank Charges	\$ 20	\$ 40	\$ 100	400.0%	\$ 80
81-4410.810	Transfer to City (Admin, Eng, Inspection Costs)	\$ 20,000	\$ 20,000	\$ 20,000	0.0%	\$ 0
<b>Total Expenses:</b>		<b>\$ 2,545,000</b>	<b>\$ 1,734,911</b>	<b>\$ 1,690,000</b>	<b>-34%</b>	<b>\$ (855,000)</b>
<b>NET REVENUE OVER EXPENDITURES</b>		<b>\$ -</b>	<b>\$ 389,334</b>	<b>\$ 0</b>		

## LOCAL BUILDING AUTHORITY (LBA)

In FY2014-2015, Santaquin City began the initial design and bidding process for the construction of a new public works building which has been built on city properties adjacent to the city's wastewater reclamation facility on the north end of the city. There were many options to fund this project, but the city chose to preserve the use of its sales tax and property tax revenues as collateral for a New City Hall. As such, it was determined that the best way to fund the new public works building was through the creation of a separate entity known as a Local Building Authority (LBA) which allows the city to utilize the actual building as collateral for the bonds through a series of leases between the city and the LBA. The table below is the FY2024-2025 budget for the LBA, which represents the lease proceeds paid by Santaquin City to the LBA and the LBA payment of the debt service on the bonds.

<b>Santaquin Local Building Authority 2024-2025 Budget</b>						
<u>Carry Over Reserve Balance from Prior Year (Equity):</u>						<u>\$ 1,265.71</u>
<u>Revenues:</u>						
Budgeted Transfers from Santaquin City 2024-25:						\$ 189,549
Total Revenues:						<u>\$ 189,549</u>
Total Equity & Revenue						<u>\$ 190,815</u>
<u>Expenditures:</u>						
Licensing & Registration						\$ 35
Zions Bank Trustee Fees (Annual)						\$ 2,750
Santaquin City Public Works Building Debt Service						\$ 186,764
Total Expenditures:						<u>\$ 189,549</u>
<u>Estimated Ending Equity (Carry Over) Balance:</u>						<u>\$ 1,266</u>
<i>*Note: Any unspent funds will carry over to the next FY as Equity</i>						
Account Number	Description	Revised Budget (2023-2024)	Actuals (2023-2024) 75% of Year	Projected Budget (2024-2025)	%Chg.	\$ Chg.
<u>Revenues:</u>						
82-3610	Interest Earned	\$ -	\$ 803	\$ -	0.0%	\$ -
82-3910	Transfers from City	\$ 188,801	\$ 37,387	\$ 189,549	0.4%	\$ 748
82-3920	Contribution from Fund Balance	\$ 500	\$ -	\$ -	-100.0%	\$ (500)
Total Revenues:		\$ 189,301	\$ 38,190	\$ 189,549	0%	\$ 248
<u>Expenditures:</u>						
82-4410.451	Licensing & Registration	\$ 35	\$ -	\$ 35	-1.4%	\$ (0)
82-4410.611	Bank Charges	\$ 2,750	\$ 2,000	\$ 2,750	0.0%	\$ 0
82-4410.810	Debt Service - Principal	\$ 111,727	\$ -	\$ 119,000	6.5%	\$ 7,273
82-4410.820	Debt Service - Interest	\$ 74,789	\$ 35,387	\$ 67,764	-9.4%	\$ (7,025)
82-4410.900	Contribution to Fund Balance	\$ -	\$ -	\$ -	0.0%	\$ -
Total Expenses:		\$ 189,301	\$ 37,387	\$ 189,549	0%	\$ 248
<b>NET REVENUE OVER EXPENDITURES</b>			\$ 803	\$ 0		

## SANTAQUIN CIT WATER DISTRICT (SWD)

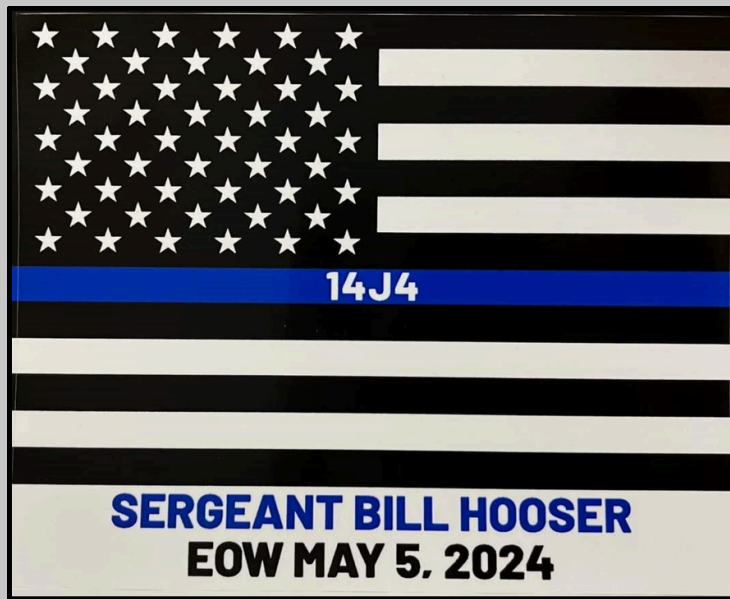
The SWD is the oldest of the city's sub-organizations and was created to purchase water shares as they became available on the open market. Purchasing these shares in the name of the district provides flexibility not afforded directly to municipalities. Approximately half of the irrigation water owned by the city is under the name of the SWD. Since the creation of the SWD, the city utilized the water from SWD owned shares and paid the Water Share Assessments in exchange for this use. These transactions took place internally within Santaquin City's Municipal Budget.

In FY2018-2019, the city began paying the SWD for the use of its irrigation water and the SWD will use said funds to pay its annual assessments to the Summit Creek Irrigation Company. This practice will continue in FY2024-2025 and into the future.

<b>Santaquin Special Service District (Water)</b>						
<b>2024-2025 Budget</b>						
<u>Carry Over Reserve Balance from Prior Year (Equity):</u>					<u>\$ 13,489</u>	
<b>Revenues:</b>						
Budgeted Transfers from Santaquin City 2024-25:					\$ 44,000	
Contribution from Fund Balance					\$ 1,080	
					<u>\$ 45,080</u>	
Total Revenues:					<u>\$ 58,569</u>	
<b>Expenditures:</b>						
Water Assessment Fees					\$ 44,945	
Licensing & Registration					\$ 35	
Bank Charges					\$ 100	
Total Expenditures:					<u>\$ 45,080</u>	
<u>Estimated Ending Equity (Carry Over) Balance:*</u>					<u>\$ 13,490</u>	
<i>*Note: Any unspent funds will carry over to the next FY as Equity</i>						
Account Number	Description	Revised Budget (2023-2024)	Actual (2023-2024) 75% of Year	Projected Budget (2024-2025)	%Chg.	\$ Chg.
<b>Revenues:</b>						
83-3610	Interest Earned	\$ -	\$ -	\$ -	0.0%	\$ -
83-3910	Transfers from City	\$ 43,000	\$ -	\$ 44,000	2.3%	\$ 1,000
83-3999	Contribution from Fund Balance	\$ 555	\$ -	\$ 1,080	94.6%	\$ 525
<b>Total Revenues:</b>		<b>\$ 43,555</b>	<b>\$ -</b>	<b>\$ 45,080</b>	<b>3.5%</b>	<b>\$ 1,525</b>
<b>Expenditures:</b>						
83-4410.450	Expenditures	\$ 43,500	\$ -	\$ 44,945	3.3%	\$ 1,445
83-4410.451	Licensing & Registration	\$ 35	\$ -	\$ 35	0.0%	\$ 0
83-4410.611	Bank Charges	\$ 20	\$ 40	\$ 100	397.6%	\$ 80
<b>Total Expenses:</b>		<b>\$ 43,555</b>	<b>\$ 40</b>	<b>\$ 45,080</b>	<b>3.5%</b>	<b>\$ 1,525</b>
<b>NET REVENUE OVER EXPENDITURES</b>			<b>\$ (40)</b>	<b>\$ 0</b>		

# TRIBUTE

The loss of Sergeant Bill Hooser has left an irreplaceable void in his family's lives, our police department, and city. A spouse, father, grandfather, son, brother, co-worker, friend, and beloved public servant was senselessly taken away from us all. Bill was a man who embodied a love of law enforcement, hard work, service, and making a difference for good. He made a big impact in his family, in the lives of those he trained, also enriching the lives of the youth in the Santaquin Citizens Academy. His dedication, commitment, selfless acts of kindness, and love for his community set him apart as a remarkable individual and peace officer. The impact of losing Bill goes far beyond his family and our police department - it deeply affected the entire city of Santaquin. He will be forever missed, but never forgotten.



# APPENDIX