

Dear Sandy Residents,

Sandy City has adopted the following mission statement:

“Working together to enhance the quality of life in our community”

There are eight citywide goals that have shaped budgetary decisions for this fiscal year in efforts to enhance the quality of life for Sandy citizens. Although all eight goals are important, the goal of maintaining and improving basic core municipal services is the highest priority. The goals are:

1. Maintain and improve basic core municipal services
2. Maintain integrity of residential neighborhoods and preserve property values
3. Preserve and improve public infrastructure and transportation systems
4. Preserve and expand existing businesses / seek new clean commercial businesses
5. Develop and improve the city’s recreational trails and increase recreational opportunities (i.e. provide park and green spaces for recreational activities and to enhance the environment)
6. Develop and maintain community facilities
7. Strengthen communications with citizens, businesses, and other institutions
8. Maintain a highly qualified employee workforce

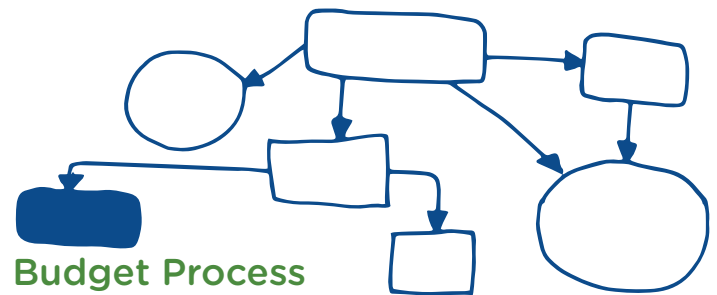
Sandy by the numbers...



Land Area: 23.18 sq. miles

The 2015 Adopted Budget:

- ✓ Total Consolidated Budget - \$108.4 million (includes business-type activities such as water, waste collection, etc.)
- ✓ **Street & Sidewalk projects** - \$6,897,194. Some of the projects include: \$2,231,494 for street reconstruction which is used for ongoing maintenance and construction, \$641,000 for hazardous concrete repair on sidewalks, \$3,000,000 for Monroe Street Extension, \$400,000 for Havard Park Drive, and a pedestrian crossing at 1300 E Sanders Rd.
- ✓ **Parks & Recreation projects** - \$1,655,500. Some projects include: \$150,000 repair/maintenance of streetscapes and backfacing walls, \$100,000 Dimple Dell Trail Connection, \$55,500 for developments at the Dog Park, \$50,000 for the Jordan River Trail, \$150,000 additional for the splash pad, \$715,000 for Flat Iron Park (new bathroom, tennis court, and lighting).
- ✓ **Water projects** - \$7,857,354 Some of the projects include: \$4,210,322 Metro Capital Assessment, \$800,000 meter replacement, \$1,182,404 mainline replacement, \$200,000 well equipment replacement.
- ✓ Over \$6 million of current debt will be retired.
- ✓ No property tax increase.
- ✓ \$2.53 monthly street light fee.



Budget Process

January - April

- ✓ Citizen survey.
- ✓ Mayor and Budget Committee meet with departments.
- ✓ Council provides direction and input during the preparation of the tentative budget.
- ✓ Tentative budget submitted to Council (April).

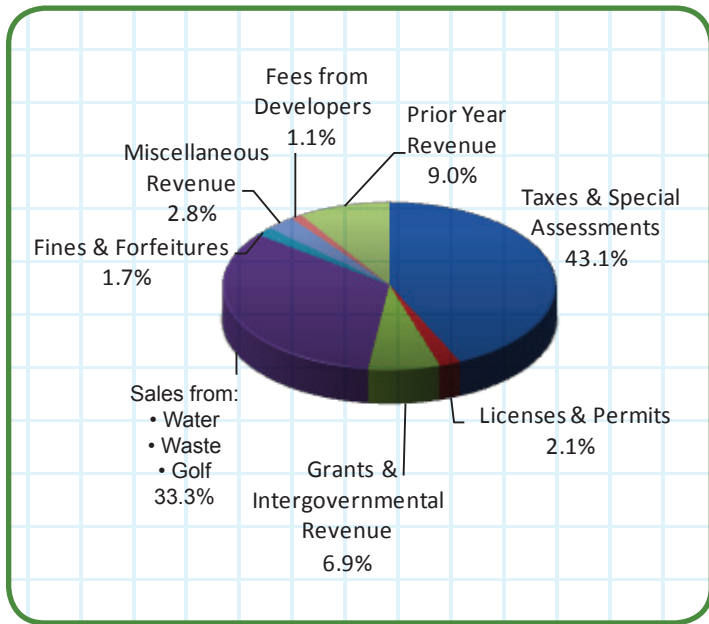
May

- ✓ Council meets with each department on individual budgets.
- ✓ Hold public hearings on tentatively adopted budget.

June

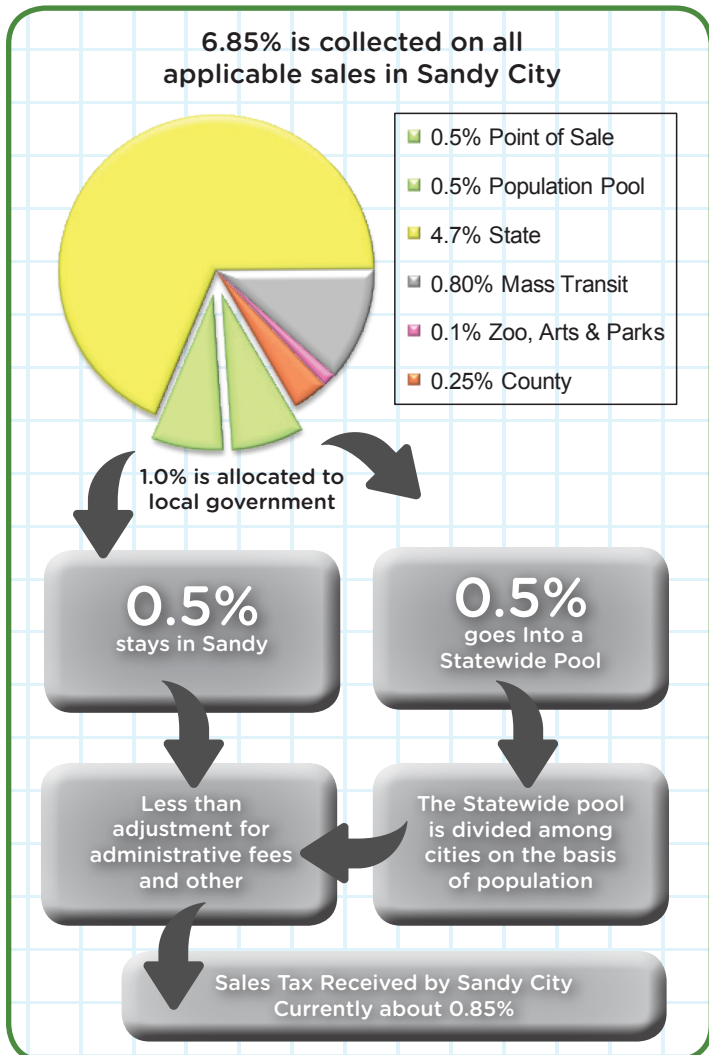
- ✓ City Council legally adopts the final budget by resolution on or before June 22, unless there is a change to the certified tax rate which permits adoption of the final budget as late as August 17.

How The City's 2015 Budget is Funded



Sales Tax

Sales tax is Sandy City's largest revenue source contributing 18% of total revenues and 38% of General Fund revenue. State law authorizes cities to receive sales tax revenue based on the process described in the chart shown below:



Charges For Sales & Services

Much of the City's funding comes from services residents pay for such as water, storm water, trash removal and recycling pickups. The revenue obtained from providing these types of services accounts for about 33% of the total revenue for the City's budget.

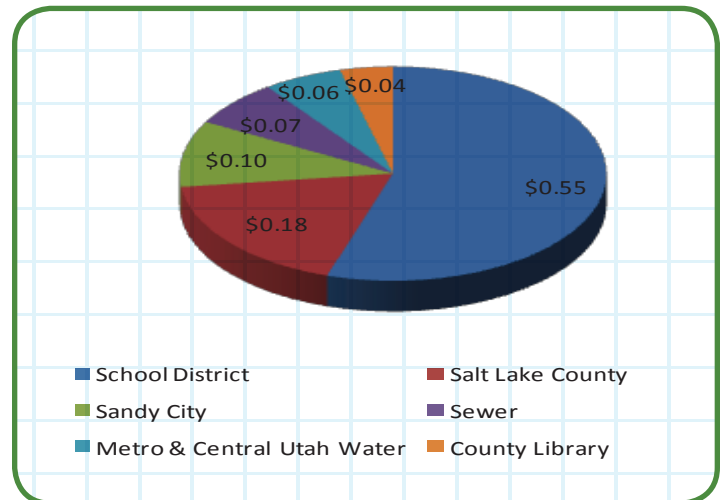


Property Tax

Property taxes make up 7.3% of total revenue, and 15.6% for the General Fund. Depending upon the location of a property, different property taxes may apply, such as special service districts for recreation centers or other improvements. In Sandy, the Canyons School District receives the largest portion of your property taxes, typically about 55% of the total amount collected, followed by Salt Lake County at 17 percent. On average, Sandy City receives only about 10% of property tax funds collected.



How Each Dollar of Property Tax is Collected



How Does Sandy City Use my Property Tax Money? Property taxes go into the city's general fund which pays for government services such as police protection, fire and emergency services, parks, streets and signs, sidewalks and snow removal. Property taxes cover only a fraction of what the city needs in order to provide these services. This year, Sandy City will receive about \$7.95 million in general fund property tax revenue. To put this in perspective, this amount is around the same amount budgeted for the fire department alone.

The property taxes from Sandy homeowners only come to about \$.25 per day for each Sandy resident. For that, you receive police, fire, streets, parks, and other city services.

Expenditures



Public Safety

The Police and Fire Departments comprise 21% (\$22.9 million) of the City's overall budget, or 45% of the General Fund. The City's 2015 adopted budget provides funding for 111 sworn police officers, 8 animal services personnel, nearly 80 career members in the fire department along with 25 volunteer firefighters and five fire stations.

Cost of Larger Departments	FY 2015 Budget
Public Utilities (Water, Storm Water, Electric Utility)	\$26,406,087
Public Works (Street, Waste, etc.)	\$15,097,203
Police & Animal Control	\$14,460,018
Parks & Rec (Includes Golf and Alta Canyon)	\$8,697,178
Fire	\$8,531,694
Court Services	\$1,484,454

Capital Projects

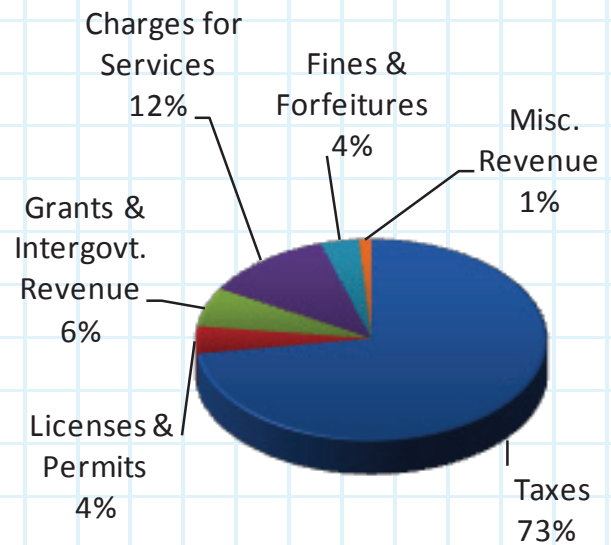
This includes all operating and non-operating capital outlays as well as all capitalized labor, materials, and supplies. Each year, any unspent appropriation for capital projects is reappropriated in the next year. The City Council holds a public hearing before approving these carryovers in a meeting usually scheduled at the beginning of October.



The City's Funds

Revenue collected by the City is directed into different funds. These funds help manage City spending by directing the revenue dedicated to specific activities or objectives to a group of related accounts. By maintaining separate funds, the City is able to comply with laws that require certain money to be spent for specific purposes. For example, the City may not raise water bills to pay for police services. About \$57.5 million, or 53% of the City's revenue is dedicated for a specific use and is directed to a corresponding fund. Other revenue is directed to the General Fund, which pays for the general operations of the City, including police and fire services, and street repairs.

General Fund Revenue



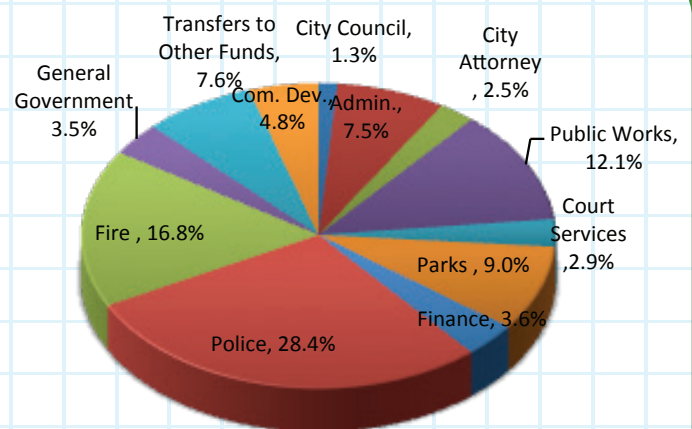
General Fund

Since the revenue in the General Fund is not earmarked for any specific purposes, the City has the most discretion in the use of General Fund dollars. This fund comprises about 47% of the citywide budget. Its three major sources of funding are: sales tax, property tax, and franchise tax. These three sources reflect about 71% of the General Fund budget of \$50.8 million. Adjacent charts show a more detailed look at the General Fund.

Revenue collected by the City is directed into different funds.



General Fund Expenditures

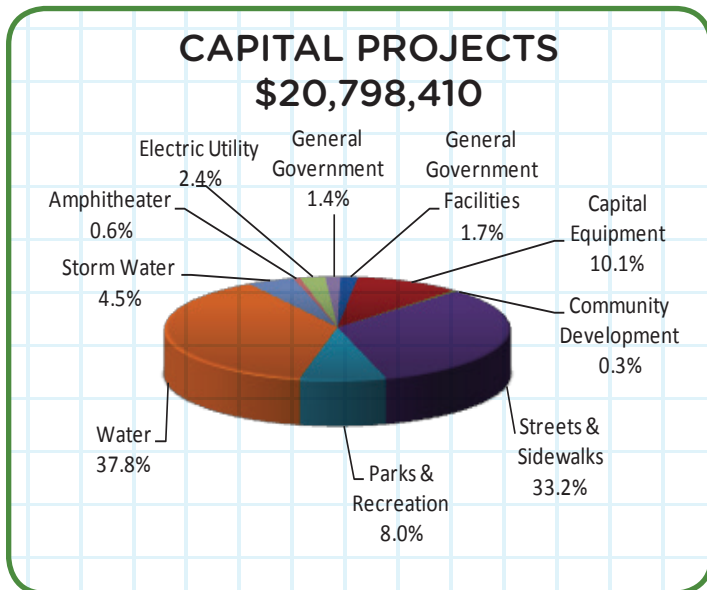


Capital Plan

The adopted budget includes capital projects for the current year as well as planned improvements for the next three years. Capital improvements include projects such as street construction, park improvements, water infrastructure, and streetlight projects.



The fiscal year (FY) 2015 budget includes \$20.8 million for capital expenditures. A summary schedule of the capital budget can be found on pages 34-35 of the budget document. The chart below summarizes the various funding uses of the capital budget.



Debt Service and Bonds

Sandy City currently enjoys an AA+ bond rating from Standard and Poor's for sales tax revenue bonds. This rating allows the City to issue bonds at a lower rate than governmental agencies with a less favorable bond rating. Only three percent of cities nationwide receive the AA+ rating. The FY 2015 budget includes over \$8.4 million of debt service payments. As of June 30, 2015, the outstanding general debt will be \$63.5 million.

Utility Rates

The 2015 budget includes a streetlight fee. The annual cost to power the lights has previously been paid from general revenues, and is now approaching \$900,000. The streetlight fee will be \$2.53 per month per residence or residential equivalent, with a 10 unit maximum. Part of the new revenue will be used to install streetlights currently lacking. The rest will be used to pay part of the cost of powering the lights.



There is no increase in the other utility charges this year as shown in the chart below:

	Monthly - Base Utility Charges			
	2014 Monthly Base	2015 Monthly Base	2015 Annual Base Charges	2015 % Change
Water*	\$ 20.40	\$ 20.40	\$ 244.80	0%
Storm Water	\$ 6.00	\$ 6.00	\$ 72.00	0%
Waste / Recycling	\$ 13.45	\$ 13.45	\$ 161.40	0%
Streetlight	\$ -	\$ 2.53	\$ 30.36	N/A
Total	\$ 39.85	\$ 42.38	\$ 508.56	6.35%

*This is just the base amount for a 3/4" meter, and does not include coverage.

To see the complete budget document please visit:

http://sandy.utah.gov/fileadmin/downloads/finance/budget/2015/Sandy_2015_Budget.pdf

If you have questions about any of the material presented in the Budget in Brief, you can contact:



Brian Kelley
Finance Director
801-568-7108



Brett Neumann
Budget & Billing Manager
801-568-7128



Adam Anderson
Budget Coordinator
801-568-7120



CITY CONNECTION
BUDGET IN BRIEF