

Provo City Proposed Annual Budget FY 2017



Provo City Corporation

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Provo City Proposed Budget FY 2016

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Executive Summary





May 3, 2016

Honorable Members of the Provo Municipal Council
351 West Center Street
Provo, Utah 84601

RE: Proposed Budget for Fiscal Year 2017

Ladies and Gentlemen of the Council:

I am pleased to submit our proposed budget for the City of Provo, Utah for the fiscal year beginning July 1, 2016 and ending June 30, 2017.

This budget is the result of many hours and the contributions of Council members, the public, employees and City leadership. The Administration has worked hard to submit a responsible, sustainable budget.

Preparation for the Fiscal Year 2017 budget began in December 2015 with the Mayor, CAO and administrative budget team looking at early revenue forecasts, projected retirement and insurance increases, and department needs for the Fiscal Year 2017.

The administrative budget team met with the City Administration to monitor and plan for the following:

- Revenue needs and forecasts.
- Budget expenses and shortfalls.
- Merit increases, retirement, health insurance, operation and maintenance needs, capital needs, vehicle replacement, outsourcing, and adequacy of fees & taxes.
- The FY2017 5-year Capital Improvement Plan included recommended changes made by Municipal Council staff and include priority levels and ascertaining whether funding sources have been identified.

Provo City is striving to provide a more transparent and understandable budget by adopting best practices. We will be submitting the adopted budget to Government Finance Officers Association (GFOA) in hopes of receiving the "Distinguished Budget Award." This award encourages state and local governments to prepare budget documents of the very highest quality, reflecting the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices. The City received the award the past three fiscal years (FY2014 -FY2016).

As evidenced in Provo and the nation, there are many signs that the local and the national economies are starting to level off. The local economy continues to outperform the national economy. The City is currently cautious about sales tax revenues, but anticipates they will moderately increase during the next fiscal year. However, it is important to note that we continue to have concerns about global uncertainty and how large fluctuations in the cost of crude oil, healthcare costs, retirement costs, and other operational costs will impact consumer spending and ultimately City budgets.

Provo City continues to work hard in maximizing every dollar and providing a great value to our residents. Our employees understand that every tax dollar we receive is a sacrifice from our residents who trust us to use it wisely. While preparing the 2017 budget, directors were asked to evaluate their budgets and look for possible savings before they were submitted. Despite years of deep cuts, department directors were asked to keep operational budgets flat and submit only critical supplemental requests.

The 2017 budget supports our ongoing goal of continued fiscal health with a sustainable budget. Monies are invested in capital improvements, vehicle replacement and employees. Provo City employees are among the greatest and most critical assets the City has, and by investing in them, we are better able to recruit, develop, and retain top employees.

The City continues to focus on trust throughout the organization and with the public. Each of the departments established a plan for the upcoming year on how trust principals can be effectively applied in the work place. The purpose is for employees to learn and create a common language and behavior of trust in the City as well as enhance relationships and develop City leadership.

The Administration continues to look for opportunities for employees to grow and be prepared to become future leaders at the City. A new education assistance policy was signed and put into place that provides full-time employees the opportunity to further their education as it relates to the City and be reimbursed by up to fifty percent of their educational costs.

Rate and Fee Changes:

The Covey Center is proposing the following fee increases:

- Increasing the labor charge to performance from \$15 an hour to \$16
- Increase half-day rental rate
 - Non-profit rate – 950 to 1000
 - For-profit rate – 1200 to 1250
- Increase Full-day rental rate
 - Non-profit rate – 1200 to 1250
 - For-profit rate – 1650 to 1700
- Increase Full-week rental rate
 - Non-profit rate – 6000 to 6300
 - For-profit rate – 9700 to 10000
- 31,000 additional revenue should be generated from these increases

The Cemetery is proposing the following fee increases:

- Lawn Sites
 - Monument Estates – n/a to 2,000
 - Upright – 1,100 to 1,300
 - Flush – 900 to 1,100
 - Infant – 250 to 300

- Cremation – 450 to 550
- Mausoleum
 - Top/Bottom – 3,500
 - Mid Level – 4,500
- Opening Closing
 - Adult – 550 to 650
 - Infant – 200 to 250 (12-18) or 350 (24 – 48)
 - Cremation Burial – 200 to 250 (without vault) or 350 (lawn burial)
 - Niche – n/a to 150
 - Mausoleum – n/a/ to 400
- Overtime
 - Saturday – 300 to 400
 - Overtime – 150 to 100 per ½ hour
- Disinterment
 - Cremation – 300 to 450
 - Crypt – n/a to 1,500
 - Niche – n/a to 450
- The following are new additional options
 - Ossuary/Cenotaph – 200
 - Tablet – 450
 - Post Single – 450
 - Post Companion – 550
 - Cored single – 600
 - Cored Companion – 750
 - Cremation Estate – 2,500
 - Tree Estate – 2,000
 - Arbor nice 24, niche 48 urn – 850
 - Community Column 64 nice 128 urns – 800
 - Pavilion shutter – 900
 - Rustic Monolith 60 cores – 600
 - Niche Boulder – 1,200
 - Family Columbarium – 7,500
 - Cremation Bench – 2,500
 - Cremation Ped Bird path – 3,000
 - Mausoleum Level 1 – 800
 - Mausoleum Level 2 – 900
 - Mausoleum Level 3 – 700

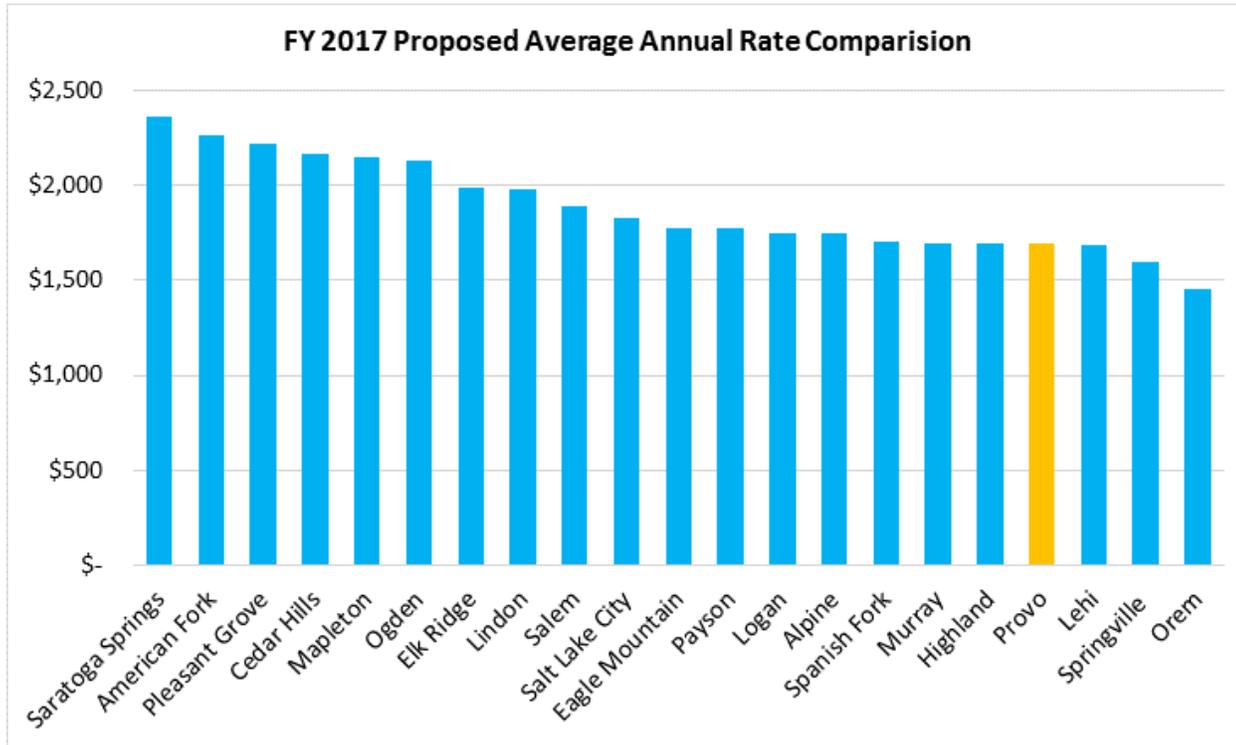
Utility Rate Increases are being implemented to fund ongoing operational and capital improvements throughout the City

- An average 2% increase or \$1.50 monthly per residential home on energy utility sales (Energy Fund)
- An average 2% increase per commercial user on energy utility sales (Energy Fund)
- An average 6% increase per industrial user on energy utility sales (Energy Fund)
- An average 19.8% or \$5.84 monthly increase per average residential home on waste water utility sales (Waste Water Fund)
- An average 11% or \$3.74 monthly increase per average residential home on water utility sales (Water Fund)
- An average 21.6% or \$1.51 monthly increase per average residential home on storm water utility sales (Storm Water Fund)

Recently a study was completed by a consultant on the status of the City Waste Water Treatment Plant. As a result of the study, it was determined that some major improvements will be necessary to meet future growth and new environmental regulations. In order to pay for the improvements, the Municipal Council and Administration have had discussions that would change the way the sewer base rate is charged for multi-unit housing complexes. The change would move the base rate from a per-connection to a per-unit charge.

Because the Council has not reached a decision about the potential change, the budget currently does not include the change in the base rate or any other change in the rates to increase revenue to cover for the future needs. The Administration is anxious to work with the Council in a timely manner to make this determination. An additional \$520,000 in revenue is needed to fund the first year of the recommended master plan improvements.

The graph below depicts the City’s position compared to other cities after implementing the proposed rates. This graph would assume that other comparable entities make no other changes to their current rates.



Funded Personnel Costs

Each year we carefully evaluate the compensation scales of our employees and compare our compensation to the market of competing governmental entities. Personnel budgets in departments include current funding levels plus market required adjustments necessary to attract and retain good employees:

- Merit increases (2.5%)
- Market adjustments
- Career series advancements
- Health insurance cost increases (6.3%)
- Utah Retirement System plan changes (decrease of 0.1 to Tier 1 firefighters – all other plans remained the same).
- 401(k) Match (2%)
- Employee recognition & appreciation

Expenditures

Each department/division had the opportunity to submit supplemental requests as part of the Fiscal Year 2017 budget. Forty-eight requests were made for a total of \$3,641,522. An amount of \$727,959 has been funded in the FY2017 budget.

All departments and divisions continue to do the same or more with very limited personnel and operational

budget changes. The following specific areas have been added or changed significantly in the adopted budget:

- New positions:
 - Three (3) police dispatchers, the first being filled on October 1st, 2016, the second on January 1st, 2017 and then the third on April 1st, 2017.
 - Two zoning officers have been budgeted effective July 1, 2016.
 - One new cemetery position, need to support new expansion area.
 - The Golf Course Pro Shop's operations were brought in-house resulting in approximately five (5) FTEs being added.
 - The library has added multiple part-time positions for new services resulting in approximately three (3) additional FTEs.
 - Two customer service representative part-time positions were upgraded to full-time positions.
 - Additional hours were provided for staff to accommodate the compost yard.
 - Public works changed their safety officer position from part-time to full-time.
 - A new position was added to the wastewater treatment plant.
 - A new bluestake position was added to Storm water and Wastewater.
- General Fund Capital Improvement Replacement Plan
- RAP Funding
- Citywide Municipal Software System (Provo 360)
- Completion of the construction of a new fleet facility

The Recreation Center continues to exceed revenue expectations and is being used heavily by its customers. Administration and the Municipal Council have a strong desire to have the funding necessary to adequately maintain the facility so that it will be able to serve customers long-term and the facility can continue to feel new and have equipment and services needed to keep up with current trends. In order to meet this need, this will be the second year we have provided funding in the operational budget to maintain the building and equipment over their useful life. Funds were added this year to include anticipated maintenance needs for the outdoor pools. Any unused funds in any given year will be moved forward for future use at the Recreation Center.

In addition to the Recreation Center, the General Fund has a number of facilities it maintains. The Administration and the Municipal Council have a strong desire to have the funding necessary to adequately maintain the different facilities within the General Fund so that they will be able to serve residents long-term. In order to meet this need, we have provided funding in the operational budget to maintain the buildings over their useful life. Any unused funds in any given year will be moved forward for future use.

The budget includes funding from a Recreation, Arts, and Parks (RAP) Tax that was approved by the voters in November 2015. The proposed budget assumes the tax will generate approximately \$1,306,002 in FY2017 for recreation and arts projects.

During fiscal 2016 the City selected and started the implementation of a Citywide Municipal Software Solution (Provo 360). The primary funding source for these costs was provided by a 7-year lease. The Administration has included in the budget the costs for servicing the lease payments and other ongoing costs related to the project. The vision for Provo 360 is to provide our residents, businesses, students, employees, Administration, Municipal Council and visitors with a 360 degree view of the city at any time, from anywhere, and from any device. The Provo 360 Core Team, Administration and the Municipal Council are working towards solutions to make information requests and transactions accessible, easy and even enjoyable for our customer

while giving our Administration and Municipal Council the same 360 degree view to enable them to service, resource, measure, refine and improve like never before.

Construction of a new fleet facility started in the fall of 2015 and is anticipated to be completed in the fall of 2016. A two-year funding plan was established in fiscal 2016 and the final funding for the new facility is part of the proposed 2017 budget. The old fleet facility was unsafe and did not meet the needs of the City based on the composition of the fleet. Some of the equipment (fire trucks, sanitation trucks, dump trucks) require the need to have a higher clearance when working on them and at the current time requires the mechanics to work outside. The fleet facility is an integral part of the City Emergency Response plan. The lack of an adequate facility able to respond and maintain vehicles in times of emergency was very detrimental.

Other Funding

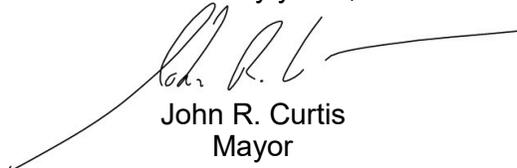
Funding is in place for a radio system upgrade and SCBA masks for the Fire Department.

The City established a Fleet Review Committee in fiscal 2015. One of the first tasks completed by the committee was a five-year financial plan to replace aging vehicles and to develop a rotation schedule that will make the fleet more sustainable over the long-term. Fiscal 2017 will be the second year of the plan.

Provo City has been recognized as a community of choice by recent national accolades and the citizen survey results. Our goal is to provide residents with the services they need in an efficient and transparent manner. I believe the budget process forces us to make difficult decisions and prioritize what items should be funded. The City continues to make difficult decisions to reduce ongoing costs and to strengthen revenues. The City has not only balanced its budget for the current fiscal year, but also continues to work with the Municipal Council, citizens and employees to create a long-term sustainable budget. By making good financial decisions that consider both the short-term and long-term impacts, Provo will become a stronger, healthier community to live, learn, work and play.

We welcome and encourage your careful review of our recommended budget. We also welcome the input of our residents as we proceed through the process of adopting the City's annual budget. As always, our staff is at your disposal to respond to questions and assist the Municipal Council in any way as you review the proposed budget over the next several weeks. We believe that you will find this budget forward thinking and responsive to your concerns and aspirations as we plan together for the future of the Provo community.

Sincerely yours,



John R. Curtis
Mayor



City Council Goals

Based on the principles and values laid out in the City's General Plan and the Vision 2030 document, the 2016 Provo City Council will focus on the following four areas:

Vibrant Community	Thriving Commerce
Healthy Environment	Responsible Government

City Council Priorities

Based on the City Council Goals, the Council has set the following nine priorities to be addressed this year:

- Increase **Zoning Compliance**
- Improve the **Development Approval Process**
 - Update the **General Plan**
 - Support **Economic Development**
- Structure **Budget to Reflect City Priorities**
 - Encourage a Healthy Mix of **Housing**
- Improve Clarity and Access to **City Policy**
 - Plan for **West-Side Development**
 - Encourage **Public Engagement**

The public is invited to learn more about the Council's Priorities by visiting <http://provo.org/government/city-council/priorities>

FY 2016 Budget vs Actual Positions

Organization	Budgeted FT	Budget PT	Actual FT*	Actual PT*	Diff FT	Diff PT
Airport	4	2	4	3	0	-1
CDBG	5	1	5	0	0	1
Community Development	24	1	24	0	0	1
Covey Center	4	3	4	23	0	-20
Customer Service	22	2	21	21	1	-19
Economic Development	4	0	4	0	0	0
Emergency Response	5	1	0	0	5	1
Employee Benefits	0	1	0	0	0	1
Energy	65	3	59	0	6	3
Engineering	15	3	15	3	0	0
Facilities	7	2	7	1	0	1
Finance	9	1	7	2	2	-1
Fire	80	0	80	0	0	0
Golf Course	4	3	3	0	1	3
Human Resources	8	1	7	2	1	-1
Ice Sheet	3	4	3	26	0	-22
Information Systems	14	5	13	3	1	2
Insurance/claims	1	0	0	0	1	0
Justice Court	11	1	11	1	0	0
Legal	10	6	10	7	0	-1
Library	22	14	21	67	1	-53
Mayor's Office	9	5	9	6	0	-1
Municipal Council	5	9	5	8	0	1
Parks Admin	4	3	4	1	0	2
Parks Maintenance	23	6	23	9	0	-3
Parks Recreation	16	7	14	281	2	-274
Police	152	8	148	54	4	-46
Rental Rehab	0	0	0	0	0	0
Sanitation	13	0	13	0	0	0
Storm Drain	10	1	8	1	2	0
Streets	16	0	16	1	0	-1
Tax Increment	1	0	1	0	0	0
Vehicle Maintenance	8	0	7	0	1	0
Wastewater	29	1	23	0	6	1
Water	32	4	29	5	3	-1
Total	633	85	603	525	37	-427

*as of April 11, 2016

This chart shows the difference in part time positions is due to a difference in methodology in tracking positions. From a budgeting perspective, dollars are allocated in large lump sums which allows flexibility in hiring and compensation. Actual numbers reflect the number of people paid from those sums.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Provo City Corporation

Utah

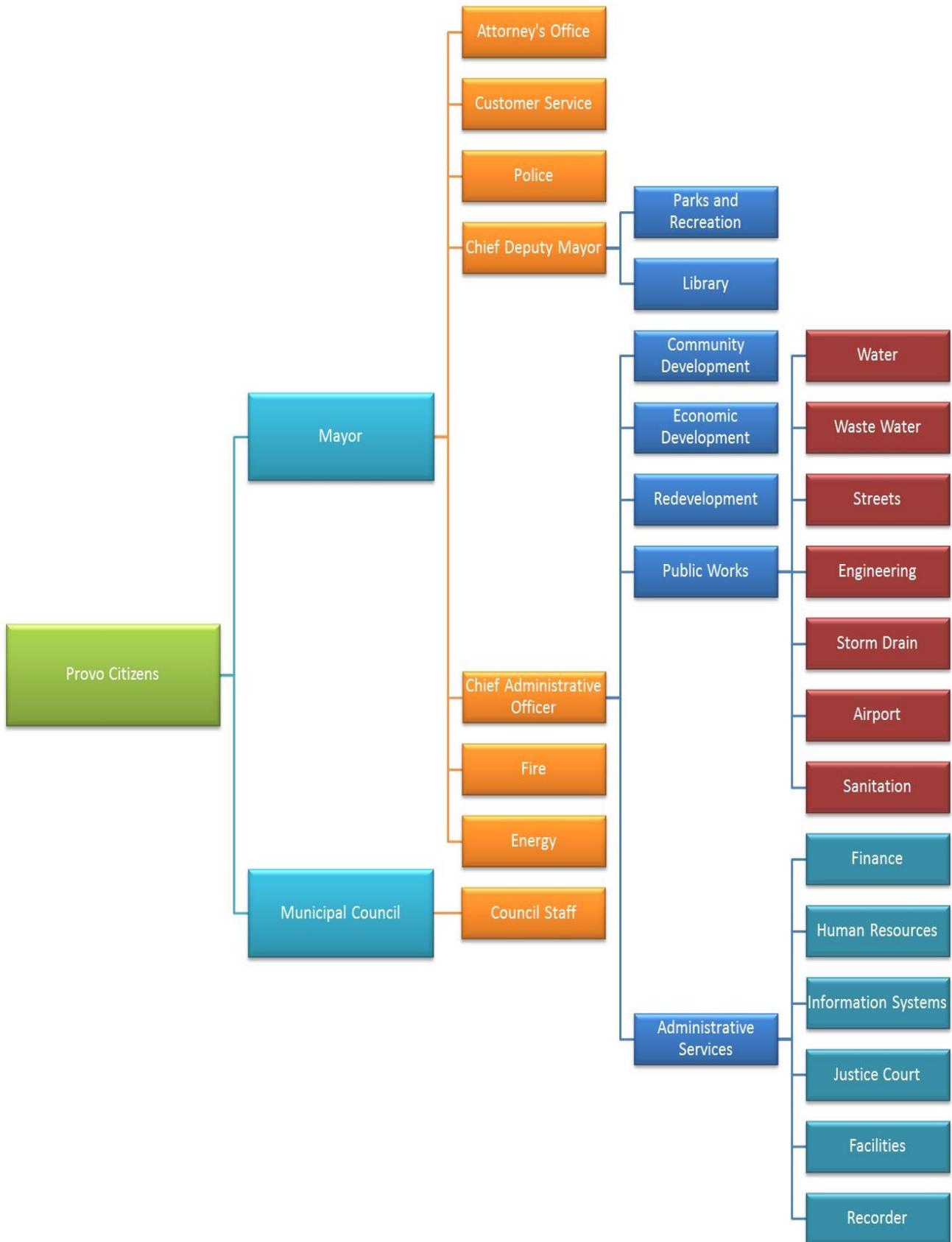
For the Fiscal Year Beginning

July 1, 2015

Jeffrey R. Brown

Executive Director

Organizational Chart



Elected and Staff Positions



(Left to Right) Kay Van Buren, Dave Knecht
Gary Winterton, George Stewart, Dave Harding
Dave Sewell, Kim Santiago

City Council

Gary Winterton
District 1
Present Term: 2016-2020

Kim Santiago (Chair)
District 2
Present Term: 2014-2018

Dave Knecht
District 3
Present Term: 2016-2020

Kay Van Buren
District 4
Present Term: 2016-2020

Dave Harding
District 5
Present Term: 2016-2018

Dave Sewell (Vice Chair)
City-Wide District I
Present Term: 2014-2018

George Stewart
City Wide District II
Present Term: 2016-2020

City Administration

Mayor—John Curtis

Chief Administrative Officer—Wayne Parker

Chief Deputy Mayor's Office—Corey Norman

Chief Deputy Economic Development—Dixon Holmes

City Attorney—Robert West

Police Chief—John King

Fire Chief—Gary Jolley

Parks and Recreation—Scott Henderson

Library Services—Gene Nelson

Energy—Travis Ball

Community Development—Gary McGinn

Redevelopment—David Walter

Public Works—David Decker

Administrative Services—John Borget



Mayor John Curtis

Present Term: 2014-2018

Provo City Vision 2030

In March 2010, Provo City formed a 20-member visioning steering committee to provide a long-term strategy for municipal decision making. The Mayor and the Municipal Council, along with the committee, defined a community vision statement and eight core values that provide direction in setting measurable goals and objectives and provide guidance on what Provo City should be by the year 2030.

Community Visioning

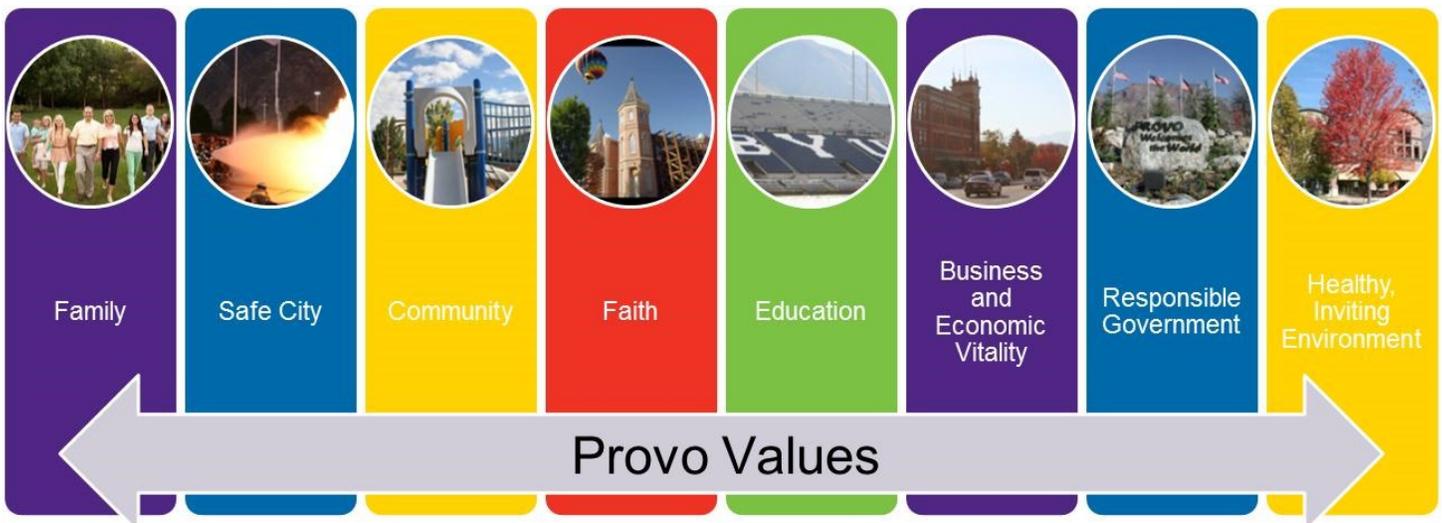
Provo — an inspiring place to live, learn, work, and play

We value:

- Faith, respect, and service to each other and our community
- Individual responsibility
- Families and individuals
- Our environment and natural amenities

We support:

- Safe, desirable neighborhoods
- A vibrant economy and high-quality jobs
- Fiscally responsible governance
- Life-long education



With the guidance of the Community Vision Statement and the focus on the eight Provo Core Values, the steering committee provided policy direction and specific goals and objectives for each of the following topics:

Education	Safety
Natural Resources	Image and Communication
Families and Neighborhoods	Transportation and Mobility
Prosperity	Land Use and Growth
Healthcare	Unity
Public and Non-Profit Partnerships	Leisure
Heritage	Governance

Provo City Vision 2030—Accomplishment Tracking

To monitor our success at implementing goals and objectives of the Vision 2030 document, the following actions have been completed or are in progress. To view the entire Provo City 2030 Vision document, please visit <http://www.provo.org/vision2030.html>.

Action Item	Step Taken	Status
Objective 1.1.2 Create and maintain bike trail and sidewalk systems that connect all parts of Provo.	In July 2015 the Municipal Council adopted the Joaquin Neighborhood Plan as a component of the Provo City General Plan.	In Progress
	A committee was created to review the Neighborhood Advisory Board Program and make recommendations for improving communication, reaching all citizens and businesses, and redefining the purpose of the program. An ordinance was adopted in April 2015 that amended the purpose statements.	In Progress
	February 2015 the Municipal Council adopted the Downtown Master plan, the second of the neighborhood Joaquin Neighborhood Plan as a component of the Provo City General Plan.	In Progress
	A design for improvements to Bulldog Boulevard from 500 West to West Campus Drive has been proposed to provide protected bike lanes and additional pedestrian safety improvements; funding is anticipated in FY 2019	In Progress
1.1.2(b) Conduct a study to investigate ways to connect our trails and sidewalks city-wide.	A bike master plan has been completed and adopted by the City Council	Complete
1.1.2(c) Create an ongoing trail enhancement and maintenance fund.	Parks & Recreation has a CIP budget dedicated to maintenance of the Provo River Trail	In Progress
	In November 2015, Provo voters approved a Recreation, Arts and Parks tax which provides ongoing funding for capital investment on the Provo River Parkway trail.	In Progress
Objective 1.4.1 Use social networking, the Internet, and other communications tools and technology to involve all individuals in neighborhood discussions and activities.	City Council and Mayor blogs are up to date and provide exciting, pertinent information for Provo City residents and employees. Facebook and Twitter are also used to provide information.	In Progress
1.4.1(a) Implement an opt-in email program.	The mayor's office maintains an email mailing list for communication with citizens.	Complete
	Various city departments and the Municipal Council are also creating opt-in email programs for newsletters and other public outreach.	In Progress
1.4.2(b) Develop town and gown strategies to foster involvement and inclusion of the student population.	Launched Provo4Students.org to support Provo-student interactions.	In Progress
1.5.1(a) Adequately fund and support Community Oriented Police programs.	The Police Department currently employs Community Oriented Police Programs	Complete
1.6.1(a) Support Provo's Urban Forestry Program.	The Energy Department employs a full-time forester and tree crews to manage Provo's urban forest.	Complete

Action Item	Step Taken	Status
1.6.4(b) Work with UDOT to improve freeway signage (such as Center Street Provo vs. Center Street Orem).	Signage on I-15 has been improved designating Provo Center street specifically.	Complete
1.7.1(a) Maintain and utilize a subscriber-based email system for notification and dissemination of information.	The mayor's office maintains an email mailing list for communication with citizens.	Complete
1.7.1(b) Improve access to public meetings through Channel 17 and the Internet.	Public meetings are now available on YouTube.	Complete
Objective 2.1.1 Identify exceptional areas that would benefit from area specific master plans, where the city would conduct a detailed land-use analysis. The objective is for a plan for every neighborhood.	March 2015 the council approved annexation of 3.15 acres located at 5050 North Canyon Road. The annexation is part of the city's overall annexation plan.	In Progress
Objective 2.4.1 Determine the appropriate type, level, and location of economic development initiatives for Provo City.	July 2014 the council adopted the South Downtown Community Development Project Area Plan to assist in identification of future redevelopment activities in the downtown area.	In Progress
	The city is currently focusing efforts on East Bay, Mountain Vista, TOD area, and the Airport. Results include 4 industrial projects and \$3.5 million grant for the airport.	In Progress
Objective 3.1.1 Work toward implementing Chapter Seven of Provo City's General Plan, the Parks Master Plan, which includes the even and fair distribution of park space throughout the city.	May 2015 the council approved the purchase of 80 acres in Rock Canyon.	In Progress
	FY 2016-17 budget includes funding for tree planting and upgrades to park lighting.	In Progress
Objective 3.2.2 Ensure that trail heads at Little Rock Canyon, Rock Canyon, and Slate Canyon have trails that connect to the Bonneville-Shoreline, Great Western, Provo River, and South Fork trails.	The Parks and Recreation Department are currently constructing a developed park at the trail head for Slate Canyon connecting it to the Bonneville shoreline trail.	In Progress
3.3.2(a) Include in the community center, an indoor gathering space with facilities for theater, arts exhibits, classrooms and outdoor performing space.	The Recreation center has indoor meeting spaces sufficient for theater, arts exhibits, and classrooms.	Complete
	The library completed an art gallery.	Complete
	The Covey Center continues to offer a variety of performing spaces.	Complete
Objective 3.6.1 Build a city recreation facility which will: •Develop a sense of community •Foster a healthy lifestyle and wellness •Enhance civic pride •Be versatile and adaptable to meet the needs of all elements of the community	In FY14 the city opened the new Recreation Center	Complete
Objective 3.8.1 Educate and inform voters of the options of creating a RAP tax for ongoing recreational funding, with the intent of putting this on the ballot.	The RAP tax will be on the ballot during FY16	Complete

Action Item	Step Taken	Status
Objective 4.1.4 Encourage resource preservation through greater participation in recycling and energy conservation efforts.	The council passed a resolution in June 2014 expressing support for the Provo Sustainability and Natural Resources Committee.	In Progress
	In September 2014 the council and administration approved a resolution supporting a thorough research of Tier 3 gasoline and exploration of other possible air quality enhancements for Utah by state legislators.	In Progress
Objective 4.3.2 Manage watersheds for the protection of drinking water sources and protect the water quality of surface waters.	January 2015 council adopted a resolution amending the water system master plan to account for differing growth patterns and changing economic circumstances.	In Progress
	The Water Division issued bonds to improve infrastructure for the residents of Provo. A portion of the bond monies will be used to build a new storage reservoir, increasing the total amount of water storage available.	In Progress
4.5.1(a) Encourage establishment of a nature preserve encompassing Provo Bay and its surrounding wetlands while allowing compatible uses, such as, boating, multiple public access points, boardwalks, hunting, fishing and other similar recreational activities.	A Provo River preservation effort is currently underway under the direction of a multi-agency effort.	In Progress
Objective 4.7.2 Implement new advances in electrical energy delivery and control systems (i.e., smart grid, smart houses) as they become practical and economically feasible.	In FY16 the Energy Department will begin deploying Automated Metering Infrastructure (Smart Grid) throughout the city with an estimated completion date in FY17.	In Progress
Objective 4.7.3 Work with residential, commercial, educational and industrial customers to identify and implement energy savings through increases in consumption efficiency and reduction in use of energy in a cost-effective manner.	The Energy Department hired a full-time energy efficiency specialist to administer in-home audits and subsidies for efficiency upgrades.	In Progress
Objective 4.7.4 Cooperate with customers who privately generate renewable energy resources (i.e., wind, solar).	Net metering continues to grow each year where customers deploy private solar panels and receive a credit on their energy bill.	Complete
Objective 4.8.2 Seek opportunities for consumer alternatives to purchase energy from renewable resources.	In FY15 RenewChoice was launched which enables customers to purchase renewable energy for their homes or businesses.	Complete
5.4.2(b) Establish a Provo City Innovation Center to synergistically host and support incubation activities of local entrepreneurs.	A business incubator has been established in Provo and the Economic Development department aids its efforts through the administration of programs.	Complete
6.2.1(a) Provide physical exercise facilities and recreation activities to involve children and adults in encouraging regular physical activity.	The Parks and Recreation department supports sports programs and regular fitness classes	Complete

Action Item	Step Taken	Status
6.2.1(c) Enhance Provo City infrastructure for supporting bicycling and walking.	A bike master plan has been completed and adopted by the City Council	In Progress
	An ambitious redesign of Bulldog Boulevard is underway to provide protected bicycle lanes. A multi-use path was added to the Lakeview Parkway project from I-15 to the Provo Airport.	In Progress
Objective 6.3.1 Provide all households important information explaining what to do before, during, and after major emergencies—earthquakes, wildfires, flooding, extreme weather, mass violence, pandemic influenza, and other communicable diseases.	Funding for additional Power Cots will allow safer transfers into and out of ambulances for emergency responders and patients.	In Progress
	The Everbridge emergency notification system was implemented during FY 16 which allows enhanced reverse 911 and additional emergency notification options for Provo residents.	Complete
Objective 6.4.2 Promote the use of zero or reduced emission transportation using bicycles, electric vehicles, mass transit, etc.	Clear the Air Challenge for July 2014, a joint resolution was approved to encourage city employees and other residents to find ways to improve air quality by using alternative travel methods.	In Progress
	In June of 2014 the Municipal Council passed a resolution supporting a Bus Rapid Transit route alignment through Provo City.	In Progress
	January 2015 the council and administration approved a joint resolution encouraging the State of Utah to address comprehensive transportation funding to support local transportation needs and provide for future growth.	In Progress
Objective 7.2.1 Identify important historical sites located throughout the city, even those where structures no longer exist, and preserve the history of the site.	Funding was included to facilitate the Provo City Center Temple Open house event.	In Progress
Objective 8.1.1 Maintain a brand and image for Provo City	Provo City now has a consistent brand developed by a private consulting firm.	Complete
8.2.3(a) Identify and allocate marketing budget to cover initial and annual marketing program expenses.	FY16 includes funding for an out-of-state marketing campaign.	In Progress
8.2.4(a) Create a plan for on-going brand management and ROI assessment.	Provo now employs full-time staff to support the brand with multimedia aids.	In Progress
9.3.1(b) Identify or provide incubator space for early stage businesses until they are more mature and can afford market rents and leases.	Provo provided a no-interest loan to the Candy Startup to facilitate its transition to a start up center. The city organizes weekly events and other programs to promote the startup community.	Complete

Action Item	Step Taken	Status
Objective 9.3.2 Develop and maintain a city-wide Economic Development Strategic Plan that identifies new employment and retail opportunities.	In September 2014 the municipal council approved funding for a retail strategy study to review, analyzed, and recommend retail strategies for retail centers within Provo.	Complete
	In FY14 and FY15 Provo contracted consulting firms to establish "Provo Strategy" to identify specific goals and a retail strategy.	Complete
	July 2014 the municipal council enacted a mobile food business ordinance to regulate the licensing and operations of mobile food businesses.	In Progress
9.6.1(a) Put all necessary elements for commercial regional transportation into place, i.e., marketing, terminal/baggage, ground transportation, parking, safety, security, etc.	Parking has been improved at the Airport.	In Progress
Objective 11.1.2 Work in proactive partnership with neighboring jurisdictions, civic and religious groups, and law-abiding citizens to actively patrol and police neighborhoods.	In January 2015 the municipal council and administration approved a joint resolution encouraging parents to speak with their youth about the dangers of Fight Nights in order to help ensure the health, safety, and welfare of our children.	In Progress
	FY 2016 includes Funding for three additional police officers.	In Progress
Objective 11.1.2 Work in proactive partnership with neighboring jurisdictions, civic and religious groups, and law-abiding citizens to actively patrol and police neighborhoods.	The Everbridge emergency notification system was installed this year to provide greater interaction with citizens and neighborhoods.	Complete
	The Recreation Center has been designated as the EOC for Provo City	Complete
12.5.2(a) Work with the efforts for creating an image and brand the city to identify a sign plan or design that is consistent with the image and branding efforts.	Provo hired consultants to develop a wayfinding program for the city. Deployment of the signage is in progress.	In Progress
Objective 12.6.1 Provide direct routes to and from the airport and alternative methods for public transportation.	The west-side connector with access to the airport began in FY14 and is expected to be completed in FY16	In Progress
13.4.1(a) Utilize the new Senior Center by providing on-going educational programs that aid the seniors in health-care, religious courses (for all denominations), and other classes with emphasis on cultural and religious unity that are requested by them.	The senior center section of the recreation center offers enrichment classes for elderly citizens.	Complete
Objective 14.1.1 Post important government documents, including official transactions, legislation, policy, procedures, and performance measures, online with easy search capability.	Publicly available documents are all posted online.	Complete
Objective 14.1.2 Enhance government services to citizens by creating convenient one stop service centers in government buildings and online.	Customer service has consolidated many requests made of the city.	In Progress

Action Item	Step Taken	Status
Objective 14.2.2 Encourage each government entity to develop ten-year or longer financial plans that demonstrate the impact of current decisions on long-term financial sustainability.	A 10-year projection is conducted each fiscal year to analyze future financial stability	Complete
	Master plans for most city utilities are underway or have been recently completed, detailing increased revenue needs over a 20 year period.	In Progress
Objective 14.3.1 Encourage government entities to create citizen academies to develop groups of well-informed citizens.	The Police Department currently offers a citizen academy. A general city-wide academy will be offered in FY16.	In Progress
	The City began offering Provology 101, an 8-week citizens academy with a citywide emphasis.	In Progress
Objective 14.3.2 Increase the diversity of residents and stakeholders serving on government boards and commissions with the addition of minorities, women, and a broader range of ages and geographic locations to achieve broader representation and more balance.	Efforts are ongoing and appointments have been made with the intent of increasing diversity of boards and commissions. Appointments are for shorter terms resulting in more rotation and greater opportunity for diversity.	In Progress



Informational Section



Basis of Budgeting

This budget document is prepared using the modified-accrual basis for all funds, the same basis used to prepare the City's financial statements in the Comprehensive Annual Financial Report. The modified accrual method is a governmental accounting method where revenue is recognized when it becomes measurable and available. Expenditures are typically recognized in the period in which the liability is incurred. Budgets are prepared annually, with regular review with each department director. All funds included in the budget book are legally appropriated by the Municipal Council.

Budget Administration and Methodology

Provo City's Finance Division in the Administrative Services Department assists the Mayor in preparing the city's budget, following regulations from the Utah State Auditor's Office and within approved guidelines listed in the Utah Municipal Code 10.6 Uniform Fiscal Procedures for Utah Cities. The budget team works closely together to present to the Municipal Council a balanced budget. The balanced budget methodology means that revenue is greater than expenditures, revenue equals expenditures, or revenue and appropriated fund balance equals expenditures. An approved budget is required for any fund that will have expenditures throughout the year. Further budget policies and processes will be discussed throughout the budget book.

Budget Preparation

Preparation for the Fiscal Year 2016 budget began in April 2014 with the Mayor, CAO and administrative team along with a Citizen Budget Committee that was created by the Municipal Council. The administrative budget team presented budget and financial training to the committee members that covered various topics such as: Fiscal Year 2015 Budget document in detail, Governmental and financial reporting relating to the Comprehensive Annual Financial Report (CAFR), Single Audit Report, Popular Annual Financial Report (PAFR), Quarterly Report, and Principles of Financial Management. The committee has focused on the following topics: Citizen Engagement in creating a long-term, sustainable structural budget, user fees, utility rates, sales and property taxes, and city-wide capital improvement needs. IN January 2015, the administrative budget team met with City administration on a bi-weekly basis to continually review updated revenue forecasts, budgeted shortfalls and other challenges.

Budget Approval

Once the budget process is complete, the Mayor presents the completed budget to the Municipal Council by the first Tuesday in May. The Council then reviews the budget and presents any questions or concerns to administration. Two public hearings are held in the month of June during regularly scheduled council meetings. Per Utah State Code, the budget must be adopted by resolution by June 22nd of each fiscal year, unless the City is planning on Truth in Taxation. If the city holds a Truth in Taxation hearing, the budget must be adopted by August 17th. Once the budget is adopted, this becomes the legal working budget for each department/division in the city.

The budget resolution presented to the council provides the budget staff with the ability to make changes to the budget throughout the fiscal year. The resolution provides for the following:

- Authorization to carry outstanding encumbrances and project/grant balances from one fiscal year to the next, and authorization to re-appropriate with the Mayor's approval.
- Projects within the capital improvement funds cannot be deleted, changed in budget amount by more than 10% of the original cost or \$50,000, whichever is less, or new projects added without approval from the Municipal Council.
- Authorization to move budget appropriations along with needed expenditure adjustments including capital labor from the individual enterprise funds to the corresponding capital improvement fund in conjunction with the capital expenditure.
- Mayor is authorized to increase appropriations for revenues in excess of the adopted budget in the following areas: Police & Fire reimbursable overtime, medical supply inventory, grants, cemetery fees received in Parks & Recreation CIP Fund, Winterfest sales and donations, lease and interest revenue, new development street signs and street overlays, impact fees, aid-to-construction, reimbursements, revenues in self-sustaining funds and donations.
- Mayor is authorized to transfer excess fund balances of funds subsidized by the General Fund, Justice Court, and Trust and Agency back to the General Fund.

Budget Presentation

Each fund or department's financial report includes three years of actuals, the FY 2016 "adjusted" budget and the FY 2017 Proposed budget. The adjusted budget includes the FY 2016 adopted budget, any appropriations from the current fiscal year, and carryover from the previous fiscal year, including capital project budgets.

Budget Timeline

December 2015	<ul style="list-style-type: none">• Distribute 5-year capital improvement packets to departments• Review revenue forecasts
January	<ul style="list-style-type: none">• Review proposed Fiscal 2016 budget calendar with directors• Distribute payroll schedules and budget worksheets to departments
February	<ul style="list-style-type: none">• 5-year capital improvement packets returned to Budget Division• Review 5-year capital improvement packets and budget worksheet with directors and administration
March	<ul style="list-style-type: none">• Deliver and review 5-year capital improvement plan to Municipal Council
April	<ul style="list-style-type: none">• Proposed budget worksheets are prepared based on recommendations from Administration• Review key issues of proposed budget with Municipal Council• Finance Budget Team to prepare final proposed documents to be presented to employees and Municipal Council
May	<ul style="list-style-type: none">• Present proposed budget to employees and to the Municipal Council• Directors budget briefings with Municipal Council
June	<ul style="list-style-type: none">• Budget to be adopted by this date per State Code if not holding a Truth in Taxation hearing June 22• Review 10-year budget forecast• Administration and Municipal Council budget sharing
August	<ul style="list-style-type: none">• Truth in Taxation hearings held• Budget to be adopted by August 17 per State Code if Truth in Taxation hearing passes• Submit budget to Utah State Auditor's office• Submit to GFOA for certification

Principles of Financial Management

This fiscal policy is a statement of the guidelines and goals that will influence and guide the financial management practices for the City of Provo. A fiscal policy that is adopted, adhered to, and regularly reviewed is recognized as the cornerstone of sound financial management.

Effective fiscal policies:

1. Contribute significantly to the City's ability to insulate itself from fiscal crisis.
2. Enhances short-term and long-term financial credit ability by helping to achieve the highest possible credit and bond ratings.
3. Promotes long-term financial stability by establishing clear and consistent guidelines.
4. Directs attention to the total financial picture of the City rather than single issue areas.
5. Promotes the view of linking long-term financial planning with day-to-day operations.
6. Provides the Municipal Council and citizens with a framework for measuring the fiscal impact of government services against established fiscal parameters and guidelines.

Following these principles will 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 grow 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. To these ends, the following fiscal policy statements are presented.

Fund Balance

Fund Balance is the difference between assets and liabilities reported in governmental funds. It is used to measure the net financial resources available to finance future expenditures. The Governmental Accounting Standards Board specifies the classification of fund balance. The components include: 1) non-spendable, 2) restricted, 3) committed, 4) assigned, and 5) unassigned. A definition of these components can be found in the Appendix. These classifications are currently only used in the Governmental Fund types.

Municipalities may accumulate fund balances in any fund. However Utah Code 10-6-116 states the General Fund balance amount must be within the following limits: 5% of total revenues must be maintained as a minimum fund balance, and the accumulation shall not exceed 25% of the total estimated revenue of the General Fund. The fund balance percentage will be calculated using the Utah State Auditors guidelines. The fund balance policy focuses on the assigned and unassigned components of fund balance. Fund balance in excess of 25% should be used to 1) fund one-time expenditures in the current year, 2) prepay existing City debt, or 3) transfer to a capital project fund to be used for capital expenditures.

Governmental Funds

General Fund

1. The General Fund is the primary fund for the City. This fund is used to account for all financial resources not accounted for in other funds.
2. The desired unassigned fund balances at the close of each fiscal year should be between 20-25% of the total budgeted revenues for the following fiscal year.
3. The City's unassigned fund balance will be maintained to provide the City with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing.
4. In the event of a declared fiscal emergency or other such global purpose as to protect the long-term fiscal security of the City there may be a need to appropriate unassigned fund balance below the 20% policy level. In such circumstances, the City will:
 - a. Take measures necessary to prevent its use in the following fiscal year by increasing fees or taxes and/or

decreasing expenditures.

- b. Adopt a plan to restore the available fund balances to the policy level within 36 months from the date of the appropriation. If restoration cannot be accomplished within such time period without severe hardship to the City, then the Municipal Council will establish a different but appropriate time period.
5. The unassigned fund balance should not be used to support recurring operating expenditures.
6. The annual budgets for all City funds will be structurally balanced throughout the budget process. Recurring revenue will equal or exceed recurring expenditures in both the Proposed and Adopted Budgets. If a structural imbalance occurs, a plan will be developed and implemented to bring the budget back into balance.
7. The unassigned fund balance can only be appropriated by Municipal Council resolution.

Other Governmental Funds

1. *Special Revenue Funds* - used by the City to account for revenues derived from specific taxes, licenses and inter-governmental grants which are designated to finance particular functions or activities in the City.
2. *Debt Service Funds* - used to account for the accumulation of resources for the payment of general obligation bonds and for the accumulation of special assessments for the payment of special improvement bonds.
3. *Capital Project Funds* - used to account for resources designated to construct governmental capital assets which may require more than one fiscal year for completion.

Proprietary Funds

Enterprise Funds

1. Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. Each individual Enterprise Fund has a capital improvement fund associated with it.
2. The existing enterprise funds account for construction; operation; maintenance; related debt; and property, plant and equipment within each fund.
3. Airport, Energy, Golf Course, Sanitation, Storm Drain, Water, Wastewater, Utility Transportation are classified as Enterprise Funds.
4. The desired fund balance at the close of each fiscal year should be 25% of the operating revenues for the following fiscal year.

Internal Service Funds

1. Internal Service Funds are used to account for the financing of services provided by one department to other departments with the City.
2. Customer Service, Employee Benefits, Insurance/Claims, Fleet Management, Vehicle Replacement, Capital Resources, Facility Services, and Computer Replacement, Telecom are classified as Internal Service Funds.
3. The desired fund balance for each fund at the close of each fiscal year should be as listed:
 - a. Customer Service - \$50,000 with excess being returned to contributing departments.
 - b. Employee Benefits - \$2 Million with excess being returned to contributing departments.
 - c. Insurance/Claims – \$1.5 Million minimum with a maximum of \$3 Million with excess being returned to contributing departments.
 - d. Fleet Management - \$200,000 with excess being returned to contributing departments.
 - e. Facility Services - \$100,000 with excess being transferred to the General Capital Improvement Fund.
 - f. Computer Replacement – no limit. Departments are allowed to accumulate up to ½ of their computer replacement needs in this fund.
 - g. Telecom – no limit. Fund balance will be used to provide a network that meets City needs. Any excess fund balance will be maintained to provide funding for bond payments at the end of the term so the telecom debt service fee may be eliminated early.

Fiscal Planning and Budgeting

The budget is one of the most important documents the City prepares since it identifies the services to be provided and how the services are to be financed.

Budget Process

1. The Mayor shall provide annually a Budget Preparation Schedule outlining the preparation timelines for the proposed budget.
2. Budget packages for the preparation of the budget, including forms and instructions, shall be distributed to City departments to complete. Departments shall prepare and return their budget proposals to the City Budget Officer as required in the Budget Preparation Schedule.
3. The budget that will be submitted by the Administration shall be submitted to the Municipal Council on the first Tuesday in May and will be in compliance with state and City legal requirements.
4. The Municipal Council will budget revenues and expenditures on the basis of a fiscal year which begins July 1 and ends on the following June 30.
5. The City Budget Staff will prepare a budget in accordance with the guidelines established by the Government Finance Officers Association in its Distinguished Budget Award Program.
6. The annual fiscal plan will contain the following:
 - a. Revenue estimates by major category
 - b. Expenditure estimates by program levels and major expenditure categories
 - c. Debt service summarized by issues detailing principal and interest amounts by fund
 - d. Proposed personnel staffing level
 - e. A detailed schedule of capital projects
 - f. Overhead charges allocation methodologies are designed and used to reasonably allocate the cost of internal service fund expenses to line departments; charge for service formulas should be calculated to fairly allocate these internal services costs among line departments and functions.
 - g. Any additional information, data, or analysis requested of management by the Municipal Council
7. The Municipal Council will adopt the budget no later than June 22; if a Truth in Taxation hearing is necessary adoption must take place by August 17.

Budget Policies

1. The City will fund current expenditures with current revenues and other resources.
2. The encumbered balances (open purchase orders) will be considered for re-appropriation in the subsequent fiscal year with approval from the Mayor.
3. By City ordinance, funds appropriated for multi-year capital projects will be automatically re-appropriated for the same project in subsequent years until the project is complete.
4. The City will not use debt to fund current operations.
5. The City will maintain a Capital Asset Replacement Schedule which provides a five-year estimate of the funds necessary to maintain and replace the City's capital assets. The Capital Asset Replacement Schedule will be updated as part of the Capital Improvement Program planning process.
6. If a deficit is projected during any fiscal year, the City will take steps to reduce expenditures, increase revenues or, **if a deficit is caused by an emergency**, consider using fund balance, to the extent necessary to ensure a balanced budget at the close of the fiscal year.
7. The Mayor may institute a cessation during the fiscal year on hiring, promotions, transfers, and capital equipment purchases. Such action will not be used arbitrarily and without knowledge and support of the Municipal Council and will allow for exceptions in appropriate areas to comply with emergency needs such as a loss or decline in a major revenue source or natural disaster.
8. Unspent budget may be considered for re-appropriation in the subsequent fiscal year with approval from the Mayor.

Performance and Measurement

1. Budgeting procedures will attempt to identify distinct functions and activities and to allocate budget resources to perform these functions and activities as required.
2. Alternatives for improving the efficiency and effectiveness of the City's programs and the productivity of its employees will be considered during the budget process.
3. Duplication of services and inefficiency in delivery should be eliminated wherever identified. The City will continue to examine alternative service delivery options for all City functions.
4. Performance measurement and productivity indicators will be integrated into the budget process as appropriate.
5. A quarterly report on the status of the General Fund and other major funds will be presented to the Municipal Council within 75 days of the end of each quarter. This report will include a forecast of revenues.
6. Department directors and division heads are required to monitor revenues and control expenditures to prevent exceeding the amount of their total departmental expenditure budget.
7. Annually the Mayor shall submit to the Municipal Council a General Fund Ten-Year Budget Forecast, including revenue and expenditure projections.

Revenues

The City collects revenues from many sources to provide services and meet operational needs. The largest revenue sources are sales taxes, franchise fees and user fees. The structure, fluctuation, and collection of revenues are examined by rating agencies to determine the City's credit quality.

1. The City will strive to maintain a diversified and stable revenue system to shelter it from short-term fluctuations in any one revenue source.
2. Major revenue sources should provide for the following principles:
 - a. Revenue sources should provide appropriate treatment of taxpayers at different economic levels.
 - b. Revenue sources should treat taxpayers equally regardless of income or wealth.
 - c. Revenue sources should not unduly influence economic decisions by consumers or business except for targeted development or redevelopment programs approved by the Municipal Council.
 - d. Revenue administration and enforcement should not absorb an undue percentage of revenue collected.
3. The City will periodically recalculate the full costs of providing services in order to provide a basis for setting the associated service charge or fee. Full cost shall incorporate direct and indirect costs, including operations and maintenance, overhead, and charges for use of capital facilities, thereby setting fees at a level that is related to the cost of producing the good or service, unless otherwise restricted by law. The City will periodically examine current competitive rates and establish new charges and fees as needed and as permitted by law. It is recognized that occasionally competing policy objectives may result in user fee levels that recover only a portion of service costs.
4. The Mayor will provide the Municipal Council with an estimate of the City's revenues annually.
5. The City will pursue intergovernmental aid, including grants, for those programs and activities that address a recognized need and are consistent with the City's long-range objectives, and will attempt to recover all allowable costs associated with those programs.
6. Before accepting grant funds, the following will be reviewed:
 - a. Present and future funding requirements.
 - b. Cost of administering the funds.
 - c. Matching funds and requirements to retain positions beyond the grant period.
 - d. Costs associated with the special conditions or regulations attached to the grant award.
7. When grants are reduced or eliminated, the plan or project it supported will be reduced by a commensurate amount.
8. For an overview of revenues collected see the Appendix in this document, for detail of all fees collected see the Consolidated Fee Schedule at <http://www.codepublishing.com/ut/provo/>.

Transfers

The City uses the transfer from the enterprise utility funds to the General Fund as a dividend to the taxpayers of Provo for their initial investment in establishing these enterprise funds (return on investment) and in the risk undertaken by the taxpayers in creating these utilities. Investor owned utilities provide a similar return to their investors and allowing such

returns has been a long established practice in rate setting.

1. Transfers from

- a. Enterprise utility funds provide a transfer of 11% of utility sales to the General Fund each fiscal year.
- b. Additional transfers may be approved by the Municipal Council but should not be considered a long-term revenue source for the General Fund
- c. The Justice Court collects fines from traffic, parking and criminal cases. The fines are collected to recover a portion of the costs incurred by the Police and Legal Departments. As a result, a transfer is made to the General Fund after expenses are covered during the fiscal year.

2. Transfer to

- a. The General Fund provides transfers to various departments for debt service, lease payments and operating subsidies.
- b. Current funds receiving an annual subsidy from the General Fund are: Airport, Airport Capital Improvement Fund, Golf Course, Peaks Ice Area, and Covey Center for the Arts.

Other Budget Information

All City budgets are included in this budget book, with the exception of the Storm Water Service District and the Provo Redevelopment Agency. Those budgets are approved separately by the governing boards of those entities. The budgets are included in the Appendix at the end of this book.

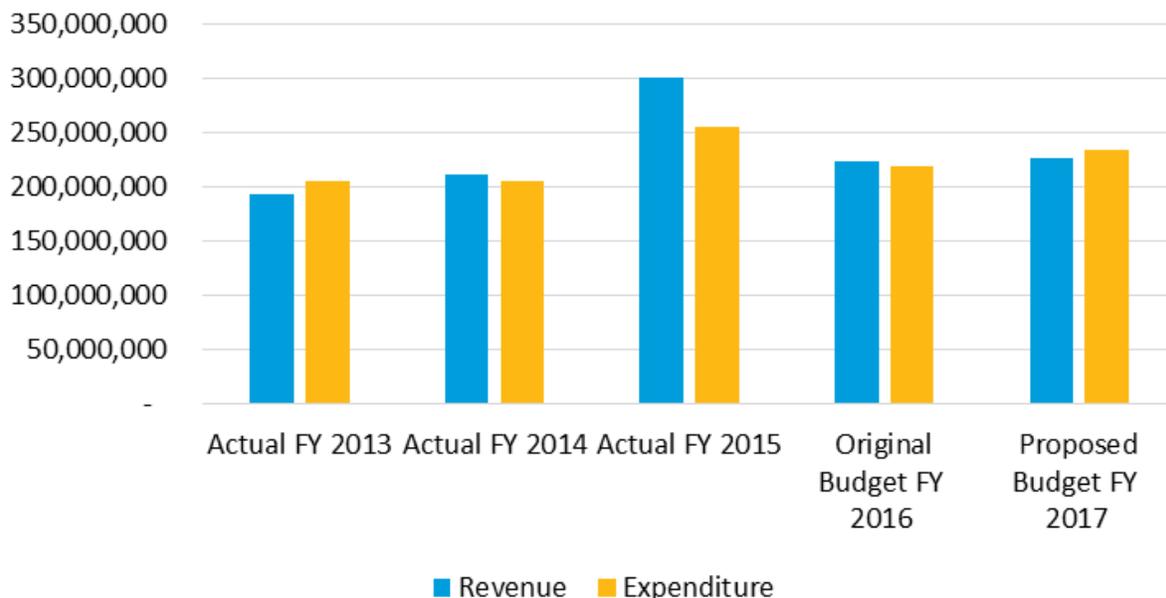


Financial Information



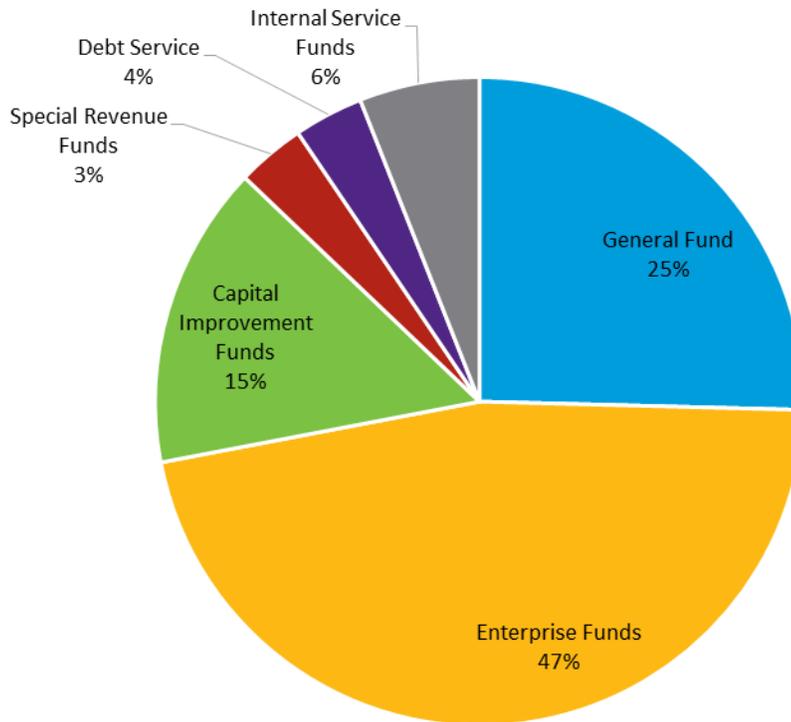
All Funds Summary	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue & Transfer In						
Utility Sales	83,379,184	84,773,492	84,852,949	93,088,981	93,218,774	98,441,106
Sales Tax	15,461,642	16,076,033	16,625,467	16,856,536	16,824,973	17,125,000
Chargeback	13,420,930	14,071,598	14,877,478	15,608,153	15,451,789	13,294,644
Property Tax	7,738,885	7,733,804	8,508,444	8,510,551	8,438,983	8,314,718
RAP Tax	-	-	-	-	-	1,306,002
Franchise Fee	8,942,802	9,241,971	8,968,661	9,736,812	9,000,000	9,398,000
Fees	13,174,342	18,226,770	21,399,451	17,123,983	23,903,032	19,611,100
Grants	4,925,247	8,765,150	12,310,198	9,084,000	21,059,296	8,248,000
Telecom Debt Charge	3,291,823	3,337,730	3,336,503	3,250,000	3,377,775	3,250,000
B&C Roads	3,060,622	2,927,849	3,091,724	3,335,622	3,335,622	3,392,259
Miscellaneous	5,614,666	6,699,090	3,712,903	1,836,861	2,748,450	4,411,704
Other Tax	6,220,026	6,128,685	6,369,401	4,971,493	4,951,493	5,006,993
License	739,385	638,810	669,088	628,000	560,000	676,000
Principal/Interest Income	2,877,554	511,874	735,359	361,316	766,512	234,566
Land Sales	191,073	71,000	77,060	-	199,318	-
Bond Proceeds	-	2,334,000	42,342,180	7,302,214	7,302,214	-
Transfer In	24,300,245	29,536,096	73,433,877	32,349,453	32,728,576	34,228,372
Total Revenue & Transfer In	193,338,426	211,073,951	301,310,743	224,043,975	243,866,807	226,938,464
Expenditures & Transfer Out						
General Fund	49,684,690	55,295,527	56,725,381	57,120,237	59,212,021	59,486,711
Enterprise Funds	87,936,286	94,584,018	135,166,007	105,282,664	108,134,321	109,811,532
Capital Improvement Funds	37,689,219	24,004,847	29,397,064	27,423,266	113,287,289	35,101,711
Special Revenue Funds	8,044,037	8,531,288	8,728,945	8,053,084	8,338,980	8,031,562
Debt Service	8,209,372	8,230,865	10,918,517	8,433,272	8,654,272	8,170,090
Internal Service Funds	14,483,397	15,077,506	14,608,800	14,973,699	16,819,794	14,133,425
Total Expenditures & Transfer Out	206,047,001	205,724,051	255,544,713	221,286,222	314,446,676	234,735,030
Net Change in Fund Balance	(12,708,576)	5,349,900	45,766,030	2,757,753	(70,579,869)	(7,796,566)

Revenue vs Expenditures

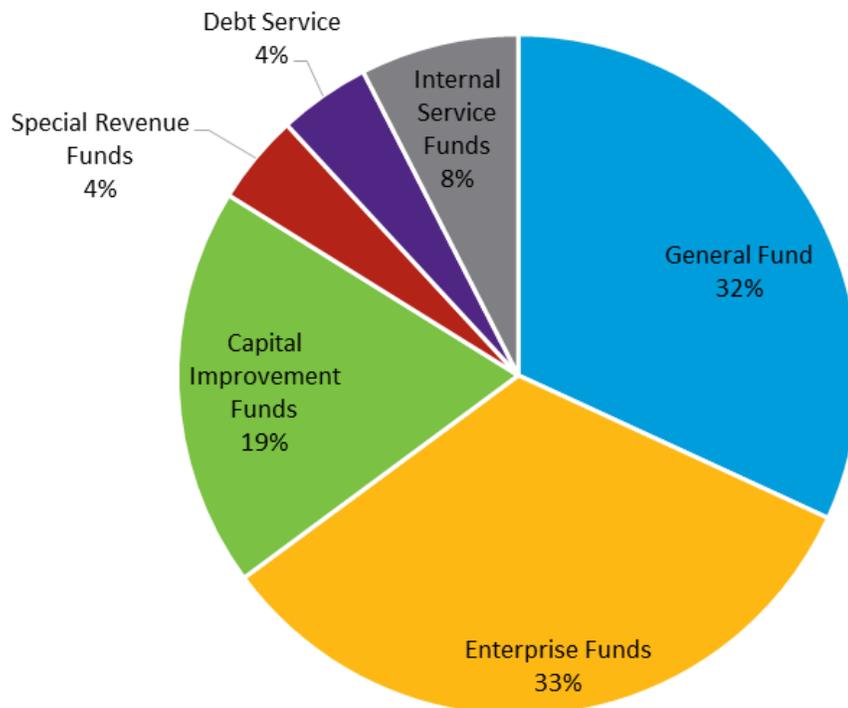


Total expenditures above include the cost of purchased power from Utah Municipal Power Agency, which is included in the Operations category. Total expenditures are compared both with the purchased power cost and without the purchased power cost.

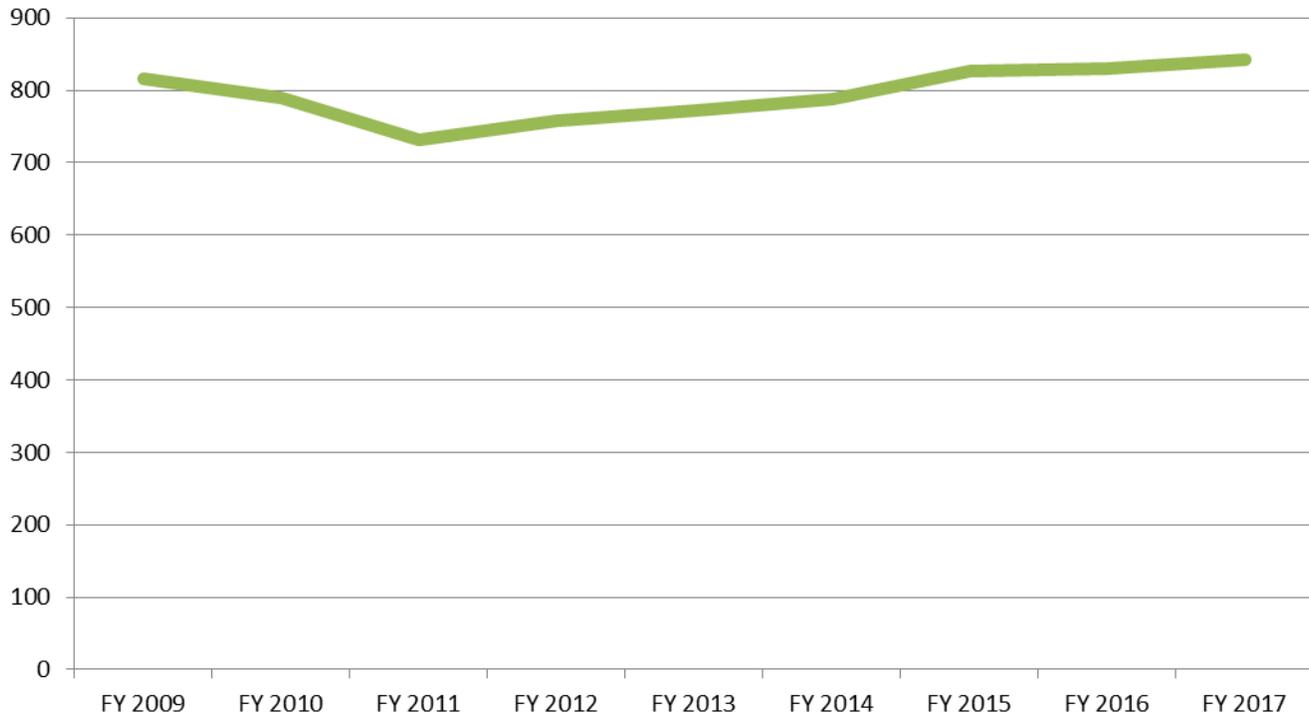
Proposed Budget FY 2017



Proposed Budget FY 2017 (without Purchased Power)



FTE Summary - All Funds - FY2009 to FY2017



FTE Summary FY 2008 - FY 2016									
Fund	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
General Fund	515.27	494.52	463.52	478.90	488.67	502.35	537.06	536.85	541.00
Justice Court	11.00	12.00	13.88	13.87	12.75	12.75	12.63	11.50	11.50
Emergency Response	6.00	8.00	9.04	9.02	9.03	9.03	7.03	5.03	4.03
Media Services	4.44	4.44	3.04	3.03	3.10	2.63	-	-	-
Library	52.38	51.88	51.33	53.15	53.18	52.07	57.60	57.82	60.99
Arts Council	12.83	11.58	11.11	11.11	11.12	11.12	10.00	14.05	14.04
Golf	7.91	7.91	7.65	7.68	7.69	7.69	7.69	7.69	12.20
Water	34.40	34.00	30.73	32.10	32.10	32.35	36.00	37.10	36.60
Wastewater	27.56	27.56	26.56	27.56	27.55	27.80	27.80	27.80	28.30
Energy	103.09	100.10	82.64	86.76	65.01	63.01	64.46	66.06	66.55
Telecommunications	-	-	-	-	1.00	1.00	-	-	-
Airport	2.00	2.00	2.00	3.65	3.65	3.65	3.65	4.15	4.15
Sanitation	15.41	16.41	16.21	16.21	14.21	13.56	13.56	16.56	16.56
Customer Service	-	-	-	-	27.67	31.55	31.45	29.45	30.20
Insurance/Claims	-	-	-	-	1.00	1.00	1.00	1.00	1.00
Employee Benefits	-	-	-	-	-	0.63	0.66	0.66	0.66
Vehicle Maintenance	10.75	10.75	7.00	8.00	8.00	8.00	8.00	8.00	8.00
Facilities	12.30	9.00	7.00	7.00	7.00	7.50	7.50	7.50	7.50
Total FTEs	815.34	790.15	731.71	758.04	772.73	787.69	826.09	831.22	843.28

In FY 2017 total FTES increased by 11.84. The largest changes were adjustments due to additional staff added to the Library as well as the decision to operate the Golf Course in-house instead of contracting the services.

Three dispatch positions were added in Police, and one dispatchers were moved from the Emergency Response Fund to General Fund. Two additional Zoning Officers were included. Cemetery changed a part-time position into a full-time positions. Likewise, customer service changed two representatives from part-time to full-time. Additionally, an admin was added to the Engineering division.

FY2017 Proposed Budget by Fund

Fund	Revenue	Transfer In	Expenditures	Transfer Out	Change in Fund Balance
General Fund	<u>47,465,061</u>	<u>12,021,649</u>	<u>(54,469,362)</u>	<u>(5,017,348)</u>	<u>-</u>
Enterprise Funds					
Airport	532,500	211,705	(744,205)	-	-
Energy	77,462,093	-	(61,844,336)	(15,989,988)	(372,231)
Golf Course	815,100	44,093	(932,665)	-	(73,472)
Sanitation	4,667,478	-	(4,566,541)	(645,880)	(544,943)
Utility Transportation	2,300,000	-	(2,300,000)	-	-
Wastewater	9,155,803	-	(4,967,296)	(4,147,438)	41,069
Water	<u>12,154,927</u>	<u>583,820</u>	<u>(7,561,672)</u>	<u>(6,111,511)</u>	<u>(934,436)</u>
Total Enterprise Funds	<u>107,087,901</u>	<u>839,618</u>	<u>(82,916,714)</u>	<u>(26,894,817)</u>	<u>(1,884,013)</u>
Capital Improvement Funds					
Airport	3,200,000	20,000	(3,220,000)	-	-
B&C Road	-	2,401,953	(2,575,000)	-	(173,047)
Energy	-	4,773,054	(7,336,154)	(295,427)	(2,858,527)
Engineering	4,300,000	-	(2,325,000)	-	1,975,000
General CIP	680,000	-	(1,078,367)	-	(398,367)
Golf	-	-	-	-	-
Parks & Recreation	4,645,000	1,306,002	(8,141,775)	-	(2,190,773)
Sanitation	-	100,000	(25,000)	(260,000)	(185,000)
Wastewater	500,000	2,306,545	(2,806,545)	-	-
Water	<u>150,000</u>	<u>4,480,000</u>	<u>(7,038,443)</u>	<u>-</u>	<u>(2,408,443)</u>
Total Capital Improvement Funds	<u>13,475,000</u>	<u>15,387,554</u>	<u>(34,546,284)</u>	<u>(555,427)</u>	<u>(6,239,157)</u>
Special Revenue Funds					
Arts Council	506,133	335,428	(841,561)	-	0
Cemetery Perpetuity	220,000	-	(169,902)	-	50,098
Performance	235,000	-	(235,000)	-	-
Emergency Response	612,000	-	(618,385)	-	(6,385)
Justice Court	1,901,000	-	(1,470,539)	(430,461)	-
Library	4,027,256	-	(4,192,242)	-	(164,986)
Trust & Agency	18,000	-	(2,000)	-	16,000
Family Games	75,000	-	(71,473)	-	3,527
Total Special Revenue Funds	<u>7,594,389</u>	<u>335,428</u>	<u>(7,601,101)</u>	<u>(430,461)</u>	<u>(101,745)</u>
Debt Service					
Telecom	7,500	3,250,000	(3,218,969)	-	38,531
ERP	<u>1,201,884</u>	<u>-</u>	<u>(881,944)</u>	<u>(253,476)</u>	<u>66,464</u>
General	<u>3,993,243</u>	<u>169,902</u>	<u>(3,375,701)</u>	<u>(440,000)</u>	<u>347,444</u>
Total Debt Service Funds	<u>5,202,627</u>	<u>3,419,902</u>	<u>(7,476,614)</u>	<u>(693,476)</u>	<u>452,439</u>
Internal Service Funds					
Capital Resource	7,649	-	(7,649)	-	-
Computer Replacement	-	-	-	-	-
Customer Service	2,719,037	93,889	(2,812,926)	-	0
Employee Benefits	2,547,444	-	(2,547,444)	-	0
Vehicle Replacement	2,782,084	248,448	(3,715,250)	-	(684,718)
Facility Services	862,585	-	(862,585)	-	-
Telecom	490,000	-	(29,372)	-	460,628
Insurance/Claims	1,476,603	-	(1,276,602)	-	200,001
Vehicle Maintenance	<u>2,881,596</u>	<u>-</u>	<u>(2,881,596)</u>	<u>-</u>	<u>-</u>
Total Internal Service Funds	<u>13,766,998</u>	<u>342,337</u>	<u>(14,133,425)</u>	<u>-</u>	<u>(24,089)</u>
Total - All Funds	<u>194,591,977</u>	<u>32,346,488</u>	<u>(201,143,500)</u>	<u>(33,591,529)</u>	<u>(7,796,565)</u>

General Fund Information

The General Fund is the primary fund for the City. This fund is used to account for all financial resources not accounted for in other funds. The departments/divisions included in the General Fund are the Municipal Council, Mayor's Office, Administrative Services (Human Resources, Information Systems, Finance, Recorder), Community Development, Economic Development, Media/Web Services, General Services, Fire, Police, Parks and Recreation, Engineering, and Streets.

Revenue

Revenue for the city can be classified into three major sources: taxes, transfers in, and fees. Taxes consist of sales tax, property tax, and road tax. Fees include inspection fees, franchise fees, user fees, parks fees, business licenses, apartment licenses, and other fees. Transfers in include transfers from the enterprise funds and the Justice Court. Other sources of revenue include intergovernmental revenues, grants, interest income, land sales, and other miscellaneous revenue. Revenue projections are done using trend analysis for those revenues that are not flat. Trend analysis generally includes a ten-year review of revenues received.

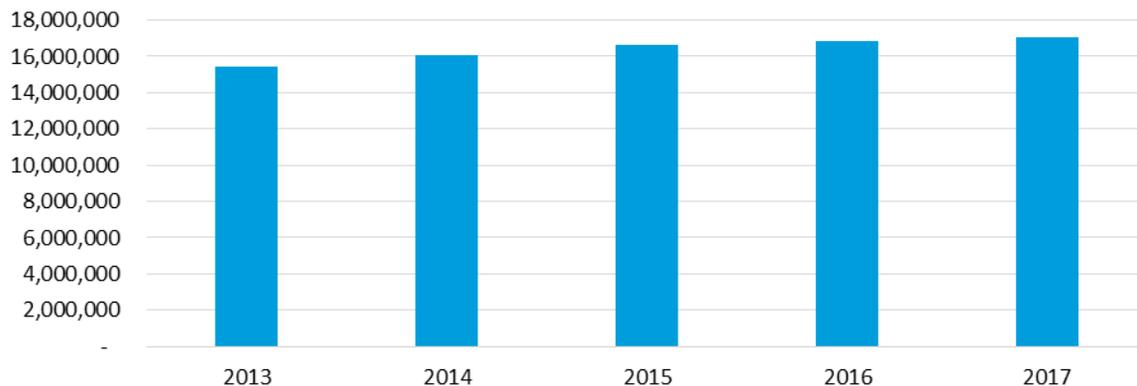
Taxes

Sales Tax

The largest source of revenue (30%) for the General Fund is sales tax. Sales tax for FY 2017 is budgeted at \$17.0 million, a 1% increase from the 2016 budget. Provo City has consistently been named one of the best cities to do business in the United States, and Provo City is always looking for new businesses to help bolster the economy further.

General Fund Revenue Summary	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017	% of Total
Sales Tax	\$ 15,461,642	\$ 16,076,033	\$ 16,625,467	\$ 16,856,536	\$ 16,824,973	\$ 17,125,000	29%
Transfer In	9,191,508	10,224,216	10,251,144	11,023,890	11,182,013	12,021,649	20%
Franchise Fees	8,942,802	9,241,971	8,968,661	9,736,812	9,000,000	9,398,000	16%
Fees	5,430,433	8,061,914	7,917,434	8,001,725	10,913,629	9,676,500	16%
Property Tax	4,314,024	4,306,888	4,888,013	4,921,568	4,850,000	4,694,462	8%
Road Tax	3,060,622	2,927,849	3,091,724	3,335,622	3,335,622	3,392,259	6%
Other Revenue	4,951,641	4,434,606	4,686,189	3,244,084	3,500,110	3,178,840	5%
Total Revenue & Transfer In	51,352,672	55,273,476	56,428,632	57,120,237	59,606,347	59,486,710	

Sales Tax Revenue



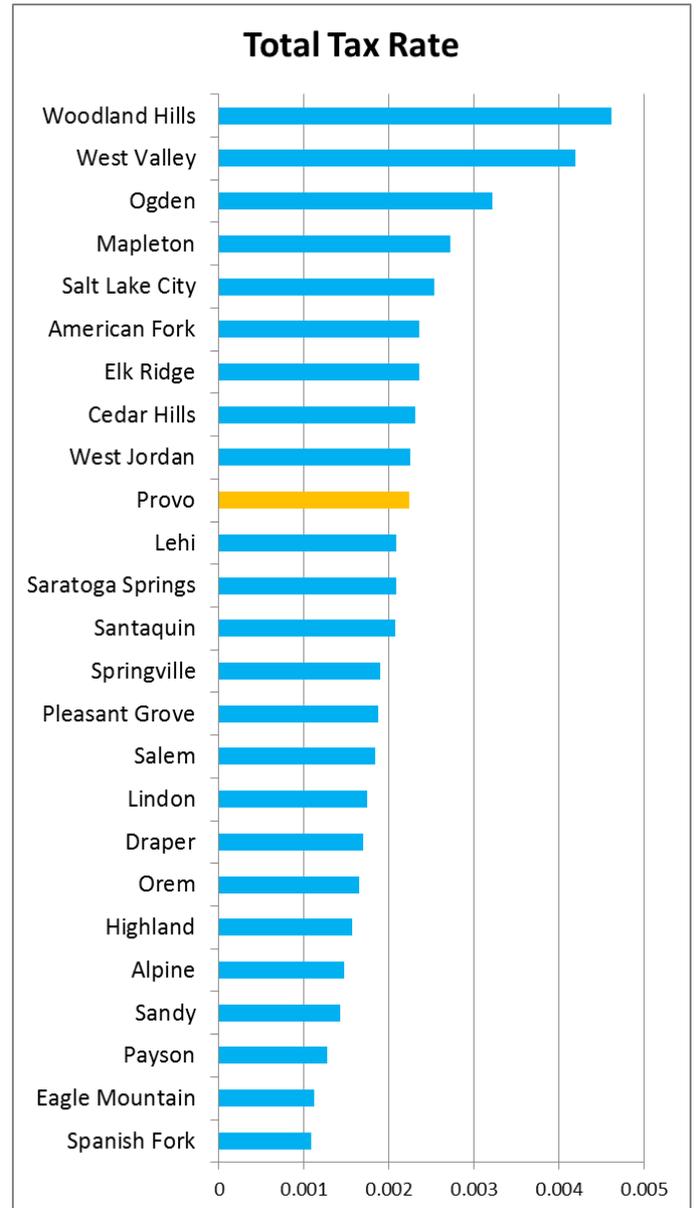
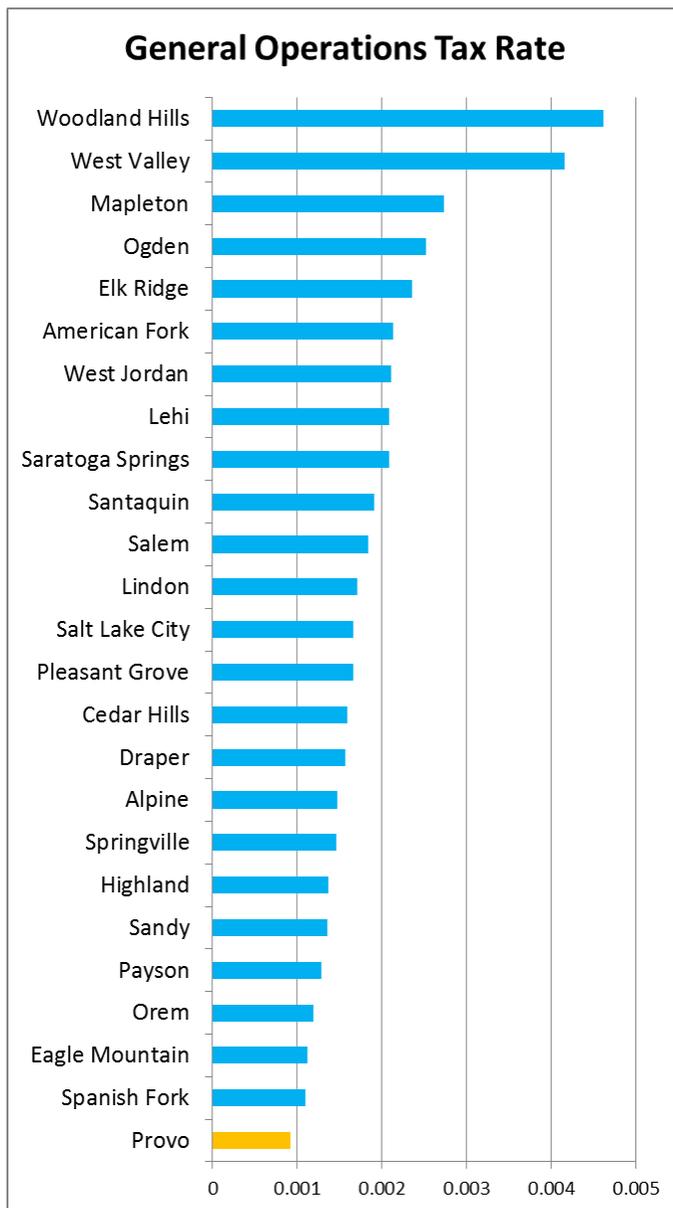
Property Tax

Property tax is the second largest source of tax revenue for Provo City. The City has three separate property tax levies that are imposed—general operations, library, and debt service. The general operations levy assists in paying for public safety, parks and recreation and other General Fund operations. The library levy pays for the operations of the Provo City Library. The debt service levy pays the principal and interest on the General Obligation bonds that Provo City has outstanding—detail about the bonds outstanding are included in the Debt Service section of this book. The rates used below are the certified 2015 rates.

Levy	Rate
General Operations	0.000914
Bond Obligations	0.000662
<u>Library Operations</u>	<u>0.000663</u>
Total Property Tax Rate	0.002239

Below is a comparison of property tax rates, total and only general operations, for all cities in Utah County and comparable cities in surrounding counties.

The total Property Tax budget includes ad valorem taxes and motor vehicle tax collections, which are not included in the City's total Property Tax levy.



Other Taxes

Other taxes included in the FY 2017 budget are the lodging tax and B&C Road taxes. Lodging tax pays for General Fund functions. The Road Tax pays for road maintenance throughout Provo City. This tax is received in the General Fund, and a transfer is done to the B&C Capital Improvement Fund to pay for these expenses.

Transfers In

Transfers in account for 20% of the total revenue and transfers in for the General Fund. Enterprise funds transfer 11% of their utility sales to the General Fund—10% for general operations and 1% to help pay for road maintenance in the Streets Division. The Justice Court also transfers in excess revenue for general operations in the General Fund.

Fees

Franchise Fees

Franchise fees account for 17% of the total General Fund revenue and transfers in. State law authorizes cities to collect up to 6% on utilities operating within city boundaries. In FY 2016 there is a budgeted increase in franchise fee revenue of 4.2%, which is in direct correlation to the increase in utility rates from Provo City utilities, as well as increases in rates for other privately owned utilities.

Other Fees

The other fees account for 15.8% of the total General Fund revenue and transfers in aggregate, but each fee individually is a smaller percentage of the total revenue. This revenue includes fees generated by the Community Development Department (building permits, planning and zoning fees, inspection fees, and other fees pertaining to building), fees generated by the Parks and Recreation Department (recreation center fees, sports participation fees, etc.), and fees generated by the Public Safety Departments (ambulance fees, commuting fees, etc.).

Other Revenue

Other revenue accounts for 2% of the total revenue and transfers in for the General Fund. This category includes grant and intergovernmental revenue, land sales, interest income, other tax, and miscellaneous revenue.

Expenses

The FY 2017 General Fund budget presents a balanced budget. Expenses are analyzed each fiscal year by the Finance Division and reviewed by the department directors. The largest expense in the General Fund is personnel (salaries and benefits).

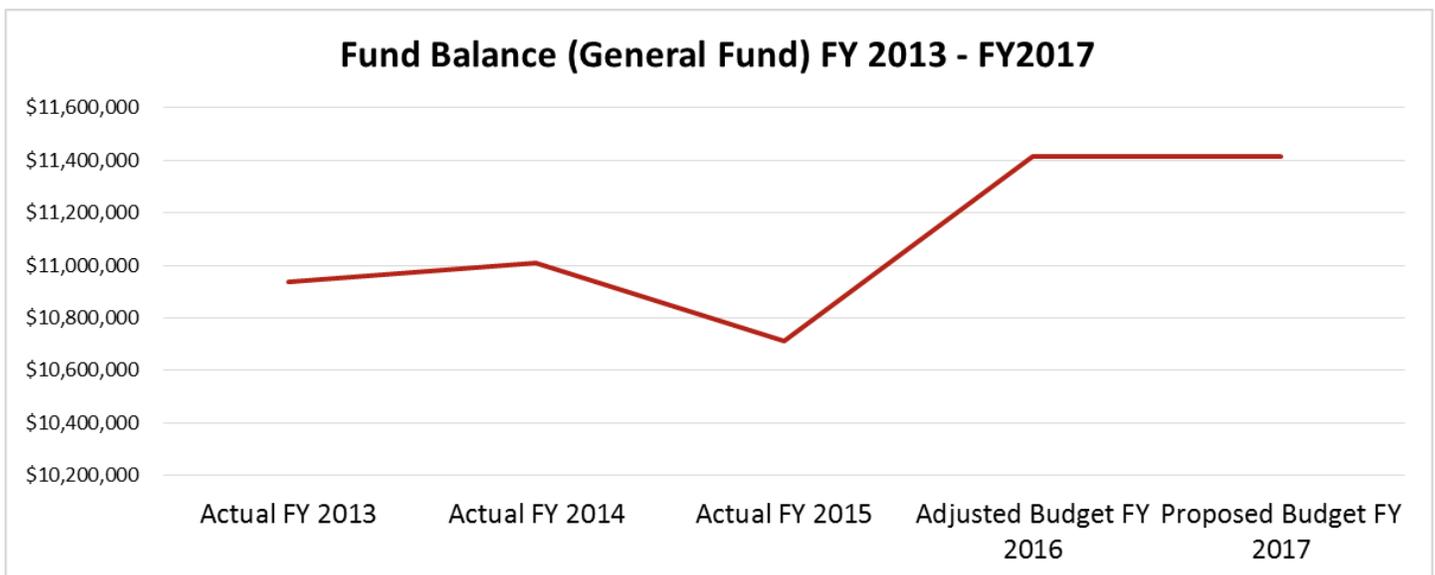
Budget Highlights

- Personnel expenses increased due to a 2.5 percent merit increase, market study adjustments, a slight 0.17 percent increase in firefighters retirement, and an 6.3 percent increase in medical insurance.
- Overhead expenses include costs for employee benefits, insurance and claims, vehicle replacement, vehicle fuel and repairs, utility charges, and facility maintenance charges.
- Transfers out increased for the RAP tax and increase monies available from road taxes..
- The decrease in Operations in adjusted FY 2016 is largely due to prior year carryovers.

General Fund Balance Summary	Beginning Fund Balance	Revenues	Transfer In	Expenditures	Transfer Out	Ending Fund Balance
Actual FY 2013	\$ 9,182,932	\$ 42,161,164	\$9,191,508	\$ (46,301,348)	\$ (3,383,342)	\$ 10,850,914
Actual FY 2014	10,850,914	45,049,261	10,224,216	(51,275,204)	(4,020,323)	\$ 10,828,863
Actual FY 2015	10,828,863	46,177,488	10,251,144	(51,840,041)	(4,885,340)	\$ 10,532,114
Original Budget FY 2016	10,532,114	46,096,347	11,023,890	(53,251,078)	(3,869,159)	\$ 10,532,114
Adjusted Budget FY 2016	10,532,114	48,424,334	11,182,013	(55,327,862)	(3,884,159)	\$ 10,926,440
Adopted Budget FY 2017	10,926,440	47,542,251	12,021,649	(54,469,361)	(5,094,538)	\$ 10,926,440

General Fund Summary	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenues						
Sales Tax	15,461,642	16,076,033	16,625,467	16,856,536	16,824,973	17,125,000
Franchise Fees	8,942,802	9,241,971	8,968,661	9,736,812	9,000,000	9,398,000
Fees	5,430,433	8,061,914	7,917,434	8,001,725	10,913,629	9,676,500
Property Tax	4,314,024	4,306,888	4,888,013	4,921,568	4,850,000	4,694,462
RAP Tax	-	-	-	-	-	1,306,002
B&C Roads	3,060,622	2,927,849	3,091,724	3,335,622	3,335,622	3,392,259
Chargeback	1,355,155	1,375,137	1,614,257	1,503,588	1,503,588	-
License	739,385	638,810	669,088	628,000	560,000	676,000
Grants	1,573,494	1,264,389	965,801	203,000	301,373	203,000
Miscellaneous	695,947	694,539	932,003	514,496	536,000	543,338
Other Tax	349,540	341,962	386,013	360,000	340,000	405,500
Interest Income	47,047	48,770	41,967	35,000	59,831	45,000
Land Sales	191,073	71,000	77,060	-	199,318	-
Total Revenue	<u>42,161,164</u>	<u>45,049,261</u>	<u>46,177,488</u>	<u>46,096,347</u>	<u>48,424,334</u>	<u>47,465,061</u>
Transfer In						
Transfer from Energy	6,486,740	7,290,195	7,129,310	7,712,298	7,661,102	7,966,934
Transfer from Water	907,293	979,873	990,910	1,198,719	1,301,507	1,327,384
Transfer from Wastewater	530,973	564,732	656,339	801,981	893,389	1,002,573
Transfer from Sanitation	410,120	454,977	463,174	474,540	468,843	479,380
Transfer from Storm Drain	230,176	258,695	306,545	384,835	405,655	467,940
Transfer from Justice Court	540,516	493,110	581,347	401,517	401,517	455,461
Transfer from Winterfest	-	-	-	-	-	18,500
Transfer from Debt Service	85,690	96,388	-	-	-	-
Transfer from ERP Debt Service	-	-	-	-	-	253,476
Transfers from Other Funds	-	86,245	123,520	50,000	50,000	50,000
Total Transfers In	<u>9,191,508</u>	<u>10,224,216</u>	<u>10,251,144</u>	<u>11,023,890</u>	<u>11,182,013</u>	<u>12,021,649</u>
Total Revenues & Transfer In	<u>51,352,672</u>	<u>55,273,476</u>	<u>56,428,632</u>	<u>57,120,237</u>	<u>59,606,347</u>	<u>59,486,710</u>
Expenditures						
Police	15,174,937	15,732,981	16,808,117	16,743,814	17,048,423	17,153,330
Parks	6,996,735	9,218,948	9,207,874	9,900,988	10,492,162	10,137,494
Fire	8,574,847	8,799,615	9,113,256	9,371,501	9,452,251	9,704,809
Information Systems	2,414,702	2,392,113	2,412,764	2,536,247	2,738,079	2,899,011
Community Development	1,946,644	2,073,913	2,203,022	2,323,875	2,471,467	2,577,532
Streets	1,844,554	1,868,557	1,793,161	2,037,308	2,037,308	2,012,507
Engineering	1,764,306	1,666,162	1,867,794	1,736,561	1,927,094	1,803,301
General Services	1,326,267	3,074,602	1,586,827	1,807,838	1,824,778	1,185,985
Legal	1,246,390	1,308,751	1,358,916	1,429,700	1,429,700	1,465,317
Finance	1,281,455	1,330,597	1,288,850	1,278,086	1,353,043	1,181,349
Mayor's Office	1,091,180	1,118,749	1,450,814	1,449,110	1,479,110	1,574,505
Human Resources	875,327	930,894	954,580	923,573	944,773	978,715
Municipal Council	818,868	938,297	925,173	952,972	1,034,076	1,037,853
Economic Development	945,136	821,025	868,892	759,505	1,095,598	757,655
Total Expenditures	<u>46,301,348</u>	<u>51,275,204</u>	<u>51,840,041</u>	<u>53,251,078</u>	<u>55,327,862</u>	<u>54,469,361</u>

General Fund Summary	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Transfers Out						
Transfer to Airport CIP	20,000	15,000	20,000	20,000	20,000	20,000
Transfer to Airport	244,209	339,553	291,611	291,611	291,611	211,705
Transfer to Covey Center	249,198	389,773	335,428	335,428	335,428	325,428
Transfer to B&C Roads	1,302,867	1,927,334	2,161,212	2,259,438	2,259,438	2,401,953
Transfer to Customer Service	152,300	139,844	94,332	98,112	98,112	93,889
Transfer to Debt Service	106,450	67,412	-	194,830	-	-
Transfer to ERP Debt Service	-	-	-	-	194,830	240,830
Transfer to General CIP	450,600	-	1,500,000	250,000	250,000	250,000
Transfer to Golf	167,832	159,241	144,540	144,540	144,540	44,093
Transfer to Golf CIP	47,611	-	-	-	-	-
Transfer to Justice Court	-	219,775	-	-	-	-
Transfer to Media Services	153,313	142,817	-	-	-	-
Transfer to Parks and Rec	69,288	195,000	-	-	-	1,306,002
Transfer to Vehicle Replacement	406,674	411,574	230,217	200,000	200,000	123,448
Transfer to Tax Increment	-	-	95,000	-	-	-
Transfer to Energy CIP	-	-	-	-	15,000	-
Transfer to Emergency Response	-	-	-	62,200	62,200	-
Transfer to Winterfest	13,000	13,000	13,000	13,000	13,000	-
Total Transfers Out	3,383,342	4,020,323	4,885,340	3,869,159	3,884,159	5,017,348
Total Exp. & Trans. Out	49,684,690	55,295,527	56,725,381	57,120,237	59,212,021	59,486,710
Net Increase (Decrease)	1,667,982	(22,051)	(296,749)	-	394,326	-
Beginning Fund Balance	9,182,932	10,850,914	10,828,863	10,532,114	10,532,114	10,926,440
Ending Fund Balance	10,850,914	10,828,863	10,532,114	10,532,114	10,926,440	10,926,440





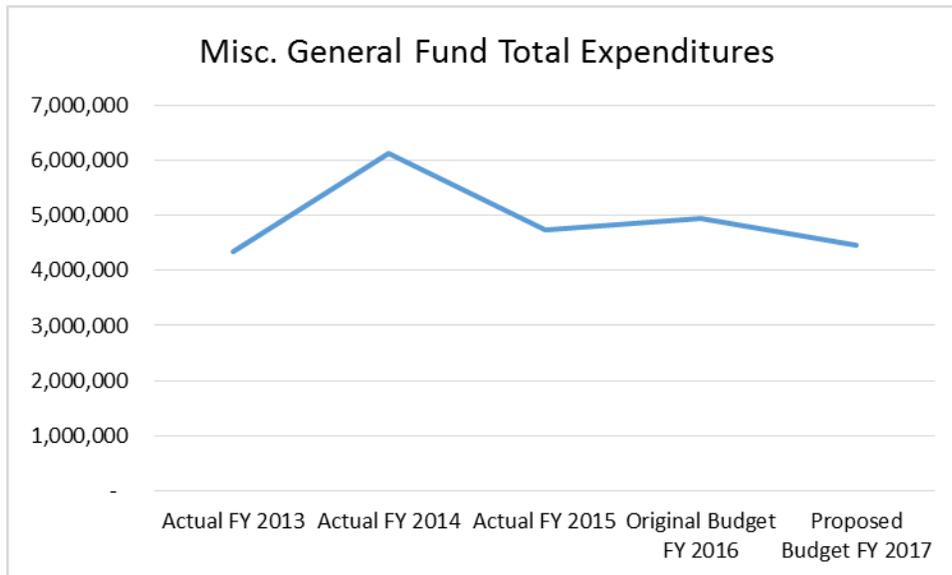
General Fund Departments



Various General Fund Divisions

Various General Fund Divisions	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue & Transfer In						
Fees	-	190	-	-	-	-
Grants	-	-	35,000	-	75,000	-
Miscellaneous	110,065	36,908	53,804	-	70,751	-
Transfer In	-	86,245	73,520	-	-	-
Total Revenue	110,065	123,343	162,324	-	145,751	-
Expense						
Municipal Council	818,868	938,297	925,173	952,972	1,034,076	1,037,853
Legal	1,246,390	1,308,751	1,358,916	1,429,700	1,429,700	1,465,317
Economic Development	945,136	821,025	868,892	759,505	1,095,598	757,655
General Services	1,326,267	3,074,602	1,586,827	1,807,838	1,824,778	1,185,985
Total Expenditures	4,336,661	6,142,676	4,739,809	4,950,015	5,384,152	4,446,810

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Municipal Council	8.88	9.26	8.86	9.50	9.50
Legal	13.43	13.43	13.43	13.30	13.30
Economic Development	4.00	4.00	4.00	4.00	4.00
General Services	-	-	-	-	-
Total FTEs	26.31	26.69	26.29	26.80	26.80



City Council

Department Function

- The Municipal Council is the legislative branch and policy making body of Provo City. The Council, through the adoption of ordinances and resolutions, establishes laws, sets policy, oversees the budget, provides opinion on the administrative branch's execution of the law, and approves long-term contracts and commitments of City resources. The Council annually supervises the independent financial audit and performance audits of the City's affairs. Council staff provides policy analysis, legal counsel and administrative support for the Council's legislative activities and provides the public with access to the Provo City ordinances, resolutions, agendas, minutes, and adopted policies. In addition, an extensive volunteer Neighborhood Program is administered through the Council Office.

Department Goals

- Continue to provide responsive, responsible, and transparent government.
- Continue development and implementation of policies that lead to a structurally balanced and sustainable budget for the next decade.
- Review legislation, appropriation, and policy against established policy, such as Council Intent Statements, Vision 2030, and the General Plan and adopted Master Plans.
- Through a strategic planning process, develop a policy governance model for developing City and Council policies and for regular reporting on their implementation.
- Establish regular independent budget review, benchmarking and performance audits of city departments and divisions.
- The Municipal Council adopted the following 9 priorities for Calendar Year 2016:
 - Zoning Compliance
 - Development Approval Process
 - General Plan Update
 - Economic Development
 - Budgeting to Priorities
 - Housing
 - Structured Policy
 - West-Side Plan
 - Public Engagement



Department Accomplishments

- Book Built a 10-year financial projection to be used by the Council in analyzing future budget proposals.
- Analysis of the Capital Improvement Plan which led to the revised reporting method for capital projects moving forward.
- Made updates to the Neighborhood Program ordinance and filled all vacant Neighborhood Chair positions
- Created Council Priority Sheets and a website for showing updates and progress on the priorities
- Held a series of successful public outreach events regarding the Provo City budget. These included online educational materials, informational handouts and infographics, and public meetings in several locations across the City.
- Continued with multi-channel strategy for regularly communicating Council news, soliciting feedback, and educating the citizens on current issues. Civic engagement on various platforms has increased dramatically from the previous year.
- Upgraded audiovisual equipment in the Council Chambers and the City Conference Room to improve the quality of meeting broadcasts

- We upgraded audio visual in the Council Conference Room improving the sound and visual display with our new TV.
- Completed four Neighborhood Matching Grants equaling \$16,280.
- Held a Housing Summit
- Upgrades to City Conference Room and chambers were also done to improve the meetings for the attending audience. Chambers - A Larger Screen, new monitors, simplified system for all to run, secured equipment, new projector, mics, etc.

Budget Outcomes

- FY 2017 operations budget includes funding to cover third party legal counsel.
- FY 2017 budget includes funding for the Miss Provo Pageant.

Legal

Department Function

- The City Attorney's Office provides Provo City with a broad range of legal services. It is responsible for the City's legal affairs including serving as the legal advisor to the Mayor, Municipal Council, City departments, agencies, boards and commissions. The office is created and governed by state statutes and city ordinances. It has the following divisions:
 - The City Legal Services Division provides legal counsel on a wide variety of issues. It researches legal questions and drafts memoranda, legal opinions, ordinances, resolutions and policies. It assists with negotiating, drafting and enforcing contracts, deeds, and other similar documents. It participates in administrative hearings and assists with downtown redevelopment and other economic development projects.
 - The Claims, Litigation, Risk Management and Safety Division evaluates and works to minimize the City's legal risks, promotes and coordinates the safety of citizens and employees, and protects and enforces the interests of the City in state and federal courts. It receives, investigates, processes, negotiates, and undertakes the appropriate resolution of claims made against the City. It coordinates and provides training to City departments on evaluating and minimizing risks, encouraging safe work practices and avoiding claims and legal problems. If litigation is necessary, it represents the City's and the public's interests in court in routine and complex matters.
 - The Criminal Prosecution Division prosecutes violations of law in the Provo Justice Court and the Utah 4th District Court. It works with various police agencies, victims, witnesses, defendants, clerks, attorneys, and others to resolve cases in the interests of justice. Prosecutors screen cases and decide what charges to file. They participate in hearings, pre-trials, trials, and appeals to seek justice, including appropriate restitution, rehabilitation, fines and/or jail time for those found guilty of violations of the law.



Department Goals

- Increase clients' satisfaction with the legal services provided by the department.
- Use Speed of Trust competencies to create trust dividends with the City.
- Serve the public interest with efficient, professional analysis and handling of claims and litigation.
- Vigorously enforce State laws and City ordinances to promote justice and safe neighborhoods.

- Provide timely, carefully researched, and informed legal counsel on issues confronting the City.

Department Accomplishments

- Assisted in obtaining a favorable ruling from the IRS regarding employee fringe benefit issues.
- Won a civil rights jury verdict in a federal lawsuit alleging police officer excessive force.
- Revised City's public assembly ordinances in preparation for Provo City Center Temple Open House.
- Assisted in the renegotiation and renewal of the Utah Municipal Power Association Agreements.
- Prosecuted violations of the City animal control ordinances to protect public health and safety.

Performance Measures

- Each division's performance is reported to the Mayor and Municipal Council on a quarterly basis. Performance is compared quantitatively and qualitatively with past results. Particular attention is paid to whether each division is achieving the City's The Speed of Trust and customer service goals, and whether department members are achieving department and personal goals.

Budget Outcomes

- The Attorney's Office budget has remained flat with the normal increases in salaries and benefits.

Economic Development

Department Function

- The Mayor's Office of Economic Development is responsible for the development and execution of programs that stimulate the economics of Provo City. Included within the office are the responsibilities related to the following activities: business attraction and retention; business liaison services; Sister City Program and the Business Development Corporation; and developing and implementing a City-wide Economic Development Strategic Plan.

Department Goals

- Implement deliverables found within the City-Wide Economic Development Strategic Plan. This includes regular engagement of community stake holder groups to make recommendations and prioritize goals and objectives.
- Continue the collaborative effort with the startup community in Provo. Provide connections and resources to private sector business incubator efforts.
- Mountain Vista Business Center – seek out opportunities for the expansion and growth of local businesses in the business park and provide space for those business looking to relocate into the Provo area. Further manage the wetland areas at Mountain Vista in order to maximize developable land.
- Continue the Downtown Economic Development Enhancement and Vacant Storefront program. This program provides the tools to physically improve vacant storefronts in Downtown Provo to attract businesses.
- Implement goals and objectives found within the City's retail strategic plan to recruit and expand retail offerings in our community.

Department Accomplishments

- Held the second annual CEO Summit where the Mayor's Office showcased recent and planned developments.
- Continue to support the One Million Cups initiative – an entrepreneurial presentation and meet up opportunity- a startup community gathering place.
- Facilitated the construction of four (4) commercial construction projects at Mountain Vista.

- Successfully facilitated a Sister City event – hosted the Meissen Germany delegation.
- Continued to promote downtown as a viable retail location and fostered essential business relationship with downtown property owners.
- Continue to Implement the City's retail strategic plan through the consulting firm Retail Strategies.
- Created, promoted and hosted the Braid workshops, a women and minority focused entrepreneur outreach.

Budget Highlights

- The FY 2017 budget includes money set aside for continued funding for filling vacant store fronts in downtown.
- Also included in the FY 2017 budget is money for professional consulting services used to conduct specialized studies for further economic development efforts such as – wetland mitigation for reclaiming developable property, market feasibility studies, geotechnical studies, etc.

General Services

Department Function

- The General Services Department's purpose is to centralize all General Fund contributions to the General Fund combined purchases.

Budget Outcomes

- FY 2017 includes a change in reporting to conform to accounting standards where chargeback expenses to other funds are shown as a contra expense rather than a revenue in the General fund. General Services shows this contra expense.
- Vehicle replacements for the general fund are recorded here with the FY2017 total amounting to \$1.9 million.
- Also included is expected overtime for ERP implementation of \$50,000.



Financial Principles

Mountain Vista

Provo City has invested in the Mountain Vista Business Center for the purpose of providing a location for companies to expand or relocate a business, which then provides investment, jobs and increased tax base for Provo and Utah Valley.

Provo City has a financial obligation to US Steel for the site characterization and cleanup of the property. The repayment of this obligation is derived from the sales or lease proceeds from property development and sales transactions.

The schedule is as follows: Provo receives the first \$1.2 million. US Steel receives the next approximate \$750-850K (as of September 2013 this number has not been provided by US Steel) for the site characterization. Provo receives the next \$2 million. Provo and US Steel then share the remaining proceeds on a 70/30 (70 for Provo and 30 for US Steel) split until US Steel has recouped their cleanup costs. If all the land is sold prior to the payback then Provo has no further obligation. If there is land remaining or revenue continues to be generated, once US Steel is repaid for the cleanup, Provo has no further obligation.

The Mayor's Office of Economic Development is pursuing a course that brings in a developer to construct buildings on the property. Under this model, Provo would not sell the underlying land, but would split lease proceeds on a predetermined rate with the developer. This arrangement would potentially generate a perpetual revenue stream into the foreseeable future. Provo would split the proceeds from the revenue stream with US Steel as outlined above.

Once the US Steel obligation is satisfied, it is proposed that all future revenue generated at the Mountain Vista Business Center be used to fund additional infrastructure and utility construction, demolition or other necessary improvements to increase value in the business park.

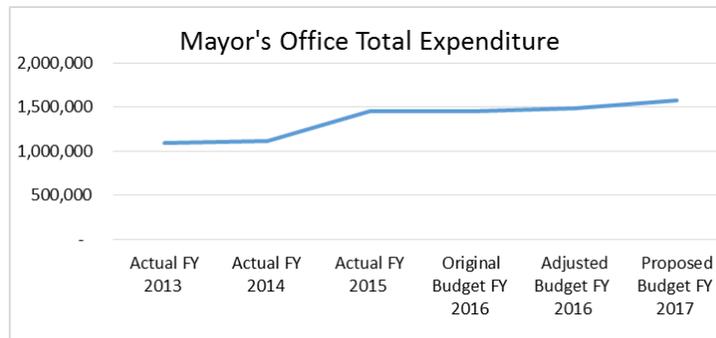
If at some point there are no continuing financial needs at the Mountain Vista Business Center, all further lease revenue generated would be directed to the Economic Development Fund (shown in the Capital Improvement Section) for the purpose of economic development activities city wide. This fund would be used for land purchases, writing down land costs, incentives for expanding or relocating businesses and other related, approved economic development activities.



Mayor's Office

Mayor's Office	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenues						
Miscellaneous	\$ -	\$ -	\$ 1,588	\$ -	\$ 350	\$ -
Total Revenue	<u>-</u>	<u>-</u>	<u>1,588</u>	<u>-</u>	<u>350</u>	<u>-</u>
Expenditures						
Mayor Administration	\$ 899,135.93	\$ 904,828.85	\$ 930,624.45	\$ 952,508	\$ 952,508	\$ 971,486
Mayor CAO	16,460	16,923	17,744	25,101	25,101	25,101
Mayor Deputy Mayor	120,571	138,226	135,419	128,174	128,174	148,174
Mayor Public Information Off	27,454	29,909	20,373	30,522	30,522	11,700
Mayor General	27,559	28,862	29,233	22,700	22,700	29,987
Media Services Division	-	-	145,492	103,685	133,685	194,465
Media/Web Services	-	-	171,929	186,420	186,420	193,592
Total Expenditures	<u>1,091,180</u>	<u>1,118,749</u>	<u>1,450,814</u>	<u>1,449,110</u>	<u>1,479,110</u>	<u>1,574,505</u>

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Mayor's Office	<u>6.00</u>	<u>6.75</u>	<u>11.38</u>	<u>11.63</u>	<u>11.35</u>



Department Function

- The Mayor and immediate staff oversee the enforcement of all laws applicable to those residing or conducting business in Provo; execute the policies adopted by the Municipal Council; prepare and submit a proposed annual budget; hire executive employees and administrative department heads; recommend for adoption such measures as may be deemed necessary or proper for the efficient operation of the City; and perform numerous other duties as prescribed by law.

Department Goals

- Support the revision and update of the community's vision statement (Vision 2050).
- Successfully implement the Provo 360 software replacement project.
- Work to strengthen the City's quality of life through good planning, environmental stewardship and improved parking management strategies.
- Provide effective oversight of the Provo Orem Transportation Improvement Project
- Continue to support the long-term, sustainable city budget that supports city-wide goals and objectives.

Department Accomplishments

- Coordinated efforts of many stakeholders to promote and manage major events in Provo including the Provo City Center LDS Temple Open House.
- Developed a plan and educated the public on the ballot proposition implementing a Recreation, Arts and Parks sales tax.
- Developed and implemented the Provology 101 citizens academy.

Budget Highlights

- The Mayor's Office budget has stayed relatively flat over the last few years. Increases are mostly restricted to normal operating costs.
- The decrease in FTEs is related to decreased hours for part-time staff.
- In FY 15 the Media/Web services was moved from its own division to the mayor's office, FY 17 includes the same.



Administrative Services - General Fund

Administrative Services	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue						
Fees	\$ -	\$ -	\$ 1,050	\$ -	\$ -	\$ -
License	108,703	110	70	-	-	-
Miscellaneous	2,335	55	5,956	-	771	-
Total Revenue	<u>111,039</u>	<u>165</u>	<u>7,076</u>	<u>-</u>	<u>771</u>	<u>-</u>
Expenditure						
Human Resources	875,327	930,894	954,580	923,573	944,773	978,715
Finance						
Finance Administration	449,069	416,308	450,706	439,612	474,569	467,656
Budget	208,752	217,799	211,695	223,707	223,707	196,583
Collections	59,505	64,090	16,264	65,553	65,553	15,290
Accounting	165,116	168,587	206,210	184,018	184,018	195,650
Purchasing	77,880	74,069	67,212	78,921	78,921	75,241
Recorder	113,833	183,538	119,840	182,275	222,275	126,930
Indigent Defense	207,299	206,206	216,923	104,000	104,000	104,000
Finance Total	<u>1,281,455</u>	<u>1,330,597</u>	<u>1,288,850</u>	<u>1,278,086</u>	<u>1,353,043</u>	<u>1,181,349</u>
Information Systems						
Information Systems	2,089,181	2,126,129	2,174,089	2,287,844	2,489,676	2,650,608
Telephone Administration	325,520	265,984	238,675	248,403	248,403	248,403
Information Systems Total	<u>2,414,702</u>	<u>2,392,113</u>	<u>2,412,764</u>	<u>2,536,247</u>	<u>2,738,079</u>	<u>2,899,011</u>
Total Expenditures	<u>4,571,483</u>	<u>4,653,603</u>	<u>4,656,194</u>	<u>4,737,906</u>	<u>5,035,895</u>	<u>5,059,075</u>

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Human Resources	8.38	8.38	8.50	8.03	8.53
Finance	11.92	10.92	9.50	9.50	9.00
Information Systems	<u>14.99</u>	<u>15.51</u>	<u>15.51</u>	<u>16.34</u>	<u>16.04</u>
Total FTEs	<u>35.29</u>	<u>34.81</u>	<u>33.51</u>	<u>33.87</u>	<u>33.57</u>

Human Resources Division

Division Function

- The Human Resources Division is part of the Administrative Services Department. This division provides city-wide support of personnel, payroll and benefits for all departments, employees and retirees including: recruitment, testing, application processing, promotional exams, background investigations, drug testing, policy development, benefit administration, benefit contract negotiations, wellness program, employment liability monitoring, research and compliance with state and federal laws, investigation and dispute resolution of unlawful employment allegations, recognition programs, career counseling, classification and compensation maintenance, specific Citywide training, and other workplace programs. Contracts are negotiated and monitored for numerous employee benefit coverages.

Division Goals

- Implement a new Human Capital Management system as part of the Citywide Provo 360 project.
- Complete the software upgrade to the Time and Attendance system.
- Complete the conversion of the document management system from SIRE to OnBase.
- Update and simplify performance appraisal forms.
- Conduct the annual grade study to ensure the City remains competitive in the labor market.
- Continue Speed of Trust training for all new full-time hires.
- Fully convert all employees to electronic records.
- Implement a comprehensive Supervisor Essentials training curriculum.

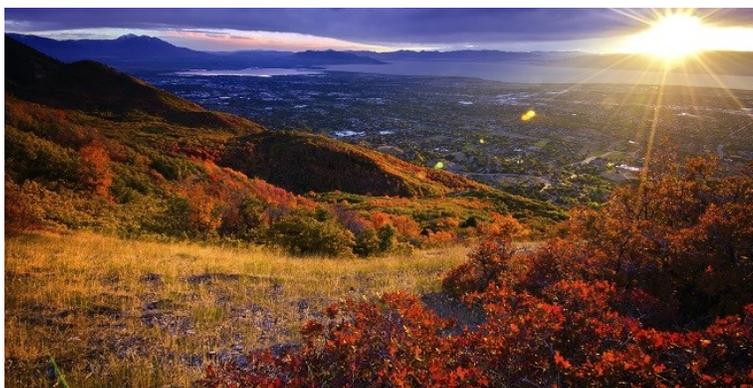
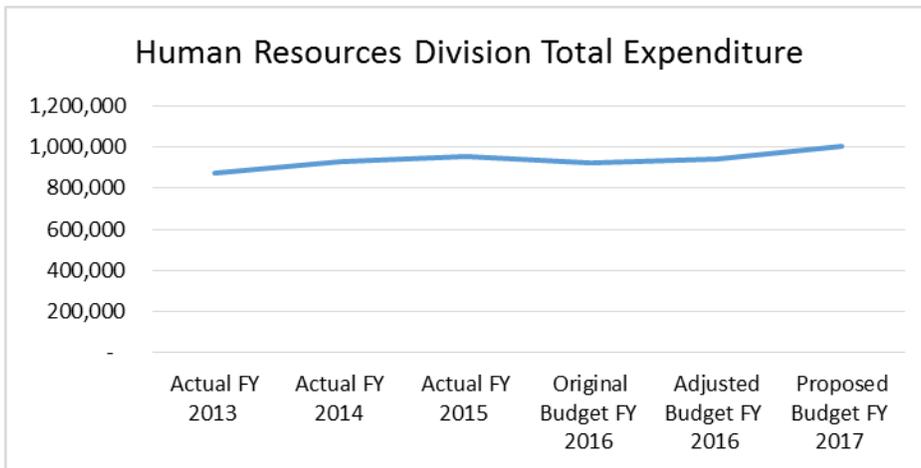
Division Accomplishments

- Completed the selection process and began development on a new Human Capital Management system provider as part of the Citywide Provo 360 project.
- Updated the post-accident direction process for employees and supervisors and conducted training on the streamlined online form.
- Administered a robust wellness program including a successful wellness screening, lazy man's triathlon, stress management challenge, weight watchers, maintain don't gain challenge, and the third annual employee's 5K run.
- Earned the platinum level Utah Healthy Worksite Award from the Utah Worksite Wellness Council.
- Conducted recruitment and hiring processes for 596 full-time, part-time, and seasonal employees.
- Administered entry level recruitment testing for police officers and firefighters.
- Completed mandatory CDL drug training for supervisors.
- Implemented SelectHealth medical insurance as another option to employees.
- Transitioned dental insurance from MetLife to Aetna.
- Implemented a Citywide educational assistance policy to give employees greater access to educational opportunities.
- Rolled out additional remote access to Time & Attendance, Employee Self Service, Employee Insider, and SIRE document management system.
- Coordinated with vendor to create and distribute 1095-C report to all employees to be in compliance with Affordable Care Act requirements.
- Provide multiple financial and retirement planning seminars for employees.
- Conducted numerous classification and compensation studies to ensure the City remains competitive.
- Conducted an executive recruitment for a new Parks and Recreation Director.
- Provided, monitored, and audited employee course registrations for mandatory employee training.
- Conducted Citywide Speed of Trust survey.
- Provided a 2-day on site Flu Shot Clinic for employees.
- Hosted 2 on-site blood drives.

- Administered open enrollment for 600+ employees and retirees and hosted annual benefits fair.

Budget Outcomes

- FY 2015 saw the turnover of dozens of employees and successful administration of programs and laws with respect to the employees of Provo.



Finance Division

Division Function

- The Finance Division is part of the Administrative Services Department. This Division provides support services to the Administration, Council and City departments. It is responsible for the overall financial procedures and processes of the City and is primarily responsible for ongoing transition of the Provo fiber network. The Finance Division includes the purchasing, treasury, recorder, budget and accounting functions. Purchasing controls the purchase of all materials, supplies and capital outlay, oversight of the City procurement card program, along with providing central billing for City Services. Treasury oversees cash management, debt, accounts receivable, and collections. The Recorder maintains the City's records, reviews GRAMA requests, and oversees elections. Budget assists in the yearly preparation of the City's operating budget and capital improvement budget, preparation of annual budget document, along with executing the day-to-day operations of the budget. Accounting maintains the general ledger, accounts payable function, tracks grants and identifies new grant opportunities, the internal controls of the City, and provides support for preparation of the Comprehensive Annual Financial Report (CAFR) and Popular Annual Financial Report (PAFR).

Division Goals

- Implementation of new Municipal Software System for finance applications.
- Provide training on new Municipal Software system and other financial training to internal customers.
- Develop and train a new grants administrator for the City
- Semi-annual surveys to internal customers on satisfaction of service received.
- Document imaging and indexing of all vault records.
- Provide Quarterly Report to the Administration and Municipal Council within 75 days of the end of the quarter.
- Prepare and complete annual fiscal 2016 City audit.
- Submit to the Government Finance Officers Association for certification the 2017 Annual Budget and the CAFR and PAFR for 2016.
- Prepare and complete the 2018 operating and capital budget.

Division Accomplishments

- Selected and started the implementation of a new Citywide Municipal Software System.
- Successfully completed 2015 independent audit and CAFR.



- Received Distinguished Budget Award from the GFOA for the 2016 budget document.
- Received GFOA award of excellence for CAFR and PAFR for fiscal 2015.
- Increased use of document management system (SIRE) to provide quicker turnaround of financial processes

Budget Highlights

- Worked closely with Administration and the Municipal Council to redesigned the budget; now budget by function/ program to provide better transparency.

Information Systems Division

Division Function

- The Information Systems Division is part of the Administrative Services Department. This division investigates and evaluates new technologies as they become available to advise and help assess their impact on City departments in accomplishing their mission; design, build and maintain the City's technology infrastructure to support information access and technology utilization in a cost-effective and reliable manner; assist City employees to effectively utilize information and technology through hardware and software support and training; work with City departments and empower Provo residents and others by providing access to appropriate information and facilitating City business electronically.
- Promote technology leadership by a) cooperating with other entities to cultivate a culture of process and service innovation, b) providing effective support for technology, and c) investing in technology when it provides positive returns for our residents.
- Standardize applications by a) implementing a fully integrated municipal software system (Provo 360) to replace costly disparate systems, b) utilizing a buy vs. build approach to take advantage of rich technology stacks without the costs of custom development, and c) continuing to standardize on MS Office with a focused investment in the training required to be highly productive.
- Improve information systems resiliency by a) creating and maintaining a fully architected and reliable network b) maintain data centers that can operate city services in a cost effective and resilient manner, and c) maintaining preparedness for disasters, both large and small, by testing and sustaining the disaster recovery plans and the regional offsite disaster recovery center.
- Continue the development of information system service excellence by a) hiring and retaining skilled IS professionals, b) sustaining effective business relationship management, c) maintaining a highly effective and engaged IS Governance Committee, d) providing technology education through lunch and learn-style engagements, and e) performing ongoing IS service measurement and improvement.

Division Goals

- Lead technical implementation of the Provo 360 initiative per the approved three-year project plan. Systems implementation will require leadership to assist organizations with transforming their business processes, installing initial hardware and software environments, mapping data conversion, training, and executing organizational change management.
- Score 3.3 of 4 or higher in the customer service index, as measured in periodic customer surveys evaluating quality, communication, timeliness, delivery, business skill, technical skill, courtesy, and value.
- Maintain a reliable and secure operating environment by completing approved and funded infrastructure plan pro-

jects defined within the IS Governance plan. These include maintaining and upgrading at least two network closets, as well as installing and configuring hardware required for Provo 360.

- Improve transparency and usability by further developing mapping applications, in part using the recently implemented local government data model and by consolidating datasets. Added features will include mapping layers for city-owned property, storm water and construction.
- Cultivate innovation and technical expertise in technology staff via greater access to training materials and course work, engaging on technology pilots, and dedicating deliberate time for skill improvement.
- Build upon existing relationships with neighboring cities, the local community, and external entities including County, State, and Federal agencies.

Division Accomplishments

- The IS Division led the Provo 360 initiative through the system(s) selection process, final vendor evaluations, contract negotiation, and contract execution. Additionally, the team began the three-year effort to implement the solution including work to setup the project space, purchase required hardware & software, and the setup of the initial operating environment.
- Completed a service consolidation project that combined Human Resources Division IS personnel with Information Systems personnel as part of the Provo 360 initiative and called out for within the IS Strategy.
- Conducted technology training events, posted 'tips and tricks' online, hosted a Provology 101 course on GIS operations, and led classes on GIS tools, Python, Microsoft products, and city-specific applications in order to improve citywide technology skills and community engagement.
- Exceeded historic customer service scores for service quality, communication, timeliness, delivery, business skill, technical skill, courtesy, and value since measurement began in 2012.
- Redesigned and upgraded technology configuration in the Council Chambers and the City Center Conference Room, allowing for more transparent and real-time engagement with the public.
- Engaged on multiple technology pilots to enhance officer safety, data integrity, and cost-effective technology delivery (e.g. Driver License Readers, Point-To-Point Wireless, Security Technology, and Print Cost Saving Options).
- GIS expanded iOS usability of electionmap.provo.org with a full site re-write, wrote internal tools for managing recycling can replacements, and implemented the utilities database schema according to the newly-released local government initiative.
- Provided Information Systems needs for build-out of the temporary Energy campus, Energy campus reconstruction, Water AMI collector expansion and other communication systems relocations (e.g. COP, Headworks and UV Plant).
- Increased service, stability, security and alerting capabilities for city networks with automation in order to reduce

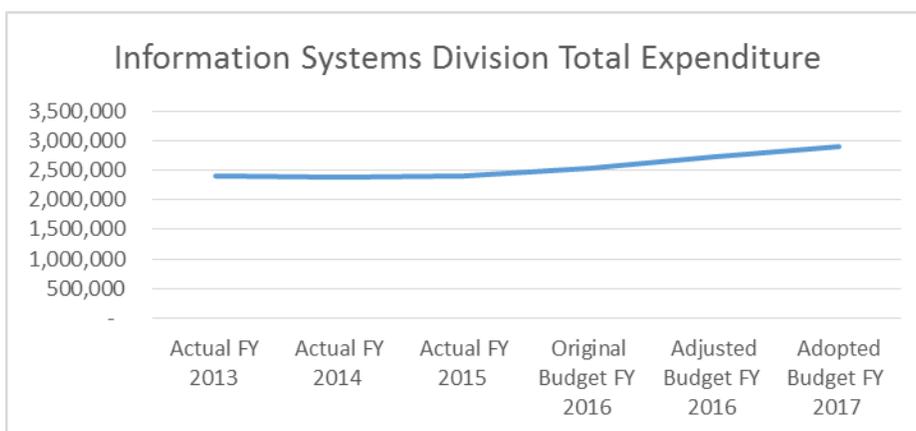


drains to IS resources. Solutions included a completed disaster recovery plan, an updated information systems strategy, use of DC power plants at huts, firewall updates, software monitoring, switch path redundancy, power supply redundancy, greater Wi-Fi access (e.g. Shooting Sports Park and Public Works), and physical security improvements (e.g. locks, badge access and CCTV).

- Redesigned and implemented a new interactive Customer Service phone menu system for comprehensibility, efficiency, and user-friendliness.
- Enhanced law enforcement and public safety capabilities by implementing improved 911 call recording, dispatch news feeds, digital license plate readers, and citation management software without requiring additional IS support personnel.

Budget Highlights

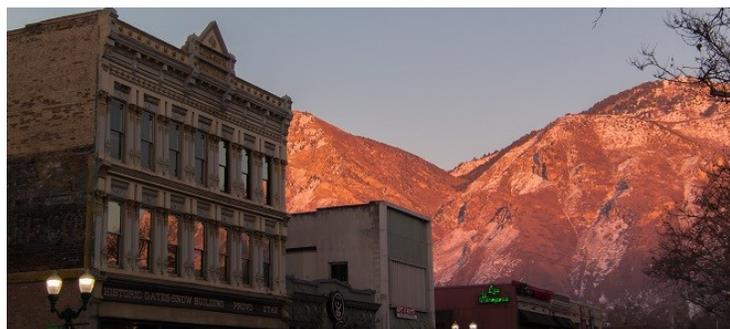
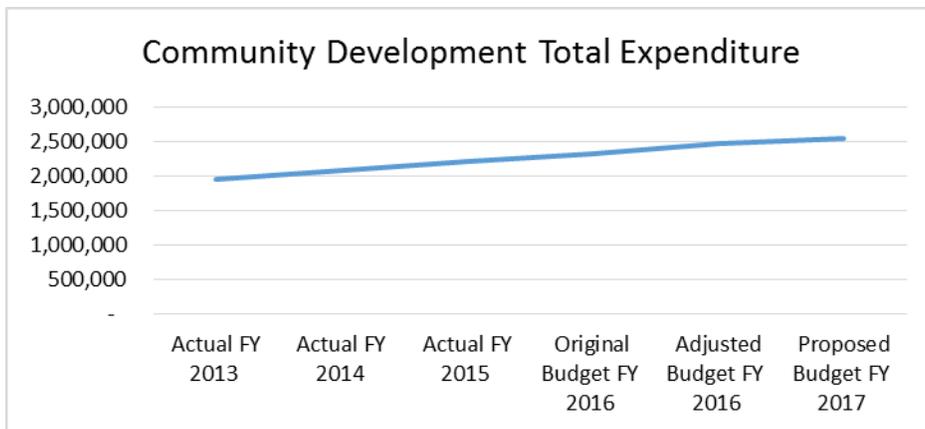
- As the city engages in the Provo 360 project, the IS organizations existing resources will be prioritized and assigned to that project's success without increases to the IS budget or staffing. As such, some of the IS goals should be considered aspirational and that some organizational sacrifices may need to be made to ensure success of the Provo 360 priority.
- The IS organization will be tasked with supporting the existing legacy systems during the Provo 360 implementation including their related software licensing and maintenance contractual obligations. These contracts have notably increased over the prior year accounting for the required increases to the IS software operating budget. These legacy system cost increases further highlight the importance of the Provo 360 project.



Community Development

Community Development	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue						
Fees	\$ 1,456,182	\$ 1,861,675	\$ 1,610,141	\$ 1,389,000	\$ 3,356,767	\$ 1,669,000
Grants	-	-	-	-	5,000	-
Miscellaneous	5,530	7,425	14,802	5,000	6,293	5,000
Total Revenue	1,461,712	1,869,100	1,624,943	1,394,000	3,368,060	1,674,000
Expenditure						
Community Development Admin.	538,528	609,498	760,932	772,518	920,110	781,148
Planning	855,306	890,371	850,538	868,916	868,916	1,161,891
Building Inspection	552,810	574,044	591,553	682,441	682,441	634,493
Total Expenditures	1,946,644	2,073,913	2,203,022	2,323,875	2,471,467	2,577,532

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Community Development	23.29	23.29	25.29	25.29	27.29



Department Function

- The Community Development Department provides planning, zoning, and building inspection services for the City of Provo. Community Development has the responsibility for the administration of the Planning Commission, Board of Adjustments Landmark Commission, Administrative Hearing Program and Board of Appeals. This Department also oversees comprehensive downtown planning, code enforcement, apartment licensing, development and maintenance of the city-wide land use database, project plan review and coordination, review of construction plans and the systematic inspection of all new structures, remodels and existing structures as required.

Department Goals

- Reconcile Provo City Vision 2050 and the General Plan.
- Complete the Pocket Neighborhood Project at 400 West and 1500 South.
- Update the General Plan and the Transportation Master Plan.
- Complete the Strategic Parking and Management Plan.
- Complete a specific neighborhood plan for the area west of I-15.
- Increase Zoning Code enforcement focusing on occupancy violations to preserve and protect single family neighborhoods.
- In conjunction with the implementation of Provo 360, streamline our Zoning Code enforcement process to make it quicker and more effective.
- Continue our efforts to educate the public on zoning requirements.
- Demolish the old Utah County jail and facilitate the reuse of the property as residential.
- Finalize the sale of 50 acres in South Fork Canyon.
- Have all building inspectors combination certified.
- Cross train plans examiners to be certified in commercial plans.
- Continue Wayfinding installation.
- Complete the South Area Neighborhoods Specific Plan
- Complete the 100 South redesign.

Department Accomplishments

- Issued over 600 building permits.
- Completed the Joaquin Neighborhood Area Plan.
- Completed the Downtown Neighborhood Area Plan.
- Completed the Franklin Neighborhood Area Plan.
- Completed Phase 1 of Wayfinding.
- Inspected and issued Certificates of Occupancy for the Life Sciences building at BYU and the Provo City Center Temple.
- Handled over 1300 Zoning Code enforcement and Residential Dwelling Licenses
- Completed the Downtown Design Standards
- Worked with the Municipal Council to host the Zoning Summit.
- The Property Coordinator position was transferred to Community Development.
- The Ombudsman position was transferred to Community Development.

Budget Outcomes

- FY 2017 includes two additional Zoning Officers in response to council priorities.

	FY 2014	FY 2015	FY 2016 YTD
Permits Issued	592	612	224
Permit Valuation	\$220,443,286	\$158,788,190	\$458,639,780
Zoning Cases	694	838	283
Rental Licenses	403	453	125

Fire Department

Fire Department	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue						
Fees	\$ 1,165,636	\$ 1,212,995	\$ 1,260,991	\$ 1,481,000	\$ 1,481,000	\$ 1,681,000
Grants	440,589	93,353	71,674	-	100,544	-
Miscellaneous	23,142	19,985	38,717	-	83,691	-
Total Revenue	1,629,367	1,326,332	1,371,382	1,481,000	1,665,235	1,681,000
Expenditure						
Fire Dept Administration	1,311,010	1,318,805	1,444,019	1,734,197	1,753,504	1,623,838
Emergency Fire Response	6,725,685	7,313,607	7,478,376	7,561,635	7,561,635	8,005,302
Emergency Medical Response	98,356	72,096	83,993	75,669	104,197	75,669
Fire Prevention	1,075	-	-	-	-	-
Fire Reimbursable O/T	-	2,039	35,195	-	32,915	-
Fire Grants	438,721	93,068	71,674	-	-	-
Total Expenditures	8,574,847	8,799,615	9,113,256	9,371,501	9,452,251	9,704,809

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Fire Department	83.00	81.25	80.00	80.00	80.00

Department Function

- Provo Fire & Rescue is responsible for the delivery of emergency and support services to the citizens of Provo in the following areas: fire prevention and education, inspection services, fire suppression, emergency medical treatment and ambulance transport, multi-disciplinary rescue services, hazardous materials response – including events related to Homeland Security and Weapons of Mass Destruction (WMD), and fire and arson investigations.

Department Goals and Outcomes

- Provo Fire issued “Fire Officers Handbook of Tactics” to each captain. They were assigned to read one chapter each month and report what they felt would help them and the department develops better leadership qualities. Each report was logged into Talent Quest in the performance journal so the captain and their supervisor could review this when the evaluation was due. Also all the comments are shared every 6 months with the entire department so we can get feedback on ways we can improve and become safer during emergency incidents. Along with this program the department is combining fire leadership training with Speed of Trust SOT behaviors and principals to align both programs.
- ARFF (airport rescue & firefighting) recertification accomplished this past year along with submitting a supplement for 3 new firefighters/paramedics to increase staffing to accommodate increased flights. It is projected that Provo Airport could get additional flights in the fall of 2017. Increased staffing will be a priority to insure that both the City and the airport will have adequate staffing to cover emergency calls.
- Provo Fire & Rescue was awarded the Assistance to Firefighters Grant (AFG) in May of 2015. The outcome of this grant allowed Provo Fire to purchase 5 more power type cots. This outcome has had a huge impact on the firefighter/paramedic safety decreasing lifting injuries.
- The submittal for a SAFER grant was not successful in 2015. Provo Fire is re-applying for the 2016 SAFER (Staffing for Adequate Fire and Emergency Response) grant looking for ways to increase staffing

needs. Also a FY 2017 supplemental will be submitted for 3 additional firefighter/paramedics. These 3 additional personnel would decrease overtime and increase available FF/PM's.

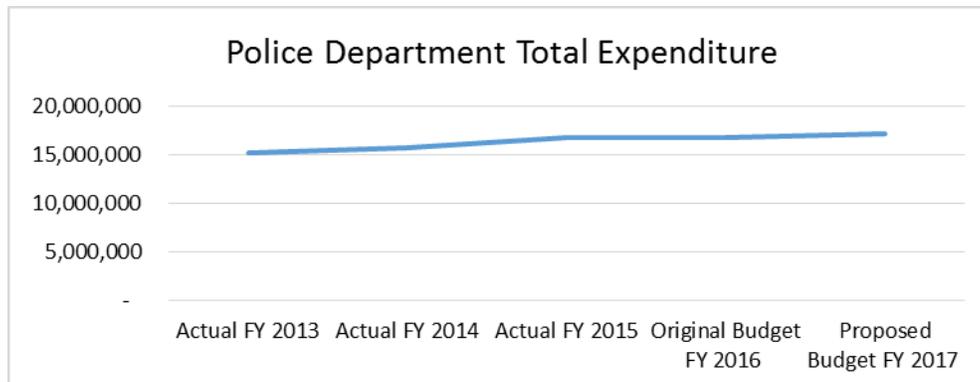
- Wildland urban interface programs. This is a work in progress. The Utah State wildland policy group met throughout 2015 trying to educate and inform cities and elected officials on this new interface program. The key component is participating in education, training and mitigation programs that will count as "in kind" match in preparation for wildland incidents in our community. Provo Fire has red carded firefighters (wildland training) and initial attack type VI brush trucks. Next is community education and mitigation. This project will take several years to establish but Provo Fire is about halfway through this with our training, equipment and Parks and Recreations weed abatement program.
- Provo Fire & Rescue was awarded a grant from Utah Forestry, Fire and State Lands for the purchase of wildland pants for each of our firefighters. This purchase completes the protective ensemble for each firefighter in Wildland Urban Interface Fires.
- Emergency Management has obtained an enclosed trailer through an EMPG grant; the purpose of this trailer is to allow for the EOC to be easily mobile. Parks and Recreation has worked with Emergency Management to partner together to provide room at the Recreation Center for an EOC. But in the case that the EOC needs to be relocated, the trailer will accomplish this.
- Anecdotally, Provo Fire & Rescue continues to provide emergency treatment for STEMI (heart attack) and Stroke patients that exceeds the national standard.
- Administrative changes occurred in 2015. Battalion Chief Lynn Scofield was reassigned from the Fire Marshal's office to the Office of Professional Development (Training), Battalion Chief Kevin Paxton was reassigned as a shift commander to the Fire Marshal's office and Battalion Chief Debby Honeycutt-Shepherd was reassigned from the Office of Professional Development to a shift commander. Alana Olsen Executive Administrative Assistant retired and was replaced by Office Specialist III Carolyn Hill.



Police Department

Police Department	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue						
Fees	\$ 1,603	\$ 3,960	\$ 1,850	\$ 4,000	\$ 4,000	\$ 2,000
Grants	509,838	637,459	609,499	-	260,561	-
License	1,310	615	(515)	-	(1,889)	-
Miscellaneous	290,103	270,945	307,932	50,000	138,319	57,000
Sale of Fixed Assets	-	-	186	-	14	-
Total Revenue	802,854	912,978	918,951	54,000	401,005	59,000
Expenditure						
Police Administration	\$ 2,208,502	\$ 2,185,043	\$ 2,314,120	\$ 1,937,886	\$ 2,054,732	\$ 1,889,610
Police Grants	393,957	541,314	618,885	-	-	-
Operational Support	64,039	66,191	89,919	801,850	801,850	1,877,779
Victim Assistance	105,201	155,316	143,481	165,518	165,518	173,645
Police Records	616,306	577,361	546,645	597,556	597,556	-
Police Purchasing/Payroll	64,018	64,722	68,437	-	-	-
Patrol	275,459	279,801	468,029	6,936,377	7,077,584	7,205,859
Officers	5,708,368	6,054,452	5,608,353	137,291	-	-
Dispatch	920,240	975,314	1,030,028	1,276,968	1,276,968	1,484,177
Animal Control	334,746	333,143	381,647	385,321	385,321	373,471
Parking	82,300	82,891	97,545	105,973	105,973	105,974
Crossing Guards	158,690	153,294	136,992	133,361	133,361	133,362
Alcohol Control	98,906	-	-	-	-	-
Police Reimbursable Overtime	212,353	203,761	201,070	-	119,857	-
Detectives	239,192	326,060	526,080	1,456,790	1,478,077	1,493,626
Detectives	1,046,270	1,160,870	1,424,344	21,287	-	-
NET	333,963	361,209	359,931	416,248	416,248	-
Police Support Administration	295,240	317,773	399,172	412,660	412,660	-
Quartermaster/Evidence	335,441	226,582	354,499	-	-	-
Youth Officers	640,917	564,236	543,248	618,276	618,276	-
Police Specialized Teams	71,688	45,284	34,665	39,100	107,006	-
Traffic Unit	276,926	312,273	338,109	210,566	210,566	-
Community Policing	556,573	626,271	920,848	1,086,870	1,086,870	2,415,826
K-9 Unit	135,640	119,821	202,069	3,916	-	-
Total Expenditures	15,174,937	15,732,981	16,808,117	16,743,814	17,048,423	17,153,330

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Police Department	166.17	164.97	164.85	169.45	171.95





Department Function

- Provo City's Police Department provides high quality, community-based police (CBP) services with compassion, professionalism, protecting constitutional rights, problem solving, teamwork, openness, planning for the future, and providing leadership to the profession. The Police Department provides response to community initiated calls for service, proactive policing, enforces all laws, service to the community including CBP traffic incidents, animal control and crime prevention. Criminal activity occurring in Provo is the responsibility of the police department. Internal divisions also provide support services to the Department and citizens in the form of Records, School Crossing Guards, Communications, and other internal functions.

Department Goals

- Continue to reduce crime and the fear of crime in Provo while improving the quality of life for our citizens and visitors.
- Continue to improve relationships, trust and partnerships with Provo citizens, visitors and other stakeholders.
- Continue to improve the career development of all Police Department personnel and focus on succession planning, leadership development and essential core training. Continue to utilize the department's training committee to identify training needs and ensure target delivery.
- Increase the use of technology in delivery of information to our department and citizens. Leverage current technology to enhance overall department efficiency and effectiveness, to include crime reduction and overall communications. Continue to partner with Provo Information Services in the overall technology strategy for the Department and city.
- Continue to create a work environment that allows for creativity, innovation and risk taking for the purposes of enhanced effectiveness and efficiency. Continue to recognize and reward superior performance thus encouraging higher sustained performance.

Department Accomplishments

- Sponsored free information workshop on sexual violence, which focused on topics ranging from how police investigate crimes to victim advocacy to therapy for survivors.
- Continued to implement data-driven (hotspot) policing, which is a critical part of the crime reduction strategy of Provo City, rapidly and effectively deploying resources to areas in Provo which are seeing an increase in criminal activity.
- Increase in volunteer hours and programs within the city. These programs include mobile watch, explorers, river trail bike patrol and volunteer policing. Safety and patrol of Provo's trails is a city-wide goal in conjunction with Vision 2030.
- This past year our department has organized and participated in some great community-centered events: 'Coffee with a Cop', two Citizen Academies, as well a new Employee Academy for Provo City workers. We hosted another successful 'National Night Out Against Crime' event (The 2016 NNO will be held on Tuesday, August 2nd). We be-

gan a department-wide Summer of Fun Series, 'Brats with Cops', and numerous individual neighborhood meetings, street BBQs, and similar events

- All school resource officers were certified to teach the national Gang Resistance Education and Training program. Fifth-grade students from Franklin and Timpanogos Elementary Schools were the first to participate in the class and graduate from the program.
- The Provo Police Explorer program competed in the National Explorer Convention in Las Vegas. The cadets came in fifth place for their crime scene investigation skills.
- Provo participates in a multi-jurisdictional task force comprised of both local, state and federal agencies. The focus of this task force is to identify and disrupt drug trafficking organizations operating in Utah County. In 2015, the Task Force seized \$16,475,850 in controlled substances with 398 criminal indictments.

Goal	Measure	Annual Total		
		2013	2014	2015
Reduce Violent Crime	Part 1 Crimes	3,516	3,319	3,026
Reduce Traffic Accidents	Traffic Citations	7,914	8,701	9,038
Reduce Non-Violent Crime	Vehicle Burglaries	555	596	456
	Bike Thefts	420	376	277
	Vehicle Thefts	112	142	153

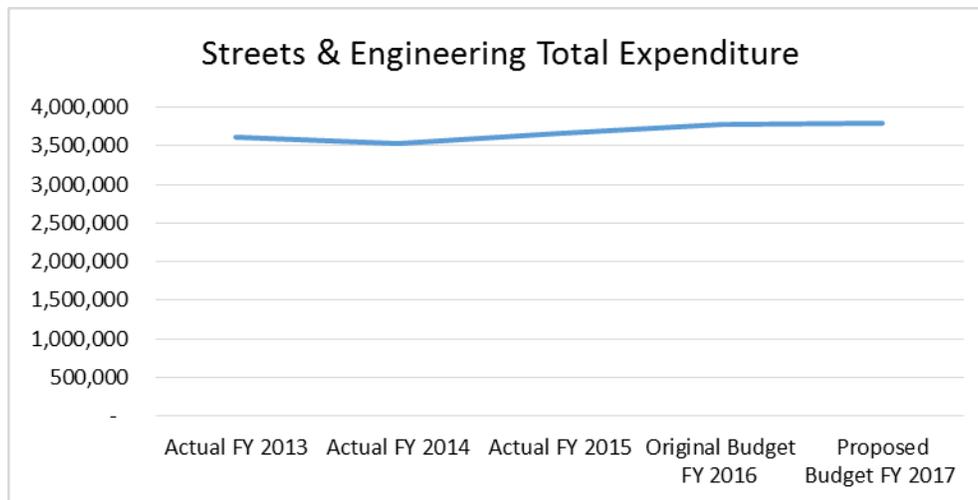
Part 1 crimes are crimes reported to the FBI including homicide, rape, robbery, assault, burglary, theft, and arson, they have decreased over this three-year horizon. Traffic citations have increased due to increased enforcement of "hot spots" to reduce accidents in those areas. Non-violent crimes are important quality of life measures which have significantly improved over the last three years in two areas and a slight increase .



Streets & Engineering Divisions

Streets & Engineering	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue						
Fees	\$ 266,274	\$ 614,768	\$ 396,274	\$ 425,000	\$ 462,760	\$ 425,000
Grants	439,211	392,992	171,834	-	-	-
Miscellaneous	7,602	3,953	5,172	-	1,307	-
Transfer In	38,000	-	-	-	-	-
Total Revenue	751,086	1,011,713	573,280	425,000	464,067	425,000
Expenditure						
Streets & Maintenance	1,844,554	1,868,557	1,793,161	2,037,308	2,037,308	2,012,507
Engineering						
Engineering Administration	632,427	480,009	576,489	514,566	705,099	539,850
Design General Engineering	929,943	997,014	1,070,996	985,191	985,191	1,024,746
Traffic General Engineering	201,937	189,140	220,309	236,804	236,804	238,705
Engineering Total	1,764,306	1,666,162	1,867,794	1,736,561	1,927,094	1,803,301
Total Expenditures	3,608,861	3,534,720	3,660,955	3,773,869	3,964,402	3,815,808

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Streets	16.00	16.00	16.00	16.00	16.00
Engineering	14.33	14.33	14.58	16.48	17.10
Total FTEs	30.33	30.33	30.58	32.48	33.10



Streets Section

Section Function

- The Streets Maintenance Section is part of the Public Works Department of Provo City. This Division is responsible for year-round street maintenance, which includes asphalt repairs, crack sealing, road rehabilitation preparation, road shoulder maintenance (grading), sidewalk replacement, weed abatement on streets right-of-way, street sweeping, and snow removal during winter months. Traffic safety functions are also performed by the Streets Section, including street painting (lane lines, crosswalks, stop bars, road symbols and parking stalls), sign fabrication and installation. The Section also manages the City's gravel pit in the mouth of Provo Canyon.

Section Goals

- Continue implementation of enhanced snow removal response to local streets.
- Implement broader in-house minor road rehabilitation program.
- The Streets Section has been funded largely by the B&C Road tax. One of the long-term goals of the City is to fund the Streets operation from the General Fund, which will increase funding for road maintenance. The City is planning on this transition taking approximately 10 years.

Section Accomplishments

- Construction of new salt storage building.
- Completion of several local street rehabilitation projects.

Budget Outcomes

- In FY 2016, repaired trenches with 1,705 tons of asphalt, repaired potholes with 80 tons of asphalt, and swept 4,291 miles of streets.

Engineering Division

Department Function

- The Engineering Division of the Public Works Department provides professional engineering support (design, survey, drafting, traffic engineering development review, records maintenance, and public information) to the City Administration, the Municipal Council, the Planning Commission, other city departments and the public. The Engineering Division also provides administration, design and construction management of Public Works capital improvement projects, professional transportation engineering services and traffic signal maintenance and operation for the City.

Department Goals

- Implement use of available current technology (tablets, smart phones, etc.) to improve efficiency for field use, including data access for inspection, utility location, mapping and project documentation.
- Evaluate project management software for Capital Improvement Project data to facilitate the ability to provide timely and accurate project reports related to progress, budget and status.
- Provide opportunities for employees to improve skills, training and knowledge related to their positions, which would increase efficiency and job satisfaction.

- Improved public access to Engineering services, including standards and specifications, interactive permit applications, etc.
- Work with the Municipal Council and City Administration to identify sustainable funding for the maintenance of the current infrastructure and for construction of Capital Improvement Projects identified in the Transportation Master Plan.

Department Accomplishments

- 2015 Road Rehab Project - The 2015 Road Rehab Project included a significant effort in street maintenance and concrete improvements in many areas of the City. This project was funded with B&C Road funds and the Utility Transportation Fund. The project reconstructed and resurfaced many streets in the City including 3700 North – Canyon to the Provo River, 2300 North – Iroquois Drive to 1450 East, 1450 East – 2300 North to 1900 North and numerous other local streets. The project included the reconstruction and installation of handicap accessible ramps at numerous intersections throughout the City.
- Canyon Road Utility Reconstruction – University Parkway to 2000 North -This project included the construction of a new storm drain line and reconstruction of a main water line. This project was completed prior to the pavement maintenance project which will be completed in 2016 in this area.
- Provo Westside Connector Project – Construction for this project has been bid out in two phases and both phases are now under construction. Phase 1 construction includes retaining walls, drainage facilities and roadway fill and surcharge from the University Avenue Interchange at I-15 west to approximately 1000 feet west of 500 West Street. Phase 1 is nearing completion. Phase 2 construction includes retaining walls, drainage facilities and roadway fill and surcharge from approximately 1000 feet west of 500 West Street west to the airport. This phase also includes construction of the pedestrian trail along the south side of the new road, final paving of the road from I-15 west to the airport and the extension of 500 West and 1100 West south to the new roadway. It is anticipated that this project will be completed in the fall of 2016.
- Lakeview Parkway & Trail Project Phase 1 - This project has been moving forward with property acquisition from the Provo River north to approximately 1390 North. This project is an important project which will help prepare for access to the new Provo High School site.
- Windsor Drive Storm Drain Project - This project constructed a new storm drain line from Foothill Drive to the east. This new storm drain will help to deal with localized flooding which has occurred in this area.
- Bicycle Lanes – Additional bicycle lanes were placed on 1450 East from 2300 North to Oak Cliff Drive. This is a continued effort to implement elements of the Bicycle Master Plan as street maintenance projects are completed.
- Provo Orem Transportation Improvement Project (BRT) – This project is being completed in a cooperative effort with the Utah Transit Authority (UTA), The Utah Department of Transportation (UDOT), Provo City and Orem City. This project will construct a new transit facility to provide increased accessibility to the UTA Frontrunner rail service from the Orem Intermodal Center to the Provo Intermodal Center. The project will provide improved transit service to major destinations along the route including Utah Valley University, the Orem Mall, Brigham Young University, Downtown Provo, the Towne Center Mall and East Bay Business Center. The project will operate in dedicated lanes as well as mixed traffic for portions of the route. The design for this project has been underway for the past two years and is nearing completion. Construction for the project is anticipated to begin summer of 2016 with project completion expected in early 2018. UTA will have the role of lead for the project, but will coordinate closely with all partners of the project.
- 2000 North Annexation – There have been some question about city/county boundary on 2000 North from I-15 to Geneva Road for many years. Working with Orem City and Utah County, we were able to reach a resolution of this issue. Provo and Orem entered into a cooperative agreement defining the city limit and other issues related to this common boundary. An annexation plat was filed and recorded with Utah County to complete this process.
- Development Project Coordination – There have been several large development projects occurring in the City including the Provo City Center Temple, Missionary Training Center Expansion, BYU Heritage Housing, Utah Valley Regional Medical Center and the Broadview Shores Subdivision. These projects have required a significant effort

for coordination of street and utility issues with city staff. The owners of these projects have expressed appreciation to the City for coordination efforts related to these projects.

Budget Outcomes

- Sustainable funding for street maintenance has been a focus for the administration and city council for the past few years. Using B&C Road and UTF funds, a significant maintenance effort has been made over the past couple of years.
- The use of available technology is in process of being used to improve efficiency for the division for personnel working out of the office. Inspectors and technicians are utilizing tablets for inspections and for remote file access.
- FY 2017 includes funding for the maintenance of 882 street lane miles and 94 traffic signals.

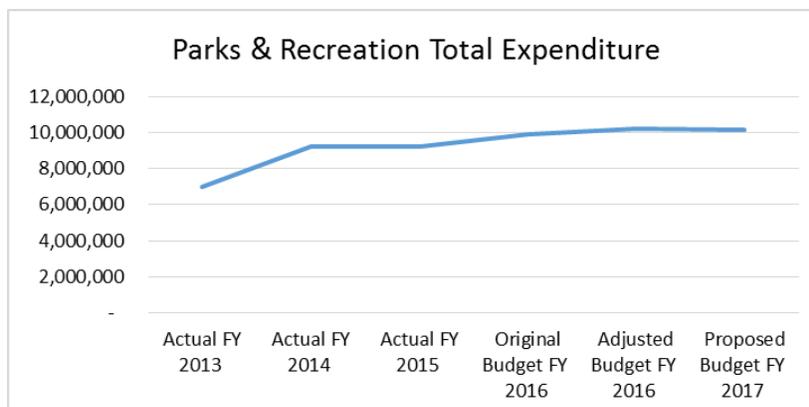
	FY15 Actual	FY16 Estimate	FY17 Estimate
Number of permits issued	746	750	750



Parks and Recreation

Parks and Recreation	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue						
Fees	\$ 2,209,081	\$ 4,044,679	\$ 4,647,128	\$ 4,702,725	\$ 5,202,725	\$ 5,444,150
Grants	84,315	2,706	11,328	-	-	-
Miscellaneous	52,197	230,704	175,976	171,000	171,000	175,150
Total Revenue	2,345,593	4,278,088	4,834,431	4,873,725	5,373,725	5,604,650
Expenditure						
Parks And Rec Administration	1,444,435	1,549,965	1,400,051	1,404,684	1,504,881	1,216,954
Parks Maintenance	2,055,553	1,982,821	1,988,785	2,292,533	2,392,533	-
Cemetery	310,958	314,755	311,238	362,510	364,260	333,806
Arboriculture	164,506	158,771	161,684	173,827	173,827	172,565
Park Projects	253,942	299,989	304,863	278,307	348,334	293,086
Ballfield Maintenance	50,047	50,322	48,084	55,688	55,688	-
Shooting Sports Park	32,753	74,581	43,694	48,411	48,411	48,039
Downtown Streetscape	74,700	70,711	69,888	84,241	84,241	80,454
Parks North Area	38,987	28,163	30,867	62,498	62,498	-
Parks	84,636	69,534	60,110	26,090	28,187	2,168,125
Grounds	-	40,193	27,206	48,168	48,626	472,490
Weed Abatement	35,373	30,523	28,189	39,043	39,043	38,973
Community Recreation Center	708,498	3,577,296	3,820,836	4,064,728	4,381,373	4,166,105
Adult Sports	286,273	280,956	276,275	317,847	317,847	395,907
Youth Sports	271,965	331,567	311,286	341,189	341,189	407,821
Special Events	140,822	113,898	134,914	126,322	126,322	173,168
Eldred Senior Center	192,487	-	-	-	-	-
Recreation Center/Pool	448,170	-	-	-	-	-
Veterans Pool/Waterslide	104,806	-	-	-	-	-
The Center	102,922	-	-	-	-	-
Peaks Ice Arena	194,902	244,902	189,902	174,902	174,902	170,000
Total Expenditures	6,996,735	9,218,948	9,207,874	9,900,988	10,492,162	10,137,494

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Parks and Recreation	<u>113.25</u>	<u>118.01</u>	<u>134.31</u>	<u>156.81</u>	<u>156.94</u>



Department Function

- The Provo Parks and Recreation Department enhances quality of life by inspiring residents through our commitment to create dynamic parks, recreation facilities, programs, and service of the highest standard. Included in the Parks and Recreation budget is administration, parks, trails, ball field and downtown maintenance, cemetery operations, arboriculture, park projects, weed abatement, The Provo Shooting Sports Park, Provo Recreation center, sports, aquatics, special programs, senior services, and community special events.

Department Goals

- Begin National Recreation and Parks accreditation process for Department
- Apply for national Gold Medal Award status for Department
- Train Projects team to install poured-in-place safety surfacing in playground areas
- Provide training on GPS survey equipment for Projects staff
- Update the Park Projects website bimonthly in order to provide up-to-date information
- Track and record the usage on each sports field to be used for analysis and future maintenance schedules
- During the summer conduct three participant surveys at the splash pad to help accurately acquire a bather load and determine our sanitization system efficiency
- Increase revenue and attendance at the Shooting Sports Park by conducting different events
- Convert parks lighting to LED lights, to reduce energy consumption
- Conduct study to find the most efficient way to continue to improve the status of Parks and Recreation vehicles and equipment utilizing existing funding
- Look for efficiency plans to care for landscapes with the limited amounts of labor
- Increase Learn to Skate Participation by 10% over FY 2016
- Complete Peaks Ice Arena replacement project of all North Rink Lighting to LED energy efficient standards
- Work with Facilities Services Manager to gain a stronger understanding of the HVAC systems held within the Peaks Ice Arena facility, while also developing a long term solution for effective use or replacement
- Finalize a new Cemetery fee schedule to include all new products and spaces available
- Better define Cemetery budget needs and maintenance requirements to include expansion area
- Conduct continuous Cemetery market analysis to determine product sales, purchase systems, and plot organization to maximize services available
- Maintain Revenue of \$4.5M for Recreation Center
- Exceed 2 Million visitors at the Recreation Center in 2016-2017
- Host 25+ City Wide special events at the Recreation Center
- Initiate off-season clinics for each sport that keeps participation at the forefront of parents/participants' minds
- Create marketing banners that are sport specific that can be hung during registration promoting the registration and season



- Track usage of sports fields/parks for analysis purposes

Performance Measures

- Perform a task analysis of each capital project over \$30K the construction crew works on by comparing the construction crew costs to contracted estimates to justify, validate and quantify the efficiencies and benefits of the construction crew. Project by project tracking will be documented.
- Reduce Golf Course actual end of year subsidy below \$80,000. Measure is available after end of fiscal year.
- Track and report on Cemetery electrical cost saving due to switching or retrofitting all site lighting to a LED light. Compare electrical use to previous budget year.
- Recreation Center Legacy Member retention at 50%, showing a commitment to customer service and excellence in the recreation center operations. Report will be available after June 30 following Legacy Campaign.
- The last three years Parks Operations averaged 271,750,920 gallons of culinary water use within the parks. We plan to manage this resource to a 5% consumption reduction from average use.
- Increase overall Peaks Ice Arena attendance by 5% over FY 2016 during FY 2017. Measured by comparison after end of fiscal year.
- 5% increase in youth and adult sports revenues. Measured by comparison after end of fiscal year.

Budget Outcomes

- FY 2017 includes a total of \$413,646 to cover ongoing capital expenses of the recreation center.
- The recreation center's revenues continue to outpace expectations demonstrating the value the community places on the amenities it provides.





Enterprise Funds



Enterprise Fund Information

The City's enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the City is that 1) the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges and/or 2) the City has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Each individual enterprise fund consists of an operating fund and a capital improvement fund. Each individual fund accounts for all of its user fees, debt, maintenance, and assets individually. Each individual capital improvement fund accounts for all construction and projects associated with each enterprise fund. In the individual section the operating and capital improvement funds will be presented separately. Future project detail and historical information is included in the Capital Improvement Plan section on page 147.

Major Revenue Sources

The major revenue source for enterprise funds is utility sales. Revenue projections are done using trend analysis. Prior year revenue collections are reviewed, along with any changes in utility rates. In FY 2015, Public Works issued bonds in the revenue total (\$12.1 million in Water, \$10.0 million in Wastewater, and Energy issued \$20.0 million). There are multiple utility rate increases; Water has a proposed increase of 19.8% and Wastewater has a proposed increase of 24.4%, Energy has a proposed increase of 3%, and Storm water has a proposed increase of 25.8%.

Revenue Summary	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue						
Utility Sales	\$ 83,379,184	\$ 84,773,492	\$ 84,852,949	\$ 93,088,981	\$ 93,218,774	\$ 98,441,106
Bond Proceeds	-	-	42,342,180	-	-	-
Fees	7,434,191	9,112,295	12,150,306	8,559,872	12,399,972	8,943,100
Principal/Interest Income	2,521,479	275,313	385,444	83,395	452,752	81,417
Grants	667,182	2,966,192	7,041,876	2,381,000	2,381,000	3,200,000
Miscellaneous	512,941	1,023,396	314,566	261,869	126,950	272,278
Total Revenue	94,514,977	98,150,687	147,087,320	104,375,117	108,579,448	110,937,901
Transfer In	7,791,264	12,025,499	52,138,029	10,900,495	10,900,495	12,519,217
Total Revenue & Transfer In	102,306,241	110,176,186	199,225,349	115,275,612	119,479,943	123,457,118

The transfers-in are primarily transfers from the operating revenue from an enterprise fund to its corresponding capital improvement fund. There are corresponding transfers-out in the enterprise operating fund. The remainder of the transfers-in are for other transfers pertaining to debt and operations in enterprise funds. Fees include impact fees, aid to construction fees, and other user fees associated with service provided by each fund. Miscellaneous revenue includes lease income, overhead revenue, Telecom debt, sale of fixed assets, and franchise fees.

Enterprise Summary	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue & Transfer In						
Airport	\$ 1,543,538	\$ 4,042,727	\$ 8,074,848	\$ 3,269,931	\$ 3,377,410	\$ 3,964,205
Energy	77,489,752	79,227,081	117,661,020	79,244,203	81,789,952	82,235,147
Telecom	989,669	-	-	-	-	-
Sanitation	4,510,973	4,549,334	4,598,772	4,611,978	5,000,696	4,767,478
Wastewater	5,636,405	7,711,834	27,236,187	10,032,237	10,880,063	11,962,348
Water	11,291,960	13,030,862	38,342,764	14,919,068	14,759,756	17,368,747
Utility Transportation Fund	-	741,033	2,377,806	2,300,000	2,679,049	2,300,000
Golf	843,943	873,315	933,953	898,195	993,016	859,193
Total Revenue & Transfer In	102,306,241	110,176,186	199,225,349	115,275,612	119,479,943	123,457,118
Expenditure & Transfer Out						
Airport	1,206,255	3,645,318	7,279,695	3,206,806	3,448,145	3,964,205
Energy	73,858,950	75,846,700	95,084,450	81,229,360	113,212,012	85,465,905
Telecom	1,369,041	-	-	-	-	-
Sanitation	3,861,865	4,408,329	4,793,785	5,025,294	6,147,695	5,497,421
Wastewater	5,063,225	7,763,970	17,775,919	11,319,553	22,546,349	11,921,279
Water	9,747,504	12,819,513	26,384,828	15,676,768	29,367,999	20,711,626
Utility Transportation Fund	-	-	1,060,776	2,300,000	4,047,771	2,300,000
Golf	843,889	822,887	856,148	951,874	1,025,874	932,665
Total Expenditures & Transfer Out	95,950,730	105,306,716	153,235,601	119,709,655	179,795,845	130,793,101
Net Increase (Decrease)	6,355,511	4,869,470	45,989,748	(4,434,043)	(60,315,903)	(7,335,983)

Airport

Division Function

- The Airport and Airport CIP funds are divisions of the Public Works Department. The purpose of the Airport division is to operate and maintain the airport for the greatest benefit to the citizens of Provo, by maintaining safe operations as airport use increases to include scheduled air passenger commercial service, by minimizing potential impacts on surrounding neighborhoods through consistent enforcement of policies, maintaining compliance with FAA grant assurances, protecting the Provo taxpayers' investment in the airport and assuring continued FAA funding. The Airport CIP tracks all major renovations at the Airport, along with runway maintenance and other capital projects. The main source of funding for the CIP fund is the FAA.

Department Goals

- Restore daily commercial flight to Denver.
- Completion of North Airport Ramp.
- Research viability of new airport terminal.

Department Accomplishments

- Completion of wildlife hazard management plan.
- Rehabilitation of Primary Runway (13/31) with little disruption.
- Additional flights to Mesa (now 5 times a week).
- Two additional corporate hangars.

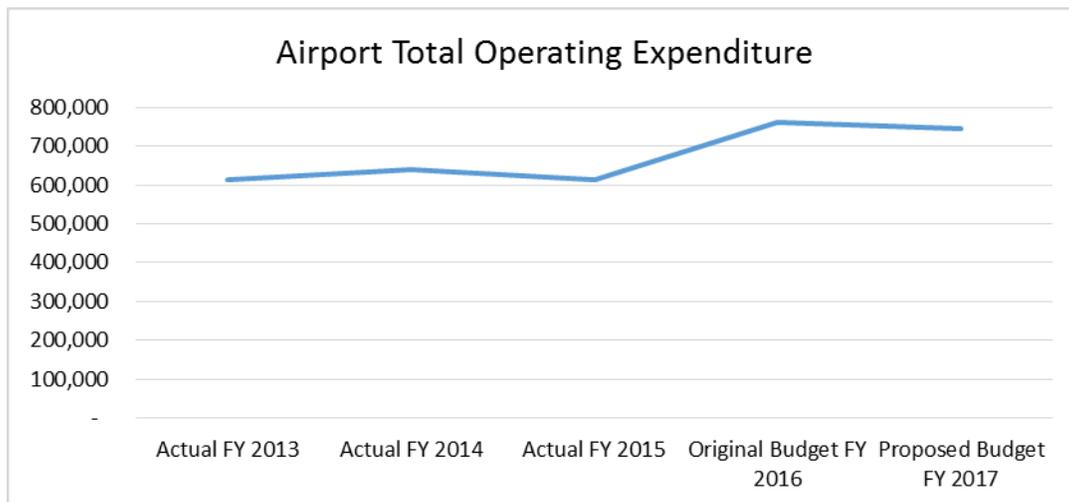
Budget Outcomes

- The transfer-in for the Airport operating fund is a transfer from the General Fund. The transfers-in for the Airport Capital Improvement Fund is from Debt Service and the General Fund. The transfer from the General Fund is the match amount needed for a grant from the FAA for runway maintenance and the amount needed for an inter-fund loan which will be paid off in FY 2016.
- Past Airport Capital Improvement projects have been undertaken in the hope that commercial air service will increase into Provo Airport. All capital projects currently in the budget are funded through the FAA, which are fully reimbursable.
- The FY16 budget reflects the beginning of charging a landing and passenger fee.

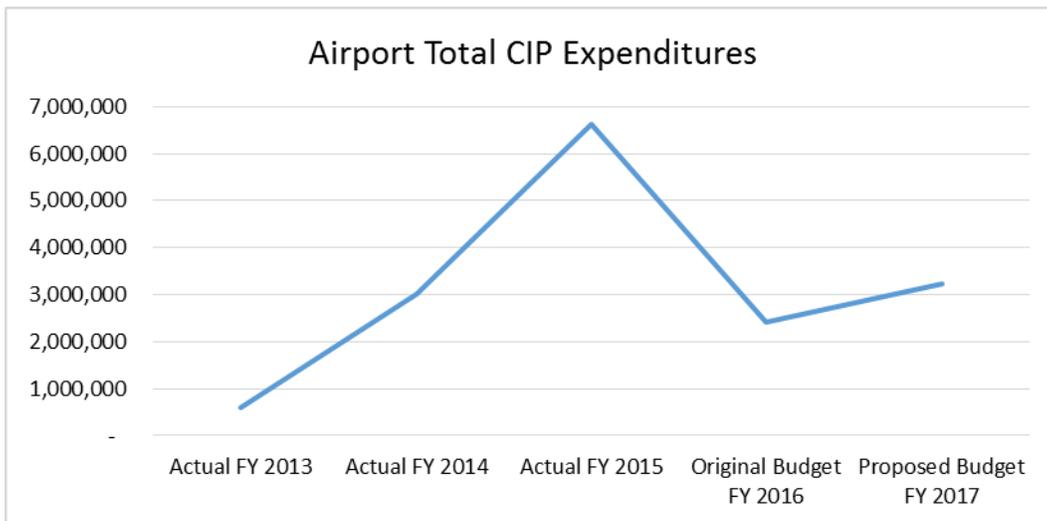


Airport--Operating	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue & Transfer In						
Fees	\$ 281,545	\$ 312,976	\$ 309,261	\$ 326,000	\$ 433,479	\$ 338,500
Miscellaneous	72,944	88,549	131,586	95,562	95,562	169,000
Fuel Tax	26,061	27,929	43,943	25,000	25,000	25,000
Interest Income	127	125	626	-	-	-
Transfer In	244,209	339,553	291,611	291,611	291,611	211,705
Total Revenue & Transfer In	624,886	769,132	777,028	738,173	845,652	744,205
Expenditures & Transfer Out						
Airport Operations	580,183	612,363	577,652	690,821	690,821	709,974
Airport Towers	33,639	25,747	36,416	71,048	71,048	34,231
Transfer Out	-	-	37,710	39,597	39,597	-
Total Expenditures & Transfer Out	613,821	638,110	651,777	801,466	801,466	744,205
Net Increase (Decrease)	11,065	131,022	125,251	(63,293)	44,186	-
Beginning Fund Balance	(37,717)	(26,652)	104,369	229,620	229,620	273,806
Ending Fund Balance	(26,652)	104,369	229,620	166,327	273,806	273,806

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Airport	<u>3.65</u>	<u>3.65</u>	<u>3.65</u>	<u>4.15</u>	<u>4.15</u>



Airport--Capital Improvement	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue & Transfer In						
Grants	\$ 584,980	\$ 2,945,749	\$ 6,926,959	\$ 2,381,000	\$ 2,381,000	\$ 3,200,000
Intrest Income	1,118	292	504	-	-	-
Miscellaneous	-	-	93	-	-	-
Transfer In	<u>332,554</u>	<u>327,554</u>	<u>370,264</u>	<u>150,758</u>	<u>150,758</u>	<u>20,000</u>
Total Revenue & Transfer In	<u>918,652</u>	<u>3,273,595</u>	<u>7,297,820</u>	<u>2,531,758</u>	<u>2,531,758</u>	<u>3,220,000</u>
Expenditures						
Airport CIP	<u>\$ 592,434</u>	<u>\$ 3,007,208</u>	<u>\$ 6,627,917</u>	<u>\$ 2,405,340</u>	<u>\$ 2,646,679</u>	<u>\$ 3,220,000</u>
Total Expenditures	<u>592,434</u>	<u>3,007,208</u>	<u>6,627,917</u>	<u>2,405,340</u>	<u>2,646,679</u>	<u>3,220,000</u>
Net Increase (Decrease)	326,218	266,387	669,903	126,418	(114,921)	-
Beginning Fund Balance	(903,848)	(577,630)	(311,243)	358,660	358,660	243,739
Ending Fund Balance	(577,630)	(311,243)	358,660	485,078	243,739	243,739



Energy

Department Function

- The Energy Department provides reliable electricity with superior customer service at a competitive price to the residents and businesses in Provo. The Department operates and maintains over 35,000 meters, 380 miles of distribution lines, 48 miles of transmission lines and 18 substation transformers. Provo City Power is the largest municipally owned electric utility in the state. Provo is a member of the Utah Municipal Power Agency (UMPA) which is responsible for the management and scheduling of all power resources serving Provo and the other member utilities. The electricity is generated primarily from coal fired power plants with hydroelectric generation and other peaking plants. One major challenge for the utility is to develop new resources for future loads and manage the environmental landscape.

Department Goals

- New Energy Complex
 - Complete Construction and move into new building by September 1
 - Demolition of power plant and smoke stack by October 31
 - Start Construction of New Power Plant November 1
- Upgrade relays and communications in the Timpview and East Bay Substations by April 1
- Virtualize SCADA servers in order to move system to new building by July 1
- Visit with 61 Key Accounts by December 31
- Complete engineering, design and procurement for the Power Plant Substation
 - Engineering and design by May 1
 - Publish RFP's for large equipment and construction services by Aug. 1
- Complete City cost of service study for net metering and Co-generation by April 1
- Decrease the Customer Average Interruption Duration Index (CAIDI) by 5% Dec. 31
- Meet all Budget schedules by April 30
- WECC certifications completed by March 1
- RP 3 submittal by September 15
- Plan, prepare for and hold public events – New building ribbon cutting/grand opening, and demolition of power plant and stacks – October 31
- Continue to encourage accountability and time management by rolling out more POB functionality
- Launch dashboards – July 1
- Increase crew production by 5% from previous year utilizing Speed of Trust groups and new incentive program – Dec. 31
- Prune and remove over 9,000 trees and plant over 475 new trees – Dec. 31
- Risk Management Goal – Decrease claims by stressing the importance of maintaining equipment and the cost of associated preventable accidents.
- Make safety a priority by attending safety meetings as an administrator.
- Increase department Speed of Trust ratings.

Department Accomplishments

- Completed design and acquired financing for new Energy Department facility. Groundbreaking and construction began in the fall with a completion day set for September 30, 2016.
- Replaced and upgraded 7 transmission poles and 4 transmission switches on the system. Installed two new style gang operated unitized transmission switches. One on BYU Campus and the other on the new collector route on 500 W.
- Completed the overhead to underground primary 600 amp 12 kV conversion from 800 N to 1000 N on 250 W. This enabled the Hospital to be fed underground and accommodate the IHC Hospital expansion.
- Re-conductor and upgraded primary pole line from 200 N to 700 N on Freedom Blvd. Installed fiber optic infrastructure from 800 N to 200 N Freedom Blvd. to provide connectivity for SCADA and Power Dispatch control of the system.
- An AMI contract was signed with Eaton Cooper. The pilot project started with installations of antennas, software, meters, and fiber backhaul. With the exception of a billing download file, all systems are working as engineered.
- Tanner Substation had several upgrades done during the year. A 50-year-old 138 kV Circuit Breaker failed and was replaced. In addition, a 30-year-old Remote Terminal Unit was replaced along with a JEM meter allowing data to be transferred using Ethernet.
- Cameras were installed in all 138 kV substations increasing security and reliability.
- Planning reviewed and signed off 157 CRC projects and 242 building permits collecting \$1.4 million in project fees.
- Completed 8,796 blue stakes while also completing GPS on multiple line locations for mapping purposes.
- Power Factor correction was completed with the installation of capacitors on the system.
- The engineering model was completed for the coordination study with analysis ongoing.
- Dispatch completed the Energy Department quick reference flip book for emergency operations.
- POB workflows were rolled out to the line crews tracking work orders and accomplishments.
- The Energy Department celebrated 75 years of public power in Provo with social media and culminating in a banquet with city officials and current/retired employees.
- Pruned and removed 8,930 trees while also planting an additional 450 trees. The City has been designated as a Tree City USA for 31 years and Tree Line USA for the 20th year.



Department Priorities

- The Energy Department BHAG is to become the most reliable municipal utility in the United States providing superior customer service in a safe environment for employees.
- Utilize Speed of Trust, Raving Fans, and Big Gear to improve customer service and improve employee morale.
- Provide for fiscal management of the department budget and promote a department culture of fiscal responsibility and accountability with the supervisors.
- Actively serve on the UMPA Technical Board and advise the City Manager and Mayor on all power supply issues and operations. Participate in CREDA, APPA and other related organizations to ensure a cost effective and reliable power supply source for Provo.

- Promote the welfare and benefits of the City and Provo City Power in my public dealings. Be professional and responsible to the administration and customer as a department leader.
- Know and serve the needs of the employees to effectively perform at work and represent these issues with the administration.
- Work with the administration, legislators, policy makers, and the public to promote and protect public power.
- In addition to the defined work, perform other duties as assigned by the administration.

Budget Outcomes

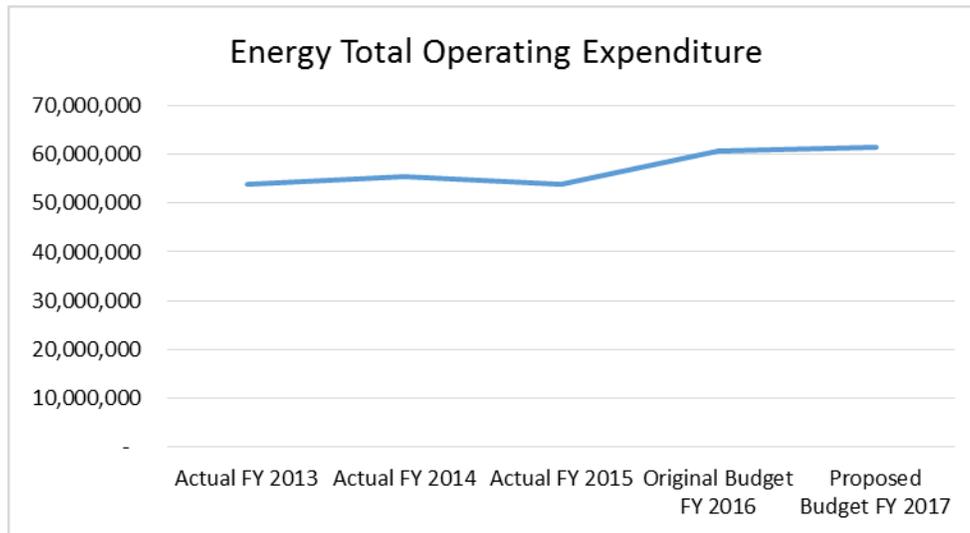
- Purchased power from UMPA accounts for 97.3% of the operating budget in Energy. The total budget for operating expenditures excluding the cost of purchased power is \$1.9 million.
- The Telecom Debt Charge is assessed to all Provo Power customers. This amount received is then transferred out to the Telecom Debt Service Fund for debt payment of the initial investment that has become Google Fiber.
- Total salary for employees is budgeted in the operating fund in FY 2017. Throughout the year, personnel charges are capitalized in projects, which accounts for the difference in salary totals since FY 2013.
- Overhead charges include an increase in the cost for retiree insurance, vehicle fuel and repairs, Customer Service charges and facility maintenance costs.
- Project detail for the CIP Fund can be found in the Capital Improvement Plan section of this book.
- Capital project actuals include capitalized labor as well as the materials and other expenses needed to complete the project.
- During FY 2015 the Energy Department issued \$20 million in Revenue Bonds to fund the construction of the Energy Campus with a projected completion date in Fall of FY 2017.

	FY15 Actual	FY16 Estimate	FY17 Estimate	Goal
Operating Cost per Customer	\$115	\$118	\$121	\$150
Days Cash on Hand	85	92	90	90
Reliability Index (CAIDI)	194	223	120	64
Hours without a Lost workday injury	63,000	93,000	324,000	1,000,000

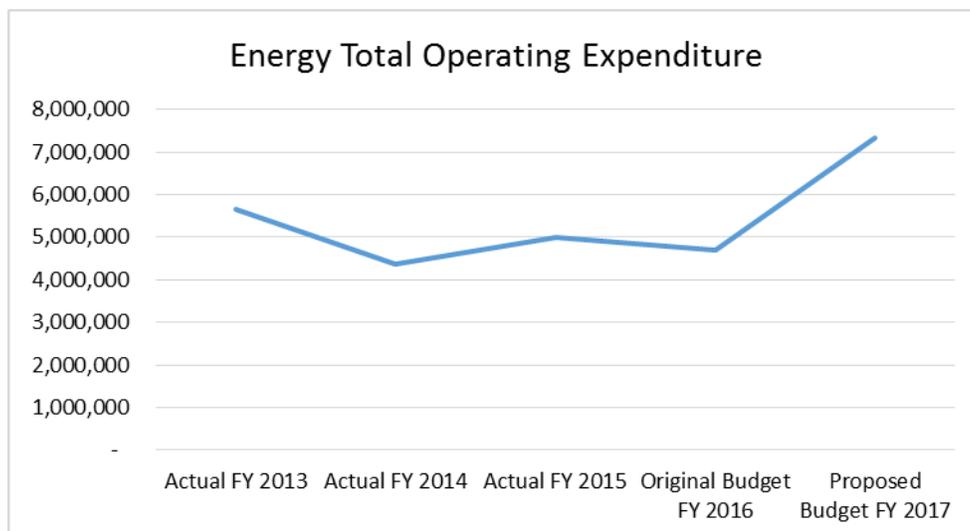


Energy--Operating	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue						
Utility Sales	\$ 65,007,082	\$ 66,416,726	\$ 65,161,117	\$ 70,341,796	\$ 69,638,378	\$ 72,656,676
Miscellaneous	409,609	172,758	27,132	60,000	60,000	60,000
Telecom Debt Charge	3,291,823	3,337,730	3,336,503	3,250,000	3,377,775	3,250,000
Fees	967,365	1,368,779	1,411,834	1,257,000	1,202,183	1,436,000
Bond Proceeds	-	-	20,162,608	-	-	-
Principal Payment	855,725	85,182	78,120	34,417	34,417	34,417
Interest Income	39,524	48,587	62,012	25,000	25,194	25,000
Grants	17,356	-	-	-	-	-
Total Revenue	70,588,484	71,429,763	90,239,325	74,968,213	74,337,947	77,462,093
Expenditures & Transfer Out						
Energy Administration	\$ 7,703,016	\$ 7,797,678	\$ 3,617,450	\$ 5,532,920	\$ 5,779,769	\$ 5,469,651
Energy Office Buildings	110,573	126,801	128,763	151,009	151,009	148,239
Energy Budget & Rate Analysis	36,280	213,337	276,598	464,857	464,857	501,892
Energy Customer Assistance	383,381	349,334	247,557	415,262	424,002	354,343
Energy Warehouse Operations	145,523	148,477	152,566	158,782	158,782	163,974
Energy Warehouse Inventory	(4,833)	20,102	53,884	10,000	10,000	10,000
Energy Sys Engineering Trans	419,675	384,082	364,364	439,932	439,932	350,076
Energy Svc Engineering Dist	224,468	239,494	320,479	415,527	415,527	433,368
Energy GIS/CAD	101,904	111,553	121,878	136,316	136,316	216,537
Energy Provo Diesel Operations	87,981	83,990	83,434	39,358	87,358	32,879
Energy Hunter Plant	176,526	193,166	178,921	185,000	202,875	185,000
Energy Purchased Power	40,262,656	41,520,238	43,771,490	46,876,161	46,876,161	48,160,618
EnergyPower Cntrl/ Load Dspch	504,758	512,949	560,319	580,854	580,854	595,750
Energy Transmission Substation	8,633	7,653	7,727	13,250	13,250	13,250
Energy Distribution Substation	544,738	549,957	636,309	715,290	715,290	730,596
Energy Distrib Traffic Signal	423	833	-	1,000	1,000	-
Energy Distr Street Lighting	106,618	101,210	104,822	114,806	114,806	101,693
Energy Distribution - Meters	244,907	270,409	278,233	289,885	289,885	295,192
Energy Dist Street Tree	177,273	172,591	198,757	203,094	203,094	205,130
Energy Distribution Tree Trim	784,695	828,350	885,318	953,070	953,070	980,990
Energy Dist Overhead Lines	1,751,708	1,847,511	1,976,302	2,899,762	2,899,762	2,877,157
Energy Dist Underground	13,305	21,236	19,626	25,000	25,000	18,000
Energy CIP	-	-	-	-	-	-
Energy Grants	17,356	-	-	-	-	-
Energy Warehouse outside sales	898	-	-	-	-	-
Transfers Out	14,398,194	15,970,276	36,112,476	14,986,138	14,986,138	15,989,988
Total Expenditures & Transfer Out	68,200,654	71,471,228	90,097,273	75,607,273	75,928,737	77,834,324
Net Change in Fund Balance	2,387,830	(41,465)	142,052	(639,060)	(1,590,790)	(372,231)
Beginning Fund Balance	9,399,790	11,787,620	11,746,155	11,888,207	11,888,207	10,297,416
Ending Fund Balance	11,787,620	11,746,155	11,888,207	11,249,147	10,297,416	9,925,186

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Energy	65.01	63.01	64.46	66.06	66.55



Energy--Capital Improvement	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue & Transfer In						
Fees	\$ 1,775,773	\$ 1,932,347	\$ 1,690,497	\$ -	\$ 2,996,695	\$ -
Miscellaneous	438,471	454,949	799	-	5,000	-
Interest Income	67,393	67,671	83,736	-	174,320	-
Transfer In	4,619,631	5,342,351	25,646,663	4,275,990	4,275,990	4,773,054
Total Revenue & Transfer In	6,901,268	7,797,318	27,421,695	4,275,990	7,452,005	4,773,054
Expense & Transfer Out						
Energy CIP	\$ 5,658,297	\$ 4,375,472	\$ 4,987,177	\$ 4,706,660	\$ 36,367,848	\$ 7,336,154
Transfer Out	-	-	-	915,427	915,427	295,427
Total Expense & Transfer Out	5,658,297	4,375,472	4,987,177	5,622,087	37,283,275	7,631,581
Net Change in Fund Balance	1,242,972	3,421,847	22,434,518	(1,346,097)	(29,831,270)	(2,858,527)
Beginning Fund Balance	10,106,235	11,349,207	14,771,053	37,205,571	37,205,571	6,028,204
Ending Fund Balance	11,349,207	14,771,053	37,205,571	35,859,474	6,028,204	3,169,677



Telecom

Division Function

- The Telecom Division no longer is reported or run as an enterprise fund.

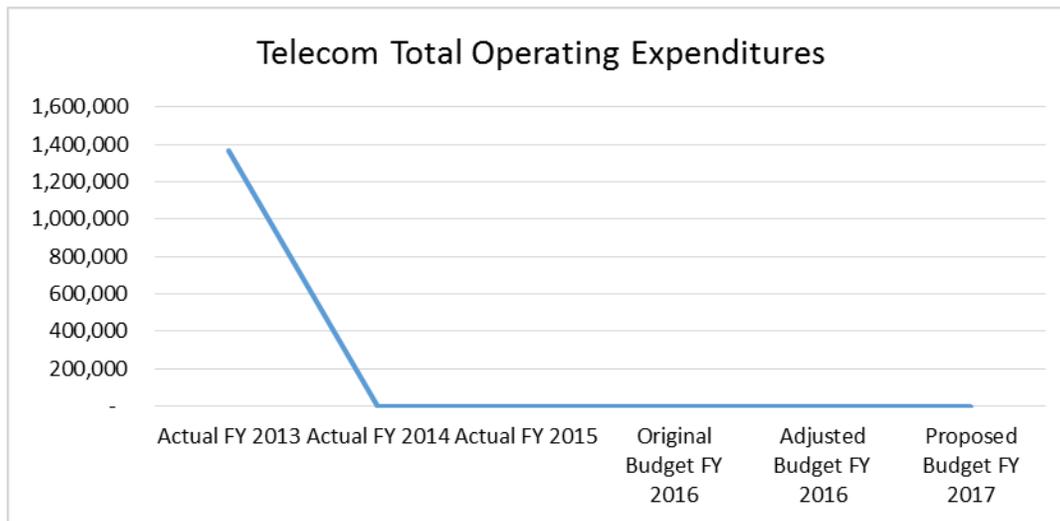
Budget Outcomes

- After the sale of the fiber network to Google Fiber, it was determined that the Telecom Enterprise Fund was no longer necessary. The fund was split into the Telecom Debt Service Fund and the Telecom Internal Service Fund, with the corresponding assets and liabilities transferred.



Telecom	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Miscellaneous	\$ (492,849)	\$ -	\$ -	\$ -	\$ -	\$ -
Principal Payment	1,482,726	-	-	-	-	-
Interest Income	(208)	-	-	-	-	-
Total Revenue	989,669	-	-	-	-	-
Expenditure						
Telecom	\$ 1,369,041	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditure	1,369,041	-	-	-	-	-
Net Change in Fund Balance	(379,372)	-	-	-	-	-
Beginning Fund Balance	379,372	-	-	-	-	-
Ending Fund Balance	-	-	-	-	-	-

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Telecom	1.00	-	-	-	-



Sanitation

Division Function

- Sanitation is a division within the Public Works Department. This Division provides automated residential refuse collection and green waste recycling. Sanitation also manages neighborhood-oriented cleanup programs in the spring and fall of each year. Sanitation administers the blue can recycling program for Provo residents through a contracted waste hauler.

Division Goals

- Work with South Utah Valley Solid Waste District toward financial stabilization and control of landfill costs.
- Increase customer knowledge and understanding of sanitation services.
- Stabilize recycling (blue can) customer base and continue to increase number of composting (green can) customers.

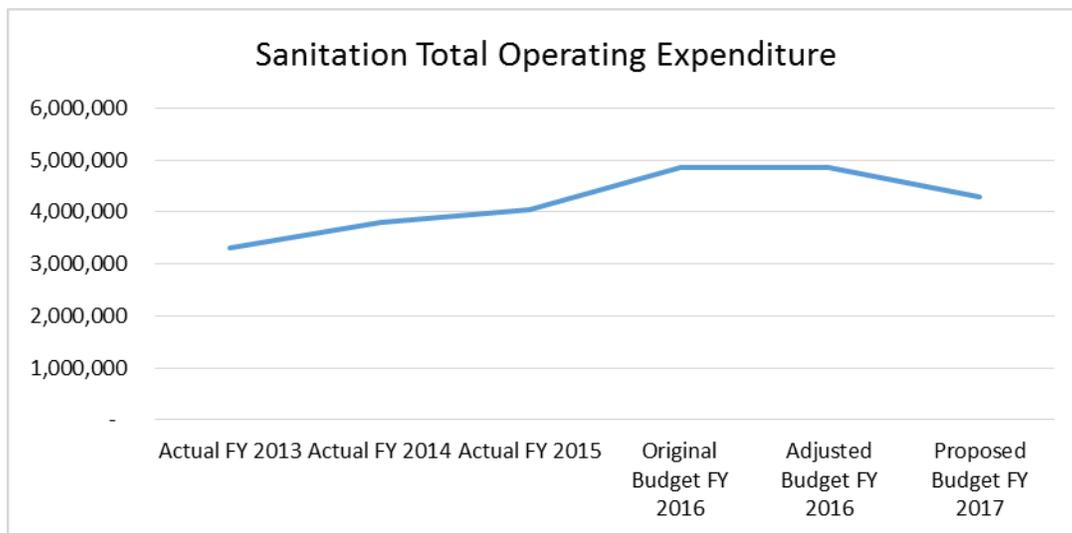
Budget Outcomes

- FY 2016 saw the in-sourcing of composting operations. The FY 2017 budget includes funding for additional staff hours to man this operation.



Sanitation--Operating	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjustments to FY 2016	Adopted Budget FY 2017
Revenue						
Utility Sales	\$ 4,301,404	\$ 4,323,241	\$ 4,421,367	\$ 4,524,000	\$ 4,959,150	\$ 4,568,000
Miscellaneous	2,685	42,636	(4,448)	65,000	10,978	6,478
Fees	39,418	16,810	16,649	15,000	19,535	87,000
Interest Income	6,795	7,289	6,976	7,978	5,346	6,000
Total Revenue	4,350,302	4,389,976	4,440,543	4,611,978	4,995,009	4,667,478
Expenditure & Transfer Out						
Sanitation Collections	\$ 2,686,445	\$ 2,936,277	\$ 3,111,085	\$ 3,430,254	\$ 4,115,253	\$ 4,566,541
Green Waste	195,601	459,256	524,740	794,000	734,000	-
Recycling	419,698	407,820	412,190	-	-	-
Transfers Out	560,121	604,977	613,174	541,040	541,040	645,880
Total Expenditure & Transfer Out	3,861,865	4,408,329	4,661,188	4,765,294	5,390,293	5,212,421
Net Change in Fund Balance	488,437	(18,353)	(220,645)	(153,316)	(395,284)	(544,943)
Beginning Fund Balance	1,320,492	1,808,929	1,790,577	1,569,932	1,569,932	1,174,649
Ending Fund Balance	1,808,929	1,790,577	1,569,932	1,416,616	1,174,649	629,705

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Sanitation	14.21	13.56	13.56	16.56	16.56



Sanitation--Capital Improvement	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjustments to FY 2016	Adopted Budget FY 2017
Revenue & Transfer In						
Miscellaneous	\$ 7,371	\$ 5,661	\$ 4,365	\$ -	\$ 1,815	\$ -
Interest Income	3,300	3,697	3,864	-	3,872	-
Transfer In	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
Total Revenue	<u>160,671</u>	<u>159,358</u>	<u>158,229</u>	<u>-</u>	<u>5,687</u>	<u>100,000</u>
Expenditure & Transfer Out						
Sanitation CIP	\$ -	\$ -	\$ 132,598	\$ -	\$ 497,402	\$ 25,000
Transfer Out	-	-	-	260,000	260,000	260,000
Total Expenditure & Transfer Out	<u>-</u>	<u>-</u>	<u>132,598</u>	<u>260,000</u>	<u>757,402</u>	<u>285,000</u>
Net Change in Fund Balance	160,671	159,358	25,631	(260,000)	(751,715)	(185,000)
Beginning Fund Balance	597,457	758,128	917,486	943,117	943,117	191,402
Ending Fund Balance	758,128	917,486	943,117	683,117	191,402	6,402



Wastewater

Department Function

- Wastewater is composed of two Sections (Wastewater Collections and Water Reclamation) within the Water Resources Division of the Public Works Department. These Sections provide comprehensive sanitary wastewater collection and treatment services to the community. These Sections operate a fully delegated Industrial Pre-treatment Program to control the discharge of toxic, harmful or untreatable wastes to the sewer system. Funding for operation, maintenance and capital wastewater needs are provided by sewer service sales and minor miscellaneous revenues.

Department Goals

- Complete bidding and construction of the Duncan lift station.
- New service laterals (main to curb) installed for 300 South customers between University Avenue and 700 East
- Assure 100% compliance with Provo's Utah Pollution Discharge System (UPDES) Permit
- Complete design and begin construction of the Geneva Road sewer mainline improvements.

Department Accomplishments

- Completed the installation of the Ultraviolet upgrade to the Water Reclamation Plant.
- Replaced and upgraded the Headworks building at the wastewater treatment plant resulting in a safer and more efficient operation.
- Completed the remaining portions of the wastewater treatment plant master plan.
- Replaced 400 feet of sewer main line pipe on 300 South between 100 West and 200 West
- Lined the sewer main line through Driftwood Lane problem area
- Completed Leisure Village Sewer Lining Project.
- Provided extensive TV and video services for customers with sewer lateral connection issues.
- Major assistance with excavations for other City departments in difficult areas proved to be significant in aid to construction and remediation of emergencies.
- Completed construction of the new Lakewood lift station building and appurtenances.
- Multiple divisions cooperated to complete the installation of the force main associated with the future Duncan lift station.

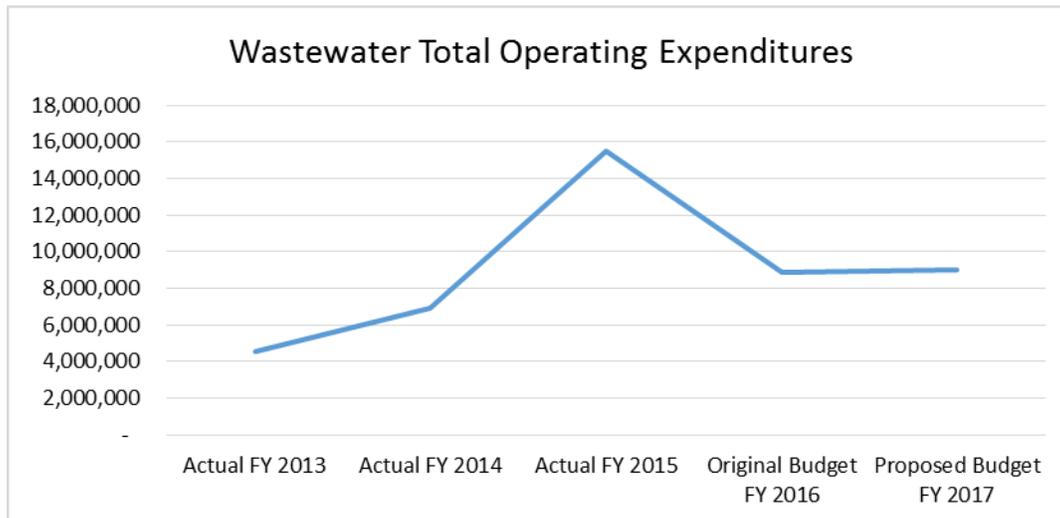
Budget Outcomes

- FY 2017 includes a utility rate increase of 19.8% or an average of \$5.84 per month for a residential customer.
- FY 2015 funded average daily sewage treatment of 10,900,000 gallons and the maintenance of 313 miles of sanitary sewers.

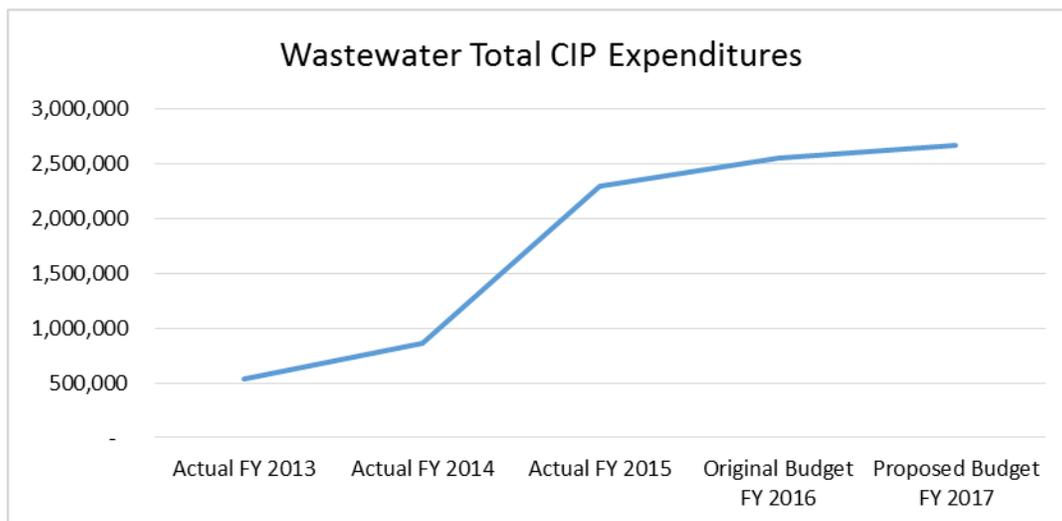
	FY15 Actual	FY16 Estimate	FY17 Estimate
Billions of gallons of sewage treated	3.98	4.00	4.75
Percentage of sewer main system cleaned and video-inspected	8%	5%	5%

Wastewater--Operating	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue						
Utility Sales	\$ 5,309,513	\$ 5,110,036	\$ 6,028,493	\$ 7,290,737	\$ 8,022,522	\$ 9,114,303
Miscellaneous	9,550	903	(13,993)	-	(114,917)	-
Fees	17,036	17,856	19,628	31,500	54,827	31,500
Grants	4,099	1,331	114,917	-	-	-
Bond Proceeds	-	-	10,085,306	-	-	-
Interest Income	13,730	10,299	22,471	10,000	63,765	10,000
Total Revenue	5,353,927	5,140,425	16,256,822	7,332,237	8,026,197	9,155,803
Expenditure & Transfer Out						
Wastewater Treatment Plant	\$ 2,694,334	\$ 2,748,094	\$ 3,174,049	\$ 3,958,280	\$ 4,033,194	\$ 3,910,588
Wastewater Collection	767,929	806,698	937,335	973,408	973,408	1,056,708
Waste Water	-	-	6,536	-	-	-
Water Sources	795	-	-	-	-	-
Transfer Out	1,061,718	3,348,552	11,360,159	3,840,301	3,840,301	4,147,438
Total Expenditure & Transfer Out	4,524,776	6,903,344	15,478,078	8,771,989	8,846,903	9,114,734
Net Change in Fund Balance	829,152	(1,762,919)	778,743	(1,439,752)	(820,706)	41,069
Beginning Fund Balance	2,489,228	3,318,380	1,555,461	2,334,204	2,334,204	1,513,499
Ending Fund Balance	3,318,380	1,555,461	2,334,204	894,452	1,513,499	1,554,568

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Wastewater	<u>27.55</u>	<u>27.80</u>	<u>27.80</u>	<u>27.80</u>	<u>28.30</u>



Wastewater--Capital Improvement	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue & Transfer In						
Fees	\$ 245,935	\$ 335,371	\$ 690,248	\$ 500,000	\$ 570,775	\$ 500,000
Interest Income	26,823	25,031	50,844	-	70,505	-
Lease Income	9,720	11,007	7,454	-	12,586	-
Miscellaneous	-	-	104,282	-	-	-
Transfer In	-	2,200,000	10,126,536	2,200,000	2,200,000	2,306,545
Total Revenue & Transfer In	282,478	2,571,409	10,979,365	2,700,000	2,853,865	2,806,545
Expenditure						
Waste Water	\$ 538,450	\$ 860,626	\$ 2,297,841	\$ 2,547,564	\$ 13,699,446	\$ 2,806,545
Total Expenditure	538,450	860,626	2,297,841	2,547,564	13,699,446	2,806,545
Net Change in Fund Balance	(255,972)	1,710,783	8,681,524	152,436	(10,845,580)	-
Beginning Fund Balance	2,489,228	2,233,256	3,944,039	12,625,563	12,625,563	1,932,419
Ending Fund Balance	2,233,256	3,944,039	12,625,563	12,777,999	1,932,419	1,932,419



Water

Department Function

- The Water Distribution and Water Sources Sections of the Water Resources Division are included in the Public Works Department. The mission of these Sections is to protect the community's health and welfare by providing an abundant supply of high quality water in a way which exceeds federal and state water quality standards at a competitive price. These Sections provide comprehensive culinary water services to the community utilizing water service sales, connection fees, and minor miscellaneous revenues.

Department Goals

- Pave the parking lot and make concrete improvements at Lion's Park near the new well.
- Continue installation of the 7,000 remaining wireless remote read water meters.
- Complete design, bidding, and begin construction of the west zone reservoir project.
- Complete substantial work on Drinking Water Source Protection Plan Update, to be completed by December 31st, 2017.



Department Accomplishments

- Replaced the 24" water main on Canyon Road as recommended in the Water Master Plan. Additionally accommodated 2 new extensions for a 36" main going east and west. The east will feed from the main reservoir when the connection with the new 36" main that will be going in Stadium Ave is complete. The 36" west extension was completed underneath the CenturyLink main corridor conduit. This 36" will be going to the west side to carry additional water to serve future growth. Carry water to strengthen the feed to the west side by going under University Avenue
- Completed construction on the pipeline portion of the Big Springs project down the county road to the South Fork Chlorinator and on the spring collection portion of the project.
- Substantially completed installation of new 30" and 24" transmission line extensions from new Grandview and Slate reservoirs.
- As part of the west zone project in house we completed a new 16" main to accommodate the switchover of an existing 30" line in that zone, at a savings of about \$50K
- Completed installation of 11,000 wireless remote-read water meters.

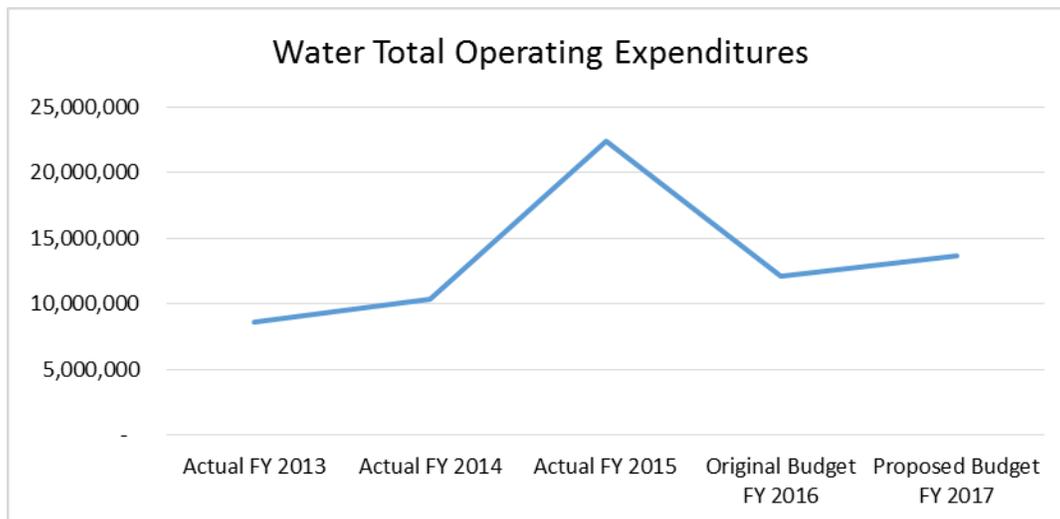
Budget Outcomes

- Revenue budget includes an 19.8% increase in rates, an average of \$5.63 per month for a residential customer.
- The FY 2015 budget includes a bond for capital improvement projects in the amount of \$12,094,266. This is accounted for in revenue and transfers out in the operating fund and transfers in and expenditures in the capital improvement fund.

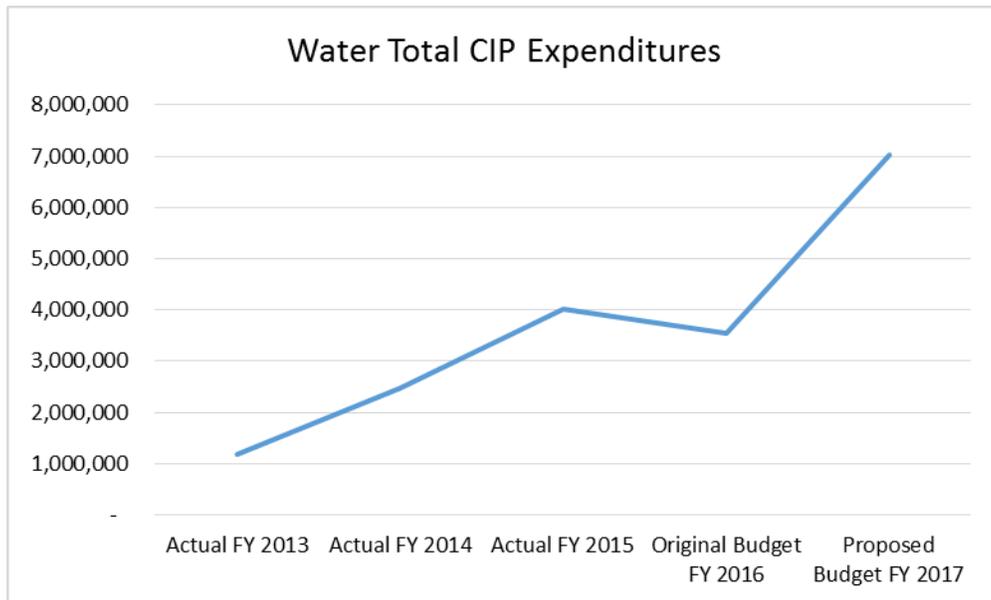
	FY15 Actual	FY16 Estimate	FY17 Estimate
Bacteriological violations on water samples required by the State and EPA	0	0	0
Number of AMI meters installed	2,530	1,900	1,200
Respond and satisfy 80% of customer service complaints within one week	80%	80%	80%

Water--Operating	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue & Transfer In						
Utility Sales	\$ 8,761,185	\$ 8,923,488	\$ 9,241,973	\$ 10,932,448	\$ 10,598,724	\$ 12,102,127
Bond Proceeds	-	-	12,094,266	-	-	-
Miscellaneous	41,835	52,407	46,503	25,300	43,203	25,300
Fees	26,669	28,053	27,968	21,500	21,500	21,500
Interest Income	6,414	6,735	26,623	6,000	6,000	6,000
Grants	60,747	19,112	-	-	-	-
Transfer In	530,745	583,820	612,650	583,820	583,820	583,820
Total Revenue & Transfer In	9,427,595	9,613,614	22,049,982	11,569,068	11,253,247	12,738,747
Expenditure & Transfer Out						
Water Administration	\$ 2,688,378	\$ 3,111,372	\$ 3,156,890	\$ 3,899,817	\$ 3,903,931	\$ 3,949,619
Water Sources	2,109,117	2,059,840	2,112,515	2,170,258	2,173,118	2,221,334
Water Distribution	1,177,287	1,260,349	1,311,134	1,366,847	1,367,382	1,390,719
Water Inventory	(10,906)	5,708	(6,448)	-	1,000	-
Transfer Out	2,605,975	3,902,853	15,786,675	4,702,846	4,702,846	6,111,511
Total Expenditure & Transfer Out	8,569,851	10,340,121	22,360,766	12,139,768	12,148,277	13,673,183
Net Change in Fund Balance	857,744	(726,507)	(310,783)	(570,700)	(895,030)	(934,436)
Beginning Fund Balance	2,355,219	3,212,963	2,486,456	2,175,672	2,175,672	1,280,642
Ending Fund Balance	3,212,963	2,486,456	2,175,672	1,604,972	1,280,642	346,206

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Water	<u>32.10</u>	<u>32.35</u>	<u>36.00</u>	<u>37.10</u>	<u>36.60</u>



Water--Capital Improvement	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue & Transfer In						
Fees	\$ 147,728	\$ 295,364	\$ 1,448,060	\$ 150,000	\$ 237,175	\$ 150,000
Lease Income	-	150,000	-	-	-	-
Miscellaneous	-	28,830	-	-	-	-
Interest Income	17,955	20,074	48,957	-	69,334	-
Transfer In	<u>1,698,682</u>	<u>2,922,980</u>	<u>14,795,765</u>	<u>3,200,000</u>	<u>3,200,000</u>	<u>4,480,000</u>
Total Revenue & Transfer In	1,864,365	3,417,248	16,292,782	3,350,000	3,506,509	4,630,000
Expenditure & Transfer Out						
Water CIP	\$ 1,177,653	\$ 2,405,820	\$ 4,024,062	\$ 3,537,000	\$ 17,219,722	\$ 7,038,443
Transfer Out	-	73,572	-	-	-	-
Total Expenditure & Transfer Out	1,177,653	2,479,392	4,024,062	3,537,000	17,219,722	7,038,443
Net Change in Fund Balance	686,712	937,856	12,268,719	(187,000)	(13,713,213)	(2,408,443)
Beginning Fund Balance	2,537,946	3,224,658	4,162,514	16,431,233	16,431,233	2,718,020
Ending Fund Balance	3,224,658	4,162,514	16,431,233	16,244,233	2,718,020	309,577



Utility Transportation

Department Function

- The Utility Transportation Fund was established in FY 2014 to provide a transparent, sustainable and equitable source of funding for road maintenance. A monthly fee is assessed to all property owners within the City on their monthly utility bill. The basis of the monthly charge is calculated on the estimated number of average daily vehicle trips generated by each property in the City. In the past, Provo City has used bonding as a resource of revenue for ongoing street maintenance. The Provo City Municipal Council and City Administration determined that this was not a sustainable source of funding for street maintenance. The City is currently in the final year of paying off the last road bond which was used for street maintenance.

Department Goals

- Increase number of road overlays.
- Increase crack seal repairs throughout the City.

Department Accomplishments

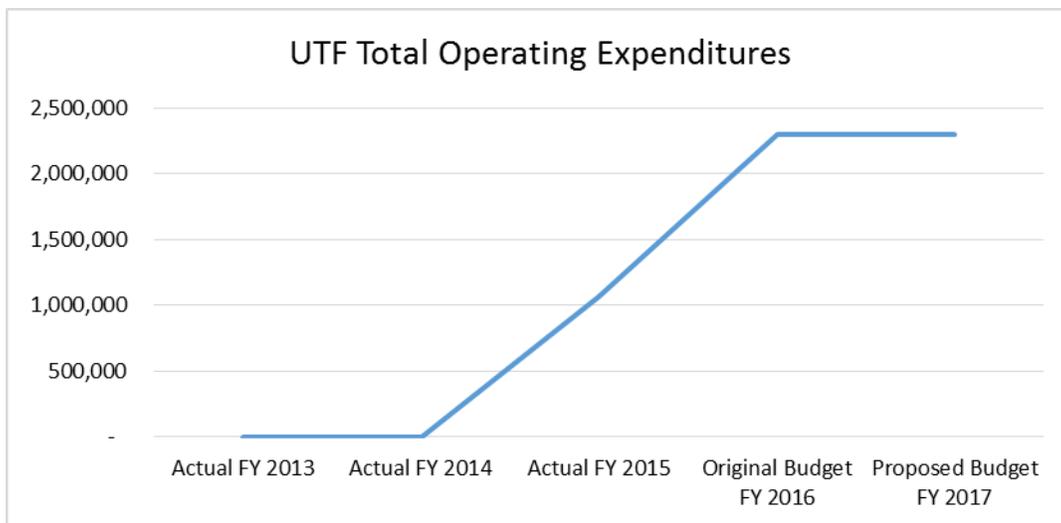
- UTF funds were utilized as part of the 2014 Road Rehab Project to increase the numbers of streets where overlays and surface treatments were used to improve and extend pavement life.
- A separate project for crack sealing was completed on local streets which would not have been possible without this funding source.

Budget Outcomes

- With funds from the UTF available for street maintenance, other funding sources were able to be used for sidewalk maintenance.
- Many street maintenance needs are being addressed which would not have been possible without UTF funds.



Utility Transportation	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue						
Fees	\$ -	\$ 741,033	\$ 2,377,806	\$ 2,300,000	\$ 2,679,049	\$ 2,300,000
Interest Income	-	-	-	-	-	-
Total Revenue	-	741,033	2,377,806	2,300,000	2,679,049	2,300,000
Expenditure						
Utility Transportation	\$ -	\$ -	\$ 1,060,776	\$ 2,300,000	\$ 4,047,771	\$ 2,300,000
Total Expenditure	-	-	1,060,776	2,300,000	4,047,771	2,300,000
Net Change in Fund Balance	-	741,033	1,317,030	-	(1,368,722)	-
Beginning Fund Balance	-	-	741,033	2,058,063	2,058,063	689,341
Ending Fund Balance	-	741,033	2,058,063	2,058,063	689,341	689,341



Golf Course

Department Function

- The purpose and mission of the East Bay Golf Course is to offer a complete golf experience for players at all levels, at a fair price, that makes the East Bay Golf Course the best recreational value for golfers in the region. This is accomplished through exceptional customer service and superior public facilities including an 18-hole championship course, a seven-hole short course, a full length practice range, three practice greens, and clubhouse with banquet hall, pro shop and food service operation.

Department Goals

- Renovate and extend 5th hole teeing area at Eastbay Golf Course
- Increase revenues and attendance at corporate golf outings
- Expand banquet facilities at golf course clubhouse for larger weddings and events.
- Reduce Golf Course actual end of year subsidy below \$80,000.

Department Accomplishments

- Previous to FY 2016 the Pro Shop was managed by an third party. In FY 2016, the decision was made to bring the expertise in-house.
- Renovated hole #17 par 3 tee box area.
- Achieved golf course revenue of \$777,909 and increased rounds played from prior year. Relationships between golf shop staff and maintenance staff has never been stronger, which provides golf patrons with the best experience possible.
- The golf operation subsidy has steadily decreased due to higher revenues, participation, and careful expenditures. It is currently at its lowest level in ten years.

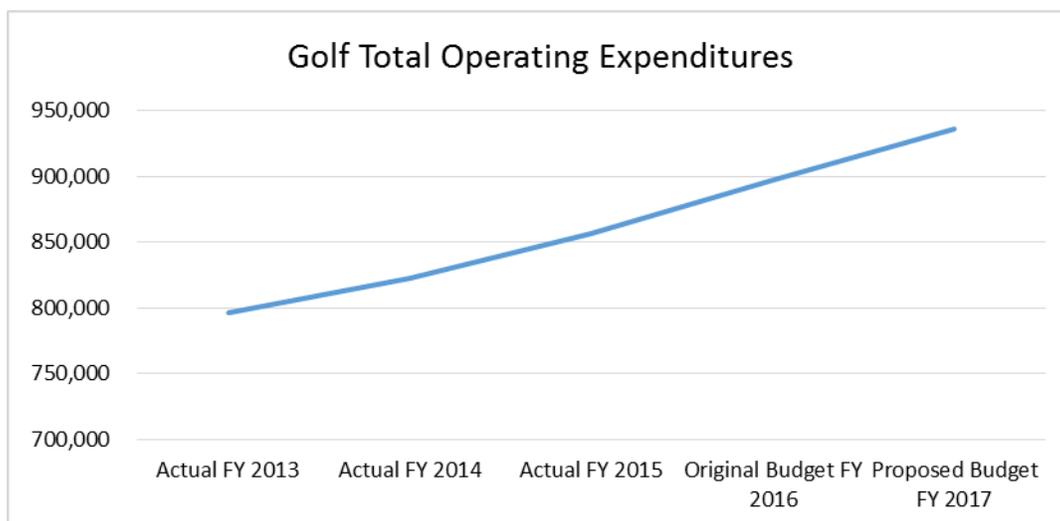
Budget Outcomes

- Revenue increases are due to growth in number of participants, higher levels of customer service and improved course condition.
- The subsidy from the General Fund has been reduced by over \$20,00 in FY 2017.
- FY 2017 budget funded the maintenance of 226 acres of the golf course

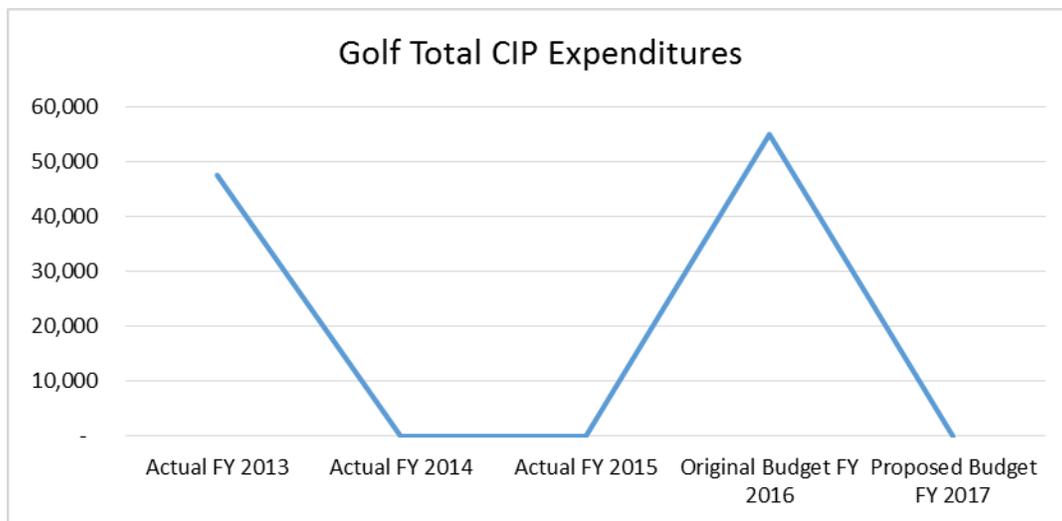


Golf--Operating	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue & Transfer In						
Fees	\$ 614,837	\$ 698,048	\$ 777,909	\$ 683,872	\$ 781,978	\$ 803,600
Miscellaneous	13,606	15,696	10,793	16,007	12,723	11,500
Interest Income	55	324	712	-	-	-
Grants	-	-	-	-	-	-
Transfer In	<u>167,832</u>	<u>159,241</u>	<u>144,540</u>	<u>144,540</u>	<u>144,540</u>	<u>44,093</u>
Total Revenue & Transfer In	<u>796,330</u>	<u>873,309</u>	<u>933,953</u>	<u>844,419</u>	<u>939,240</u>	<u>859,193</u>
Expenditure						
Golf Course Pro Shop	\$ 230,464	\$ 242,593	\$ 290,393	\$ 214,435	\$ 338,211	\$ 324,595
Golf Course Maintenance	<u>565,814</u>	<u>580,293</u>	<u>565,755</u>	<u>682,439</u>	<u>632,663</u>	<u>608,070</u>
Total Expenditure	<u>796,278</u>	<u>822,887</u>	<u>856,148</u>	<u>896,874</u>	<u>970,874</u>	<u>932,665</u>
Net Change in Fund Balance	52	50,422	77,805	(52,455)	(31,634)	(73,472)
Beginning Fund Balance	5,974	6,026	56,448	134,253	134,253	102,620
Ending Fund Balance	6,026	56,448	134,253	81,798	102,620	29,148

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Golf	<u>7.69</u>	<u>7.69</u>	<u>7.69</u>	<u>7.69</u>	<u>12.20</u>



Golf--Capital Improvement	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue & Transfer In						
Interest Income	\$ 2	\$ 6	\$ -	\$ -	\$ -	\$ -
Transfer In	47,611	-	-	53,776	53,776	-
Total Revenue & Transfer In	47,613	6	-	53,776	53,776	-
Expenditure						
Golf CIP	\$ 47,611	\$ -	\$ -	\$ 55,000	\$ 55,000	\$ -
Total Expenditure	47,611	-	-	55,000	55,000	-
Net Change in Fund Balance	2	6	-	(1,224)	(1,224)	-
Beginning Fund Balance	1,213	1,215	1,221	1,221	1,221	(3)
Ending Fund Balance	1,215	1,221	1,221	(3)	(3)	(3)





Special Revenue Funds



Justice Court

Division Function

- The Justice Court is part of the Administrative Services Department. The Justice Court provides a community-oriented justice court that focuses on the needs of Provo City. The Justice Court has authority over Class B and Class C misdemeanors, infractions, and violations of city ordinances which includes parking and zoning violations committed within the boundaries of Provo City. The court will also resolve small claim disputes. The Justice Court will offer the citizens of Provo a structured community court that is convenient for the public and will provide excellent customer service through courteous and professional staff.

Division Goals

- Continue to improve customer service.
- Meet the Utah Judicial Council time to disposition guidelines by having 95% of case disposition meet the established time goal. (We are currently at 89% for criminal cases, 94% for small claims cases and 89% for traffic cases.)
- Work with Citewrite, the new parking software, to create a more efficient back office suite.
- Continue with cross training to allow the entire staff to gain a knowledge and appreciation of each other's job duties and better handle coverage issues.

Division Accomplishments

- Conducted a customer service survey and obtained average scores of 4.637 out of 5.0.
- Implemented a new document imaging program, Judicial Workspace, for court cases.
- Implemented a new parking software program, Citewrite.

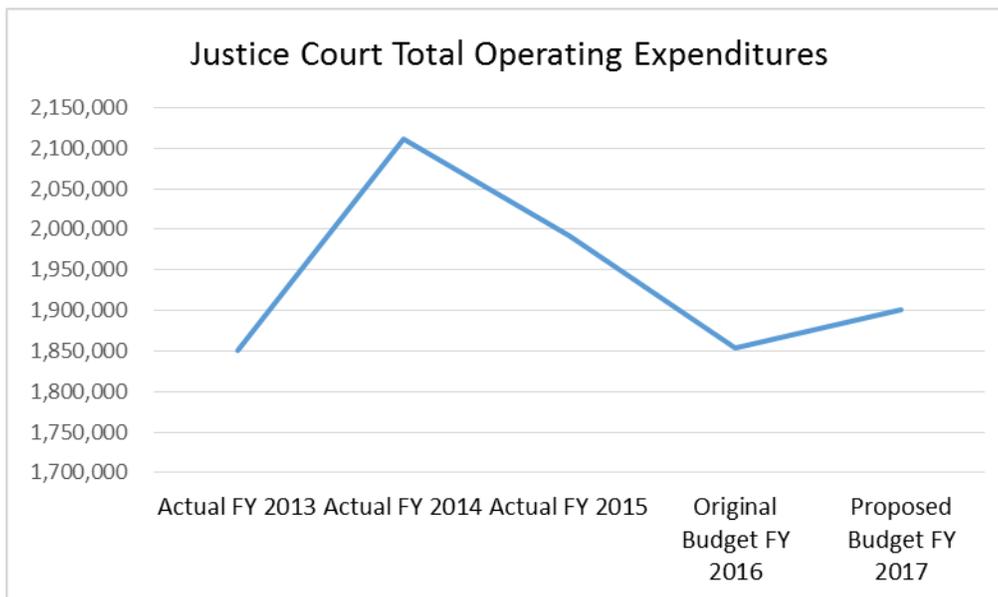


Budget Outcomes

- Revenue has decreased over the last five years. This revenue decrease directly affects expenditures, which includes a transfer to the General Fund for revenue over expenses.

Justice Court	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue & Transfer In						
Fees	\$ 1,837,679	\$ 1,857,630	\$ 1,961,435	\$ 1,826,327	\$ 1,826,327	\$ 1,875,000
Miscellaneous	9,499	14,195	11,180	12,000	12,000	10,000
Interest Income	19,827	18,896	17,881	16,000	16,000	16,000
Transfer In	-	219,775	-	-	-	-
Total Revenue & Transfer In	1,867,005	2,110,496	1,990,496	1,854,327	1,854,327	1,901,000
Expenditure & Transfer Out						
Justice Court	\$ 1,309,860	\$ 1,617,386	\$ 1,410,094	\$ 1,452,810	\$ 1,457,410	\$ 1,470,539
Transfer Out	540,516	493,110	581,347	401,517	401,517	430,461
Total Expenditure & Transfer Out	1,850,376	2,110,496	1,991,441	1,854,327	1,858,927	1,901,000
Net Change in Fund Balance	16,629	0	(945)	-	(4,600)	-
Beginning Fund Balance	8,181	24,810	24,811	23,866	23,866	19,266
Ending Fund Balance	24,810	24,811	23,866	23,866	19,266	19,266

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Justice Court	<u>12.75</u>	<u>12.75</u>	<u>12.63</u>	<u>11.50</u>	<u>11.50</u>



Emergency Response

Department Function

- The Emergency Response Fund is used to account for appropriations associated with the operation of Provo City's Emergency 911 program.

Department Goals

- Change over to the NG911 technology, which is an all-digital network which allows image, video and text message communications to come into Dispatch. It also provides a high degree of redundancy and backup.
- Develop policy for dispatchers in the use of the NG911 technology.
- Add a shift supervisor position without adding to personnel numbers as suggested by Association of Public Safety Communications Officials (APCO) audit.
- Start on Commission on Accreditation for Law Enforcement Agencies (CALEA) Public Safety Communications Accreditation.
- Achieve and maintain full staffing.

Department Accomplishments

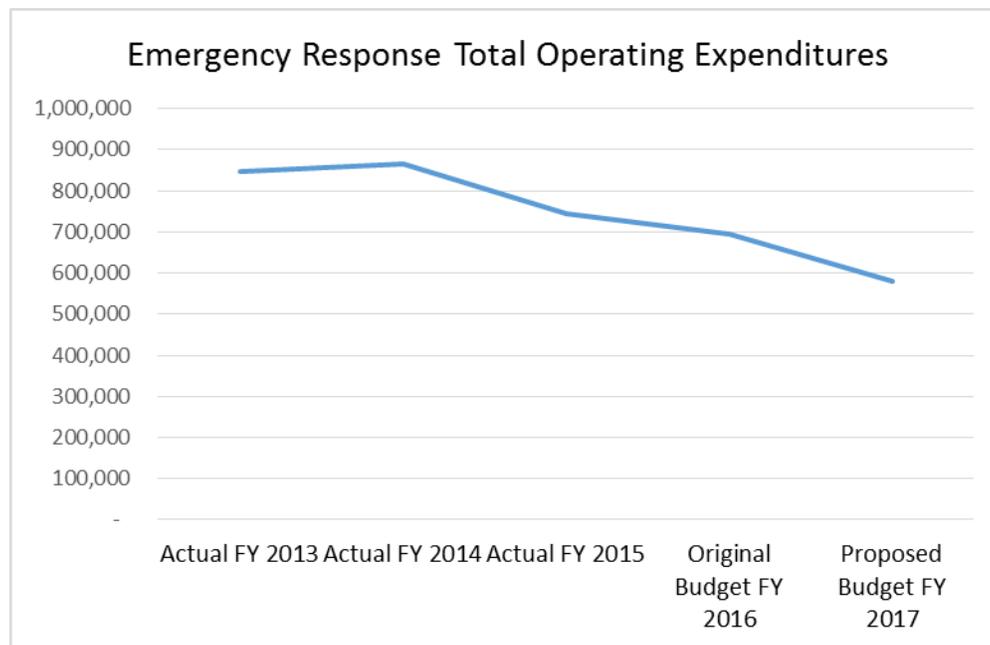
- On April 17, 2013, the Utah chapter of the APCO presented Provo City with two awards for excellent employees.
- Replacement of the uninterruptible power system (UPS), which is a sophisticated battery backup system that keeps the Dispatch Center up and running during a power failure.
- Replacement of the dispatch candidate testing system.
- Revised training procedures for new dispatchers.

Budget Outcomes

- FY 2016 and 2017 include funds awarded from a state grant to allow for the implementation of NG911 technology.
- Revenues in the Emergency Response fund have been decreasing consistently. Due to the flat revenues and the increasing expenses, one additional FTE was transferred to the General Fund.
- Funding for Utah County Geo Diverse phone solution included in the FY 2016 budget and funded with a transfer from the General Fund.

Emergency Response	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue & Transfer In						
Taxes	\$ 645,719	\$ 610,712	\$ 584,292	\$ 620,000	\$ 620,000	\$ 610,000
Miscellaneous	268,734	-	-	-	-	-
Interest Income	2,015	886	18	2,000	2,000	2,000
Transfer In	-	-	-	62,200	62,200	-
Total Revenue & Transfer In	916,467	611,599	584,310	684,200	684,200	612,000
Expenditure & Transfer Out						
Emergency Response	\$ 847,302	\$ 818,914	\$ 745,917	\$ 693,481	\$ 631,281	\$ 618,385
Transfer Out	-	45,886	-	-	-	-
Total Expenditure & Transfer Out	847,302	864,800	745,917	693,481	631,281	618,385
Net Change in Fund Balance	69,165	(253,202)	(161,608)	(9,281)	52,919	(6,385)
Beginning Fund Balance	301,592	370,757	117,556	(44,052)	(44,052)	8,867
Ending Fund Balance	370,757	117,556	(44,052)	(53,333)	8,867	2,482

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Emergency Response	<u>9.03</u>	<u>9.03</u>	<u>7.03</u>	<u>5.03</u>	<u>4.03</u>



Trust and Agency

Department Function

- The Trust & Agency Fund is used to hold deposits for construction and performance bonds and also to accumulate money for large capital projects. Budget appropriations are generally limited to interest payments on deposits and transfers to other funds.

Budget Outcomes

- FY 2017 will be the last year of funding interfund payments. All other outstanding debts have been paid.

Trust & Agency	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Interest Income	\$ 13,585	\$ 16,449	\$ 18,173	\$ 18,000	\$ 18,000	\$ 18,000
Miscellaneous	-	24,398	(19,454)	-	-	-
Total Revenue	13,585	40,847	(1,280)	18,000	18,000	18,000
Expenditure						
Trust & Agency	\$ 734	\$ 465	\$ 2,128	\$ 2,000	\$ 2,000	\$ 2,000
Total Expenditure	734	465	2,128	2,000	2,000	2,000
Net Change in Fund Balance	12,851	40,382	(3,408)	16,000	16,000	16,000
Beginning Fund Balance	210,402	223,253	263,635	260,228	260,228	292,228
Ending Fund Balance	223,253	263,635	260,228	276,228	292,228	308,228

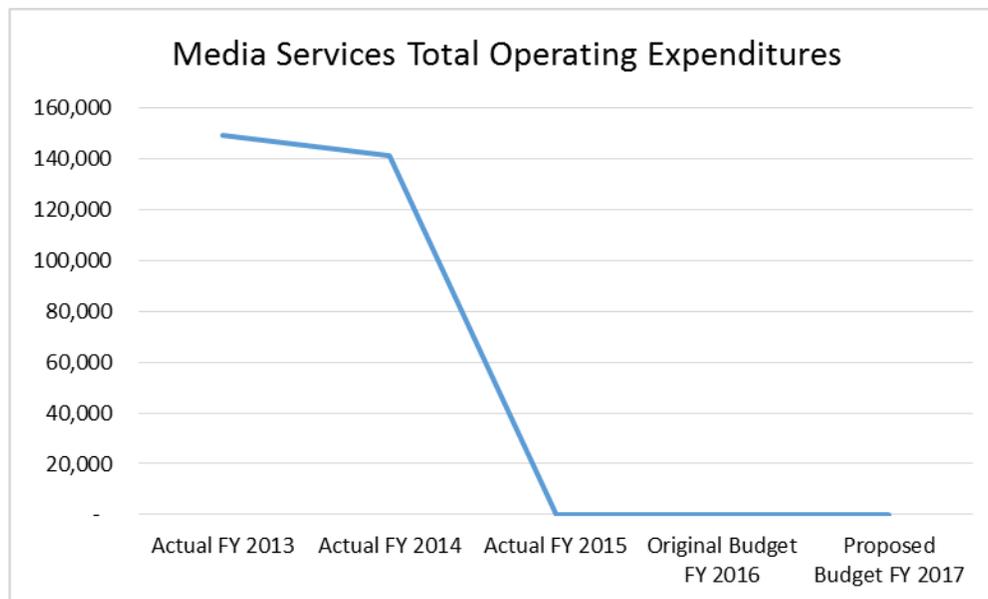
Media Services

Division Function

- The Media Services fund was classified as a special revenue fund. The primary source of funding was a General Fund transfer. This fund has been reclassified to the General Fund as the Media/Web Services within the Mayor's Office beginning in FY 2015.

Media Services	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue & Transfer In						
Fees	\$ 316	\$ 105	\$ -	\$ -	\$ -	\$ -
Interest Income	85	32	-	-	-	-
Transfer In	153,313	142,817	-	-	-	-
Total Revenue & Transfer In	153,714	142,954	-	-	-	-
Expenditure						
Media Services	\$ 148,992	\$ 141,193	\$ -	\$ -	\$ -	\$ -
Total Expenditure	148,992	141,193	-	-	-	-
Net Change in Fund Balance	4,722	1,761	-	-	-	-
Beginning Fund Balance	1,000	5,722	7,484	7,484	7,484	7,484
Ending Fund Balance	5,722	7,484	7,484	7,484	7,484	7,484

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Media Services	3.10	2.63	-	-	-



Library

Department Function

- Founded over 100 years ago the Provo City Library’s function is to provide the community with an inviting center for information, instruction, learning, leisure, and cultural opportunities. The appointed Library Board is responsible for approving the annual budget policy approval and oversight of the director’s performance. The Library is divided into four major divisions: 1) Administration provides leadership for all areas of the Library and is responsible for the human relations, financial and facilities services for the Library. 2) Adult/teen services provides reference and reader’s advisory assistance and plans and implements weekly and monthly programs and activities. 3) Children’s services provides reference and reader’s advisory services and plans and implements weekly story times and a variety of other programs throughout a typical month. 4) Support services consists of Circulation, Technical Services and the Information Systems divisions. Circulation provides checkout and check-in assistance of the Library’s collection as well as shelf management. Technical services orders and processes new items. Information systems provides support for the 100 public computers, 50 staff computers and wireless access points.

Department Goals

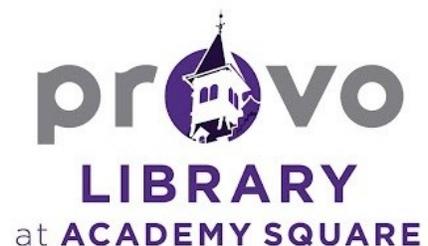
- Design, construct, and implement an audio/video production program space.
- Upon completion of the audio/video production lab, produce short video clips that promote library collections, programs, and services.
- Explore and determine the feasibility of presenting a “Know Show” where current consumer technologies are demonstrated and showcased in a trade show type of environment to give the public access to new technologies.
- Present the inaugural Graphic Novel Day in September which includes guest speakers on the art and story of graphic novels.
- After hiring the new marketing specialist, update the marketing plan for the Library.



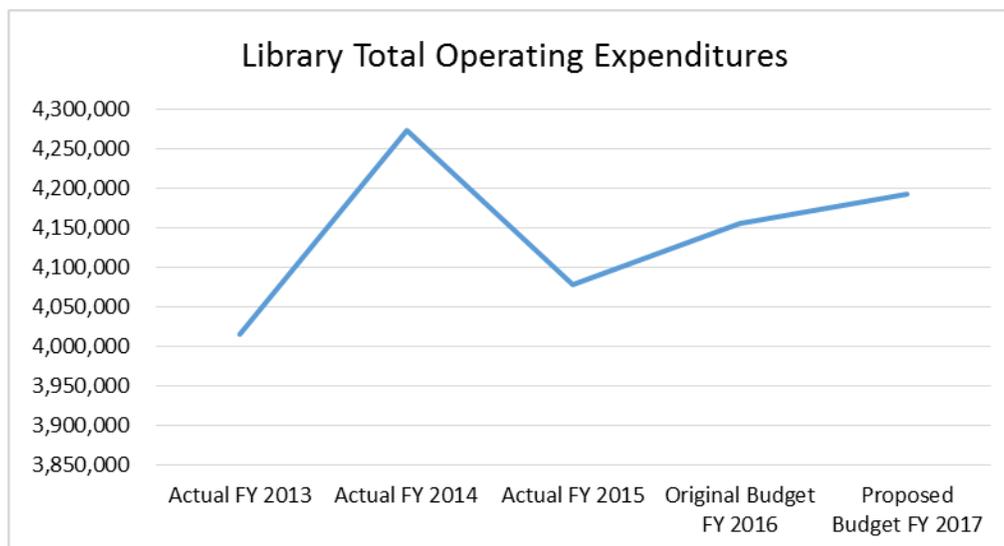
Budget Outcomes

- FY 2017 includes the separation of Library expenses into a few new categories. .

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Library	<u>53.18</u>	<u>52.07</u>	<u>57.60</u>	<u>57.82</u>	<u>60.99</u>



Library	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Property Tax	\$ 3,424,861	\$ 3,426,916	\$ 3,620,431	\$ 3,588,983	\$ 3,588,983	\$ 3,620,256
Fees	302,189	316,545	305,906	385,000	385,000	355,000
Miscellaneous	16,256	22,533	30,689	7,500	7,500	28,000
Grants	33,080	31,768	50,100	-	-	-
Interest Income	37,238	29,610	23,636	45,000	45,000	24,000
Total Revenue	<u>3,813,624</u>	<u>3,827,372</u>	<u>4,030,762</u>	<u>4,026,483</u>	<u>4,026,483</u>	<u>4,027,256</u>
Expenditure						
Library Administration	\$ 1,322,124	\$ 1,345,185	\$ 1,052,533	\$ 1,152,778	\$ 1,366,898	\$ 1,107,385
Library Custodial	-	114,652	158,653	183,504	183,504	208,699
Library Circulation	404,349	385,199	386,771	416,638	416,638	403,005
Community & Library Events	153,266	151,318	161,373	135,542	177,703	182,684
Community Relations	-	-	-	-	-	143,801
The Attic	-	-	-	-	-	27,255
AV Production Lab	-	-	-	-	-	41,666
Library Community Relations	103,646	110,230	125,661	137,787	137,787	-
Library Grants	33,080	31,765	49,648	-	-	-
Library Childrens Services	546,718	584,019	553,114	512,738	523,228	515,266
Library Systems	316,569	365,219	371,151	376,076	391,641	384,007
Library Adult Services	802,828	863,732	869,391	905,449	923,939	882,381
Library Technical Services	332,257	322,765	348,984	334,334	334,334	296,093
Total Expenditure	<u>4,014,837</u>	<u>4,274,087</u>	<u>4,077,279</u>	<u>4,154,846</u>	<u>4,455,671</u>	<u>4,192,242</u>
Net Change in Fund Balance	(201,213)	(446,715)	(46,517)	(128,363)	(429,188)	(164,986)
Beginning Fund Balance	4,552,149	4,350,936	3,904,221	3,857,704	3,857,704	3,300,154
Ending Fund Balance	4,350,936	3,904,221	3,857,704	3,729,342	3,300,154	3,135,168



Covey Center for the Arts

Department Function

- The Covey Center for the Arts has been in operation for seven years. In that time, the Covey Center has hosted over 1,200 performances, including concerts and performances by international, national, and local artists, as well as symphonies, operas, ballets, children's theatricals, dance recitals, pageants, graduations, benefits and fundraisers. There have been over 40 plays and musicals presented in the Brinton Black Box Theater and the Main Hall. The dance studios have not only provided a place for jazz, ballet, hip hop, middle eastern and ballroom dance classes, but they also are the home of the Covey Center's high school a cappella group, FreQuency. FreQuency performs locally and this year is performing at Disneyland and Nott's Berry Farm in California. The studios this year will also host performances by Hipno Hick, a local hypnotist, Rodney Norman, a standup comedian and ImprovBroadway regularly on Friday and Saturday nights. In addition to performances in the Covey Center, there are three visual art galleries which will present rotating exhibits by 18 to 20 different artists plus a Summer Showcase which will feature the works of 50 plus different artists.
- The mission of the Covey Center is to enrich the lives of our community, provide for educational and creative development opportunities for all ages, provide first class entertainment appropriate for youth and families, and give an opportunity to endow all that is good in the arts for generations to come.



Department Goals

- Increase Create a more fluid contracting process between the Covey Center and its clients
- Increase audience participation in the Excellence Series at the Covey Center to 70% of capacity
- Increase and train in advanced safety standards for Covey Center performances
- Increase per performance in Black Box at Covey Center occupancy by 5%
- Develop a community use system at the Covey Center to highlight local arts talent

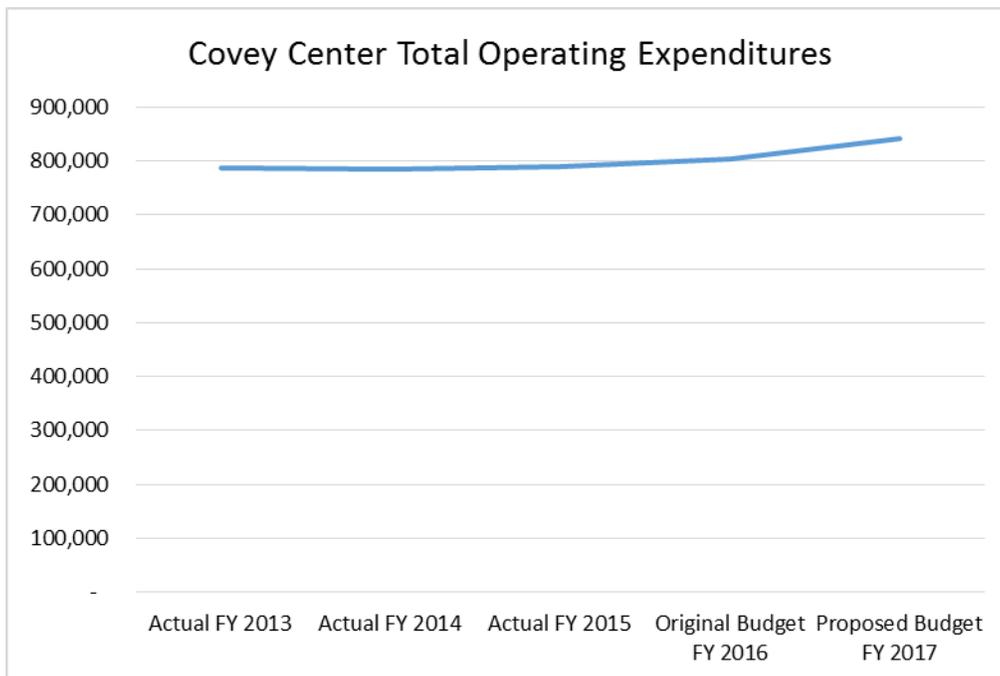
Budget Outcomes

- Maintain or lower the city subsidy by increasing revenues generated through an increase in classes and educational programs in the dance studios.
- Allow technical staff to gain training in areas that are vital to back stage operations. Begin the replacement process for equipment that has used its life.

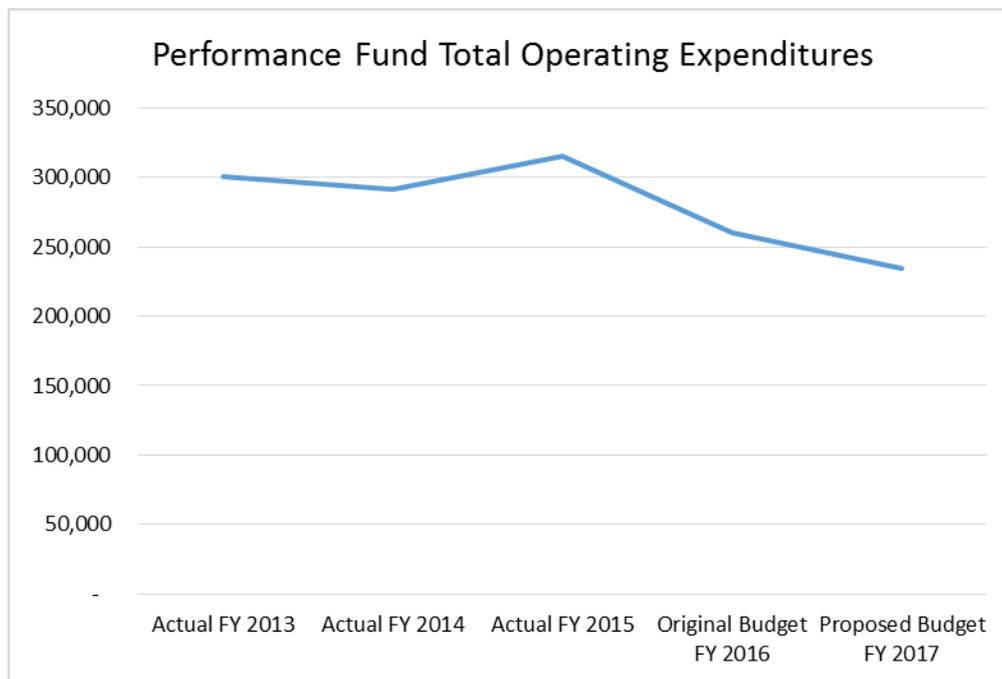


Covey Center for the Arts	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue & Transfer In						
Fees	\$ 121,269	\$ 208,360	\$ 113,612	\$ 191,500	\$ 346,320	\$ 191,500
Miscellaneous	261,052	199,852	279,241	262,308	174,259	314,383
Grants	-	-	-	-	-	-
Interest Income	561	216	97	250	1,628	250
Transfer In	<u>257,938</u>	<u>389,773</u>	<u>335,428</u>	<u>335,428</u>	<u>335,428</u>	<u>335,428</u>
Total Revenue & Transfer In	<u>640,820</u>	<u>798,202</u>	<u>728,378</u>	<u>789,486</u>	<u>857,635</u>	<u>841,561</u>
Expenditure						
Covey Center for the Arts	\$ <u>786,985</u>	\$ <u>784,018</u>	\$ <u>789,558</u>	\$ <u>803,371</u>	\$ <u>803,371</u>	\$ <u>841,561</u>
Total Expenditure	<u>786,985</u>	<u>784,018</u>	<u>789,558</u>	<u>803,371</u>	<u>803,371</u>	<u>841,561</u>
Net Change in Fund Balance	(146,165)	14,184	(61,180)	(13,885)	54,264	-
Beginning Fund Balance	156,981	10,816	25,000	(36,180)	(36,180)	4,199
Ending Fund Balance	10,816	25,000	(36,180)	(50,065)	4,199	4,199

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Full-Time	<u>11.12</u>	<u>11.12</u>	<u>10.00</u>	<u>14.05</u>	<u>14.04</u>



Covey Center for the Arts- Performance Fund	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Fees	\$ -	\$ -	\$ 152	\$ -	\$ -	\$ -
Miscellaneous	322,776	249,862	245,663	260,000	260,000	235,000
Interest Income	305	443	137	-	-	-
Total Revenue	<u>323,081</u>	<u>250,305</u>	<u>245,952</u>	<u>260,000</u>	<u>260,000</u>	<u>235,000</u>
Expenditure						
Performance Fund	\$ 301,195	\$ 291,841	\$ 315,230	\$ 260,000	\$ 260,000	\$ 235,000
Total Expenditure	<u>301,195</u>	<u>291,841</u>	<u>315,230</u>	<u>260,000</u>	<u>260,000</u>	<u>235,000</u>
Net Change in Fund Balance	21,887	(41,537)	(69,278)	-	-	-
Beginning Fund Balance	65,154	87,041	45,504	(23,774)	(23,774)	(23,774)
Ending Fund Balance	87,041	45,504	(23,774)	(23,774)	(23,774)	(23,774)



Winterfest

Department Function

- The Winterfest Fund is used to account for revenues and expenditures associated with the Winterfest events such as the Lights-on Ceremony, Christmas Market and Countdown in Provo. Beginning in FY 2017, Winterfest activities will be funded through the Parks & Recreation Special events because of the similarity of the functions.

Department Goals

- Redesign budget for Winterfest to reflect the need of the program, community demand, support for sponsors/grants and expanded activities.

Budget Outcomes

- In FY 2017 this budget has been moved to the Parks & Recreation department.

Winterfest	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue & Transfer In						
Miscellaneous	\$ 18,567	\$ 37,262	\$ 31,043	\$ 31,000	\$ 31,000	\$ -
Interest Income	132	114	109	-	-	-
Transfer In	<u>13,000</u>	<u>13,000</u>	<u>13,000</u>	<u>13,000</u>	<u>13,000</u>	<u>-</u>
Total Revenue & Transfer In	<u>31,699</u>	<u>50,376</u>	<u>44,152</u>	<u>44,000</u>	<u>44,000</u>	<u>-</u>
Expenditure						
Winterfest	\$ 38,000	\$ 46,838	\$ 39,273	\$ 44,000	\$ 44,000	\$ -
Total Expenditure	<u>38,000</u>	<u>46,838</u>	<u>39,273</u>	<u>44,000</u>	<u>44,000</u>	<u>-</u>
Net Change in Fund Balance	(6,301)	3,538	4,880	-	-	-
Beginning Fund Balance	23,652	17,351	20,889	25,769	25,769	25,769
Ending Fund Balance	17,351	20,889	25,769	25,769	25,769	25,769

World Family Games

Department Function

- The World Family Games fund comes as an evolution of the multi-generational Heritage Challenge from the Senior Games and replaces that event and budget. The World Family Games is designed as a destination event for Provo City. It partners the Parks and Recreation Department, Provo Foundation and local organizations in a collaborative effort to promote active and healthy lifestyles.

Department Goals

- Reorganization and renaming of the Senior Games budget for use as the World Family Games budget to reflect changes to the format, revenues and other aspects of the event.
- Utilization of existing world class facilities in Provo. Support for the event is provided by current organizational structure.
- This destination event pulls families from all around the region to participate in a week-long event with Olympic-style competitions, family group participation challenges and social activities.

Budget Outcomes

- Revenue for this fund comes from donations from local businesses and registration fees. There is no subsidy provided from the General Fund, thus the event is organized on a breakeven basis.



World Family Games	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Miscellaneous	\$ -	\$ -	\$ -	\$ 75,000	\$ 75,000	\$ 75,000
Total Revenue	-	-	-	75,000	75,000	75,000
Expenditure						
World Family Games	\$ -	\$ -	\$ -	\$ 71,500	\$ 71,500	\$ 71,473
Total Expenditure	-	-	-	71,500	71,500	71,473
Net Change in Fund Balance	-	-	-	3,500	3,500	3,527
Beginning Fund Balance	16,535	16,535	16,535	16,535	16,535	23,535
Ending Fund Balance	16,535	16,535	16,535	20,035	23,535	27,062

Cemetery Perpetuity

Department Function

- The Perpetuity Fund is used to set aside funds for future debt service payments from revenues to cemetery activities.

Budget Outcomes

- Revenue primarily comes from a portion of current cemetery fees and interest income.
- Transfers out are to fund cemetery improvements in the Parks Capital Improvement Fund.
- In FY 2015, FY 2016 and FY 2017, the fund balance of the Perpetuity Fund was transferred to the Parks CIP Fund in order to fund the cemetery expansion.

Perpetuity	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Fees	\$ 90,177	\$ 88,965	\$ 193,400	\$ 169,559	\$ 169,559	\$ 220,000
Interest Income	2,974	2,788	1,530	-	-	-
Total Revenue	93,151	91,753	194,930	169,559	169,559	220,000
Expenditures & Transfer Out						
Transfer Out	\$ 40,000	\$ -	\$ 754,559	\$ 169,559	\$ 169,559	\$ 169,902
Total Transfer Out	40,000	-	754,559	169,559	169,559	169,902
Net Change in Fund Balance	53,151	91,753	(559,629)	-	-	50,098
Beginning Fund Balance	461,836	514,987	606,740	47,111	47,111	47,111
Ending Fund Balance	514,987	606,740	47,111	47,111	47,111	97,209

Cemetery Plots

Department Function

- This fund is to account for the sale of previously purchased cemetery plots.

Budget Outcomes

- Expenditures are to account for the buy-back of the plots that are then re-sold.

Cemetery Plots	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Fees	\$ 17,400	\$ 13,100	\$ 18,700	\$ -	\$ -	\$ -
Interest Income	150	119	124	-	-	-
Total Revenue	<u>17,550</u>	<u>13,219</u>	<u>18,824</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditure						
Cemetery Plots	\$ 14,400	\$ 17,200	\$ 12,200	\$ -	\$ 14,600	\$ -
Total Expenditure	<u>14,400</u>	<u>17,200</u>	<u>12,200</u>	<u>-</u>	<u>14,600</u>	<u>-</u>
Net Change in Fund Balance	3,150	(3,981)	6,624	-	(14,600)	-
Beginning Fund Balance	23,760	26,910	22,929	29,553	29,553	14,953
Ending Fund Balance	26,910	22,929	29,553	29,553	14,953	14,953



Vending

Department Function

- This fund accounts for money received from the vending machines throughout Provo City buildings.

Budget Outcomes

- There is not a budget adopted for Vending, but budget authority is given to each department based on their percentage of the Vending Fund. Budget is increased throughout the year based on revenue received and interest income. Departments can use their budget for employee appreciation.

Vending	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Miscellaneous	\$ 1,700	\$ 1,700	\$ 1,700	\$ -	\$ -	\$ -
Interest Income	158	134	125	-	-	-
Total Revenue	<u>1,858</u>	<u>1,834</u>	<u>1,825</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditure						
Vending	\$ 1,217	\$ 350	\$ 1,360	\$ -	\$ 28,071	\$ -
Total Expenditure	<u>1,217</u>	<u>350</u>	<u>1,360</u>	<u>-</u>	<u>28,071</u>	<u>-</u>
Net Change in Fund Balance	641	1,484	465	-	(28,071)	-
Beginning Fund Balance	25,481	26,122	27,606	28,071	28,071	-
Ending Fund Balance	26,122	27,606	28,071	28,071	-	-



Capital Improvement Funds



General Capital Improvements

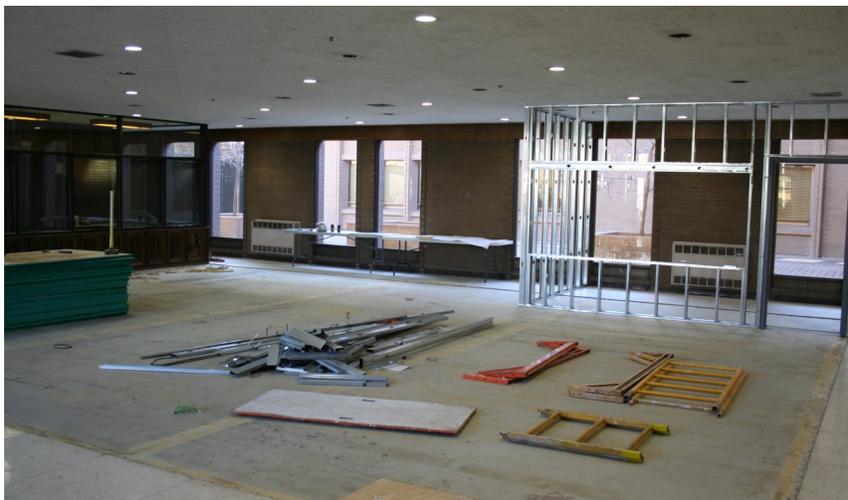
Department Function

- The General Capital Improvement Fund is to account for general City projects not specifically associated with a specific City department.

Budget Outcomes

- The City is entered into a contract to purchase a Citywide Municipal Software Solution (Provo 360). The only expense in this fund is to transfer money for the implementation of Provo 360 during FY 2017.

General Capital Improvements	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue & Transfer In						
Interest Income	\$ 632	\$ 2,185	\$ 2,571	\$ -	\$ -	\$ -
Miscellaneous	-	-	281,051	-	-	-
Bond Proceeds	-	-	-	7,302,214	7,302,214	-
Transfer In	450,600	-	1,500,000	1,781,393	1,781,393	-
Total Revenue & Transfer In	451,232	2,185	1,783,622	9,083,607	9,083,607	-
Expenditure						
General Capital Improvements	\$ 77,355	\$ -	\$ -	\$ 651,000	\$ 10,362,214	\$ 398,367
Total Expenditure	77,355	-	-	651,000	10,362,214	398,367
Net Change in Fund Balance	373,877	2,185	1,783,622	8,432,607	(1,278,607)	(398,367)
Beginning Fund Balance	63,211	437,088	439,273	2,222,895	2,222,895	944,289
Ending Fund Balance	437,088	439,273	2,222,895	10,655,502	944,289	545,922



B&C/Engineering Capital Improvement

Department Function

- B&C and Engineering Capital Improvement Project funds are to account for city projects dealing with roads, bridges, sidewalks, and traffic signals. Revenue from these funds come from the B&C Road Tax, Impact and Developer Fees, Grants, and transfers from other funds.

Budget Outcomes

- B&C revenue includes a transfer from the General Fund funded by the B&C Road Tax.
- FY 2016 includes projects carried over from the previous year, along with projects budgeted in FY 2015. Project balances as of June 30, 2015 will carry over to the FY 2016 budget after the annual audit.



B&C Capital Improvements	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue & Transfer In						
Fees	\$ 16,017	\$ 40,940	\$ 12,958	\$ -	\$ -	\$ -
Grants	1,259,893	1,806,462	(323,447)	-	-	-
Interest Income	19,106	17,553	10,989	-	-	-
Land Sales	99,577	472,867	-	-	-	-
Miscellaneous	326,205	885,372	1,748	-	-	-
Transfer In	<u>2,351,866</u>	<u>1,988,262</u>	<u>2,161,212</u>	<u>2,259,438</u>	<u>2,259,438</u>	<u>2,734,561</u>
Total Revenue & Transfer In	4,072,664	5,211,456	1,863,460	2,259,438	2,259,438	2,734,561
Expenditure						
B&C Capital Improvements	\$ <u>3,421,576</u>	\$ <u>5,524,441</u>	\$ <u>3,200,791</u>	\$ <u>500,000</u>	\$ <u>3,549,165</u>	\$ <u>3,140,000</u>
Total Expenditure	<u>3,421,576</u>	<u>5,524,441</u>	<u>3,200,791</u>	<u>500,000</u>	<u>3,549,165</u>	<u>3,140,000</u>
Net Change in Fund Balance	651,088	(312,985)	(1,337,331)	1,759,438	(1,289,727)	(405,439)
Beginning Fund Balance	3,023,715	3,674,803	3,361,818	2,024,487	2,024,487	734,760
Ending Fund Balance	3,674,803	3,361,818	2,024,487	3,783,925	734,760	329,321

Engineering Capital Improvements	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue & Transfer In						
Fees	\$ 718,849	\$ 1,212,726	\$ 752,202	\$ 350,000	\$ 350,000	\$ 300,000
Grants	1,327,473	2,629,614	4,539,717	6,500,000	18,376,923	4,000,000
Interest Income	28,704	20,813	14,375	-	-	-
Miscellaneous	75,940	1,579,266	55,223	-	-	-
Transfer In	<u>-</u>	<u>-</u>	<u>-</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>
Total Revenue & Transfer In	<u>2,150,966</u>	<u>5,442,419</u>	<u>5,361,517</u>	<u>7,350,000</u>	<u>19,226,923</u>	<u>4,300,000</u>
Expenditure						
Engineering Capital Improvements	\$ <u>3,581,406</u>	\$ <u>6,206,707</u>	\$ <u>4,057,368</u>	\$ <u>8,357,000</u>	\$ <u>23,831,788</u>	\$ <u>2,325,000</u>
Total Expenditure	<u>3,581,406</u>	<u>6,206,707</u>	<u>4,057,368</u>	<u>8,357,000</u>	<u>23,831,788</u>	<u>2,325,000</u>
Net Change in Fund Balance	(1,430,440)	(764,288)	1,304,149	(1,007,000)	(4,604,865)	1,975,000
Beginning Fund Balance	5,447,806	4,017,366	3,253,078	4,557,228	4,557,228	(47,638)
Ending Fund Balance	4,017,366	3,253,078	4,557,228	3,550,228	(47,638)	1,927,362

Parks Capital Improvement

Department Function

- This fund is used to account for monies spent on capital improvement projects associated with the Parks and Recreation Department.

Department Goals

- Complete mountain bike course and disc golf course at Slate Canyon Park.
- Evaluate sites for a future outdoor sports park.
- Finalize the cemetery expansion project.
- Purchase several key parcels of property for future park development.
- Begin Spring Creek park development.
- Adopt new park impact fees.
- Apply for Utah County Municipal Recreation Grant and complete the project.
- Commence development of Slate Canyon park.
- Complete Canyon Road park
- Complete Bicentennial park



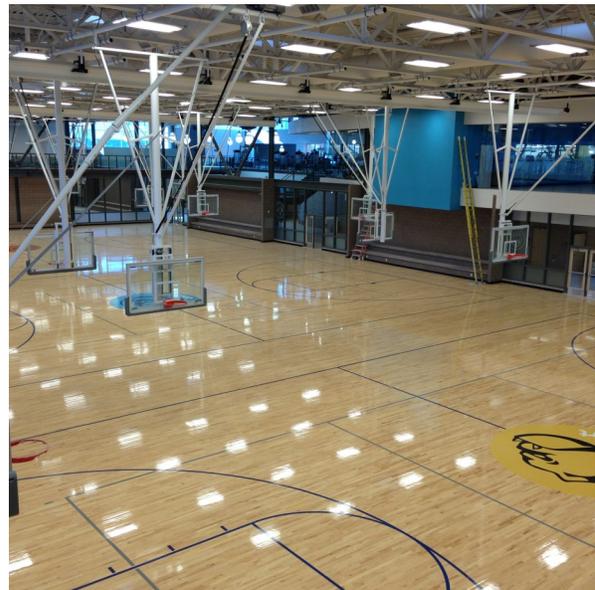
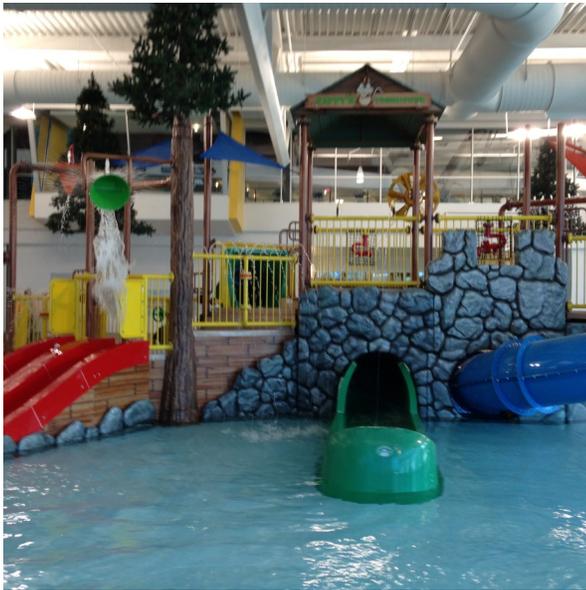
Department Accomplishments

- Implementation of RAP tax will allow for additional construction and arts projects.
- Completed and initiated designs of several new parks.
- Successfully began construction of parks around the city.

Budget Outcomes

- Revenue for FY 2017 consists of park impact fees, grants and transfer in for a cemetery revenue bond.
- The FY 2017 budget includes \$150,000 of arts related projects will be funded with RAP tax revenue.

Parks Capital Improvement	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue & Transfer In						
Miscellaneous	\$ 23,216	\$ 31,090	\$ 378,978	\$ -	\$ -	\$ 2,500,000
Fees	497,645	651,920	1,309,850	890,000	890,000	1,300,000
Grants	64,125	66,726	36,151	-	-	845,000
Interest Income	96,752	14,347	16,019	-	-	-
Tax				-	-	-
Transfer In	109,288	195,000	3,050,399	-	-	1,306,002
Total Revenue & Transfer In	791,026	959,083	4,791,397	890,000	890,000	5,951,002
Expenditure						
Parks Capital Improvement	\$ 21,890,621	\$ 1,466,470	\$ 4,064,883	\$ 1,248,275	\$ 3,337,881	\$ 8,141,775
Total Expenditure	21,890,621	1,466,470	4,064,883	1,248,275	3,337,881	8,141,775
Net Change in Fund Balance	(21,099,595)	(507,387)	726,514	(358,275)	(2,447,881)	(2,190,773)
Beginning Fund Balance	23,942,730	2,843,135	2,335,748	3,062,262	3,062,262	614,381
Ending Fund Balance	2,843,135	2,335,748	3,062,262	2,703,987	614,381	(1,576,392)



Economic/Community Development

Department Function

- The Economic Development Capital Improvement fund, the Mountain Vista fund and the Economic/Community Development Investment fund have been used to account for expenditures to help promote and create opportunities for business development within Provo City.

Budget Outcomes

- Budgets were not approved for any of the funds. Very little revenue is collected and the functions have been collapsed into other departments/funds. Fund balances will be used for identified development projects.

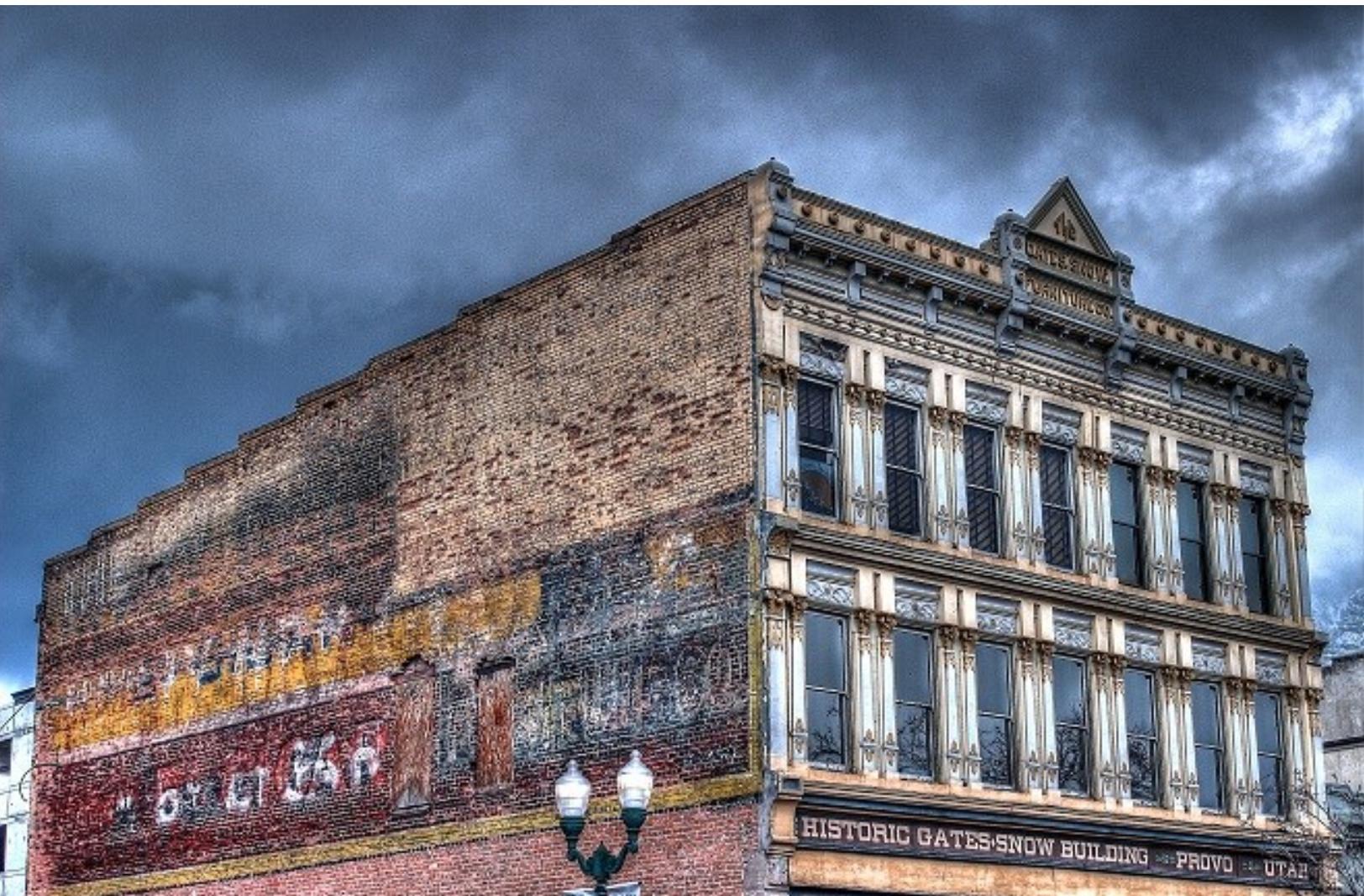
Economic Development Capital Improvement	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Interest Income	\$ 1,923	\$ 750	\$ 505	\$ -	\$ -	\$ -
Miscellaneous	<u>29,760</u>	<u>12,000</u>	<u>16,800</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue	<u>31,683</u>	<u>12,750</u>	<u>17,305</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditure						
Economic Development Capital Improvement	\$ <u>4,816</u>	\$ <u>84,532</u>	\$ <u>4,427</u>	\$ -	\$ 4,717	\$ -
Total Expenditure	<u>4,816</u>	<u>84,532</u>	<u>4,427</u>	<u>-</u>	<u>4,717</u>	<u>-</u>
Net Change in Fund Balance	26,867	(71,782)	12,878	-	(4,717)	-
Beginning Fund Balance	150,686	177,553	105,771	118,649	118,649	113,932
Ending Fund Balance	177,553	105,771	118,649	118,649	113,932	113,932

Economic/Community Development Investment	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Miscellaneous	\$ <u>2,251</u>	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	<u>2,251</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditure						
Economic/Community Development Investment	\$ <u>699,000</u>	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditure	<u>699,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(696,749)	-	-	-	-	-
Beginning Fund Balance	696,749	-	-	-	-	-
Ending Fund Balance	-	-	-	-	-	-

Mountain Vista	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Chargeback	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-
Total Revenue	-	-	-	-	-	-
Expenditure						
Mountain Vista	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ -
Total Expenditure	-	-	-	-	40,000	-
Net Change in Fund Balance	-	-	-	-	(40,000)	-
Beginning Fund Balance	140,704	140,704	140,704	140,704	140,704	100,704
Ending Fund Balance	140,704	140,704	140,704	140,704	100,704	100,704



Internal Service Funds



Internal Service Fund Information

Internal Service Funds are used to report activities that result in accumulation and allocation of costs of supplies and services provided and used internally among the City's various functions. The City uses internal service funds to account for employee benefits, insurance and claims, vehicle management and replacement, internal telecom maintenance, facility services, interfund loans, and customer service functions.

Major Revenue Source

The primary revenue source for all internal service funds is chargeback revenue and transfers in from other funds. Below is a revenue summary from all internal services funds.

Revenue Source	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Chargeback	\$ 12,065,775	\$ 12,696,461	\$ 13,263,221	\$ 14,104,565	\$ 14,104,565	\$ 13,294,644
Principal/Interest Income	45,316	37,928	176,682	152,421	152,421	38,649
Miscellaneous	2,950,245	1,450,400	1,152,471	412,688	1,020,527	433,705
Total Revenue	15,061,336	14,184,789	14,592,374	14,669,674	15,277,513	13,766,998
Transfer In	583,195	886,726	478,603	452,166	452,166	342,337
Total Revenue & Transfer In	15,644,531	15,071,515	15,070,977	15,121,840	15,729,679	14,109,336

Internal Service Summary	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue & Transfer In						
Employee Benefits	\$ 2,317,445	\$ 2,636,618	\$ 2,421,288	\$ 2,442,411	\$ 2,442,411	\$ 2,547,444
Insurance/Claims	949,350	944,105	1,092,874	1,122,410	1,122,410	1,476,603
Facility Services	770,592	804,163	924,242	862,585	862,585	862,585
Computer Replacement	545,304	388,555	632,243	-	607,839	-
Vehicle Maintenance	2,981,041	2,973,105	2,472,614	2,986,196	2,986,196	2,881,596
Vehicle Replacement	3,260,608	3,572,986	4,040,361	4,351,212	4,351,212	3,030,532
Telecom	1,939,170	772,407	509,603	490,000	490,000	490,000
Customer Service	2,714,271	2,849,559	2,840,521	2,685,481	2,685,481	2,812,926
Capital Resources	166,750	130,017	137,233	181,545	181,545	7,649
Total Revenue & Transfer In	15,644,531	15,071,515	15,070,977	15,121,840	15,729,679	14,109,336
Expenditure & Transfer Out						
Employee Benefits	\$ 2,327,898	\$ 2,278,024	\$ 2,233,731	\$ 2,442,411	\$ 2,469,513	\$ 2,547,444
Insurance/Claims	964,870	978,009	1,522,447	1,117,517	1,417,517	1,276,602
Facility Services	842,347	842,468	894,203	862,585	887,080	862,585
Computer Replacement	387,224	453,522	543,181	110,000	938,463	-
Vehicle Maintenance	2,748,874	3,322,894	2,838,665	2,986,196	2,986,196	2,881,596
Vehicle Replacement	4,187,380	3,258,090	3,510,329	4,113,304	4,720,565	3,715,250
Telecom	292,384	1,371,467	132,793	474,660	474,660	29,372
Customer Service	2,565,671	2,680,003	2,796,224	2,685,481	2,744,255	2,812,926
Capital Resources	166,750	130,016	137,227	181,545	181,545	7,649
Total Expenditure & Transfer Out	14,483,398	15,314,494	14,608,800	14,973,699	16,819,794	14,133,425
Net Surplus (Deficit)	1,161,133	(242,978)	462,178	148,141	(1,090,114)	(24,089)

Employee Benefits

Department Function

- The Employee Benefits Fund is an internal service fund established for the accounting of the benefits afforded to City employees. The Fund consists of several chargeback accounts such as workers compensation and retiree dollars used for medical and life insurance benefits. The fund also covers other non-chargeback employee benefit and training expenditures such as drug testing, employee assistance program, unemployment, training, wellness program, background checks, fitness for duty, case management and administration fees for benefit-related services such as COBRA, Health Savings Accounts and Health Reimbursement Arrangement.

Department Goals

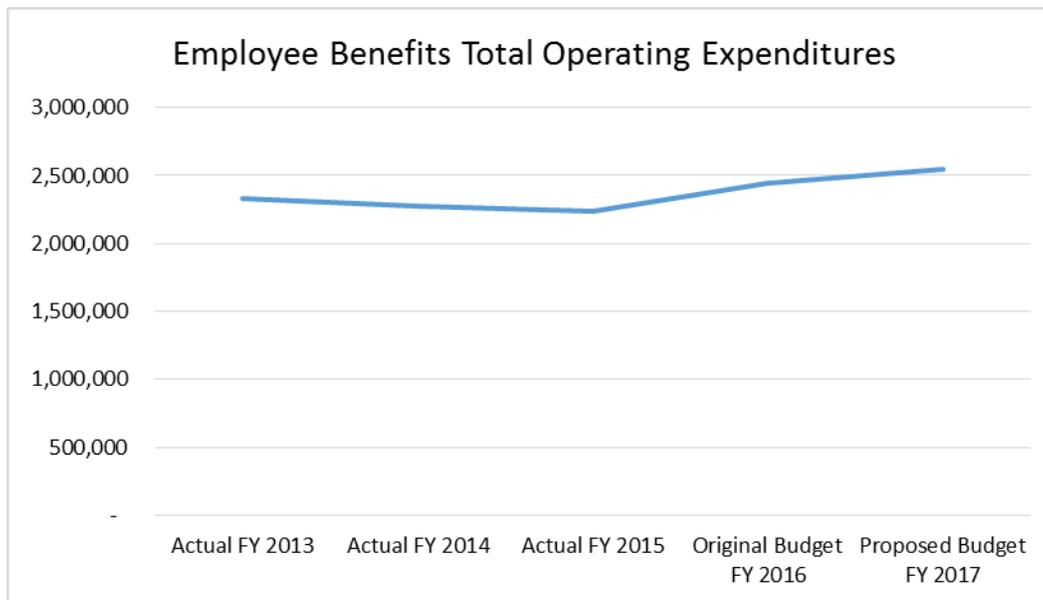
- Analyze insurance and other employee benefit costs to identify possible savings while remaining competitive.
- Work to accumulate appropriate fund balance according to financial policies.

Budget Outcomes

- The part-time position supports the citywide training programs and TalentQuest, the new employee appraisal system.
- Operating costs include an adjustment to retiree insurance.

Employee Benefits	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue						
Chargeback	\$ 2,088,971	\$ 2,413,124	\$ 2,261,320	\$ 2,293,489	\$ 2,140,826	\$ 2,352,244
Miscellaneous	216,156	211,023	146,624	137,919	652,013	179,200
Interest Income	12,318	12,471	13,343	11,003	18,788	16,000
Total Revenue	2,317,445	2,636,618	2,421,288	2,442,411	2,811,627	2,547,444
Expenditure						
Employee Benefits	\$ 2,327,898	\$ 2,278,024	\$ 2,233,731	\$ 2,442,411	\$ 2,469,513	\$ 2,547,444
Total Expenditure	2,327,898	2,278,024	2,233,731	2,442,411	2,469,513	2,547,444
Net Change in Fund Balance	(10,453)	358,594	187,557	-	342,114	-
Beginning Fund Balance	823,031	812,578	1,171,172	1,358,729	1,358,729	1,700,843
Ending Fund Balance	812,578	1,171,172	1,358,729	1,358,729	1,700,843	1,700,843

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Employee Benefits	-	0.63	0.66	0.66	0.66



Insurance and Claims

Department Function

- The Insurance and Claims Fund is established to manage the risk management activities of the City. Insurance costs, legal expenses and settlements are budgeted in this fund. The fund balance in this fund is designed to cover the self-insured portion of the City's liability coverage.

Department Goals

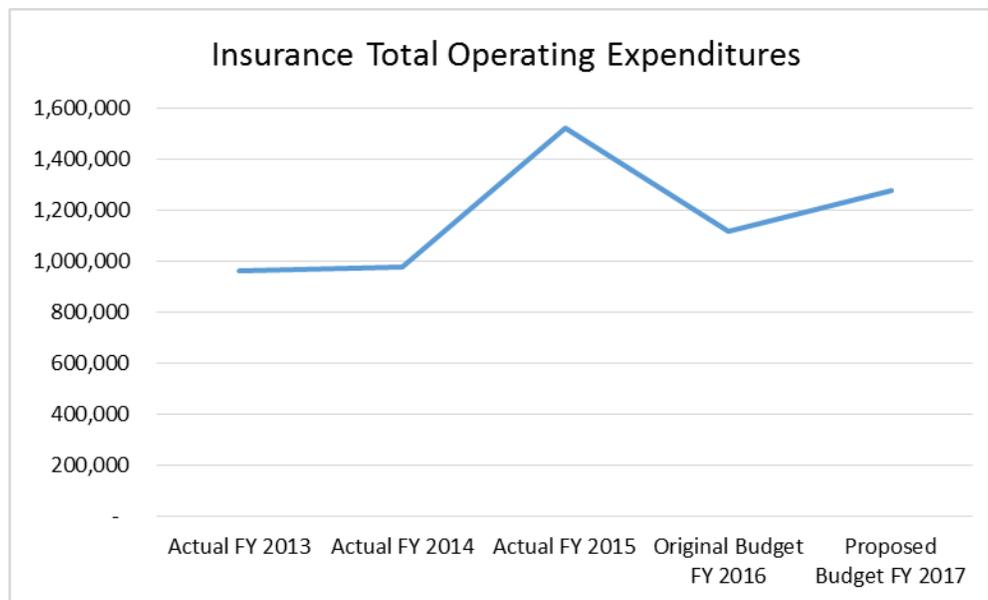
- Analyze expenses and insurance coverage to best determine the level of coverage appropriate for the City.
- Work to accumulate the appropriate fund balance prescribed by the financial policies.

Budget Outcomes

- The FY 2016 budget includes an increase to account for the rising cost of liability insurance.

Insurance	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Adopted Budget FY 2017
Revenue						
Chargeback	\$ 936,561	\$ 934,088	\$ 1,084,766	\$ 1,117,410	\$ 1,169,774	\$ 1,439,118
Miscellaneous	-	-	25	-	-	32,485
Interest Income	12,789	10,017	8,083	5,000	6,846	5,000
Total Revenue	949,350	944,105	1,092,874	1,122,410	1,176,619	1,476,603
Expenditure						
Insurance	\$ 964,870	\$ 978,009	\$ 1,522,447	\$ 1,117,517	\$ 1,417,517	\$ 1,276,602
Total Expenditure	964,870	978,009	1,522,447	1,117,517	1,417,517	1,276,602
Net Change in Fund Balance	(15,520)	(33,904)	(429,573)	4,893	(240,898)	200,001
Beginning Fund Balance	1,943,939	1,928,419	1,894,515	1,464,941	1,464,941	1,224,044
Ending Fund Balance	1,928,419	1,894,515	1,464,941	1,469,834	1,224,044	1,424,044

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Insurance	1.00	1.00	1.00	1.00	1.00



Facility Services

Department Function

- The Facility Service Division is part of the Administrative Services Department. This Division is responsible for the construction, remodeling and maintenance of more than 550,000 square feet in City facilities. To fulfill these responsibilities, the Facility Services Division provides technical expertise, project management, preventive and ongoing maintenance services, asset management, contract oversight, etc. Facility Services offers this wide variety of services to each of the City's offices in order to reduce costs, meet state and federal standards and assist each department in accomplishing its mission in an effective and efficient manner. Facility Services staff maintain and repair electrical, plumbing and HVAC systems, making certain that infrastructure operating systems in City facilities function safely and in the manner in which they were designed.

Department Goals

- Coordinate and monitor a new janitorial contract with an alternative company. Communicate and work closely with all City departments to improve the cleaning standards in each respective building and solve cleaning issues.
- Monitor and track the FS staff to ensure they are accountable for an average of 80% of their work time through the Managers Plus maintenance program and see that this time gets billed out on a monthly basis.
- Support the IS department in continuation of data closet upgrades in all City facilities. Provide assistance for any power, HVAC or telecomm equipment upgrades and changes.
- Provide detailed information and support for the upcoming Provo City Center block project. Work with Re-Development to create design and approved changes to City Center complex.
- Ensure that all Facilities Services staff complete and implement the principles and behaviors of the Speed of Trust program. All staff members to be involved in new upcoming huddle groups and teams.

Department Accomplishments

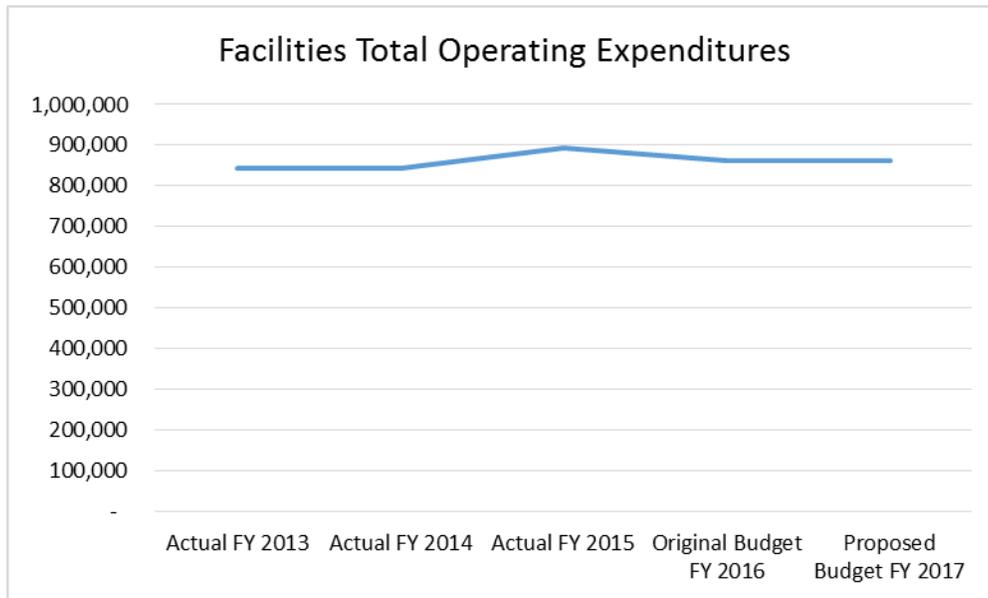
- Expanded size of the Brinton Black Box Theater at the Covey Center for the Arts, giving more patrons the opportunity to see the popular performances.
- Successfully completed the supervision of the construction of the new Recreation Center.
- Completed installation of a new roof at the Utah County/Provo City Ice Sheet Authority.

Budget Outcomes

- The budget includes the maintenance of thousands of square feet of facility space.

Facility Services	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Chargeback	\$ 761,633	\$ 801,763	\$ 922,885	\$ 851,923	\$ 851,923	\$ 851,923
Miscellaneous	7,619	1,915	550	10,662	10,662	10,662
Interest Income	1,340	485	807	-	-	-
Total Revenue	770,592	804,163	924,242	862,585	862,585	862,585
Expenditure						
Fac Maint Utilities	\$ 586,601	\$ 633,233	\$ 663,122	\$ 592,276	\$ 605,931	\$ 614,440
Fac Maint Administration	255,746	209,235	231,081	270,309	281,149	248,145
Total Expenditure	842,347	842,468	894,203	862,585	887,080	862,585
Net Change in Fund Balance	(71,755)	(38,305)	30,039	-	(24,495)	-
Beginning Fund Balance	235,500	163,745	125,441	155,479	155,479	130,985
Ending Fund Balance	163,745	125,441	155,479	155,479	130,985	130,985

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Facilities	7.00	7.50	7.50	7.50	7.50



Computer Replacement

Department Function

- The Computer Replacement Fund (Computer Bank) was established to help departments establish a funding source for the replacement of computers and printers to stay abreast with technology, control repair costs, and employee productivity. Each department determines the amount to transfer for computer replacement. Each department may keep a balance in the Computer Bank of up to 50% of total department needs. When determining the value of the department's needs, the current market price for CPU, monitor, software, keyboard and mouse will be used.

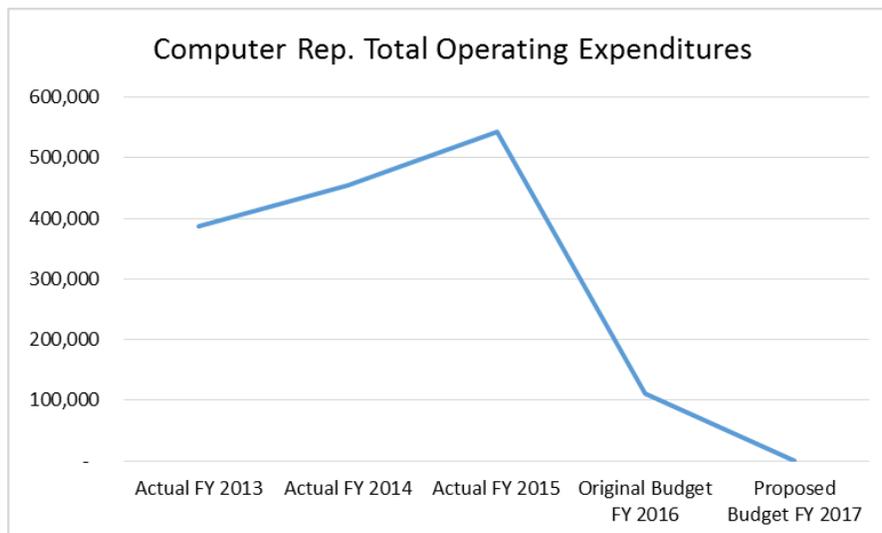
Department Goals

- Keep departments informed of current market prices and the total amount each department can have in the Computer Bank.
- Evaluate needs of each department.

Budget Outcomes

- There is no budget for FY 2017. Each individual department's budget from the prior year will carry over, and departments will determine if and when to transfer additional money into the Computer Bank. When money is transferred to the Computer Bank, the budget is increased for that department.
- Interest earned in this fund is spread between departments proportionally.

Computer Replacement	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Miscellaneous	\$ 543,233	\$ 387,010	\$ 629,825	\$ -	\$ 607,839	\$ -
Interest Income	2,071	1,545	2,418	-	-	-
Total Revenue	545,304	388,555	632,243	-	607,839	-
Expenditure & Transfer Out						
Computer Replacement	\$ 387,224	\$ 453,522	\$ 543,181	\$ -	\$ 938,463	\$ -
Transfer Out	-	-	-	110,000	-	-
Total Expenditure & Transfer Out	387,224	453,522	543,181	110,000	938,463	-
Net Change in Fund Balance	158,080	(64,967)	89,062	(110,000)	(330,624)	-
Beginning Fund Balance	232,853	390,933	325,966	415,028	415,028	84,405
Ending Fund Balance	390,933	325,966	415,028	305,028	84,405	84,405



Vehicle Management

Department Function

- The Vehicle Management Fund (Fleet) is responsible for the management and maintenance of the City fleet. The program maintains approximately 610 vehicles and pieces of equipment by providing excellent services using creativity, flexibility, training depth and technical expertise in performing simple or complex analyses, with total focus on program analysis, cost tracking, customer fulfillment and maximum quality workmanship.

Department Goals

- Provide safe vehicle and equipment to our customers through superior customer service.
- Increase in-house service and maintenance functions to reduce overall City costs.
- Provide service to outside entities and charge them appropriately.
- Develop and implement a fleet vehicle/equipment replacement and idle reduction policy.
- Prepare Vehicle Maintenance Building replacement plan, and oversee design of new building.

Budget Outcomes

- There are no major changes to the budget in FY 2017.

Vehicle Maintenance	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Chargeback	\$ 2,943,638	\$ 2,758,008	\$ 2,364,982	\$ 2,983,800	\$ 2,983,800	\$ 2,876,822
Miscellaneous	37,386	214,929	107,631	2,396	2,396	4,774
Interest Income	17	168	-	-	-	-
Total Revenue	2,981,041	2,973,105	2,472,614	2,986,196	2,986,196	2,881,596
Expenditure & Transfer Out						
Vehicle Maintenance	\$ 2,748,874	\$ 3,085,906	\$ 2,734,455	\$ 2,986,196	\$ 2,986,196	\$ 2,881,596
Transfer Out	-	236,988	104,210	-	-	-
Total Expenditure & Transfer Out	2,748,874	3,322,894	2,838,665	2,986,196	2,986,196	2,881,596
Net Change in Fund Balance	232,167	(349,789)	(366,052)	-	-	-
Beginning Fund Balance	(223,098)	9,069	(340,720)	(706,771)	(706,771)	(706,771)
Ending Fund Balance	9,069	(340,720)	(706,771)	(706,771)	(706,771)	(706,771)

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Fleet	8.00	8.00	8.00	8.00	8.00

Vehicle Replacement

Department Function

- The Vehicle Replacement Fund is used to purchase rolling stock for City departments. As each piece of equipment passes its useful life, it is replaced through this fund. Funds are systematically transferred from City departments into the Equipment Replacement Fund to insure that funds are available to replace equipment as it passes its useful life. A “lease purchase” program has been implemented to enable stabilization of the annual budget effort so that equipment can be upgraded at appropriate levels without creating budget shortfalls.

Department Accomplishments

- Establishment of a Vehicle Selection Committee to provide recommendations to administration on vehicle replacements.

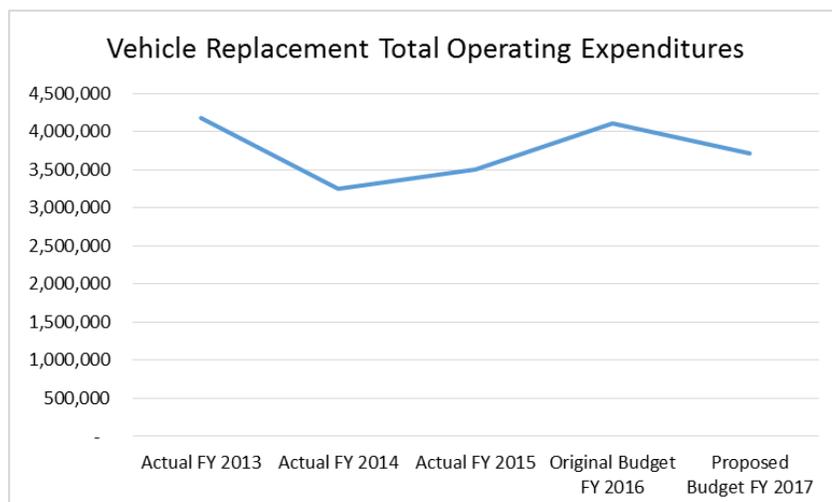
Department Goals

- Appropriately account for vehicle purchases, along with all add-ins included in the vehicles.

Budget Outcomes

- The FY 2016 budget contains additional funding for general fund equipment purchases.
- FY 2017 will be the 2nd year of 5-year plan to update the aging fleet.

Vehicle Replacement	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue & Transfer In						
Chargeback	\$ 2,776,684	\$ 2,791,747	\$ 3,594,623	\$ 3,970,574	\$ 3,970,574	\$ 2,755,500
Miscellaneous	36,248	22,840	48,463	16,584	16,584	16,584
Interest Income	16,781	11,517	13,004	10,000	10,000	10,000
Transfer In	430,895	746,882	384,271	354,054	354,054	248,448
Total Revenue & Transfer In	3,260,608	3,572,986	4,040,361	4,351,212	4,351,212	3,030,532
Expenditure						
Vehicle Replacement	\$ 4,187,380	\$ 3,258,090	\$ 3,510,329	\$ 4,113,304	\$ 4,720,565	\$ 3,715,250
Total Expenditure	4,187,380	3,258,090	3,510,329	4,113,304	4,720,565	3,715,250
Net Change in Fund Balance	(926,772)	314,896	530,032	237,908	(369,353)	(684,718)
Beginning Fund Balance	3,639,848	2,713,076	3,027,972	3,558,003	3,558,003	3,188,650
Ending Fund Balance	2,713,076	3,027,972	3,558,003	3,795,911	3,188,650	2,503,933

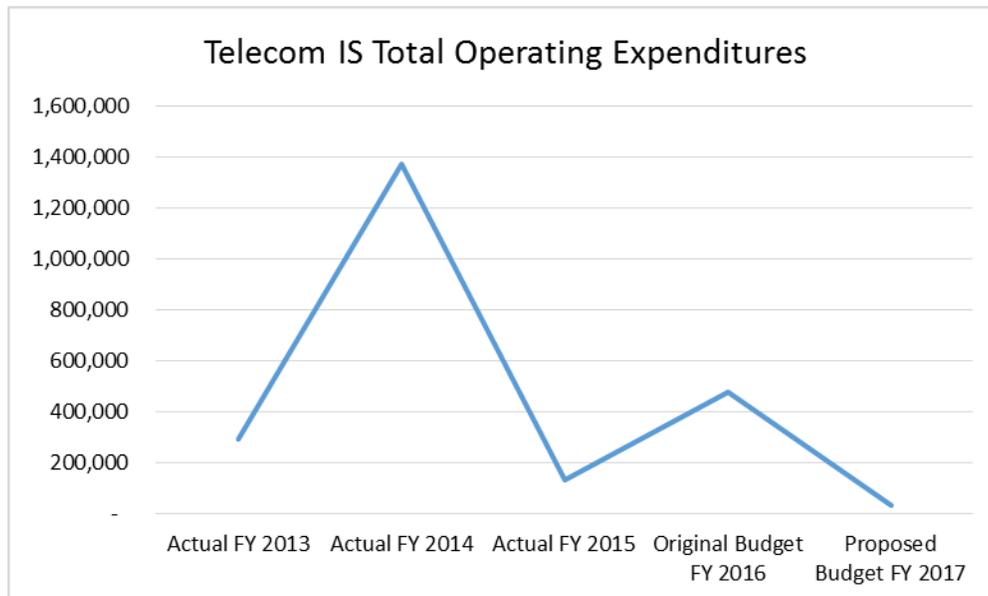


Telecom

Department Function

- The Telecom Internal Service Fund was created at the end of FY 2014 after the sale of the Provo fiber network to Google Fiber. The Telecom Internal Service Fund accounts for maintenance and equipment replacement for the City's fiber network not maintained by Google Fiber.

Telecom Internal Service	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Chargeback	\$ -	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
Miscellaneous	1,939,170	472,407	209,603	190,000	190,000	190,000
Total Revenue	1,939,170	772,407	509,603	490,000	490,000	490,000
Expenditure						
Telecom Internal Service	\$ 292,384	\$ 1,371,467	\$ 132,793	\$ 474,660	\$ 474,660	\$ 29,372
Total Expenditure	292,384	1,371,467	132,793	474,660	474,660	29,372
Net Change in Fund Balance	1,646,786	(599,060)	376,810	15,340	15,340	460,628
Beginning Fund Balance	-	1,646,786	1,047,726	1,424,537	1,424,537	1,439,877
Ending Fund Balance	1,646,786	1,047,726	1,424,537	1,439,877	1,439,877	1,900,505



Customer Service

Division Function

- The Customer Service Division is part of the Mayor's Office. This Division was created in July of 2012 to provide quality centralized service to residents and businesses of Provo City. The Customer Service Division is located in the Provo City Center building and is a place where the public can make utility payments, ask billing questions, pay business license fees, receive general information about the city, and report city-related problems. Also along with this, the 311 phone system was created so residents and visitors could call in and report problems. The call center handles questions about all City departments and directs customers to the correct department for questions that can't be answered at Customer Service. This centralized system will help facilitate quicker resolutions to problems and create a more efficient way for questions to be answered.

Division Goals

- **Payment Processing for Police incident/accident reports.** FY 2015 Payment Processing – Citizen Requests for police reports would be directed to the Police Department via walk-in or phone. The Police Clerks would then follow through with the request, spending hours redacting confidential information prior to releasing the report. Once the report was ready for release to the Citizen, a call would be made notifying the Citizen their report was complete and ready to be picked up and paid for. Most often, the Citizen fails to come pick up and pay for the report. Because this process often took days/weeks to process the Citizen would not have an interest in the report and therefore many hours of labor had been spent and no fees collected for their request.
- **Utility Mobile Payment.** In FY2016 we launched the mobile app for utility payments. Working directly with our third party payment vendor, Paymentus, we were successful in offering our utility customers an additional convenient payment service from their android or apple device. This service was implemented with no budget impact and currently has over 2,000 users.
- **Customer Service Training.** Along In FY2016 we implemented an ongoing customer service training program called CSI (Customer Service Incentive) where we targeted skill development, standards for positive customer interaction, quality communication messaging, improving call handle times, reducing abandoned calls and improving customer wait times. This incentive program has been proven successful delivering the results listed below.

Division Accomplishments

- Implementation of an ongoing customer service training program where skill development, standards for positive customer interaction and quality communication messaging are targeted.
- Adoption of the 311 Call Center concepts in an effort to centralize the customer support for the entire City. The citizen and employee response to this move has been overwhelmingly positive and widely accepted.
- Began issuing airport badges and fingerprinting.

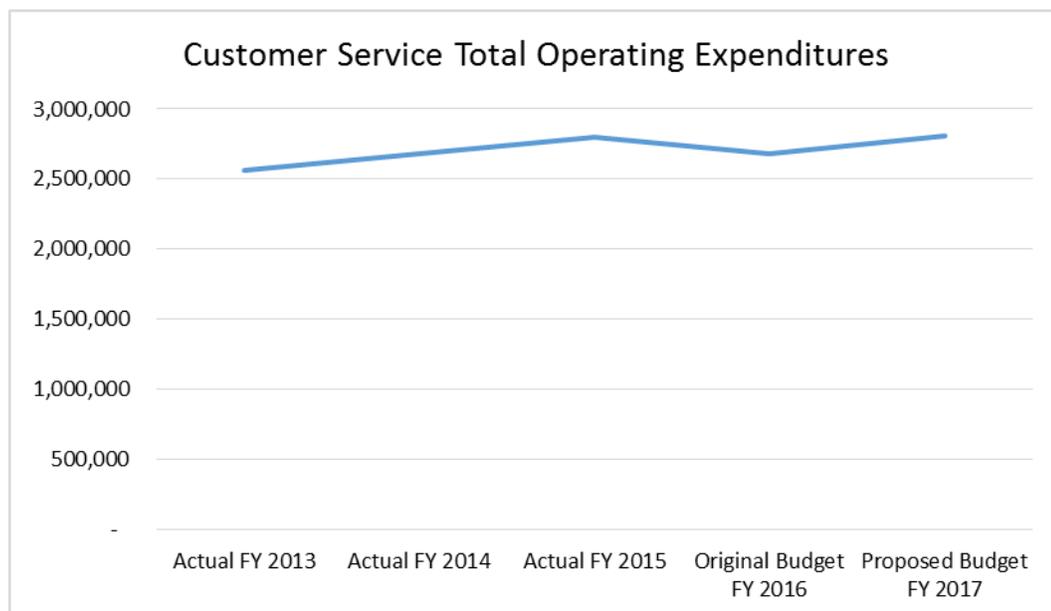
Budget Outcomes

- Chargebacks to utility funds and the General Fund are the only source of revenue for this fund.

	FY 2015	FY 2016
Avg. Wait Time	103 second	91 second
Avg. CPH/Agent	8	10
Avg. Abandon Time	129 seconds	94 second
Total Calls Answered	88,304	96,119

Customer Service	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue & Transfer In						
Chargeback	\$ 2,558,288	\$ 2,697,731	\$ 2,734,645	\$ 2,587,369	\$ 2,587,369	\$ 2,719,037
Miscellaneous	3,683	10,259	9,749	-	-	-
Interest Income	-	1,725	1,795	-	-	-
Transfer In	152,300	139,844	94,332	98,112	98,112	93,889
Total Revenue & Transfer In	2,714,271	2,849,559	2,840,521	2,685,481	2,685,481	2,812,926
Expenditure & Transfer Out						
Customer Service - Admin	\$ 722,698	\$ 373,578	\$ 382,796	\$ 525,816	\$ 536,029	\$ 583,198
Customer Service-Billing	252,862	542,267	635,879	715,792	731,113	751,605
Customer Service-Bus License	59,319	90,294	96,745	98,112	98,112	93,889
Customer Service-Call Center	665,374	723,562	801,498	672,444	672,444	734,208
Customer Service-Field Service	147,644	161,037	134,332	165,167	165,167	156,225
Customer Service-IT	498,057	567,597	563,394	355,497	388,737	345,657
Customer Service-Meter Reader	198,891	200,653	181,580	152,653	152,653	148,144
Transfer Out	20,826	21,014	-	-	-	-
Total Expenditure & Transfer Out	2,565,671	2,680,003	2,796,224	2,685,481	2,744,255	2,812,926
Net Change in Fund Balance	148,600	169,556	44,297	-	(58,774)	-
Beginning Fund Balance	-	148,600	318,155	362,452	362,452	303,679
Ending Fund Balance	148,600	318,155	362,452	362,452	303,679	303,679

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Customer Service	<u>27.67</u>	<u>31.55</u>	<u>31.45</u>	<u>29.45</u>	<u>30.20</u>



Capital Resource

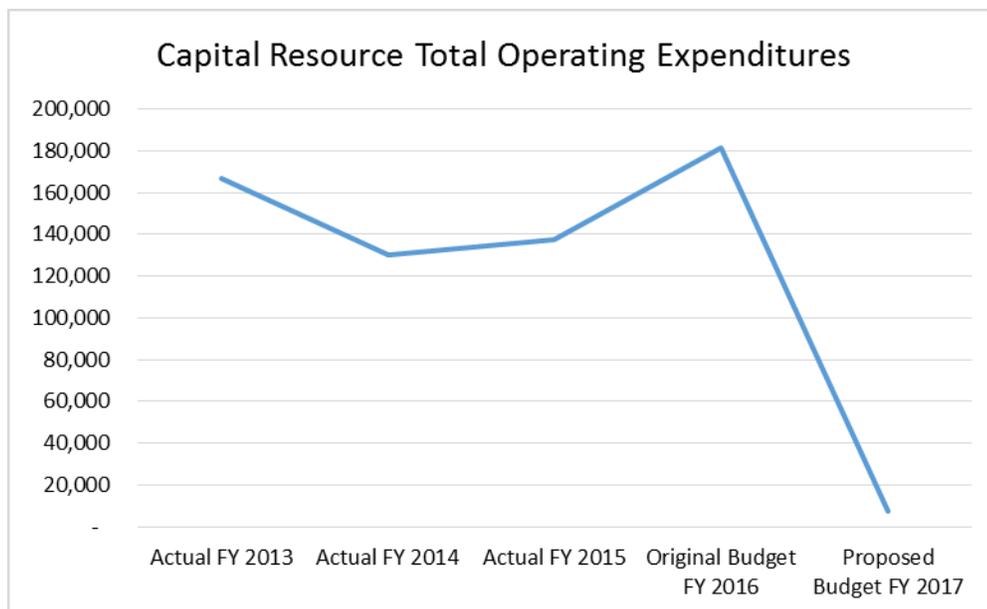
Department Function

- The purpose of the Capital Resource Fund is to account for interfund loans for Provo City.

Budget Outcomes

- Revenue and expenses directly tie to payments for interfund loans.

Capital Resource	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Miscellaneous	\$ 166,750	\$ 130,017	\$ -	\$ 55,127	\$ 55,127	\$ -
Interest Income	-	-	137,233	126,418	126,418	7,649
Total Revenue	<u>166,750</u>	<u>130,017</u>	<u>137,233</u>	<u>181,545</u>	<u>181,545</u>	<u>7,649</u>
Expenditure						
Capital Resource	\$ 166,750	\$ 130,016	\$ 137,227	\$ 181,545	\$ 181,545	\$ 7,649
Total Expenditure	<u>166,750</u>	<u>130,016</u>	<u>137,227</u>	<u>181,545</u>	<u>181,545</u>	<u>7,649</u>
Net Change in Fund Balance	-	0	6	-	-	-
Beginning Fund Balance	-	-	0	6	6	6
Ending Fund Balance	-	0	6	6	6	6





Debt Service Funds



Debt Service Information

Financial Policy

The City will maintain a high credit rating in the financial community to: 1) assure the City's taxpayers that the City government is well managed and financially sound; 2) obtain reduced borrowing costs. The City will utilize a balanced approach to capital funding utilizing debt financing, draws on capital reserves and/or fund balances in excess of policy targets, and current-year (pay-as-you-go) appropriations.

General Policies

- 1) The City will consider the project and its useful life and utilize the most appropriate method to finance the project.
- 2) The City will not use debt financing to fund current operations.
- 3) The City will confine long-term borrowing to capital improvement or projects that cannot be financed from current revenues except where approved justification is provided.
- 4) Reserve funds, when required, will be provided to adequately meet debt service requirements in the subsequent years.
- 5) The term of any bond or lease obligation issue will not exceed 20 years or the useful life of the capital project or equipment for which the borrowing is intended.
- 6) The City shall comply with federal, state and City legal requirements regarding the issuance of bonds and certificates of the City or its debt issuing authorities.

Debt Levels/Ratios

- 1) Debt ratios will be calculated annually and included in the Statistical Section of the Comprehensive Annual Financial Report.
- 2) Direct net debt is defined as any and all debt that is tax-supported. This ratio will be measured annually. Direct net debt as a percentage of estimated market value of taxable property should not exceed 4%.
- 3) The City recognizes the importance of underlying and overlapping debt in analyzing financial condition. The City will regularly analyze total indebtedness including underlying and overlapping debt.

Interfund Loans

The City uses a Capital Resource Fund to facilitate inter-fund loans. This mechanism lends monies from funds that have excess fund balance and loans it other funds to make purchases for land, equipment, or for infrastructure improvements in the City. Loans should not be made unless there is a clear source of funding, based on a competitive market interest rate and terms should not exceed 7 years. Loan approvals require Municipal Council approval.

Bond Categories

Where feasible, the City will explore the usage of special assessment, revenue, or other self-supporting bonds instead of general obligation bonds.

Tax-Supported/Tax Exempt Bonds

- 1) Whenever the City finds it necessary to issue tax supported bonds, the following policy will be adhered to:
 - a) Tax supported bonds will, whenever feasible, be issued on a competitive basis unless market conditions favor negotiated sales.
 - b) Average weighted maturities for general obligation bonds of the City, and whenever possible for any type of annual appropriation debt, will be maintained at twenty years or less.
- 2) General obligation bond issues, and whenever possible for any type of annual appropriation debt, will be structured to allow an equal principal amount to be retired each year over the life of the issue thereby producing a total debt service with an annual declining balance.

- 3) The City shall comply with the following tax compliance policies for Tax-Exempt Governmental Bonds:
 - a) Purpose. Issuers of tax-exempt “governmental bonds” must comply with federal tax rules pertaining to expenditure of proceeds for qualified costs, rate of expenditures, use of bond-financed property, investment of proceeds in compliance with arbitrage rules, and retention of record all U.S. Internal Revenue Service rules and regulations regarding issuance of tax exempt governmental bond debt including arbitrage rebate requirements for bonded indebtedness, and with all Securities and Exchange Commission requirements for continuing disclosure of the City’s financial condition, and with all applicable Municipal Securities Rulemaking Council requirements.

Revenue Bonds

- 1) The City will adhere to the following guidelines when it finds it necessary to issue revenue bonds:
 - a) For any bonds or lease anticipation or appropriation debt in which the debt service is partially paid from revenue generated by the project and partially paid from tax sources, the portion of the bond or lease to the extent that its debt service is paid from non-tax sources shall be deemed to be revenue bonds and is excluded from the calculation of the annual debt service limitation in.
 - b) Revenue bonds of the City and any of its agencies will be analyzed carefully by the Finance Division for fiscal soundness. The issuance of City revenue bonds will be subject to the most careful review and must be secured by covenants sufficient to protect the bondholders and the credibility of the City.
- 2) Revenue bonds will, whenever feasible, be issued on a competitive basis and will be structured to allow an approximately equal annual debt service amount over the life of the issue.

Tax Anticipation Notes

The City will only issue tax anticipation debt due to unforeseen circumstances and where cash flow projections identify an absolute need, and will retire any such tax anticipation debt annually. Bond anticipation debt will be retired within six months after completion of the project or upon availability of permanent financing.

Variable Interest Debt

The issuance of variable rate debt by the City will be subject to the most careful review and will be issued only in a prudent and fiscally responsible manner.

Current Debt Service

The City has, in the past, had multiple active debt service funds—the general Debt Service Fund, Telecom Debt Service Fund, Library Bond Retirement Fund, and Municipal Building Authority Fund. The general Debt Service Fund and the Library Bond Retirement Fund are both reported in this book because of historical expenditures being present.

Impact of Debt on Operations

There is little direct impact of the City’s current debt on day-to-day operations. The main reason for this is that the City levies taxes to meet its long-term bond obligations. The capital leases that the City is currently paying are coming from the General Fund. The City’s policy is to not issue debt for general operations of the City.

Debt Service	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Taxes	\$ 5,224,767	\$ 5,176,010	\$ 5,399,096	\$ 3,991,493	\$ 3,991,493	\$ 3,991,493
Bond Proceeds	-	2,334,000	-	-	-	-
Miscellaneous	-	359	-	-	-	-
Interest Income	19,999	17,960	17,994	1,750	1,750	1,750
Transfer In	106,450	113,298	169,559	1,771,443	279,559	169,902
Total Revenue	<u>5,351,216</u>	<u>7,641,626</u>	<u>5,586,650</u>	<u>5,764,686</u>	<u>4,272,802</u>	<u>4,163,145</u>
Expenditure						
Debt Service	\$ 4,591,996	\$ 4,599,908	\$ 5,308,724	\$ 4,748,151	\$ 4,969,151	\$ 3,375,701
Transfer Out	398,244	408,942	2,392,007	466,608	466,608	440,000
Total Expenditure	<u>4,990,240</u>	<u>5,008,850</u>	<u>7,700,731</u>	<u>5,214,759</u>	<u>5,435,759</u>	<u>3,815,701</u>
Net Change in Fund Balance	360,976	2,632,776	(2,114,082)	549,927	(1,162,957)	347,444
Beginning Fund Balance	349,895	710,871	3,343,647	1,229,565	1,229,565	616,535
Ending Fund Balance	710,871	3,343,647	1,229,565	1,779,492	616,535	963,979

Telecom Debt Service	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Chargeback	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous	(1,239,108)	1,363	-	-	-	-
Interest Income	19,566	6,568	6,982	7,500	7,500	7,500
Transfer In	3,291,823	3,337,730	3,336,503	3,250,000	3,250,000	3,250,000
Total Revenue	<u>2,372,281</u>	<u>3,345,661</u>	<u>3,343,485</u>	<u>3,257,500</u>	<u>3,257,500</u>	<u>3,257,500</u>
Expenditure						
Telecom Debt Service	\$ 3,219,132	\$ 3,222,015	\$ 3,217,786	\$ 3,218,513	\$ 3,218,513	\$ 3,218,969
Total Expenditure	<u>3,219,132</u>	<u>3,222,015</u>	<u>3,217,786</u>	<u>3,218,513</u>	<u>3,218,513</u>	<u>3,218,969</u>
Net Change in Fund Balance	(846,851)	123,646	125,699	38,987	38,987	38,531
Beginning Fund Balance	2,619,305	1,772,454	1,896,100	2,021,799	2,021,799	2,099,773
Ending Fund Balance	1,772,454	1,896,100	2,021,799	2,060,786	2,099,773	2,138,304

ERP Debt Service	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Transfer In	\$ -	\$ -	\$ -	\$ -	\$ 1,712,884	\$ 1,201,884
Total Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,712,884</u>	<u>1,201,884</u>
Expenditure						
ERP Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,092,789
Total Expenditure	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,092,789</u>
Net Change in Fund Balance	-	-	-	-	1,712,884	109,095
Beginning Fund Balance	-	-	-	-	-	1,712,884
Ending Fund Balance	-	-	-	-	1,712,884	1,821,979

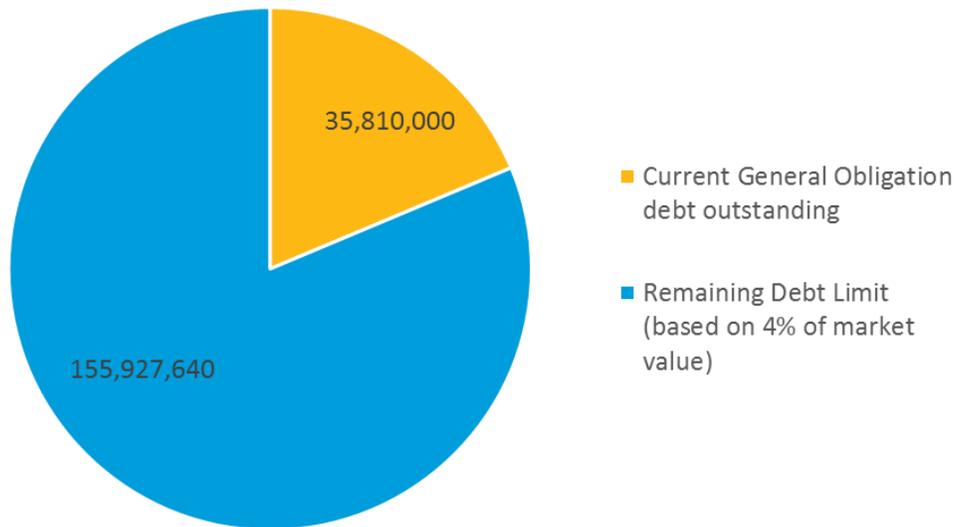
Current Debt Obligations

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Current Outstanding Balance</u>
General Obligation Bonds				
2011 Series GO Bond	Recreation Center	39,000,000	6/30/2032	35,810,000
	Year ended June 30,	Principal	Interest	Total
	2017	1,640,000	1,552,150	3,192,150
	2018	1,680,000	1,511,150	3,191,150
	2019	1,750,000	1,443,950	3,193,950
	2020	1,820,000	1,373,950	3,193,950
	2021	1,890,000	1,301,150	3,191,150
	2022-2032	27,030,000	8,099,013	35,129,013
Revenue Bonds				
2014 Cemetery Bond	Cemetery Expansion	2,334,000	5/1/2034	2,168,000
Telecom 2004 Taxable Series	Fiber Network	39,500,000	6/30/2026	24,350,000
2005 Tax Increment	Covey Center	2,100,000	6/30/2026	476,525
	Year ended June 30,	Principal	Interest	Total
	2017	2,046,000	1,454,697	3,500,697
	2018	2,144,000	1,353,036	3,497,036
	2019	2,252,000	1,244,486	3,496,486
	2020	2,406,000	1,124,114	3,530,114
	2021	2,535,000	995,665	3,530,665
	2022-2035	16,455,000	2,993,311	19,448,311
Combined General Obligation and Revenue Bonds Debt Schedule				
	Year ended June 30,	Principal	Interest	Total
	2017	3,686,000	3,006,847	6,692,847
	2018	3,824,000	2,864,186	6,688,186
	2019	4,002,000	2,688,436	6,690,436
	2020	4,226,000	2,498,064	6,724,064
	2021	4,425,000	2,296,815	6,721,815
	2022-2035	43,485,000	11,092,324	54,577,324
Lease Agreements				
2016 Capital Lease	Provo 360	5,500,000	2/28/2023	5,500,000
Total Lease Obligations as of June 30, 2016				5,500,000

Revenue Bonds - Enterprise Funds				
Storm Water District 2010 Series A		4,435,000	6/30/2019	1,270,000
Storm Water District 2010 Series B		3,850,000	6/30/2024	3,850,000
Water 2015		10,775,000	2/1/2035	10,775,000
Wastewater 2015		8,980,000	2/1/2035	8,980,000
Energy 2015		19,550,000	6/1/2035	19,550,000
	Year ended June 30,	Principal	Interest	Total
	2017	1,980,000	1,615,723	3,595,723
	2018	2,035,000	1,563,524	3,598,524
	2019	2,095,000	1,502,773	3,597,773
	2020	2,170,000	1,418,186	3,588,186
	2021	2,250,000	1,328,235	3,578,235
	2022-2035	32,340,000	9,129,800	41,469,800
		42,870,000	16,558,241	59,428,241

Legal Debt Margin

The City does not have the final tax valuation for the 2016 tax year, so the 2015 valuation will be used to compute the legal debt margin for the City.



Estimated Market Value	4,793,441,000
Total Legal Debt Limit (4% of market value)	191,737,640
Current General Obligation debt outstanding	35,810,000
Legal Debt Margin	155,927,640



Capital Improvement Plan



Capital Improvement Program and Capital Assets

Provo City defines a capital asset as tangible property of a more or less permanent nature with a useful life of at least three years, and costing at least \$5,000. Most capital expenditures for the City are in the Capital Improvement Funds and the Equipment Replacement Fund, with some minor capital purchases made in the other operating funds. The City's assets are held primarily in the form of infrastructure, physical assets, or capital plants such as roads, buildings, and equipment. Sound infrastructure is an important aspect of the quality of life, economic development, and the credit quality of the City.

Dedicating resources to capital investment is appropriate for a growing City such as the City of Provo. Committing to and implementing the City's capital investment program will protect its capital assets and minimize future maintenance and replacement costs.

Capital Improvement Plan

- 1) The City will direct its annual allocation for its capital investments to projects which best support the City's strategic goals, the comprehensive plan and facility master plans. The City will consider all capital improvements in accordance with an adopted capital improvement plan.
- 2) The City will maintain a five-year plan for capital improvements and review and update the plan annually. The Mayor will submit the Capital Improvement Plan for review by the Municipal Council each year. Submission of the Capital Improvement Plan shall be consistent with State of Utah and City of Provo legal requirements.
- 3) The Capital Improvement Plan may include capital improvements for all funds and agencies for which the City sets tax rates, makes levies or approves budgets or plans.
- 4) The Capital Improvement Plan shall include the following elements:
 - a) An implementation plan for each of the capital improvements
 - b) A statement of the objectives of the Capital Improvement Plan and the relationship with the comprehensive plan and the City's strategic plan
 - c) An estimate of the cost and of the anticipated sources of revenue for financing the capital improvements, and an estimate of the impact of each capital improvement on City revenues and the capital and operating budget, including estimated debt service costs, if applicable.
- 5) The City will fund projects and activities identified in the Capital Improvement Plan with the most appropriate revenue sources. Such revenues as impact fee revenue, utility rate revenue, B&C-Road revenue, state and federal grant revenues, and transfers of unrestricted cash from governmental funds.
- 6) The City will return remaining appropriated funds upon the completion of any capital project to the most appropriate capital reserve.
- 7) The City will project its equipment replacement needs as part of the capital improvement process. From this projection, a replacement schedule will be developed and followed. The City will maintain a schedule of capital fixed assets in its fixed asset accounting system.

Capital Improvement Budget Policies

- 1) The City will enact an annual capital budget based on the five-year capital improvement plan. Future capital expenditures necessitated by changes in population, changes in real estate development, or changes in economic base will be included in capital budget projections.
- 2) The City will coordinate development of the capital improvement budget with development of the operating budget. Future operating costs associated with new capital improvements will be projected and included in operating budget forecasts.
- 3) The City will maintain all its assets at a level adequate to protect the City's capital investment and to minimize future maintenance and replacement costs.
- 4) The City will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted for approval.

- 5) When current revenues or resources are available for capital improvement projects, consideration will be given first to those capital assets with the shortest useful life and/or to those capital assets whose nature makes them comparatively more difficult to finance with bonds or lease financing.
- 6) Nonrecurring revenues, which cannot be used to fund recurring costs and are not required to meet the Unassigned Fund Balance objectives in the City's policy on Fund Balance, should be used for nonrecurring capital expenditures or the early retirement of existing City debt.
- 7) The City will attempt to determine the least costly and most flexible financing method for all new projects. Financing may include debt financing or "pay as you go" or other financing sources.

Current Capital Expenditures

Included in this section is detail on each fund—the five-year projection for each fund by project, along with the adjusted FY 2016 budget, and actuals for the previous four years. For further detail on each individual project, please visit the financial reports page at www.provo.org to review the Capital Improvement Five-Year Plan.

General CIP Fund								
Project Name	Previous 4 Fiscal Years (2012-2015)	Adjusted Budget FY 2016	Proposed Budget FY2017	Projected Budget FY2018	Projected Budget FY2019	Projected Budget FY2020	Projected Budget FY2021	Project Total
Customer Service Initiative	313,936							313,936
General CIP Misc Projects	75,000							75,000
Replace failing roof on north wing (1A) of City Center					280,000			280,000
Replace failing roof on north wing (1B) of City Center						280,000		280,000
Phase II of City Center north wing seismic upgrades						430,000		430,000
Replace failing roof on east wing (2A) of City Center							280,000	280,000
Replace failing roof on east wing (2B) of City Center							280,000	280,000
Phase III of City Center north east wing seismic upgrades							410,000	410,000
Replace failing roof on west wing (3A) of City Center							280,000	280,000
Phase IV of City Center west wing seismic upgrades							475,000	475,000
City Center and Fire Station #1 soffitt repair							140,000	140,000
Replace outdated tile ceilings with new grid system - City Center							185,000	185,000
Fleet Facility		3,060,000	680,000					3,740,000
ERP Software/Hardware		7,302,214	398,367					7,700,581

General CIP Operating Impact

- There are no projects budgeted in FY 2017.

Golf Course CIP Fund								
Project Name	Previous 4 Fiscal Years (2012-2015)	Adjusted Budget FY 2016	Proposed Budget FY2017	Projected Budget FY2018	Projected Budget FY2019	Projected Budget FY2020	Projected Budget FY2021	Project Total
Golf Course Improvements	3,155	55,000						58,155
Irrigation Control System	47,611							47,611
Bunker Sand								-
Cart Path Overlay	50,766							50,766

Golf Course CIP Operating Impact

- These projects include replacing the bunker sand and repairing a portion of the cart path overlay.

Equipment Replacement Fund								
Project Name	Previous 4 Fiscal Years (2012-2015)	Adjusted Budget FY 2016	Proposed Budget FY2017	Projected Budget FY2018	Projected Budget FY2019	Projected Budget FY2020	Projected Budget FY2021	Project Total
Vehicles	12,312,070	4,126,471	2,175,250	1,527,950	520,750	2,352,470	791,790	23,806,751

Equipment Replacement Fund

- These expenses cover all vehicle purchases for the city.

Engineering CIP Fund								
<u>Project Name</u>	<u>Previous 4 Fiscal Years (2012-2015)</u>	<u>Adjusted Budget FY 2016</u>	<u>Proposed Budget FY2017</u>	<u>Projected Budget FY2018</u>	<u>Projected Budget FY2019</u>	<u>Projected Budget FY2020</u>	<u>Projected Budget FY2021</u>	<u>Project Total</u>
Geological Study	42,424	50,109	25,000	16,000	25,000	16,000	25,000	199,533
Westside Connector	4,466,047	12,595,694						17,061,741
Quiet Zones	3,946	24,736			500,000	500,000		1,028,682
Street Cuts	466,209	48,768	50,000	50,000	50,000	50,000	50,000	764,977
Lakeshore Drive Bridge	132,403							132,403
Lakeview Parkway & Trail - Phase 1	2,228,165	6,850,000						9,078,165
Mountain Vista Project	3,445,602							3,445,602
Accident Repair Project	18,637	754						19,391
300 South Project		97,000						97,000
New Development Signs	20,016	71,578						91,594
Construction Bond Foreclosures	313,343	649,961						963,304
New Development overlay	1,928,269	1,359,413						3,287,682
Traffic Signal Repair	8,179							8,179
New Development Traffic mitigation	170,519	333,786						504,305
Sound Wall	723,135							723,135
Traffic Impact Fee	257,244	874,188	250,000	250,000	250,000	250,000	250,000	2,381,432
UTA art Grant								-
South State Safety Improvement	280,719							280,719
1860 South State	289,072							289,072
University Avenue Sidewalk 2500-5200 N	317,158							317,158
900 E Street Rehabilitation	2,795,353							2,795,353
Safe Sidewalk - UDOT	198	204,802						205,000
800 North Corridor Study		21,000						21,000
Duncan Road		500,000						500,000
500 West - 1560 South to 1860 South		150,000						150,000
200 East - Bicycle Improvements - 600 S to 800 N			500,000					500,000
Provo River Parkway Trail - 3700 N to 2230 N				3,500,000				3,500,000
Provo River Bridge - 800 North						4,500,000		4,500,000
1600 West - 1150 S to Lakeview Parkway					515,000			515,000
Bulldog Boulevard			1,500,000			3,000,000		4,500,000

B&C								
<u>Project Name</u>	<u>Previous 4 Fiscal Years (2012-2015)</u>	<u>Adjusted Budget FY 2016</u>	<u>Proposed Budget FY2017</u>	<u>Projected Budget FY2018</u>	<u>Projected Budget FY2019</u>	<u>Projected Budget FY2020</u>	<u>Projected Budget FY2021</u>	<u>Project Total</u>
B&C Traffic Signals	498,481	-	-	-	-	-	-	498,481
820 North Widening	2,750	-	-	-	-	-	-	2,750
Miscellaneous Projects	286,570	221,155	100,000	100,000	100,000	100,000	100,000	1,007,725
Overlays	513,589	-	-	-	-	-	-	513,589
Intersection Modifications	576,659	173,341	150,000	150,000	150,000	150,000	150,000	1,500,000
Materials Handling Building	86,951	1,367	-	-	-	-	-	88,318
Bridge Repair	323,395	241,359	100,000	100,000	100,000	100,000	100,000	1,064,754
2000 N Geneva - Intersection Improvements	27,000	250,000	-	-	-	-	-	277,000
900 E Intersection Mod	2,759,324	-	-	-	-	-	-	2,759,324
Seven Peaks Boulevard – 800 N to Oakcliff Dr	52,104	97,896	-	700,000	1,000,000	-	-	1,850,000
2015 Street Overlay	265,261	72,944	-	-	-	-	-	338,205
Independence Avenue - Center to 200 N	627,989	-	-	-	-	-	-	627,989
Sidewalk Replacement	538,823	1,110,954	500,000	500,000	500,000	500,000	500,000	4,149,777
Sound Wall	25,000	-	-	-	-	-	-	25,000
1080 East – 1120 S to 1320 S	34,852	165,148	-	-	650,000	-	-	850,000
3900 North – Canyon Rd to Timpview Dr	-	50,000	-	-	450,000	-	-	500,000
Traffic Signal Modifications	35,000	-	-	-	-	-	-	35,000
Wetland Monitoring – PWC	-	50,000	25,000	25,000	25,000	25,000	25,000	175,000
Bulldog Boulevard	-	-	-	600,000	-	-	-	600,000
Canyon Road	-	-	325,000	-	-	-	-	325,000
300 South Project	-	400,000	-	-	-	-	-	400,000
2016 Street Overlay	-	390,000	-	-	-	-	-	390,000
2017 Street Overlay	-	-	200,000	-	-	-	-	200,000
2018 Street Overlay	-	-	-	465,000	-	-	-	465,000
2019 Street Overlay	-	-	-	-	465,000	-	-	465,000
2020 Street Overlay	-	-	-	-	-	465,000	-	465,000
2021 Street Overlay	-	-	-	-	-	-	465,000	465,000
Stadium Avenue - Canyon Rd to 900 E	-	325,000	275,000	-	-	-	-	600,000
Columbia Lane - Riverside Av to Grandview Ln	-	-	-	-	-	-	850,000	850,000
Draper Lane - 500 South to 600 South	-	-	-	200,000	-	700,000	-	900,000
Draper Lane - 300 South to Center Street	-	-	-	-	-	1,600,000	-	1,600,000
Independence Avenue - 1100 North to 1700 North	-	-	650,000	700,000	-	-	-	1,350,000
500 North - 700 E to 900 E	-	-	-	-	-	-	700,000	700,000
Transportation Master Plan - Update	-	-	250,000	-	-	-	1,000,000	1,250,000

B&C Roads and Engineering CIP Operating Impact

- The nature of the B&C and Engineering CIP funds is to maintain, build and replace City transportation infrastructure. Trails, bike paths, roads, bridges, and sidewalks, etc., are provided for in this fund. In FY 2014, the Utility Transportation Fund was created in order to take some of the burden of maintenance from these two funds (see Utility Transportation Fund for more information). The goals of these two funds will be to replace and build infrastructure, which will have some operational impact because of ongoing street maintenance. On the other hand, because of the Utility Transportation Fund, the funds will be able to focus more on improving City infrastructure instead of focusing on maintenance of existing roads.

Parks and Recreation CIP Fund								
Project Name	Previous 4 Fiscal Years (2012-2015)	Adjusted Budget FY 2016	Proposed Budget FY2017	Projected Budget FY2018	Projected Budget FY2019	Projected Budget FY2020	Projected Budget FY2021	Project Total
Cemetery Improvements	2,346,687	93,574	770,000					3,210,261
Misc Park Projects	96,692	2,101						98,793
New Recreation Center	39,574,352	52						39,574,404
Slate Canyon Trailhead	1,151,085	507,128						1,658,213
Foothill Park		200,000						200,000
Utah County Recreation Grant	314,401	65,118						379,519
Disc Golf	14,099	20,901						35,000
Cemetery Expansion	363,760	896,643						1,260,403
Franklin Park	411,930	152,801						564,731
Spring Creek Park	274,798	800,000	950,000	320,000				2,344,798
Stutz Park	39,153	45,847						85,000
Veterans Memorial	38,901							38,901
Downtown Streetscape Improvements		100,000	10,000	150,000	150,000	150,000	58,000	618,000
Dog Park(s)	3,823	95,441						99,264
Bicentennial Park Expansion			3,000,000					3,000,000
Canyon Creek Park		358,275	358,275					716,550
Central Irrigation System					130,000	70,000		200,000
Foothill Park			500,000	210,000	300,000	300,000	300,000	1,610,000
Impact Fee Study			100,000					100,000
Off Leash Dog Park				80,000		73,500		153,500
Park Restroom Replacements						230,000	100,000	330,000
Parking Lot Asphalt Resurfacing				100,000		59,500	225,000	384,500
Pavilion Replacements				200,000		250,000		450,000
Playground Replacements				30,000		120,000	322,000	472,000
Provo River Parkway Trail			1,883,500	1,023,000	250,000			3,156,500
Signage/wayfinding				65,000	65,000	70,000		200,000
Slate Canyon Park			420,000		300,000	900,000	300,000	1,920,000
Sports Facility Renovations				110,000	219,500	170,500		500,000
Stutz Park				300,000	900,000	300,000		1,500,000
Tennis Court Renovation				280,000	180,000			460,000
Trail Replacements				200,000	350,000		200,000	750,000

Parks and Recreation CIP Operating Impact

- Most projects in the Parks and Recreation will have an impact on the operational expenditures of the City. When a park is finished, costs for utilities, personnel, and other operating costs are evaluated based on the size of the park, the amount of grass vs. cement, and other amenities available. Some projects like Playground Replacement and Park Restroom Replacement will most likely not have any effect on the operating budget, as these are just replacements for existing structures. Operational efficiencies might occur because of the lower costs of maintaining newer facilities. The budget for FY 2017 includes RAP tax revenue that will fund over \$1.3 million of new projects.

Airport CIP Fund								
Project Name	Previous 4 Fiscal Years (2012-2015)	Adjusted Budget FY 2016	Proposed Budget FY2017	Projected Budget FY2018	Projected Budget FY2019	Projected Budget FY2020	Projected Budget FY2021	Project Total
Airport Master Plan		551,000						551,000
Security Fencing		300,000						300,000
Center/North Aprons-AIP34	1,627,210							1,627,210
Pavement Preventative Maintenance	200,000	440,000		220,000	220,000	220,000	220,000	1,520,000
Construct Alpha North Apron		1,000,000		6,750,000				7,750,000
Terminal Upgrades-AIP32/33	62,939							62,939
City Commercial Upgrades	68,285							68,285
SCASDP	524,368							524,368
EMPG - Baseline	64,132							64,132
Primary Entitlement-AIP36	196,665							196,665
ARFF Replacement	734,562	15,438						750,000
Vehicle Replacement		330,000						
Runway 13/31 Rehab Design AIP38	653,335							653,335
Strengthening Runway	6,562,341	2,037,659						8,600,000
Rehab Apron building AIP41		500,000						500,000
Land Purchases	157,306	4,340						161,646
Construct New Taxi Lane South			1,000,000					1,000,000
1271-Replace Movement Area Lighting and Upgrade ATCT Equipment				450,000				450,000
Purchase New Snow Equipment			650,000					650,000
Master Plan (AIP Funded)			700,000					700,000
Tower Equipment			150,000					150,000
Southeast Parking Lot			500,000					500,000
Northeast Parking Lot				250,000				250,000
Misc Equipment			220,000					220,000

Airport CIP Operating Impact

- Most of the projects for the Airport CIP fund are assuming federal funding and more growth at the Airport. Major projects scheduled assume more flights scheduled into and out of the Airport, which will have a major impact on operational expenses because of the increased need for personnel for security, check-ins, terminal, etc. These projects will not be undertaken without a large growth in the number of enplanements at the Provo Airport. City personnel are actively pursuing other airlines to increase the demand.

Water CIP Fund								
Project Name	Previous 4 Fiscal Years (2012-2015)	Adjusted Budget FY 2016	Proposed Budget FY2017	Projected Budget FY2018	Projected Budget FY2019	Projected Budget FY2020	Projected Budget FY2021	Project Total
Water Distribution System Improvements (New Main Lines)	822,373	1,437,627	250,000	-	500,000	500,000	500,000	4,010,000
Misc. Capital Items	46,515	62,436	30,000	30,000	30,000	30,000	30,000	258,951
Water Main Oversizing	15,096	59,904	15,000	15,000	15,000	15,000	15,000	150,000
Big Springs Development	2,008,108	2,176,892	75,000	-	-	-	-	4,260,000
Wells	2,552,361	1,847,639	500,000	-	1,000,000	1,000,000	1,000,000	7,900,000
Southeast Reservoir Drain Line	-	-	-	-	-	-	-	-
Warehouse	38,468		-	-	-	-	-	38,468
Large Meter Change out	90,180	8,230	-	-	-	-	-	98,410
PRV Stations	-	-	-	-	-	-	-	-
Automatic Meter Interface	2,301,787	275,000	475,000	475,000	475,000	350,000	350,000	4,701,787
Storage Reservoir	265,543	12,005,222	3,658,443	-	-	-	-	15,929,208
Contingency	42,155	49,522	125,000	125,000	125,000	125,000	125,000	716,677
Vehicle Replacement	123,170	37,000	230,000	30,000				420,170
Materials Handling Building	-	31,682	-	-	-	-	-	31,682
900 N 900 E Water Line Project	-	177,012	-	-	-	-	-	177,012
Inter-Reservoir Structure	-	100,000	-	-	-	-	-	100,000
600 e 600 S to 900 S Cemetery	79,448		-	-	-	-	-	79,448
Storage Facility	-	300,000	-	-	-	-	-	300,000
820 N 900 E 8-inch water line	28,830		-	-	-	-	-	28,830
Main Reservoir - Paint	-	380,000	-	350,000	350,000	-	-	1,080,000
Water Main Line Replacement	-	-	100,000					100,000
48-inch Transmission Line	-	-	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
New Large Meter Installation	-	-	20,000	20,000	20,000	20,000		80,000
Stadium Avenue	-	-		1,500,000	-	-	-	1,500,000
Public Works Garage Remodel	-	-	25,000	250,000	-	-	-	275,000
36" New Provo Canyon Parallel Transmission Line	-	-	-	-	-	-	1,000,000	1,000,000
36" Existing Provo Canyon Transmission Line Rehabilitation and Lining	-	-	-	-	-	-	-	-
Slate Canyon Well Building Replacement	-	-	-	-	250,000	250,000	-	500,000
South Fork Delineation Upgrade for DWSP	-	-	35,000	-	-	-	-	35,000
Intermed(4MG), Main(6MG), Gallery(5MG) Reservoir Replacement	-	-	500,000	500,000	500,000	500,000	1,000,000	3,000,000
Spring Rehabilitation	-	-	-	200,000	50,000	200,000	50,000	500,000

Water CIP Operating Impact

- The projects scheduled in the Water CIP Fund will have a two-fold effect. The increased capacity may have an impact on operations due to the increase in infrastructure, but the projects will also create a greater efficiency within the existing infrastructure. Most projects will not have an impact on operational expenses.

Wastewater CIP Fund								
Project Name	Previous 4 Fiscal Years (2012-2015)	Adjusted Budget FY 2016	Proposed Budget FY2017	Projected Budget FY2018	Projected Budget FY2019	Projected Budget FY2020	Projected Budget FY2021	Project Total
Misc WWC & WRP	60,331	44,669	20,000	20,000	20,000	20,000	20,000	205,000
Overlay Roads WRP	19,459			400,000	300,000			719,459
Sewer Main Oversizing	11,552	57,000	15,000	15,000		15,000	15,000	143,552
Capital Equipment	61,374	63,626	25,000	25,000	25,000	25,000	25,000	250,000
Water Reclamation Plant Improv	16,183	83,617						99,800
Collection System Rehab.	78,604	101,396	60,000	60,000	60,000	60,000	60,000	480,000
Final Clarifier #2	67,655	77,345						145,000
Clarifier Rehabilitation	2,090	27,910						30,000
Contingency	136,262	210,356	100,000	100,000	100,000	100,000	100,000	846,618
Water Reclamation Lift Station	899,578	100,493						1,000,071
600 South Overlay	9,000							9,000
500 E Sewer Main	114,853							114,853
Ultra Violet Disinfection System	475,918	2,348,082						2,824,000
Lift Station Standard design	33,120	36,880						70,000
Step Screen/Headwords	267,371	1,505,729						1,773,100
Aeration Basin Pumps	1,060	83,940						85,000
Roofing	59,401	72,869						132,270
200 N Action Target Sewer	10,955							10,955
Vehicle Replacement	80,286	344,000		155,000	150,000	300,000		1,029,286
Sewer - State Street and 900 S	625,278							625,278
Primary Digester Mixers		792,000						792,000
600 E - 600 S to 900 S Cemetery	80,621							80,621
Reclamation Plant Master Plan	369,153	180,847						550,000
NW Lift Station & Force Main	12,213	832,788						845,001
Nutrient Removal Project		100,000	200,000	200,000				500,000
West Side Sewer Lines	34,983	3,765,017		1,000,000	2,000,000	1,000,000	1,200,000	9,000,000
300 South Collection System Rehabilitation	120,000	130,000						250,000
University Avenue Pipe Bursting							700,000	700,000
Anticipated Master Plan Projects From Plant		2,000,000			1,000,000	2,000,000	2,000,000	7,000,000
Additional Lift Stations West of I-15		2,450,000	150,000	150,000	100,000	100,000	50,000	3,000,000
Reclamation Digester Dome Rep	146,246	195,884						342,130
Turbine Blower Conversion/Primary Clarifier 2		795,000						795,000
Additional Master Plan Projects			824,000				371,200	1,195,200
Westside Lift Stations			500,000				1,200,000	1,700,000
Riverside Country Club 18" Sewer Main Line			250,000	250,000				500,000
Mt. Vista Collection System Improvements			400,000	400,000	400,000			1,200,000
Collection System Master Plan			100,000	100,000	100,000			300,000
Public Works Garage Remodel			25,000	250,000				275,000
Parallel 36" West Side Sewer Main				1,000,000	1,000,000	3,000,000	2,000,000	7,000,000
	3,793,546	16,399,448	2,669,000	4,125,000	5,270,000	6,620,000	7,741,200	46,618,194

Wastewater CIP Operating Impact

- Some of the projects in the Wastewater CIP fund assume a large amount of growth on the west side of the City. If that growth occurs, there will be a large impact on the operational expenses, but will be offset by utility and impact fees because of that growth. Other projects involving rehabilitation or improvement at the plant or in the collection system will provide operational efficiencies that could decrease operating costs.

Sanitation CIP Fund								
Project Name	Previous 4 Fiscal Years (2012-2015)	Adjusted Budget FY 2016	Proposed Budget FY2017	Projected Budget FY2018	Projected Budget FY2019	Projected Budget FY2020	Projected Budget FY2021	Project Total
Materials Handling Building	126,348	3,652						130,000
Sanitation Facility Renovation		150,000	25,000	250,000				425,000
Covered Sanitation Parking	6,250	343,750						350,000
	132,598	497,402	25,000	250,000	-	-	-	905,000

Sanitation CIP Operating Impact

- The planned renovation to the Sanitation facility is in the beginning stages. The operational impact is being reviewed, but existing buildings being replaced or renovated could provide operational savings.

Energy CIP Fund									
<u>Project Name</u>	<u>Previous 4 Fiscal Years (2012-2015)</u>	<u>Adjusted Budget FY 2016</u>	<u>Proposed Budget FY2017</u>	<u>Projected Budget FY2018</u>	<u>Projected Budget FY2019</u>	<u>Projected Budget FY2020</u>	<u>Projected Budget FY2021</u>	<u>Project Total</u>	
General and Administrative Buildings-Admin Improvements	138,683	191,694	10,000	10,000	10,000	10,000	10,000	380,377	
General and Administrative -ERP	523,464	34,036						557,500	
Distribution Meters-New & Replacement Meters	315,431	3,875,097	2,600,000					6,790,528	
Distribution Materials - New Development Materials and Supplies	2,807,454	696,666	250,000	250,000	250,000	250,000	250,000	4,754,120	
General and Administrative - Engineering Software	11,424	110,734	10,000	10,000	10,000	10,000	10,000	172,158	
Transmission System-SCADA System	39,525	152,475	35,000	35,000	35,000	35,000	35,000	367,000	
Street and Security Lighting-Streets Lights	292,349	125,797	130,000	130,000	130,000	130,000	130,000	1,068,146	
Distribution Materials-Distribution Upgrade	1,487,769	1,095,775	1,143,704	1,511,000	1,000,000	1,976,000	1,049,000	9,263,248	
Distribution Transformers-New & Replacement Transformers	1,351,927	247,134	300,000	300,000	300,000	300,000	300,000	3,099,061	
Transmission System-Rebuilding & Upgrade System	70,688	974,953	303,600	249,800	1,835,000	1,625,000	125,000	5,184,041	
Appropriated Contingency	56,389	444,921	300,000	300,000	300,000	300,000	300,000	2,001,310	
Pole Treatment		40,000						40,000	
Substation Transmission-Rebuilding & Upgrade System	105,613	1,923,651	365,600	1,153,600	2,203,000	197,000	187,000	6,135,464	
Substation Distribution-Rebuilding & Upgrade System	52,583	3,659,027	82,500	857,500	737,500	337,500	12,500	5,739,110	
Distribution Materials-Distribution Automation	1,012,357	883,912	300,000	275,000	275,000	275,000	275,000	3,296,269	
SCADA AMI	993,458		200,000	150,000	150,000	150,000	150,000	1,793,458	
General and Administrative-New & Replacement Equipment-Nonvehicle	270,205	91,795	50,500	40,000	34,500	103,500	24,500	615,000	
General and Administrative-Buildings and Land - New	1,576,829	19,278,624		60,000				20,915,453	
Distribution Materials-Designated City Projects	335,758	507,435	925,000	300,000	300,000	300,000	300,000	2,968,193	
Distribution Materials -Electric Service Connections	360,650	116,888	75,000	75,000	75,000	75,000	75,000	852,538	
Westise 138kV - 46kV Transformer	2,467,409	10,906						2,478,315	
Westgate Switchyard	377,777	12,402						390,179	
Westgate to Draper Trans Line	1,026,580	9,321						1,035,901	
Ironton OH/UG Distribution	154							154	
Power Factor Correction	326,962	413,877						740,839	
Tanner Substation Relay Upgrade	147,601							147,601	
900 East Switch Station	234,720							234,720	
Power Pole Relocation I-15 Wide	773,430	152,199						925,629	
Engineering Software		30,000						30,000	
General and Administrative-New & Replacement Vehicles	1,978,852	1,373,370	704,000	668,000	687,000	669,000	630,000	6,710,222	
Power Plant 46 kV Breaker Addition	205,790							205,790	
Land Purchases		500,000	200,000					700,000	
New Mountain Vista Substation			100,000		400,000	950,000		1,450,000	

Energy CIP Operating Impact

- Many projects scheduled in the Energy CIP fund are ongoing maintenance, which has no impact on operational expenses. Other projects, including the implementation of AMI across the city in FY 2017, will have some impact on operating budgets for maintenance of the new system with extensive gains in service delivery.

Utility Transportation Fund								
<u>Project Name</u>	<u>Previous 4 Fiscal Years (2012-2015)</u>	<u>Adjusted Budget FY 2016</u>	<u>Proposed Budget FY2017</u>	<u>Projected Budget FY2018</u>	<u>Projected Budget FY2019</u>	<u>Projected Budget FY2020</u>	<u>Projected Budget FY2021</u>	<u>Project Total</u>
Crack Seal	37,418	359,145	200,000	200,000	200,000	200,000	200,000	1,396,563
Overlay	1,023,358	3,688,626	210,000	210,000	210,000	210,000	210,000	5,761,984

Utility Transportation Fund

- The revenues generated for the Utility transportation fund are used here for road improvements.

Detail of Significant Nonrecurring Capital Expenditures

Engineering CIP Fund

Bulldog Boulevard

Fiscal Year 2016-2017: \$1, 500,000

This project will provide significant safety improvements to Bulldog Boulevard.

Funding Source: Grants

Impact on Operating Budget: This project uses personnel resources budgeted in operations.

200 East Bicycle Improvements—600 S to 800 N

Fiscal Year 2016-2017: \$500,000

This project will provide improvements identified in the Bicycle Master Plan.

Funding Source: Grants

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

B&C Road Fund

Bulldog Boulevard

Fiscal Year 2016-2017: \$100,000

This project will reduce travel lanes and add raised medians in conjunction with other improvements to safety of Bulldog Boulevard.

Funding Source: B&C Funds

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Canyon Road

Fiscal Year 2016-2017: \$325,000

This project will improve storm drainage and sidewalks to accommodate ADA standards and high pedestrian volumes.

Funding Source: B&C Funds

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Stadium Avenue—Canyon Rd to 900 E

Fiscal Year 2016-2017: \$275,000

The project will realign the stadium intersection and provide improvements to curbs and gutters.

Funding Source: B&C Funds

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Draper Lane—500 S to 600 S

Fiscal Year 2016-2017: \$200,000

The project introduce a collector road already on the street master plan.

Funding Source: B&C Funds

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Independence Avenue

Fiscal Year 2016-2017: \$650,000

This project will complete the construction of Independence Avenue and include pedestrian and bike facilities.

Funding Source: B&C Funds

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Transportation Master Plan—Update

Fiscal Year 2016-2017: \$250,000

The master plan is updated in 5-year intervals, the previous plan was adopted in 2011.

Funding Source: B&C Funds

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Parks CIP Fund

Cemetery Expansion

Fiscal Year 2016-2017: \$770,000

This project will continue the funding of the cemetery expansion.

Funding Source: Bonds

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Spring Creek Park

Fiscal Year 2016-2017: \$950,000

This project will construct a new park at 1200 South 1100 East.

Funding Source: General Fund, Fund Balance, Impact Fees

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

RAP Arts Projects

Fiscal Year 2016-2017: \$150,000

This project will fund arts-related expenses of RAP tax monies.

Funding Source: RAP Tax

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Provo River Parkway Trail

Fiscal Year 2016-2017: \$1,883,500

This project will fund significant upgrades, repairs, and improvements to the trail.

Funding Source: General Fund, Impact Fees, RAP Tax

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Bicentennial Park

Fiscal Year 2016-2017: \$3,000,000

This project will fund the creation of a new park.

Funding Source: General Fund, Impact Fees, Land Sales

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Impact Fee Study

Fiscal Year 2016-2017: \$100,000

This project will fund consultants providing and independent look at impact fees related to parks.

Funding Source: General Fund, Impact Fees

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Slate Canyon Park

Fiscal Year 2016-2017: \$420,000

This project will continue the expansion of the slate canyon park and trail head.

Funding Source: General Fund, Impact Fees

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Foothill Park

Fiscal Year 2016-2017: \$500,000

This project will fund the creation of a new park with bike amenities and access to the Bonneville Shoreline Trail.

Funding Source: General Fund, Grants, Impact Fees

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Canyon Road Park

Fiscal Year 2016-2017: \$358,275

This project will fund the creation of a new park with sports fields amenities.

Funding Source: General Fund, Impact Fees

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

———— Airport CIP Fund ————

Construct New Taxi Lane South

Fiscal Year 2016-2017: \$1,000,000

This project construct a new airplane taxi lane on the south end of the runway.

Funding Source: State, Airport CIP

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Tower Equipment

Fiscal Year 2016-2017: \$1,000,000

This project will fund the purchase of tower equipment.

Funding Source: AIP Entitlement

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Snow Removal Equipment

Fiscal Year 2016-2017: \$650,000

This project will purchase equipment allow the removal of snow in a more timely manner to meet increased demand.

Funding Source: FAA Funding

Impact on Operating Budget: This project has no impact on operating budgets.

Master Plan

Fiscal Year 2016-2017: \$700,000

This project will perform a masterplan mandated by the FAA and enable future improvements to be funded by the FAA.

Funding Source: AIP Funding

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Southeast Parking Lot

Fiscal Year 2016-2017: \$500,000

This project will construct additional parking on the south east of the airport terminal.

Funding Source: AIP Funding

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Misc Equipment

Fiscal Year 2016-2017: \$220,000

This project will purchase needed airport equipment across the fiscal year.

Funding Source: AIP Funding, Transfers

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

———— **Water CIP Fund** ————

Big Spring Development

Fiscal Year 2016-2017: \$75,000

This project will provide for the development of Big Springs and its connection to the Provo City spring system.

Funding Source: Water Fund Balance, Impact Fees

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Wells

Fiscal Year 2016-2017: \$1,000,000

This project will continue the development of Provo City's underground water rights.

Funding Source: Water Fund Balance

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Storage Reservoir

Fiscal Year 2016-2017: \$2,408,443

This project will provide additional storage capacity for the water system.

Funding Source: Bond Revenue

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Water Main Line Replacement

Fiscal Year 2016-2017: \$200,000

This project will replace water main lines, service lines, and fire hydrants.

Funding Source: Water Fund Balance

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Main Reservoir Paint

Fiscal Year 2016-2017: \$350,000

This project will paint the main reservoir and ensure its continued safety and functionality..

Funding Source: Water Fund Balance

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Public Works Garage Remodel

Fiscal Year 2016-2017: \$25,000

This project will upgrade the recently vacated garage to office space.

Funding Source: Water Fund Balance

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

———— **Wastewater CIP Fund** ————

Nutrient Removal

Fiscal Year 2016-2017: \$200,000

This project will fund upgrades for anticipated requirements to remove things like phosphorus and nitrogen.

Funding Source: Wastewater Fund Balance

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Additional Master Plan Projects

Fiscal Year 2016-2017: **\$824,000**

This project will fund miscellaneous projects to improve wastewater improvements to accommodate growth.

Funding Source: Wastewater Fund Balance

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Westside Lift Stations

Fiscal Year 2016-2017: **\$500,000**

This fund the installation of lift stations to accommodate growth on the west side of Provo.

Funding Source: Wastewater Fund Balance

Impact on Operating Budget: This project has no impact on operating budgets.

Riverside Country Club 18" Sewer Main line

Fiscal Year 2016-2017: **\$250,000**

This project will increase the diameter of previously smaller infrastructure.

Funding Source: Wastewater Fund Balance

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

Mt. Vista Collection System Improvements

Fiscal Year 2016-2017: **\$400,000**

This project will eliminate the billings lift station.

Funding Source: Wastewater Fund Balance

Impact on Operating Budget: This project will reduce operation and maintenance cost of the wastewater system..

Public Works Garage Remodel

Fiscal Year 2016-2017: **\$25,000**

This project upgrade the recently vacation Public Works garage to accommodate office space.

Funding Source: Wastewater Fund Balance

Impact on Operating Budget: These projects use per-

sonnel resources budgeted in operations.

———— **Sanitation CIP Fund** ————

Public Works Garage Remodel

Fiscal Year 2016-2017: **\$25,000**

This project upgrade the recently vacation Public Works garage to accommodate office space.

Funding Source: Sanitation Fund Balance

Impact on Operating Budget: These projects use personnel resources budgeted in operations.

———— **Energy CIP Fund** ————

New and Replacement Meters

Fiscal Year 2015-2016: **\$2,600,000**

This project provides for the purchase of new and replacement meters. This year, the budget will cover substantial purchases to establish the AMI Network.

Funding Source: Energy Fund Balance

Impact on Operating Budget: This project has no impact on operating budgets.

Land Purchases

Fiscal Year 2015-2016: **\$200,000**

This project will purchase property enar 900 E to install 46 kV ring bus.

Funding Source: Energy Fund Balance

Impact on Operating Budget: This project has no impact on operating budgets.

New Mountain Vista Substation

Fiscal Year 2015-2016: **\$100,000**

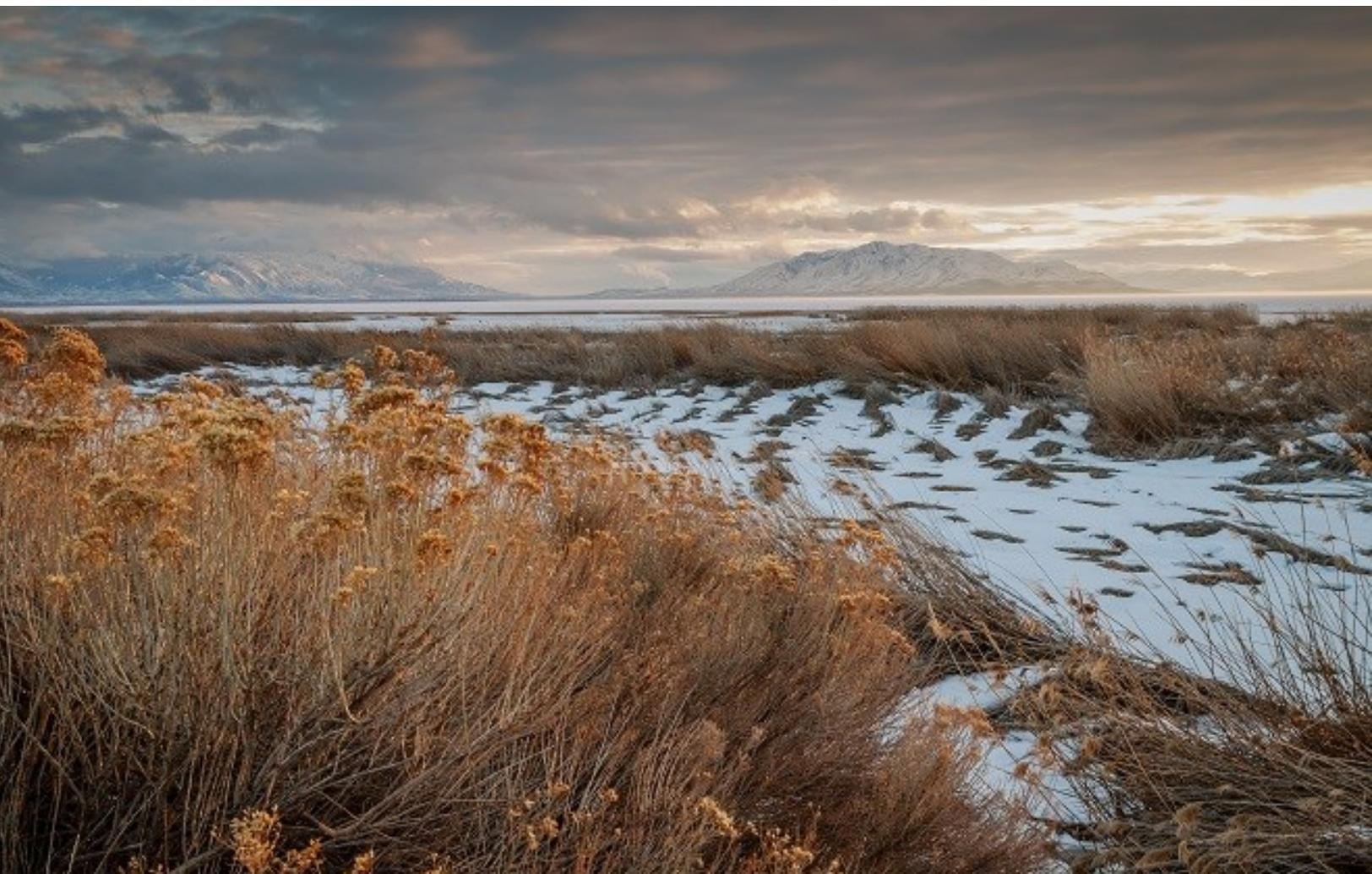
This project will fund the initial construction phase of a new substation located at Mountain Vista.

Funding Source: Energy Fund Balance

Impact on Operating Budget: This project has no impact on operating budgets.



Other Information



Provo City by the Numbers

1 st	<ul style="list-style-type: none"> Volunteering Nice & most thoughtful city Highest well-being index score Fastest growing on the rise startup hub Quality of life Healthiest Happiest Metro area for projected growth Job Growth – 2015 Communities
2 nd	<ul style="list-style-type: none"> Greatest place to live Best work-life balance Utah's fastest growing cities Safest metro
3 rd	<ul style="list-style-type: none"> Best place for homeownership Best city for successful aging Business and careers Most livable city Educated job seekers Large city for economic performance
4 th	<ul style="list-style-type: none"> Best downtown Best city for young families Most educated metro Wellbeing Most competitive metro Best Bike Paths in the West Best college city in America
6 th	<ul style="list-style-type: none"> Most walkable city Best affordable places to live
7 th	<ul style="list-style-type: none"> Fastest growing Well-being Innovative Tech Hub
8 th	<ul style="list-style-type: none"> Best Downtown Greatest share of households with broadband Basketball Fans
9 th	<ul style="list-style-type: none"> Highest cycling rate
10 th	<ul style="list-style-type: none"> Best city to raise a family Best jobs
18	<ul style="list-style-type: none"> Public Schools in Provo
23.6	<ul style="list-style-type: none"> Median Age
37.2	<ul style="list-style-type: none"> Miles of Pathways/Trailheads
39.5%	<ul style="list-style-type: none"> Adults over 25 with Bachelor's Degree or Higher
42.5%	<ul style="list-style-type: none"> Homeownership rate
109	<ul style="list-style-type: none"> Parks in Provo

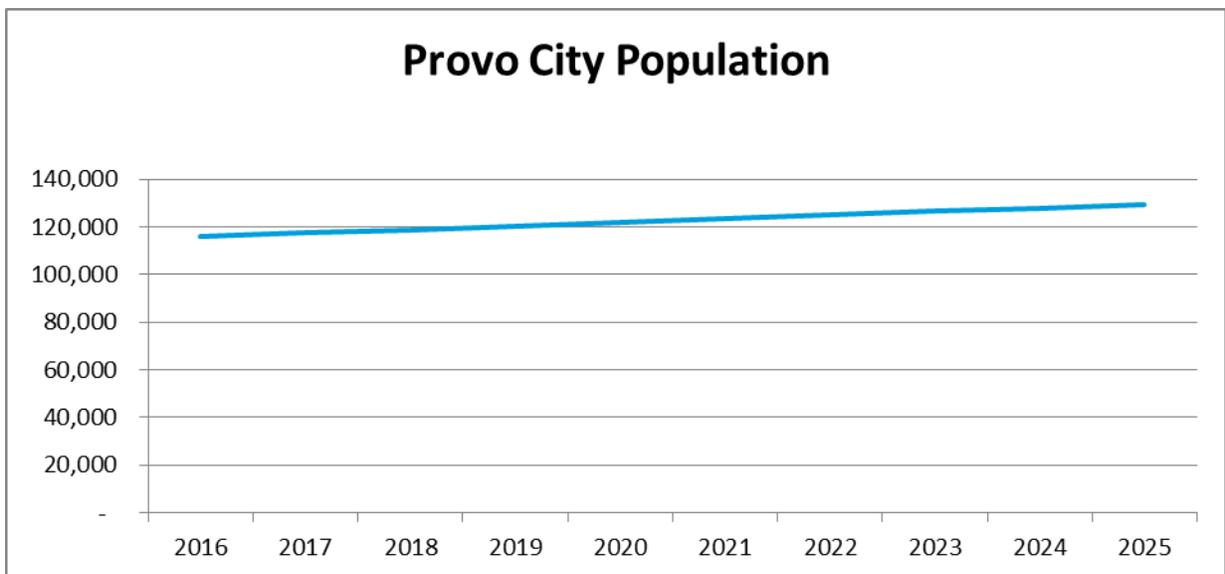
Life in Provo

Principal Employers- -Provo City

Brigham Young University
 Utah Valley Regional Medical Center
 Vivint, Inc.
 Central Utah Medical Clinic.
 FindItInUtah
 MyFamily.com
 Provo City Inc. (FTE)
 RBD Acquisition Sub, Inc.
 Utah State Hospital
 Bluehost.com
 Action Target Inc.
 Heritage Schools Inc.
 Insidesales.Com. Inc.
 NSE Products, Inc.
 NuSkin International Inc.
 NuSkin United States
 Property Solutions International Inc.
 Qualtrics, LLc
 SII Megadiamond, Inc.
 UHS of Provo Canyon , Inc.
 Vivint Solar Developer LLC
 Intermountain Health Care
 Novell
 NuSkin /Big Planet
 Provo School District
 Utah County
 Tahitian Noni Internationsl, Inc.
 Natures Sunshine Products
 Heritage Center

Principal Property Taxpayers- -Provo City

NuSkin International Inc.
 SIR Properties Trust (formerly Novell)
 Provo Mall LLC
 Central Utah Investment Company
 Tropical Development LLC
 Freight Line Properties LLC
 Questar Gas
 ESNET Riverwood Properties LLC
 Qwest Corp
 Parkway Village Provo Holdings LLC
 HRA Branbury Park LLC
 Tigriswoods LLC
 TCP-Provo LLC
 Union Pacific Roalroad Co.
 CCA-Riverside Plaza LLC
 KC Gardner Riverwoods LC
 Sundance Partners LTD
 B H Provo
 1565 North LLC
 East Bay Center LLC
 IHC Hospitals Inc.
 Liberty Square Investors LLC
 Raintree Park Limited
 Dillards USA Inc.
 MPT of Provo



Long Term Planning

The City of Provo, incorporated in 1851, is located in a metropolitan area that has a dynamic and diverse economy. The City has a diverse manufacturing and industrial base. Major industries include retail business, light manufacturing, software development, and a university community. This diversity stabilizes the unemployment rate and offers a broad range of employment opportunities.

The City of Provo provides a full range of services that include public safety, streets, recreational and cultural events, community development and general administrative services. The City of Provo also operates energy, water, wastewater, sanitation, municipal golf course, and storm drain utilities. A general aviation airport and a telecom network are also part of the City of Provo. Component units are legally separate entities for which the nature and significance of their relationship with the City of Provo are such that exclusion would cause the financial statements to be misleading or incomplete. Blended component units are included as part of the primary government. Accordingly, Provo City Redevelopment Agency is reported as special revenue fund and the Provo City Storm Water Service District as an enterprise fund.

The Administration and Municipal Council has worked hard to submit a responsible, sustainable budget. The City is closely monitoring the current economic environment. As the City plans for the future, we are being very cautious to align the commitment of City resources with the anticipated revenues for the City. However, despite our careful planning and disciplined spending, we continue to face budget challenges due to the slow rate of economic recovery along with the continued increase to personnel, operational and capital expenses. We need to continue to refocus government on the results that matter to citizens, prioritize and improve levels of service, and find cost effective and innovative options for service delivery.

The City undertook an in-depth and detailed look at the budgeting process for Fiscal Year 2016. Administration began reviewing preliminary budget projections in December of 2014 in preparation for the FY 2016 budget.

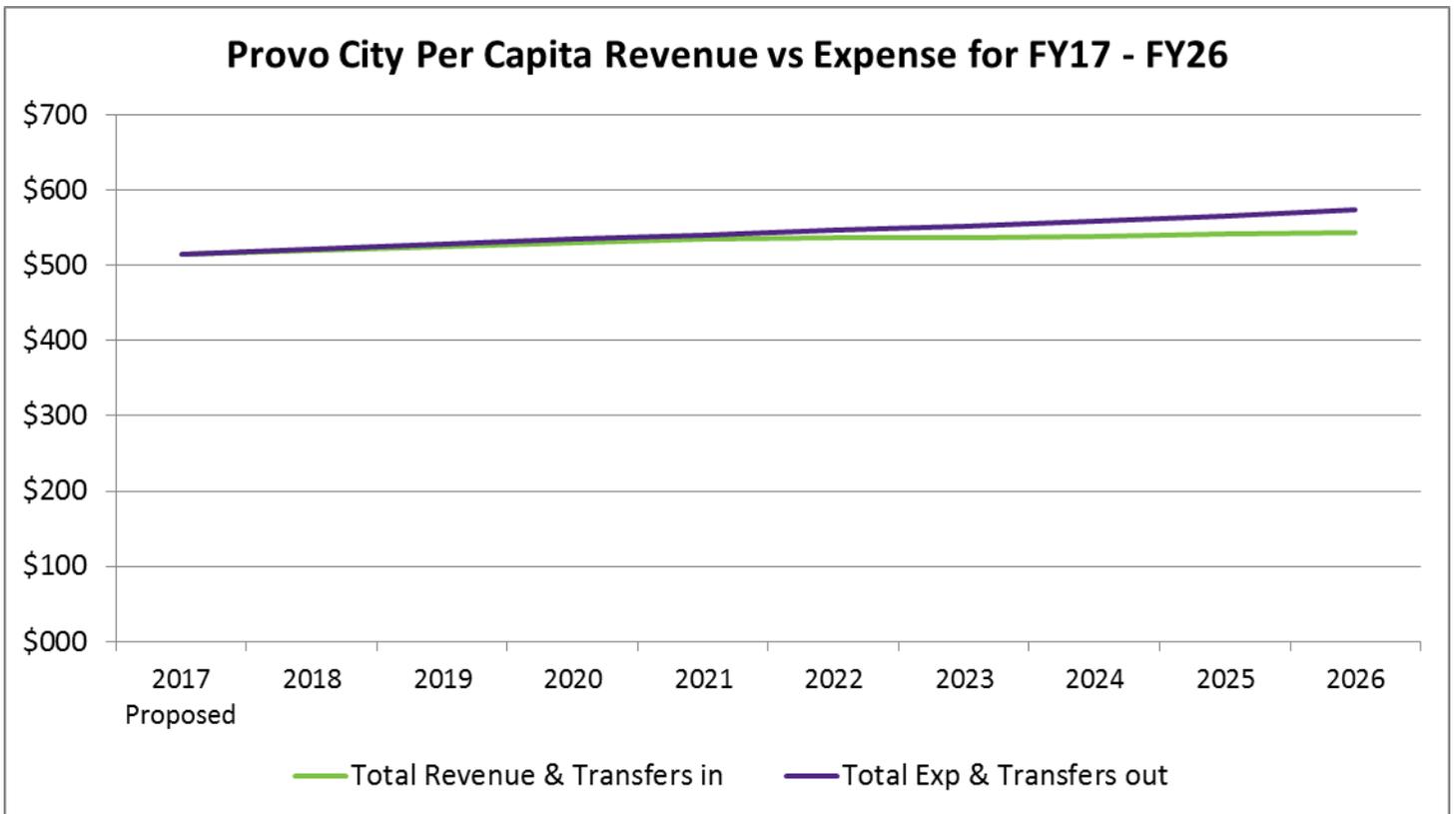
The Administration has created a 10-year model that provides the proposed budget for Fiscal Year 2016, with a nine-year look forward. This 10-year model currently only reflects revenues, transfers in, expenses and transfers out for the General Fund.

The spreadsheet has been designed with numerous assumptions in mind, with the capability of changing them as needed for analysis. The major assumptions included for Fiscal Year 2016 is the following: 2.5% merit increases, health insurance increase of 5.4%, retirement increase of 0%, 2.28% property tax increase, 401K match of 2%, market study increases, a 24.4% wastewater utility increase, a 25.8% storm drain utility increase, 19.8% water utility increase, and Energy Rate increase of 3%.

The spreadsheet is dynamic with the option to change the assumptions provided and add additional items. Other assumptions available in the spreadsheet are: changes to revenues and current transfers in, other utility rate increases, increases to operations, capital, vehicle replacement, and transfers out to other departments.

For the Fiscal 2017 and budget years forward, the following assumptions have been made with Fiscal 2016 being the base:

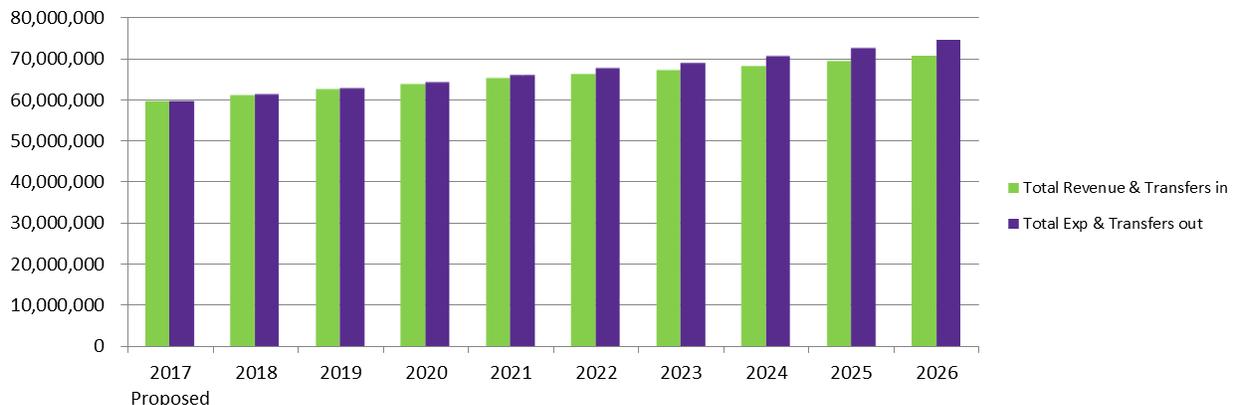
- Funding for 2.5% payroll increase
- Defined contribution retirement with a 0% increase; 2% increase moving forward
- 2016 had a 5.4% increase and a 6% increase is modeled moving forward
- Property tax increase of 1.25% for growth
- 2% increase to sales and franchise tax
- 1% increase to lodging tax
- 2% increase to Community Development and Parks & Recreation fees
- 1% increase to public safety fees, ambulance charges, internal service chargebacks and interest income
- 1.25 % increase for utility sales based on growth
- 1.25 % population increase
- Actual proposed utility rate increases through FY 2020 and 2% thereafter.
- 1% increase to operations
- In 2017 Justice Court's transfer in is decreased by 3% onward



Provo City General Fund Projection

	2017 Proposed	2018	2019	2020	2021	2022	2023	2024	2025	2026
Revenues:										
Current Property Tax	\$ 4,494,684	\$ 4,607,051	\$ 4,722,227	\$ 4,840,283	\$ 4,961,290	\$ 5,085,322	\$ 5,212,455	\$ 5,342,767	\$ 5,476,336	\$ 5,613,244
Vehicle Taxes	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000
Prior Year Property Tax	285,000	285,000	285,000	285,000	285,000	285,000	285,000	285,000	285,000	285,000
Sales and Use Taxes	17,025,000	17,195,250	17,367,203	17,540,875	17,716,283	17,893,446	18,072,381	18,253,104	18,435,635	18,619,992
RAP Tax	1,306,002	1,319,062	1,332,253	1,345,575	1,359,031	1,372,621	1,386,347	1,400,211	1,414,213	1,428,355
Franchise Taxes	9,398,000	9,491,980	9,586,900	9,682,769	9,779,596	9,877,392	9,976,166	10,075,928	10,176,687	10,278,454
Lodging Tax	400,000	406,000	412,090	418,271	424,545	430,914	437,377	443,938	450,597	457,356
Parks & Recreation	5,590,500	5,870,025	6,163,526	6,286,797	6,412,533	6,540,783	6,671,599	6,805,031	6,941,132	7,079,954
Business Licenses	675,000	675,000	675,000	675,000	675,000	675,000	675,000	675,000	675,000	675,000
Road Projects	3,721,026	3,721,026	3,721,026	3,721,026	3,721,026	3,721,026	3,721,026	3,721,026	3,721,026	3,721,026
Community Development Fees	1,744,000	1,778,880	1,814,458	1,850,747	1,887,762	1,925,517	1,964,027	2,003,308	2,043,374	2,084,241
Public Safety	59,000	59,590	60,186	60,788	61,396	62,010	62,630	63,256	63,889	64,527
Fire	1,681,000	1,697,810	1,714,788	1,731,936	1,749,255	1,766,748	1,784,415	1,802,260	1,820,282	1,838,485
Chargebacks	-	-	-	-	-	-	-	-	-	-
Interest Income	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
Intergovernmental	203,000	203,000	203,000	203,000	203,000	203,000	203,000	203,000	203,000	203,000
Misc.	672,901	672,901	672,901	672,901	672,901	672,901	672,901	672,901	672,901	672,901
Total Revenue	47,650,113	48,377,575	49,125,557	49,709,967	50,303,619	50,906,681	51,519,325	52,141,729	52,774,072	53,416,537
Transfers in:										
Transfer from Justice Court	436,825	436,825	436,825	436,825	436,825	436,825	436,825	436,825	436,825	436,825
Transfer from ERP Debt Service	210,845	212,953	215,083	217,234	219,406	221,600	223,800	226,000	228,200	230,400
Transfer from Engineering CIP	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Transfers (Utilities)										
Transfer from Water	1,327,384	1,491,814	1,638,851	1,742,303	1,852,286	1,912,948	1,975,597	2,040,298	2,107,118	2,176,126
Transfer from Wastewater	1,002,573	1,216,096	1,409,835	1,698,675	1,977,895	2,042,671	2,109,569	2,178,657	2,250,008	2,323,696
Transfer from Energy	7,962,281	8,223,046	8,492,350	8,770,475	9,057,708	9,354,348	9,660,703	9,977,091	10,303,841	10,641,291
Transfer from Sanitation	479,380	509,641	567,613	603,443	641,535	662,546	684,244	706,653	729,796	753,697
Transfer from Storm Drain	467,940	506,954	538,956	572,978	597,544	617,114	637,324	658,196	679,752	702,014
Total Transfers in	11,937,228	12,647,329	13,349,513	14,091,933	14,833,199	15,298,052	15,554,262	16,047,720	16,557,340	17,083,649
Total Revenue & Transfers in	59,587,341	61,024,904	62,475,070	63,801,900	65,136,818	66,204,732	67,073,587	68,189,450	69,331,412	70,500,186
Expenditures:										
Personnel	28,234,456	28,940,317	29,663,825	30,405,421	31,165,556	31,944,695	32,743,313	33,561,896	34,400,943	35,260,967
Insurance	7,225,139	7,658,647	8,118,166	8,605,256	9,121,572	9,668,866	10,248,998	10,863,938	11,515,774	12,206,720
Retirement	6,114,497	6,175,642	6,237,398	6,299,772	6,362,770	6,426,398	6,490,662	6,555,568	6,621,124	6,687,335
Operations	12,826,411	12,954,675	13,084,222	13,215,064	13,347,215	13,480,687	13,615,494	13,751,649	13,889,165	14,028,057
Total Expenditures	54,400,503	55,729,282	57,103,612	58,525,514	59,997,113	61,520,646	63,098,466	64,733,050	66,427,006	68,183,079
Transfers out:										
Transfer to Media Services	-	-	-	-	-	-	-	-	-	-
Transfer to Arts Council	435,428	435,428	435,428	435,428	435,428	435,428	435,428	435,428	435,428	435,428
Transfer to Customer Service	93,889	93,889	93,889	93,889	93,889	93,889	93,889	93,889	93,889	93,889
Transfer to ERP Debt Service	240,830	422,830	422,830	422,830	422,830	422,830	422,830	-	-	-
Transfer to General CIP	-	-	-	-	-	-	-	-	-	-
Transfer to Library	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Transfer to Parks & Recreation CIP	1,156,002	1,167,562	1,179,238	1,191,030	1,202,940	1,214,970	1,227,119	1,239,391	1,251,785	1,264,302
Transfer to Road CIP	2,734,561	2,857,066	2,979,571	3,102,076	3,224,581	3,347,086	3,469,591	3,592,096	3,714,601	3,837,106
Transfer to Golf Course	121,283	121,283	121,283	121,283	121,283	121,283	121,283	121,283	121,283	121,283
Transfer to Airport	211,397	211,397	211,397	211,397	211,397	211,397	211,397	211,397	211,397	211,397
Transfer to Airport CIP	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Transfer to Vehicle Management	123,448	123,448	123,448	123,448	123,448	123,448	123,448	123,448	123,448	123,448
Transfer to Emergency Response	-	-	-	-	-	-	-	-	-	-
Total Transfers out	5,186,838	5,502,903	5,637,084	5,771,381	5,905,796	6,040,331	6,175,155	6,309,932	6,445,811	6,581,700
Total Exp & Transfers out	59,587,341	61,232,185	62,740,695	64,296,895	65,902,909	67,560,977	68,850,621	70,619,982	72,448,837	74,339,932
Operating Surplus (Deficit)	\$ -	\$ (207,281)	\$ (265,625)	\$ (494,995)	\$ (766,091)	\$ (1,356,244)	\$ (1,777,034)	\$ (2,430,532)	\$ (3,117,425)	\$ (3,839,747)
Beginning Fund Balance	\$ 8,633,582	\$ 8,633,582	\$ 8,426,301	\$ 8,160,676	\$ 7,665,681	\$ 6,899,590	\$ 5,543,346	\$ 3,766,312	\$ 1,335,780	\$ (1,781,645)
Ending Fund Balance	\$ 8,633,582	\$ 8,426,301	\$ 8,160,676	\$ 7,665,681	\$ 6,899,590	\$ 5,543,346	\$ 3,766,312	\$ 1,335,780	\$ (1,781,645)	\$ (5,621,392)

Revenue vs. Expenditures 2016-2025



Additional Principles of Financial Management

Cash management is the practice of safeguarding and maximizing the income earned on liquid assets. Cash, liquidity, and investment management activities shall be conducted prudently. The City shall maintain adequate management procedures, controls, and policies for the City's liquid assets.

- 1) The City Treasurer shall invest all funds of the City according to four criteria, in order of their importance: (1) legality, (2) safety (3) liquidity, (4) yield.
- 2) The City shall comply with all requirements of the Utah Money Management Act (Utah Code, Title 51) and rules of the State Money Management Council or other legal requirements regarding the management of cash. The City maintains a written Investment Policy approved by the Council.
- 3) The City will collect, deposit and disburse all funds on a schedule which ensures optimum cash availability.
- 4) All City bank accounts shall be reconciled and reviewed on a timely basis.
- 5) Investment performance will be measured using standard indices specified in the City's written investment policy.
- 6) The City will optimize the amount of funds available for investment by rapid collection of money owed to the City. Cash invested shall at a minimum equal 100% of total bank cash balances.
- 7) The City Treasurer shall provide to the State Money Management Council with a bi-annual report that includes state pool and bond balances.
- 8) The City will conduct its treasury activities with financial institutions based upon written contracts.

Personnel

Personnel costs are the most significant portion of the City's operating budget.

- 1) City personnel are required adhere to legal, moral, ethical, and professional standards of conduct in the fulfillment of their professional responsibilities.
- 2) The City shall maintain written personnel policies in accordance with City, state and federal laws.
- 3) The City shall have an employee compensation policy to provide competitive salaries to other similarly functioning cities and counties enabling the City to compete for and retain high quality employees. A yearly market study will be prepared by the Human Resources Division.

Internal Control and Financial Reporting

Internal control or the system of internal controls is the integration of activities, plans, attitudes, policies, and efforts of the people in an organization working together to provide reasonable assurance that the organization will achieve its goals and objectives. Financial reporting provides the informational infrastructure for the City.

- 1) The City will maintain a system of internal controls in order to maintain accountability to the citizens of the City and the City Council; meet established goals and objectives; promote adherence to laws and regulations; encourage sound financial and operational practices; develop and maintain accurate, reliable and timely financial and management data; safeguard assets/resources and prevent, detect and deter fraud.
- 2) The City will comply with Generally Accepted Accounting Principles (GAAP) in its accounting and financial reporting as contained in the following publications:
 - a) *Codification and Pronouncements of Governmental Accounting and Financial Reporting Standards*, issued by the Governmental Accounting Standards Council (GASB)
 - b) *Codification and Pronouncements of Accounting and Financial Reporting Standards*, issued by the Financial Accounting Standards Council, (FASB)
 - c) *Governmental Accounting, Auditing, and Financial Reporting (GAAFR)*, issued by the Government Finance Officers Association (GFOA) of the United States and Canada. The City will prepare its comprehensive annual financial report in compliance with the GFOA's Certificate of Achievement for Excellence in Financial Reporting Plan.
 - d) *Uniform Accounting Manual for Utah Cities*, issued by the Utah State Auditor's Office. The City's comprehensive annual financial report will be issued by December 30 of each year for the preceding fiscal year to the State Auditor's Office and to the City Council as required by the Utah Code.
 - e) *State and Local Governments – Audit and Accounting Guide*, an industry guide published by the American Institute of Certified Public Accounts (AICPA)

- f) *Government Accounting Standards*, issued by the Comptroller General of the United States.
- g) The City will contract for a comprehensive financial audit, including an audit of federal grants in accordance with U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, to be performed annually by an independent external auditor (public accounting firm). The independent external auditor will express an opinion on the City's Financial Statements.
 - a. The City will prepare a Comprehensive Annual Financial Report (CAFR), Popular Annual Financial Report (PAFR) and a Single Audit Report each year after the completion of the annual financial audit.
- 3) The City Council Chair and Vice Chair will act as the "Audit Committee" to govern and provide oversight of the City's internal control environment. The Council Audit Committee will coordinate activities between the independent external auditor(s) and Finance Division staff in connection with the annual comprehensive financial audit and other internal and external audits.
- 4) Quarterly financial data will be made available electronically to the City Council and department directors allowing them to review key financial data.

Risk Management

Risk Management functions to protect City resources such as employees, buildings, equipment, vehicles, and financial assets. The City will manage its risk and limit risk exposure in a professional and prudent manner.

- 1) The City shall make diligent efforts to protect and preserve City assets against losses that could deplete City resources or impair the City's ability to provide services to its citizens. The City shall reduce its exposure to liability through training, safety, risk financing and the transfer of risk when cost effective.
- 2) The City shall manage its exposure to risk through the most appropriate means of self-insurance and/or the purchase of traditional insurance in the following areas:
 - a) General liability
 - b) Automobile liability
 - c) Public officials' errors and omissions
 - d) Police professional liability
 - e) Property loss and workers' compensation
- 3) The City will further control its exposure to risk through the use of hold harmless agreements in City contracts and by requiring contractors to carry liability insurance.

Procurement

- 1) Procurement authorizes contracts using monetary assets of the City to purchase products and services. All acquisitions must be performed in accordance with applicable laws and regulations.
- 2) The City will endeavor to obtain supplies, equipment and services as economically as possible.
- 3) The City will establish purchasing guidelines consistent with all applicable state and federal laws.
- 4) The City will maintain a purchasing system which provides needed services and materials in a timely manner to avoid interruptions in the delivery of services.
- 5) The City shall encourage full and open competition on all purchases and sales. Procurement shall be based upon competitive bidding with formal bids whenever possible.

Economic Development

The City's economic base is an important element and has a dramatic influence on the City's financial health in determining the City's quality of life and credit rating.

- 1) The City shall continue to expand and diversify its economic base by attracting industrial and commercial firms to the City. Special emphasis should be given to industrial and commercial enterprises that will employ the local labor force and generate sales tax revenues. Such business and industry will be in accordance with the plans and ordinances of the City.

- 2) The City will endeavor to utilize a network of public facilities that link planned industrial and commercial areas with its growing residential areas.
- 3) The City will endeavor to increase, to the greatest degree possible, its commercial/industrial tax base and place professional employment within the City.
- 4) The City will perform a due diligence analysis of each economic development investment to evaluate the level of each type of risk associated with the economic development investment. The due diligence evaluation shall be presented to the City Council along with the economic development investment.
- 5) The City will perform a fiscal impact analysis on each economic development investment that evaluates the economic costs, economic benefits, intrinsic benefits and the levels of each type of risk associated with the economic development investment.

Policy Review

The City Council will review and approve by resolution the financial policies contained in this document as part of the annual budget document each year.



Appendix



Storm Water Service District

Department Function

- The Storm Water Division of the Public Works Department is responsible to protect life and property from flooding and keep the public street system from being encumbered with flood water during rainstorms and spring snow melt runoff. This Division also builds, operates, and maintains a storm drainage system such that citizens, property owners, business people, and even Storm Water employees can rest comfortably during runoff events. The Division complies with new federal storm water quality regulations. Irrigation water is delivered to customers along the City irrigation ditches in the central and southwest areas of the City.

Department Goals

- Complete the updated Storm Water Master Plan.
- Inspect and clean 20% of City storm drain system
- Design and construct Liberty Road Storm Drain and East Grandview Storm Drain.

Department Accomplishments

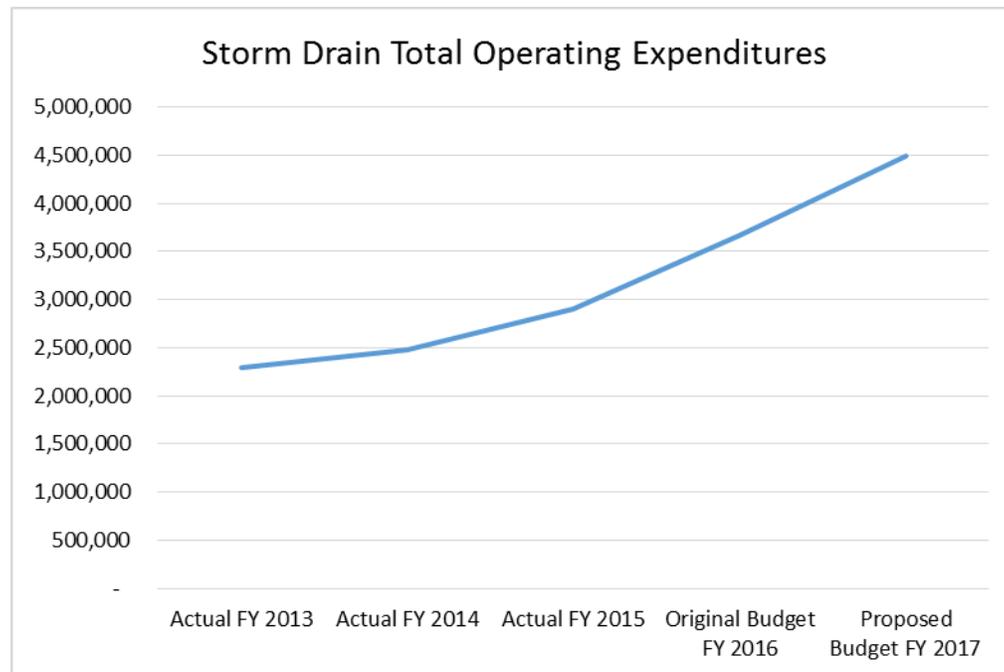
- Construction of the South Central Storm Drain extension and 1500 West Storm Drain.
- Implement mandated storm water quality local ordinance.

Budget Outcomes

- The Storm Water Service District budget is approved separately from the City budget as a whole. This information is provided for informational purposes only.
- Overhead expenses increased which is due to the increase in the cost of retiree insurance, customer service, administrative overhead, and vehicle fuel and repairs.
- Current year projects are funded with Storm Water CIP fund balance, impact fees, and a transfer from the Storm Water operating fund.
- Utility sales includes a 21.6% increase in rates.

Storm Drain--Operating	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Utility Sales	\$ 2,301,050	\$ 2,342,899	\$ 2,813,064	\$ 3,498,498	\$ 3,498,498	\$ 4,254,000
Miscellaneous	58,763	79,100	61,009	60,582	60,582	60,582
Fees	5,991	6,417	7,402	6,000	6,000	6,000
Grant	18,146	3,081	-	-	-	-
Interest Income	25,713	2,943	1,079	-	-	-
Total Revenue	<u>2,409,663</u>	<u>2,434,440</u>	<u>2,882,555</u>	<u>3,565,080</u>	<u>3,565,080</u>	<u>4,320,582</u>
Expenditure						
Storm Drain	\$ 2,066,029	\$ 2,222,810	\$ 2,394,853	\$ 2,443,809	\$ 2,443,809	\$ 2,671,475
Transfer Out	230,176	258,695	506,545	1,220,335	1,220,335	1,823,440
Total Expenditure	<u>2,296,205</u>	<u>2,481,505</u>	<u>2,901,399</u>	<u>3,664,144</u>	<u>3,664,144</u>	<u>4,494,915</u>
Net Change in Fund Balance	113,458	(47,065)	(18,844)	(99,064)	(99,064)	(174,333)
Beginning Fund Balance	118,941	232,399	185,333	166,489	166,489	67,425
Ending Fund Balance	232,399	185,333	166,489	67,425	67,425	(106,908)

FTE Summary	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Part-Time	<u>12.00</u>	<u>11.90</u>	<u>11.90</u>	<u>11.90</u>	<u>11.90</u>



Storm Drain--Capital Improvement	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Fees	\$ 142,400	\$ 211,820	\$ 188,680	\$ 200,000	\$ 260,000	\$ 275,000
Grant	201,597	-	-	-	-	-
Interest Income	15,088	12,215	11,123	-	-	-
Miscellaneous	29,370	-	-	-	-	-
Transfer In	-	-	200,000	200,000	680,000	1,200,000
Total Revenue	388,455	224,035	399,803	400,000	940,000	1,475,000
Expenditure						
Waste Water	\$ 967,871	\$ 161,617	\$ 576,583	\$ 1,630,000	\$ 3,072,280	\$ 1,525,000
Total Expenditure	967,871	161,617	576,583	1,630,000	3,072,280	1,525,000
Net Change in Fund Balance	(579,416)	62,418	(176,780)	(1,230,000)	(2,132,280)	(50,000)
Beginning Fund Balance	2,907,598	2,328,182	2,390,600	2,213,820	2,213,820	81,540
Ending Fund Balance	2,328,182	2,390,600	2,213,820	983,820	81,540	31,540

Storm Drain	Previous 4 Fiscal Years (2012-2015)	Adjusted Budget FY 2016	Proposed Budget FY2017	Projected Budget FY2018	Projected Budget FY2019	Projected Budget FY2020	Projected Budget FY2021	Project Total
Misc. Storm Drain Projects	355,069	121,245	100,000	100,000	100,000	100,000	100,000	976,314
Southeast Storm Drain	3,057							3,057
Canal Abandonment								-
Provo River Flood Control								-
Storm Drain Master Plan	149,845							149,845
2050 West Storm Drain	359,886							359,886
Little Rock Canyon Outfall	678,462							678,462
North Oak Hills Storm Drain								-
Center Street/2050 W Storm Drain								-
Mountain Vista Project	44,925							44,925
East Central Storm Drain Extension	1,376,412	97,079						1,473,491
600/700 East SD	1,233,331							1,233,331
Contingency			100,000	100,000	100,000	100,000	100,000	500,000
Geneva Road Bridge	4,950							4,950
200 North Independence Avenue	30,901							30,901
2230 North Storm Drain	40,529							40,529
Downtown Center Reconstruction								-
700 North Storm Drain	30,087	21,913						52,000
Duncan Aviation Piping	72,222							72,222
900 N 900 E Storm Drain	24,518							24,518
South Central Storm Drain	48,888	701,112						750,000
1280 W 350 N Storm Drain	35,731	14,269						50,000
820 North 1100 West		50,000						50,000
1500 West Storm Drain		450,000						450,000
Vehicle Replacement								-
East Grandview		80,000						80,000
Geneva Road		80,000						80,000
Stubbs Avenue	11,667	63,333						75,000
Grand Avenue	95,250	13,330						108,580
Stadium Avenue Storm Drain Phase I		580,000	500,000	300,000				1,380,000
Canyon Road Storm Drain		350,000						350,000
North Sherwood Hills Storm Drain		450,000						450,000
300 West Downtown Storm Drain, Phase I					600,000	600,000		1,200,000
East Central Storm Drain Extension					400,000	500,000		900,000
Stadium Avenue Storm Drain Phase II					600,000			600,000
Kiwanis Detention Basin			800,000	800,000				1,600,000
West Central Storm Drain						500,000	1,600,000	2,100,000
Public Works Garage Remodel			25,000	250,000				275,000

Provo City Redevelopment Agency

Department Function

- The Redevelopment Agency of Provo City (Agency) is a separate governmental entity created by Provo City under Title 17 of the Utah Code which governs “community development and renewal agencies.” The City Council is the governing board of the Redevelopment Agency and the Mayor also serves as the Agency’s Chief Executive Officer. The Redevelopment Agency primarily deals with programs and projects to help revitalize targeted areas of the City of Provo including the Central Business District (Provo’s downtown and surrounding neighborhoods) and other project areas as designated by the City Council. The Redevelopment Agency’s primary asset in this revitalization effort is tax increment financing which allows the Agency to participate in a variety of ways in its redevelopment efforts. The Redevelopment Agency also administers federal grants on behalf of the City of Provo that relate to community development and housing.

Department Accomplishments

- The Agency administered Community Development Block Grant program (CDBG) and the HOME Investment Partnerships program (HOME) to assist with several projects in Provo, including development of new affordable housing on several sites, loans to assist new homebuyers, façade improvement programs for downtown buildings and more. The Agency also serves as the lead for the Utah Valley HOME Consortium (Consortium).
- Worked with Economic Development department to facilitate the transfer of Provo Towne Centre Mall to new ownership and to plan for renovation of the Mall.
- Assisted Economic Development with the sale of four properties in Mountain Vista Business park for new industrial development and job creation
- Closed the sale of property in downtown Provo to Cowboy Partners for the construction of a new mixed use complex.
- The Agency closed nine Down Payment Assistance loans for Provo residents and closed another 28 through the Consortium.

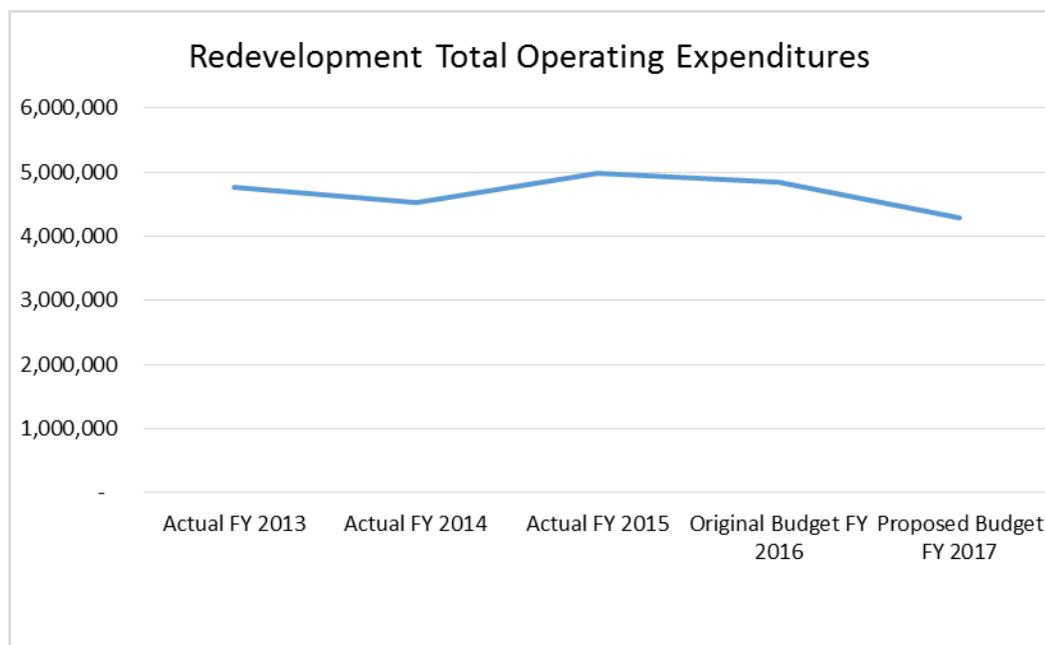
Department Goals

- Work with the State Courts to provide parking for new courthouse in downtown Provo.
- Provide funding to assist with the redevelopment of the Provo Airport for a new job-creating use.
- Work to redevelop the old RC Willey building while the Energy Department uses it for their temporary location during the construction of their new facility.
- Partner with PEG Development for the construction of new hotel in downtown Provo.
- Create new Community Development Areas to further enhance and redevelop the City of Provo.
- Continue revitalization efforts in downtown Provo.
- Partner with the Economic Development Department to enhance the retail environment in Provo.

Budget Outcomes

- FT 2017 Budget contains carryover from FY 2016.

Redevelopment Summary	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Grant	\$ 2,579,303	\$ 1,874,217	\$ 2,678,697	\$ 2,350,202	\$ 2,350,202	\$ 2,404,496
Property Tax	1,711,615	2,216,102	2,124,102	2,400,000	2,400,000	1,436,000
Lease Income	350,474	457,544	266,291	75,000	75,000	75,000
Miscellaneous	7,891	(566)	485,019	82,326	82,326	82,326
Principal Payment	602,950	509,399	100,011	594,371	594,371	571,102
Interest Income	46,845	34,089	36,948	27,288	27,288	27,288
Transfer In	152,098	68,801	507	100,000	100,000	100,000
Total Revenue	5,451,177	5,159,588	5,691,575	5,629,187	5,629,187	4,696,212
Expenditure						
Commercial Rehab Loans	\$ 91,600	\$ -	\$ -	\$ -	\$ -	\$ -
Small Business Revolving Loans	96,099	-	-	-	-	-
Rental Rehabilitation	580	494	375	500	500	500
Community Development Block Grant	1,492,196	1,916,366	1,341,462	1,518,137	2,552,164	1,631,161
Tax Increment	1,249,779	1,632,040	1,079,301	1,566,341	2,176,258	1,349,128
Housing Rehabilitation	71,611	-	-	-	-	-
Central Neighborhoods	8,235	-	-	-	-	-
Home Consortium	1,378,355	823,750	2,446,979	1,607,675	5,772,350	1,167,403
New Development	311,413	158,159	110,144	46,090	184,244	42,976
Homebuyer Assistance	224	-	-	-	-	-
Special Purpose Grant	-	-	9,209	101,000	180,184	101,000
Homeless Prevention	-	190	-	-	-	-
Boulders Grant	65,025	-	-	-	-	-
Total Expenditure	4,765,117	4,530,999	4,987,469	4,839,743	10,865,701	4,292,168
Net Change in Fund Balance	686,060	628,589	704,105	789,444	(5,236,514)	404,044



Commercial Rehab Loans	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Fees	\$ 498	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer In	130,000	-	-	-	-	-
Total Revenue	130,498	-	-	-	-	-
Expenditure						
Commercial Rehab Loans	\$ 91,600	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditure	91,600	-	-	-	-	-
Net Change in Fund Balance	38,898	-	-	-	-	-
Beginning Fund Balance	55,986	94,884	-	-	-	-
Adjustment to Fund Balance	-	(94,884)	-	-	-	-
Ending Fund Balance	94,884	-	-	-	-	-

Small Business Revolving Loans	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Principal Payment	\$ 73,371	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income	12,503	-	-	-	-	-
Total Revenue	85,874	-	-	-	-	-
Expenditure						
Small Business Revolving Loans	\$ 96,099	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditure	96,099	-	-	-	-	-
Net Change in Fund Balance	(10,225)	-	-	-	-	-
Beginning Fund Balance	299,339	289,114	-	-	-	-
Adjustment to Fund Balance	-	(289,114)	-	-	-	-
Ending Fund Balance	289,114	-	-	-	-	-

Rental Rehabilitation	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Principal Payment	\$ 43,986	\$ 6,763	\$ -	\$ 1,000	\$ 1,000	\$ 6,800
Interest Income	1,990	1,795	1,730	300	300	300
Total Revenue	45,976	8,558	1,730	1,300	1,300	7,100
Expenditure						
Rental Rehabilitation	\$ 580	\$ 494	\$ 375	\$ 500	\$ 500	\$ 500
Total Expenditure	580	494	375	500	500	500
Net Change in Fund Balance	45,396	8,064	1,355	800	800	6,600
Beginning Fund Balance	310,512	355,908	363,972	365,327	365,327	366,127
Ending Fund Balance	355,908	363,972	365,327	366,127	366,127	372,727

Community Development Block Grant	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Grant	\$ 1,491,817	\$ 1,673,807	\$ 1,311,390	\$ 1,341,086	\$ 1,341,086	\$ 1,351,160
Interest Income	31	4,078	2,412	2,800	2,800	2,800
Miscellaneous	-	-	-	76,076	76,076	76,076
Total Revenue	1,491,848	1,677,885	1,313,802	1,419,962	1,419,962	1,430,036
Expenditure						
CDBG Administrative	\$ 306,258	\$ 315,752	\$ 221,594	\$ 335,307	\$ 335,307	\$ 345,893
CDBG Capital Projects	1,064,499	1,360,188	948,016	940,625	1,974,652	1,028,812
Central Neighborhood Projects	-	80,000	-	-	-	-
Federal Grant Project Delivery	121,439	160,426	171,852	242,205	242,205	256,455
Total Expenditure	1,492,196	1,916,366	1,341,462	1,518,137	2,552,164	1,631,161
Net Change in Fund Balance	(348)	(238,481)	(27,660)	(98,175)	(1,132,202)	(201,125)
Beginning Fund Balance	10,388	10,040	464,074	436,415	436,415	(695,788)
Adjustment to Fund Balance	-	692,515	-	-	-	-
Ending Fund Balance	10,040	464,074	436,415	338,240	(695,788)	(896,913)

Tax Increment	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Property Tax	\$ 1,711,615	\$ 2,216,102	\$ 2,124,102	\$ 2,400,000	\$ 2,400,000	\$ 1,436,000
Interest Income	23,445	21,910	24,112	15,000	15,000	15,000
Miscellaneous	1,485	184	374,565	5,250	5,250	5,250
Transfer In	-	-	95,000	-	-	-
Total Revenue	1,736,545	2,238,196	2,522,779	2,420,250	2,420,250	1,456,250
Expenditure						
Tax Increment	\$ 1,249,779	\$ 1,632,040	\$ 1,079,301	\$ 1,566,341	\$ 2,176,258	\$ 1,349,128
Total Expenditure	1,249,779	1,632,040	1,079,301	1,566,341	2,176,258	1,349,128
Net Change in Fund Balance	486,766	606,156	1,443,478	853,909	243,992	107,122
Beginning Fund Balance	3,148,113	3,634,879	4,241,035	4,241,035	5,684,513	4,241,035
Ending Fund Balance	3,634,879	4,241,035	5,684,513	5,094,944	5,928,505	4,348,157

Housing Rehabilitation	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Interest Income	\$ 1,201	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	1,201	-	-	-	-	-
Expenditure						
Housing Rehabilitation	\$ 71,611	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditure	71,611	-	-	-	-	-
Net Change in Fund Balance	(70,410)	-	-	-	-	-
Beginning Fund Balance	167,975	97,565	-	-	-	-
Adjustment to Fund Balance	-	(97,565)	-	-	-	-
Ending Fund Balance	97,565	-	-	-	-	-

Central Neighborhoods	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Grant	\$ 45,460	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income	866	-	-	-	-	-
Total Revenue	46,326	-	-	-	-	-
Expenditure						
Central Neighborhoods	\$ 8,235	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditure	8,235	-	-	-	-	-
Net Change in Fund Balance	38,091	-	-	-	-	-
Beginning Fund Balance	123,604	161,695	-	-	-	-
Adjustment to Fund Balance	-	(161,695)	-	-	-	-
Ending Fund Balance	161,695	-	-	-	-	-

Home Consortium	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Grant	\$ 977,001	\$ 200,410	\$ 1,367,307	\$ 1,009,116	\$ 1,009,116	\$ 1,053,336
Interest Income	5,216	4,314	4,834	5,188	5,188	5,188
Miscellaneous		(998)	19,881		-	-
Principal Payment	438,889	502,636	100,011	593,371	593,371	564,302
Total Revenue	1,421,106	706,362	1,492,033	1,607,675	1,607,675	1,622,826
Expenditure						
Home Consortium	\$ 1,378,355	\$ 823,750	\$ 2,446,979	\$ 1,607,675	\$ 5,772,350	\$ 1,167,403
Total Expenditure	1,378,355	823,750	2,446,979	1,607,675	5,772,350	1,167,403
Net Change in Fund Balance	42,751	(117,388)	(954,946)	-	(4,164,675)	455,423
Beginning Fund Balance	976,250	1,019,001	901,614	(53,332)	(53,332)	(4,218,007)
Ending Fund Balance	1,019,001	901,614	(53,332)	(53,332)	(4,218,007)	(3,762,584)

New Development	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Lease Income	\$ 350,474	\$ 457,544	\$ 266,291	\$ 75,000	\$ 75,000	\$ 75,000
Interest Income	1,040	1,993	3,860	4,000	4,000	4,000
Miscellaneous	4,781	(500)	89,699	-	-	-
Total Revenue	356,295	459,037	359,850	79,000	79,000	79,000
Expenditure						
New Development	\$ 311,413	\$ 158,159	\$ 110,144	\$ 46,090	\$ 184,244	\$ 42,976
Total Expenditure	311,413	158,159	110,144	46,090	184,244	42,976
Net Change in Fund Balance	44,882	300,878	249,706	32,910	(105,244)	36,024
Beginning Fund Balance	167,248	212,130	513,008	762,714	762,714	657,470
Ending Fund Balance	212,130	513,008	762,714	795,624	657,470	693,494

Homebuyer Assistance	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Interest Income	\$ 553	\$ -	\$ -	\$ -	\$ -	\$ -
Principal Payment	46,704	-	-	-	-	-
Total Revenue	47,257	-	-	-	-	-
Expenditure						
Homebuyer Assistance	\$ 224	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditure	224	-	-	-	-	-
Net Change in Fund Balance	47,033	-	-	-	-	-
Beginning Fund Balance	2,224	49,257	-	-	-	-
Adjustment to Fund Balance	-	(49,257)	-	-	-	-
Ending Fund Balance	49,257	-	-	-	-	-

Special Purpose Grant	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Fees	\$ 1,127	\$ 748	\$ 874	\$ 1,000	\$ 1,000	\$ 1,000
Transfer In	22,098	68,801	507	100,000	100,000	100,000
Total Revenue	23,225	69,549	1,381	101,000	101,000	101,000
Expenditure						
Special Purpose Grant	\$ -	\$ -	\$ 9,209	\$ 101,000	\$ 180,184	\$ 101,000
Total Expenditure	-	-	9,209	101,000	180,184	101,000
Net Change in Fund Balance	23,225	69,549	(7,828)	-	(79,184)	-
Beginning Fund Balance	81,033	104,258	173,807	165,979	165,979	86,795
Ending Fund Balance	104,258	173,807	165,979	165,979	86,795	86,795

Homeless Prevention	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income	-	-	-	-	-	-
Lease Income	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Transfer In	-	-	-	-	-	-
Total Revenue	-	-	-	-	-	-
Expenditure						
Homeless Prevention	\$ -	\$ 190	\$ -	\$ -	\$ -	\$ -
Total Expenditure	-	190	-	-	-	-
Net Change in Fund Balance	-	(190)	-	-	-	-
Beginning Fund Balance	270	270	80	80	80	80
Ending Fund Balance	270	80	80	80	80	80

Boulders Grant	Actual FY 2013	Actual FY 2014	Actual FY 2015	Original Budget FY 2016	Adjusted Budget FY 2016	Proposed Budget FY 2017
Revenue						
Grant	\$ 65,025	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	<u>65,025</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditure						
Boulders Grant	\$ 65,025	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditure	<u>65,025</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-	-	-
Beginning Fund Balance	-	-	-	-	-	-
Ending Fund Balance	-	-	-	-	-	-

Glossary

Account A separate financial reporting unit. All budgetary transactions are recorded in accounts.

Accrual Basis of Accounting A method of accounting where revenues are recorded when service is given and expenses are recognized when the benefit is received.

Accounting Period A period of time (e.g. one month, one year) where the city determines its financial position and results of operations.

Actuarial A person or methodology that makes determinations of required contributions to achieve future funding levels that addresses risk and time.

Ad Valorem Tax A tax levied on the assessed value of real estate and personal property. This tax is also known as property tax.

Adjusted Budget The adjusted budget as formally adjusted by the Municipal Council.

Adopted Budget The proposed budget as initially formally approved by the Municipal Council.

Amortization The reduction of debt through regular payments of principal and interest sufficient to retire the debt instrument at a predetermined date known as maturity.

Annual debt service expenditures Annual debt service for measuring debt capacity for the City shall include debt service on outstanding principal for: general obligation bonds of the City, all lease appropriation debt to the extent that it is support by tax revenue, this excludes revenue bonds, and bonds issued for RDA and EDA.

Annual revenue Annual revenue for measuring debt capacity shall include the revenues of the General Fund and special revenue funds for the fiscal year in which the debt service expenditures occur.

Appropriation A specific amount of money authorized by the Municipal Council for the purchase of goods or services.

Arbitrage The gain which may be obtained by borrowing funds at a lower (often tax-exempt) rate and investing the proceeds at higher (often taxable) rates.

Assessed Valuation The appraised worth of property as set by a taxing authority through assessments for purposes of ad valorem taxation. The method of establishing assessed valuation varies from state to state, with the method generally specified by state law. For example, in certain jurisdictions the assessed evaluation is equal to the full or market value of the property. In other jurisdictions, the assessed valuation is equal to a percentage of the full market value.

Balanced Budget A budget in which planned funds or revenues available are equal to fund planned expenditures.

Basis Point Equal to 1/100 of one percent. If interest rates rise from 7.50 percent to 7.75 percent, the difference is referred to as an increase of 25 basis points.

Benchmarking Determining the quality of products, services, and practices by measuring critical factors (e.g., how fast, how reliable a product or service is) and comparing the results to those of highly regarded competitors.

Benefits Payments to which participants may be entitled under a pension plan, including pension benefits, death benefits, and benefits due on termination of employment.

Bond Covenants A legally enforceable promise made to the bondholders from the issuer, generally in relation to the source of repayment funding.

Bond Rating The City of Provo uses three of the Nation's primary bond rating services: Moody's Investors Service, Fitch Ratings, and Standard & Poor's. These rating services perform credit analyses to determine the probability of an issuer of debt defaulting partially or fully.

Bonds A security that represents an obligation to pay a specified amount of money on a specific date in the future, typically with periodic principal and interest payments.

Budget Calendar A schedule of key dates which the City follows in the preparation, adoption and administration of the budget.

Budget Highlights Included in the opening section of the budget, provides a summary of most important challenges of the budget year, changes from previous years, and recommendations regarding the financial policy for the upcoming period.

Capital Equipment Physical plant and equipment with an expected life of five years or more.

Capital Expenditures The approved budget for improvements to or acquisition of infrastructure, park development, building, construction or expansion, utility systems, streets or other physical structure with an estimated cost of \$5,000 or more.

Capital Improvement Plan (CIP) A plan for capital expenditures to be incurred each year over a five-year period. Essentially, the plan allows for a systematic evaluation of all potential projects, and specifies funding sources for all approved projects.

Capital Lease An agreement conveying the right to use property, plant or equipment usually for a stated period of time where the lessee assumes all the risks and rewards of ownership.

Capitalized Interest When interest cost is added to the cost of an asset and expensed over the useful life of the asset.

Chargeback Term used to describe the method to reimburse the costs incurred by the internal service funds or general fund to all departments throughout the City.

Community Development Block Grant (CDBG) One of the longest-running programs of the U.S. Department of Housing and Urban Development that funds local community development activities such as affordable housing, anti-poverty programs, and infrastructure development.

Consumer Price Index An index of the variation in prices paid by typical consumers for retail goods and other items.

Comprehensive Annual Financial Report (CAFR) This official annual report presents the status of the City's finances in a standardized format. The CAFR is organized by fund and contains two basic types of information: a balance sheet that compares assets with liabilities and fund balance; and an operating statement that compares revenues and expenditures.

Contingency An appropriation of funds available to cover unforeseen events that occur during the fiscal year. These funds, if not used, lapse at year end. This is not the same as fund balance.

Debt Service The amount necessary to pay principal and interest requirements on outstanding obligations for a given year or series of years.

Debt Service Fund The amount necessary to pay principal and interest requirements on outstanding obligations for a given year or series of years.

Defeasance A provision that voids a bond when the borrower puts cash in escrow via a refunding bond issuance sufficient to service the borrower's debt. When a bond issue is defeased the borrower sets aside cash to pay off the bonds, therefore the outstanding debt and cash offset each other on the balance sheet and are removed from the financial statements.

Deficit The excess of liabilities over assets, or expenditures over revenues, in a fund over an accounting period.

Depreciation The decrease in value of physical assets due to use and the passage of time.

Designated Funds that have been identified for a specific purpose. This differs from reserved funds, in that there

is no legal requirements for funds that have been designated.

Distinguished Budget Presentation Program A voluntary program administered by the Government Finance Officers Association to encourage governments to publish efficiently organized and easily readable budget documents and to provide peer recognition and technical assistance to the fiscal officers preparing them.

Encumbrances Obligations incurred in the form of orders, contracts and similar items that will become payable when goods are delivered or services rendered.

Enterprise Fund A self supporting fund designed to account for activities supported by user charges.

Escrow Money or property held in the custody of a third part that is returned only after the fulfillment of specific conditions.

Expenditure The disbursement of appropriated funds to purchase goods and/or service.

Fiduciary Funds Funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs. The fiduciary fund category includes pension trust funds, investment trust funds, private-purpose trust fund, and agency funds.

Fines and Forfeitures Consists of a variety of fees, fines and forfeitures collected by the State Court System.

Fiscal Year (FY) Any period of 12 consecutive months designated as the budget year. The City's budget year is July 1st and end June 30th.

Fixed Assets Items owned by the City that cost a considerable amount and has a useful life exceeding two years – e.g., computers, furniture, equipment and vehicles.

Fleet The vehicles owned and operated by the City.

Forfeiture The automatic loss of property, including cash, as a penalty for breaking the law, or as compensation for losses resulting from illegal activities. Once property has been forfeited, the City may claim it, resulting in confiscation of the property.

Franchise Fee Charges to utilities for exclusive/non-exclusive rights to operate within municipal boundaries.

Full-Time Equivalent Position A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year.

Fund A set of interrelated accounts to record revenues and expenditures associated with a specific purpose.

Fund Balance The difference between assets and liabilities reporting in a governmental fund at the end of the fiscal year.

General Fund A governmental fund established to account for resources and uses of general operating functions of City departments. Resources are, in the majority, provided by taxes.

General Obligation Bond Bonds for the payment of which the full faith and credit of the issuing government are pledged.

General Obligation Debt Debt that is secured by a pledge of the ad valorem taxing power of the issuer. Also known as a full faith and credit obligation.

General Services Referring to activities, revenues and expenditures that are not assigned to a department.

Governmental Funds Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital project funds, and permanent funds.

Grant A contribution by one governmental unit to another unit. The contribution is usually made to aid in the support of a specified function.

Inflation A rise in price levels caused by an increase in available funds beyond the proportion of available goods.

Infrastructure Public domain fixed assets including roads, bridges, curbs, gutters, sidewalks, drainage systems, lighting systems and other items that have value only to the City.

Interest Income Revenue associated with the City cash management activities of investing fund balances.

Intergovernmental Revenue Revenue received from or through the Federal, State, or County government.

Interlocal Agreement A contractual agreement between two or more governmental entities.

Lease The difference between assets and liabilities reporting in a governmental fund at the end of the fiscal year.

Mission Statement The statement that identifies the particular purpose and function of a department.

Modified Accrual Basis The basis of accounting under which revenues are recognized when measurable and available to pay liabilities and expenditures are recognized when the liability is incurred except for interest on long-term debt which is recognized when due, and the noncurrent portion of accrued vacation and sick leave which is recorded in general long-term debt. The General Fund, Debt Service Funds, Special Revenue Funds, and some Capital

Improvement Funds are prepared on the modified accrual basis of accounting except that encumbrances are treated like expenditures.

Municipal Code A collection of laws, rules and regulations that apply to the City and its Citizens.

Objective Something to be accomplished in specific, well-defined, and measurable terms and that is achievable within a specific time frame.

Operating Budget A budget for general revenues and expenditures such as salaries, utilities, and supplies.

Operating Lease A lease that is paid out of current operating income rather than capitalized.

Ordinance A formal legislative enactment by the City that carries the full force and effect of the law within corporate boundaries of the City unless in conflict with any higher form of law, such as state or federal.

Outcomes Quality performance measures of effectiveness and of achieving goals. (e.g., customer satisfaction, awareness level, etc.)

Outputs Process performance measures of efficiency and productivity.

Pay-as-You-Go Financing A method of paying for capital projects that relies on current tax and grant revenues rather on debt.

Per Capita A measurement of the proportion of some statistic to an individual resident determined by divided the statistic by the current population.

Performance Budget A budget wherein expenditures are based primarily upon measurable performance of activities and work programs.

Permit Revenue Fees imposed on construction-related activities and for the acquisition of other nonbusiness permits.

Popular Annual Financial Report (PAFR) is a brief summary of the City's Comprehensive Financial Report (CAFR). The report is intended to increase knowledge through the community of Provo's financial condition. The financial information within the report is taken in large part from the City's independently audited set of financial statements. Unlike the CAFR, the PAFR is not prepared in accordance with generally accepted accounting principles.

Present Value The discounted value of a future amount of cash, assuming a given rate of interest, to take into account the time value of money. To put it another way, a dollar is worth a dollar today, but is worth less than today's dollar tomorrow.

Privatization An act of outsourcing a program or process to a non-governmental entity.

Program Group activities, operations or organizational units directed to attaining specific objectives and achievements and budgeted as a sub-unit of a department.

Property Tax A tax levied on the assessed value of real and personal property. This tax is also known as ad valorem tax.

Proprietary Fund Enterprise and internal service funds that are similar to corporate funds, in that they are related to assets, liabilities, equities, revenues, expenses and transfers determined by business or quasi-business activities.

Quality Excellence, as defined by the customer.

Quarterly Report A document that collects quarterly financial information in the major City funds.

Refunding Retiring an outstanding bond issue at maturity by using money from the sale of a new bond offering. In other words, issuing more bonds to pay off the old bonds that just matured. In an Advance Refunding a new bond issuance is used to pay off another outstanding bond. The new bond will often be issued at a lower rate than the older outstanding bond. Typically, the proceeds from the new bond are invested and when the older bonds become callable they are paid off with the invested proceeds.

Reserves A portion of the fund balance or retained earnings are legally segregated for specific purposes.

Residual Equity Transfers Nonrecurring or nonroutine transfers of equity between funds.

Resolution A legislative act by the City with less legal formality than an ordinance.

Retained Earnings An account in the equity section of the balance sheet reflecting the accumulated earnings of the Proprietary Funds.

Revenue Monies received from all sources (with exception of fund balances) which will be used to fund expenditures in a fiscal year.

Revenue Bonds Bonds whose principal and interest are payable exclusively from a designated revenue source or enterprise fund.

Sales Tax Tax imposed on the taxable sales of all final goods.

Special Assessment A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

Special Revenue Fund A fund used to account for revenues legally restricted to expenditures for a particular purpose.

Tax supported bonds Bonds for which the funding used to make annual debt service expenditures is derived from tax revenue of the City's General and Special Revenue Funds.

Taxable Value The assessed value less homestead and other exemptions, if applicable.

Total bonded debt For purposes of measuring debt capacity, total bonded debt shall include total outstanding principal for: general obligation bonds of the City, bonds issued for the RDA and EDA projects, all lease appropriation debt to the extent that it is support by tax revenues, this excludes revenue bonds.

Trust and Agency Funds These funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organization, other governments and/or other funds.

Truth in Taxation In order to understand property tax in Utah it is necessary to understand a section of Utah Law known as "Truth in Taxation." The County is responsible for administering property taxes and each June it submits to the cities a certified tax rate that would generate the same amount of revenues as the previous year plus any new growth. The certified tax rate does not provide for additional tax revenue due to increased valuation of existing property. If the City chooses to adopt a tax rate higher than the certified rate, state law has very specific requirements for newspaper advertisement and public hearing from which the name "Truth in Taxation" is derived.

Unappropriated Not obligated for specific purposes.

Unassigned Fund Balance Used as a measure of the amount of resources a jurisdiction has available for spending, including its ability to meet special needs and withstand financial emergencies. In these policies, unassigned fund balance means it is neither earmarked nor reserved for other uses. It is available for discretionary spending.

Undesignated Without a specific purpose.

Unencumbered The portion of an allotment not yet expended or encumbered.

Useful life The period of time that a fixed asset is able to be used. This can refer to a budgeted period of time for an equipment class or the actual amount of time for a particular item.

User Fees Charges for expenses incurred when services are provided to an individual or groups and not the community at large. The key to effective utilization of user fees is being able to identify specific beneficiaries of services and then determine the full cost of service they are consuming.

Variable Rate Bond or Note A bond or note on which the interest rate is reset periodically. The interest rate is reset either by means of an auction or through an index.

Vision 2030 A steering committee completed a long-range strategic plan for the City.

Working Capital A financial metric which represents operating liquidity available to a business. It is calculated as current assets minus current liabilities.