



Tentative Budget FY 2024

**FY 2024
Tentative
Budget**

Agenda

Outline

1. Everyday City Services
2. Vision, Mission, Values and Principles
3. Budget Calendar and Process
4. Challenges and Opportunities
5. Proposed Plan
6. Summary
7. Budget Document and Interactive Tools
8. Forward-looking Timeline
9. Resolution to Tentatively Adopt the Proposed Budget

Every Day Services

- We are here to serve the community
 - Examples of service at any given moment
 - Life saving paramedic rescue
 - Police protection from harm or theft
 - Children swimming at Alta Canyon
 - Inspection on home improvement
 - Golfing at River Oaks
 - Enjoying a nice cold glass of water
 - Navigating our safe, orderly streets
 - Enjoying being outside at a park

“

Vision:

Connecting an active, vibrant, and prosperous community, where people flourish, and you belong.

“

Mission Statement:

Sandy City strives to be responsible stewards dedicated to providing high-value quality services, with an emphasis on safe neighborhoods, smart planning, preservation, and economic diversity.



Foundational Values:

Responsible Stewards: *A leader for fiscal responsibility, quality of life, and embracing innovation while honoring heritage.*

High-Value Quality Services: *A provider of exemplary services at the lowest cost for taxpayers.*

Safe Neighborhoods: *A community-based approach to public safety, enhanced by citizen and business partnerships.*

Smart Planning: *An initiative to reflect upon community character by utilizing technology and resources to develop sustainable infrastructure.*

Preservation: *An intention to recognize the potential of our historic neighborhoods and open spaces to promote health, affordability, prosperity, and well-being.*

Economic Diversity: *A mission to facilitate the development of an exceptional, regional, commercial center, as a prime location for future growth, that will provide quality employment, retail shopping and entertainment experiences.*

Guiding Financial Principles

- The City exists to serve the needs of its citizens
 - Receive citizen feedback for changing needs
- Strive for economy, efficiency, and effectiveness
 - Services should not cost more than similar private business services
- Generational fairness
 - Each generation of taxpayers should pay its fair share of long-term costs
- Taxes vs. Fees
 - Services rendered to the general public vs. specific groups
- Maintain reasonable fund balances

Revenue Policies

- Sandy City should estimate revenues conservatively to avoid unexpected deficits and to provide a funding source for capital project needs
- Sandy City should seek to use a portion of ongoing revenue for one-time expenditures, thereby mitigating the effects of a downturn in ongoing revenue
- Sandy City should minimize the use of one-time revenue to fund ongoing services
- Sandy City should aggressively collect all revenues or taxes due

Revenue Policies

- Sandy City should annually review user fees, impact fees, license and permit fees, and special assessments:
 - To determine that the full long-term service costs are not being subsidized by general revenues or passed on to future generations of taxpayers
 - To determine the subsidy level of some fees
 - To consider new fees

- Sandy City should seek to maintain a stable tax rate. Generally, taxes should not be increased unless:
 - Inflation has clearly forced operating costs upward faster than tax growth
 - New services are instituted to meet citizens' needs
 - Otherwise determined to be in the best interest of the City as determined by the City Council

**FY 2023
Tentative
Budget**

**Budget Calendar &
Process**

FY 2024 Budget Calendar

| Date | Event |
|----------------------------------|--|
| Year-round | Receive citizen input through focus groups, surveys, community meetings, public comment, social media and other electronic correspondence, and personal conversations. |
| January | Begin developing short and long-term forecasts |
| January - March | Budget work sessions |
| | Develop preliminary revenue estimates |
| | Finalize internal service and administrative cost studies |
| February - March | Review department budget requests |
| | Review and update fee schedule |
| March | Finalize revenue forecasts |
| | Finalize compensation plan |
| | Review and balance Mayor's Proposed Budget |
| March - April | Prepare and publish Mayor's Proposed Budget |
| May 2nd | Present Mayor's Proposed Budget, Tentatively Adopt Budget |
| May - June | Review the Tentative Budget |
| May - June | Public budget hearing |
| By June 20th | Set Property Tax Rate, Set Truth in Taxation Hearing (if needed) |
| By June 27th | Adopt Final Budget (if no property tax rate increase) |
| August 22nd | Possible Truth in Taxation Hearing (if needed) |
| By August 24th | Resolution Calling GO Bond Election (if needed) |
| By August 29th | Set Final Property Tax Rate and Adopt Final Budget (if needed) |
| November 7th | General Election, GO Bond Election (if needed) |

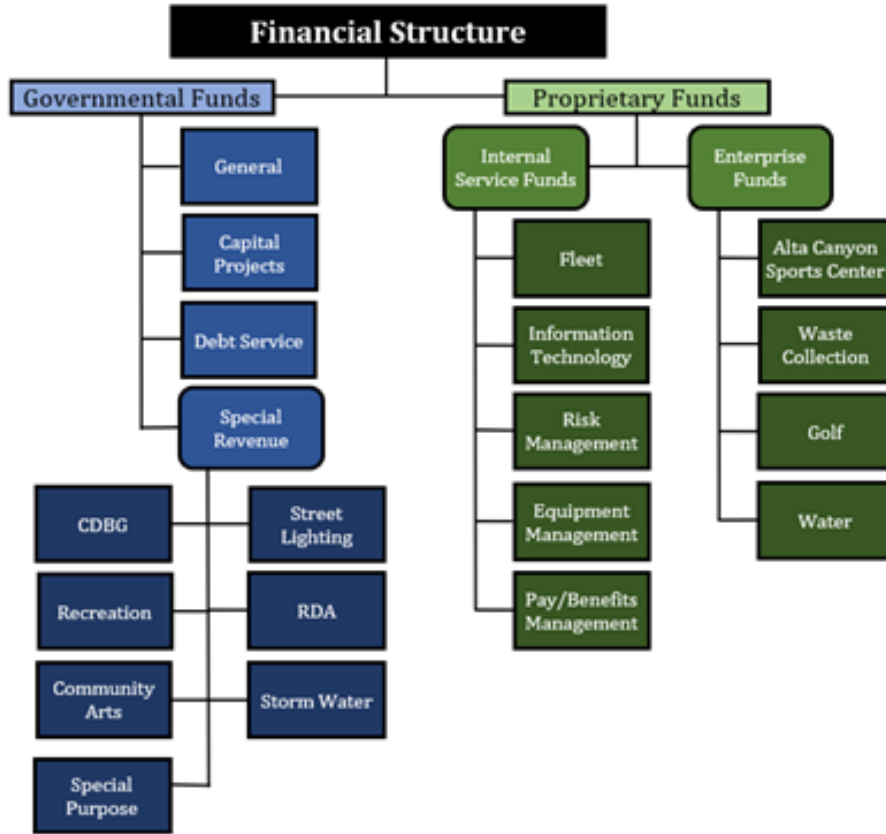
Budget Retreat Review

1. Guiding Financial Principles and Revenue Policies
2. Revenue History and Outlook
3. Operating and Capital Pressures
4. Economic Forecast and Indicator
5. Department Priorities
6. Council Priorities
7. Priority Exercise

Council Priorities

| Rank | # / 8 | Top 5 Priorities (Elected Officials): |
|-------------|--------------|---|
| 1 | 8 | Competitive compensation package for employees and Refine pay bands to close pay gaps for employees |
| 2 | 7 | Ensure Fire Department is adequately staffed - Maintain 3:2 |
| 3 | 5 | G.O. Bond for Fire Station 31 |
| 3 | 5 | Fund Police Department Fleet Replacement |
| 3 | 5 | Fund Citywide Fleet Replacement |
| 3 | 5 | Fund upgrades to Council chambers |

Consolidated Financial Structure



**FY 2024
Tentative
Budget**

**Challenges &
Opportunities**

Key Challenges

1. Meeting citizen service expectations
2. Public safety service needs
Fire department 3:2 staffing level
3. Historic inflation
4. Employee retention and recruiting
5. Fleet replacement
6. Reinvesting for the future
7. Community connectedness
8. Maintaining fund balances
9. Sandy's lifecycle stage
10. Revenue reductions (SB75 Sand & Gravel Sales Tax reduction)

- Price increases over that past two years
 - Diesel fuel up 97%
 - Sprinkler parts for parks up 44%
 - City insurance premiums up 37%
 - Snow plow tires up 25%
 - Police interceptor up 23%
 - Ambulance supplies up 12%
 - Fire uniforms up 37%
 - Consumer Price Index up 14.8%
 - Social Security COLA up 14.6%

**FY 2024
Tentative
Budget**

Proposed Plan

Public Safety Services

- • 3:2 Fire staffing level
 - 8 new firefighter/paramedics: \$875k
- • Animal Services Officer position: \$88k
- • Emergency Management Coordinator position: \$87k

Employee Retention and Recruitment

- Fire pay scale restructure: \$635k
 - Compresses steps from 12 to 10
 - Introduces new Senior Firefighter and Senior Paramedic positions
 - Benchmarks pay to the average of 2nd & 3rd highest comparables

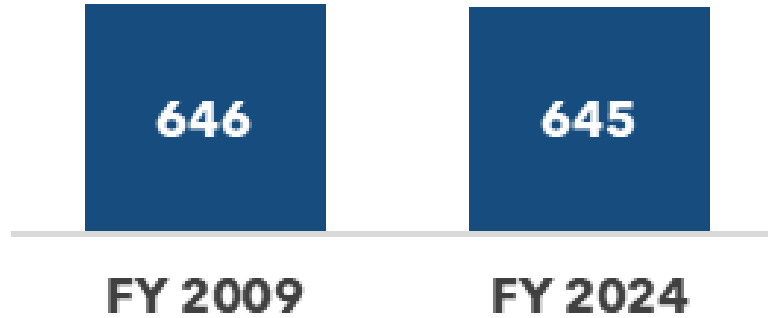
- 8.7% overall compensation plan: \$4.5M to General Fund
 - 7.5% COLA
 - 2.25% targeted market adjustment for Public Employees
 - 7.0% health insurance increase

Community Connectedness

- Enhanced community events: \$79k
 - Historic Sandy Barbecue
 - Balloon Festival
 - Light Up the Cairns
 - 4th of July Festivities
 - Community Movies
 - Council Events
- Community Arts
 - Part-time funding for Arts Guild Assistant Producer: \$48k
- City Administration
 - Part-time Administrative Assistant for: \$26k
- Parks and Recreation
 - Marketing & Development Specialist \$102k (90% covered by Alta Canyon, Recreation, and Golf)

Historical Employee Levels

FTE Count Comparison



Fleet Replacement

- \$2.4M Total General Fund
 - \$1.3M ongoing general fund allocation
 - \$1.1M one-time infusion

| | |
|--------------|--------|
| Police | \$1.2M |
| Fire | \$753K |
| Parks & Rec. | \$422K |

- \$627K Other Funds

| | |
|-----------|--------|
| Utilities | \$237K |
| Waste | \$215K |
| Fleet | \$175K |

Reinvesting for the Future

- Fire Station 31 Rebuild and Relocation
 - Not-to-exceed cost: \$16M
 - \$6.5M – from sale of current Station 31 and Fire impact fees
 - \$9.5M – from sales tax bond issue
 - Debt service payment estimated at \$700k
 - Leaves capital contingency amount intact
- Monroe Street Phase 6
 - Not-to-exceed cost: \$13.5M
 - Sales tax bond issue
 - State funding \$900k per year

- *Combine both projects into one sales tax bond issue
- Save more than \$150K in transaction costs

Other Capital Projects

- \$12M Total Capital Projects
 - Roads: \$5.1M
 - Traffic signal upgrades \$375k
 - Intersection reprofiling \$205k
 - Street reconstruction \$3.4M
 - Hazardous concrete repair \$1.1M
 - Parks: \$2.1M
 - All Inclusive playground \$985k
 - Bicentennial pickleball courts \$100k
 - Park Strip conversions \$260k
 - Playground replacement \$300k
 - Streetscapes/wall replacement \$150k
 - Golf course irrigation controllers \$225k

Other Capital Projects Continued

- Utilities: \$2.2M
 - Mainline replacements \$200k
 - Well equipment replacement \$120k
 - Floodplain projects \$300k
 - CMP replacement \$600k
 - Neighborhood storm water projects \$290k
 - Street lighting Improvements \$100k

- City Facilities: \$2.4M
 - Amphitheater improvements \$800k
 - City Hall repairs and upgrades \$700k
 - Other building improvements \$264k
 - Alta Canyon Sports Center TRCC Grant \$460k

- Miscellaneous: \$230k
 - CDBG projects

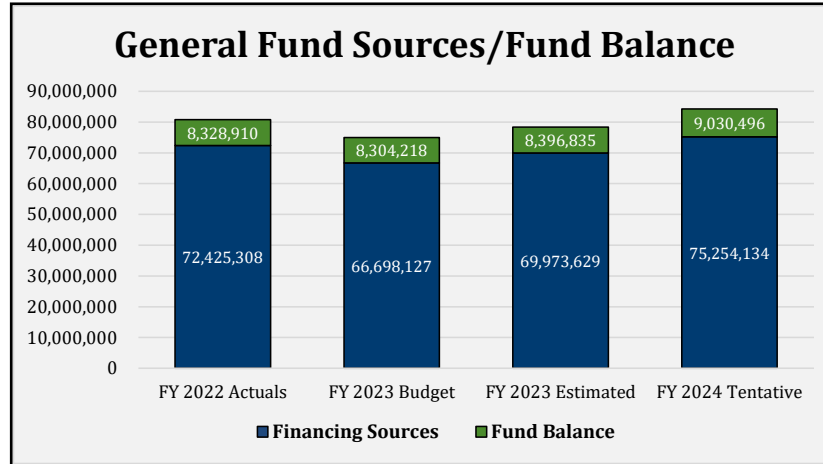
Inflation Related Adjustments

- Adjust budgets for inflation price increases where possible
 - Dispatch services
 - Materials and supplies
 - Professional services
 - Other contracted services
 - Parks watering costs
 - State mandated radio updates
 - Homeless shelter assessment
 - ULCT membership

- Departments already have, and will continue to absorb many price increases

Fund Balances

- General Fund balance maintained at 12%



- Close watch status:
 - Alta Canyon Sports Center
 - Risk Management
 - Waste Collection
 - Fleet

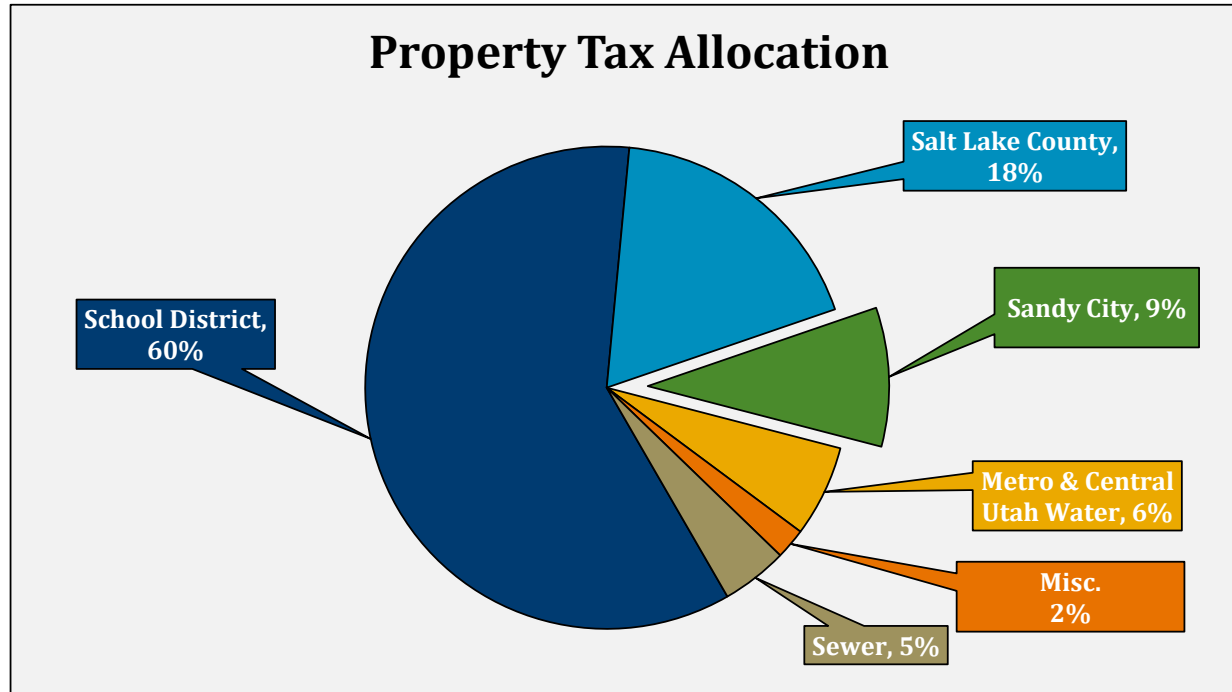
Cost Reductions

- \$1.3M General Fund cuts in FY 2019
- Absorbing price increases
- Central Wasatch Commission reduced contribution
- Restructuring South Valley Chamber agreement to reduce TRT contribution
- Streamlining GRAMA requests process
- Efficiencies to enable more passport processing for added revenue
- RDA professional service reduction
- Energy savings in streetlighting and buildings
- Flip-the-strip water savings
- Improved city-wide communications
- Improving efficiencies and service level response times

Revenue Strategies

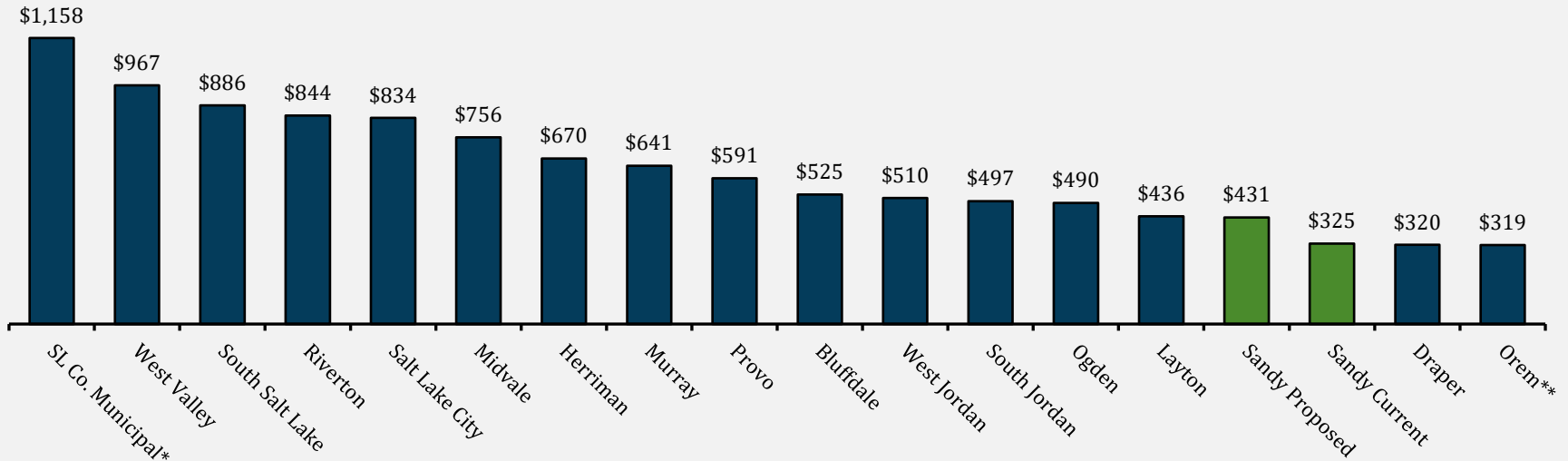
- \$1.2M one-time money for fire staffing
- Base revenue growth \$5.7M
 - Sales tax
 - Licenses & Permits
 - Charges for Services
 - Credit card surcharge
 - Hazmat inspections
 - Interest Income
 - Cell Tower Lease
- Property tax increase \$4M
 - About \$9 per month / average home
 - About a 3% increase on total property tax bill (32% increase to Sandy's tax rate)

Budget Strategies



Budget Strategies

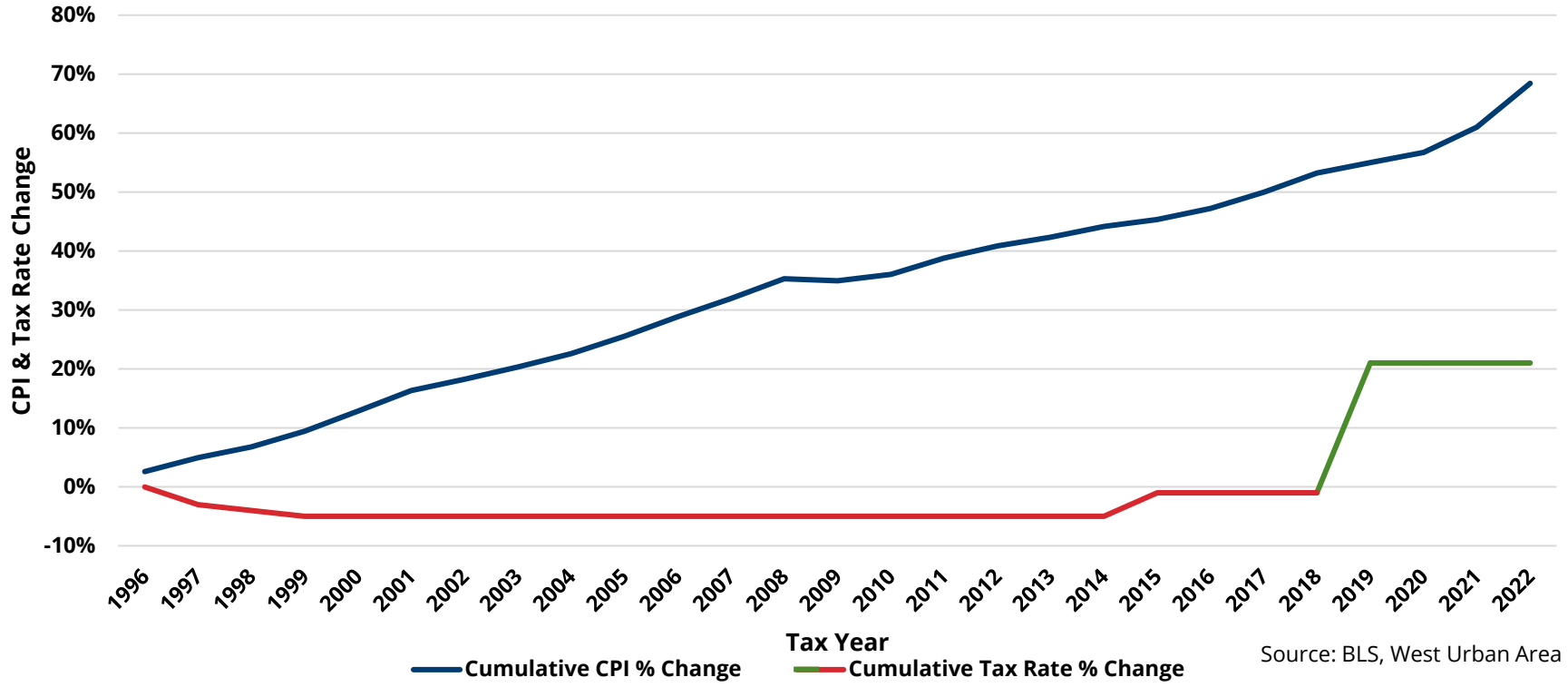
2022 Residential Property Tax of Neighboring and Comparison Cities



**Property Taxes Paid Using Sandy
Average Residential Value of \$628,000**

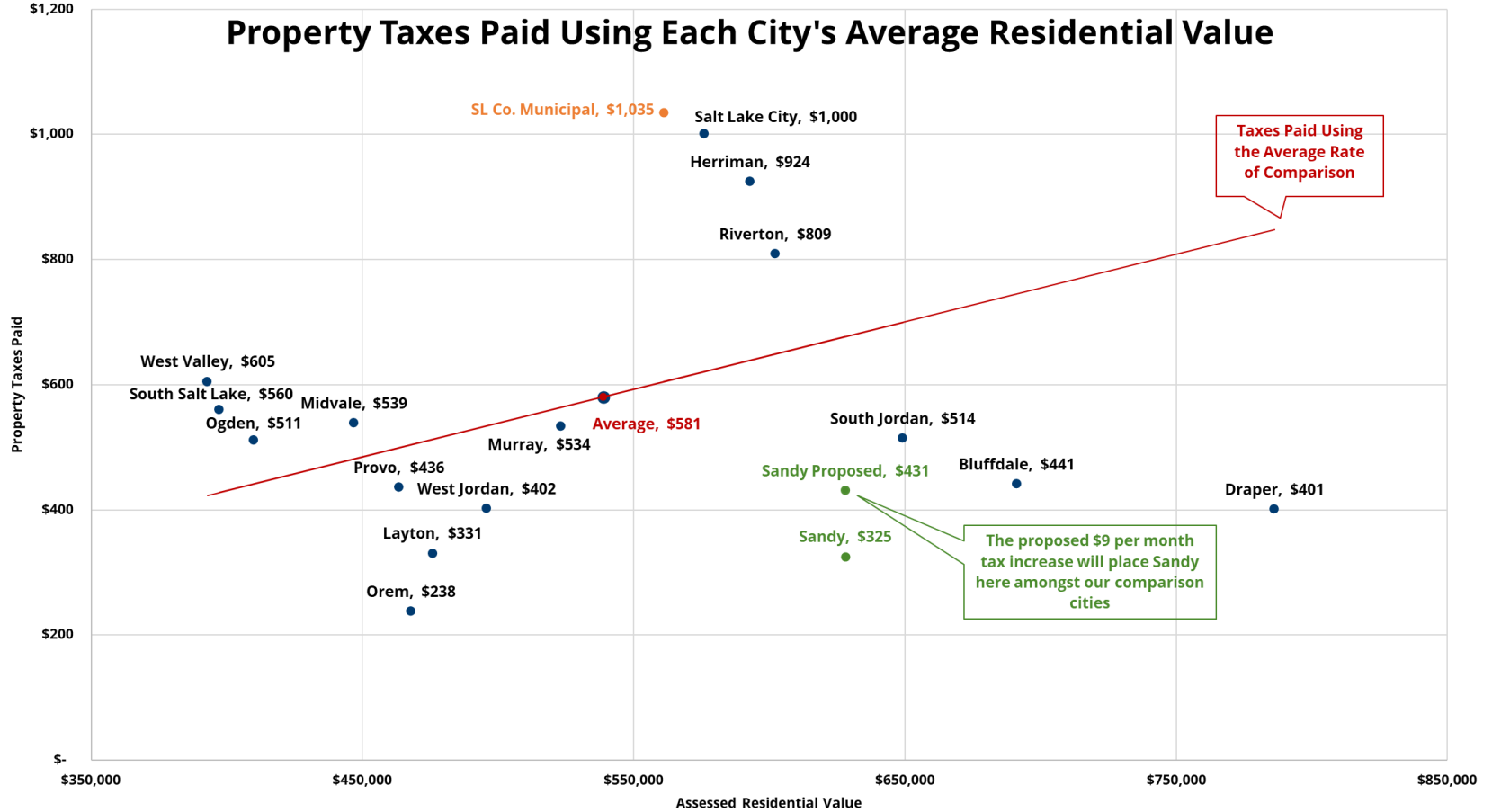
Budget Strategies

Cumulative Inflation vs. Sandy Property Tax Rate Change



Source: BLS, West Urban Area

Budget Strategies



Significant needs not included

- No water rate increase
 - Deferred capital projects
- No storm water fee increase
- No waste collection fee increase
 - Cash balance is dwindling to an unhealthy level
- Substantial ongoing fleet replacement not funded
- City Council chamber full upgrade
- Fire apparatus and police vehicles
- \$2.3M in General Fund requests unfunded
- Street reconstruction needs
- Priority capital facilities unfunded

**FY 2024
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Budget**

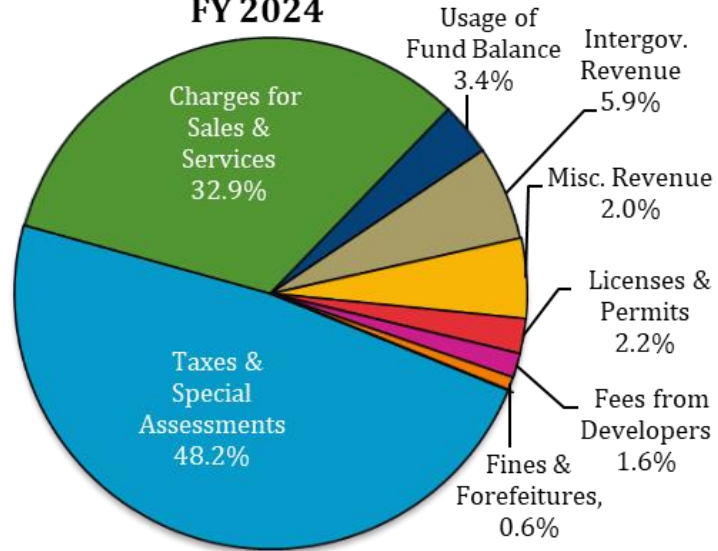
Summary

Budget Summary

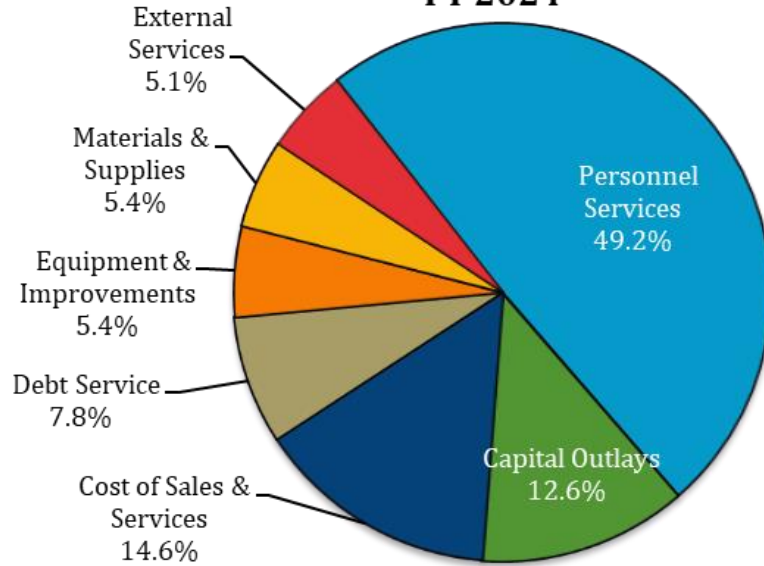
Consolidated Budget

| SUMMARY | 2022 Actual | 2023 Budget | 2023 Estimated | 2024 Tentative | % Change From 2023 Budget |
|--------------------------------|----------------------|----------------------|----------------------|----------------------|------------------------------|
| Financing Sources: | | | | | |
| Taxes & Special Assessments | \$ 64,046,397 | \$ 62,078,217 | \$ 64,740,797 | \$ 69,084,899 | 11.3% |
| Licenses & Permits | 3,152,235 | 3,011,000 | 3,388,633 | 3,131,000 | 4.0% |
| Intergov. Revenue | 13,189,370 | 9,259,369 | 9,285,222 | 8,521,427 | -8.0% |
| Charges for Sales & Services | 41,996,449 | 44,277,458 | 44,388,575 | 47,198,950 | 6.6% |
| Fines & Forfeitures | 1,060,110 | 961,000 | 1,158,567 | 1,156,000 | 20.3% |
| Bond/Loan Proceeds | 32,161,216 | 5,300,000 | 5,300,000 | - | -100.0% |
| Miscellaneous Revenue | 2,351,516 | 3,307,825 | 6,621,487 | 7,175,729 | 116.9% |
| Fees from Developers | 1,249,416 | 1,272,000 | 1,636,890 | 2,240,030 | 76.1% |
| Usage of Fund Balance | - | 91,838,775 | 84,276,168 | 4,821,635 | -94.7% |
| Total Financing Sources | \$159,206,708 | \$221,305,644 | \$220,796,339 | \$143,329,670 | -35.2% |
| Financing Uses: | | | | | |
| Personnel Services | 56,012,988 | 62,454,021 | 63,347,788 | 70,492,973 | 12.9% |
| Materials & Supplies | 6,026,724 | 7,092,435 | 7,386,435 | 7,670,976 | 8.2% |
| External Services | 5,905,394 | 7,016,224 | 7,016,224 | 7,334,158 | 4.5% |
| Cost of Sales & Services | 14,099,437 | 19,872,862 | 19,872,862 | 20,909,794 | 5.2% |
| Equipment & Improvements | 2,483,280 | 44,563,841 | 42,864,967 | 7,779,378 | -82.5% |
| Capital Outlays | 22,905,503 | 69,422,484 | 69,424,286 | 18,030,148 | -74.0% |
| Debt Service | 9,517,151 | 10,883,777 | 10,883,777 | 11,112,243 | 2.1% |
| Bond Refunding | 16,912,015 | - | - | - | N/A |
| Increase in Fund Balance | 25,344,216 | - | - | - | N/A |
| Total Financing Uses | \$159,206,708 | \$221,305,644 | \$220,796,339 | \$143,329,670 | -35.2% |

Consolidated Financing Sources FY 2024



Consolidated Financing Uses FY 2024

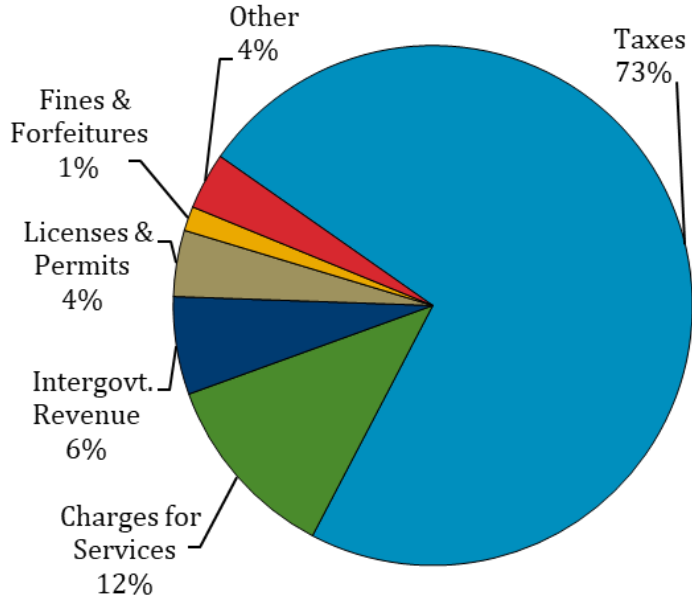


Budget Summary

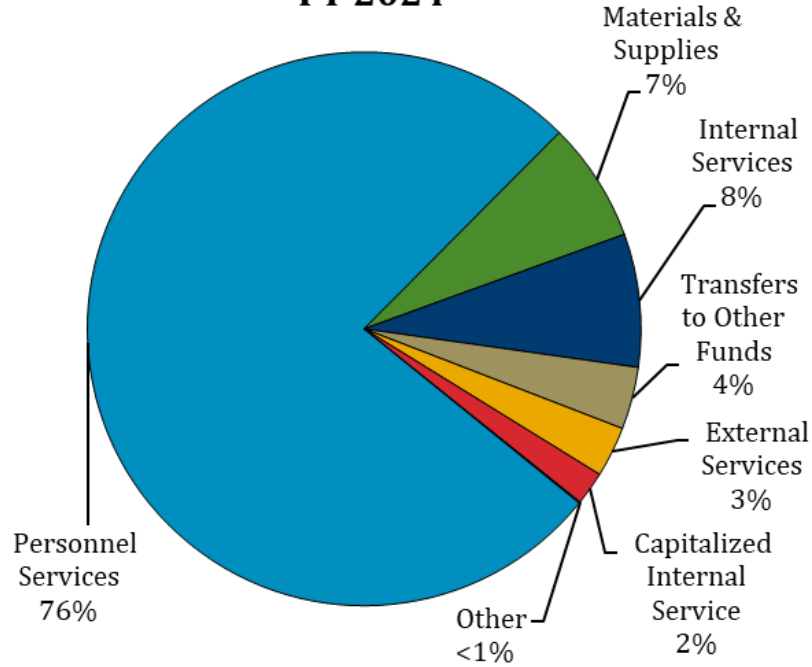
Fund 1 - General

| Summary | 2022 Actual | 2023 Budget | 2023 Estimated | 2024 Tentative | % Change From 2023 Budget |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|------------------------------|
| Financing Sources: | | | | | |
| Taxes | \$ 50,204,085 | \$ 49,139,000 | \$ 51,083,984 | \$ 55,427,670 | 12.8% |
| Licenses & Permits | 3,152,235 | 3,011,000 | 3,388,633 | 3,131,000 | 4.0% |
| Intergovernmental Revenue | 9,144,232 | 4,549,820 | 4,575,673 | 4,625,820 | 1.7% |
| Charges for Services | 7,541,263 | 7,853,461 | 8,043,786 | 8,954,101 | 14.0% |
| Fines & Forfeitures | 1,060,110 | 961,000 | 1,158,567 | 1,156,000 | 20.3% |
| Miscellaneous Revenue | 1,323,007 | 1,183,346 | 1,722,345 | 1,959,043 | 65.6% |
| Charges for Sales & Services | 377 | 500 | 641 | 500 | 0.0% |
| Transfers In From Other Funds | 197,303 | 210,000 | 900,000 | 723,773 | 244.7% |
| Usage of Fund Balance | - | 24,692 | - | - | -100.0% |
| Total Financing Sources | 72,622,611 | 66,932,819 | 70,873,629 | 75,977,907 | 13.5% |
| Financing Uses: | | | | | |
| Personnel Services | \$ 45,791,455 | \$ 50,954,749 | \$ 51,710,749 | \$ 57,602,139 | 13.0% |
| Materials & Supplies | 4,324,671 | 4,830,991 | 5,105,991 | 5,262,890 | 8.9% |
| External Services | 1,779,956 | 1,755,261 | 1,755,261 | 2,219,862 | 26.5% |
| Internal Services | 5,011,103 | 5,424,321 | 5,424,321 | 5,843,304 | 7.7% |
| Equipment & Improvements | 61,499 | 105,090 | 105,090 | 165,948 | 57.9% |
| Contingency | - | 56,000 | - | 56,000 | 0.0% |
| Capitalized Internal Services | 1,410,277 | 2,098,310 | 2,098,310 | 1,462,641 | -30.3% |
| Transfers to Other Funds | 13,801,866 | 1,708,097 | 4,605,982 | 2,731,462 | 59.9% |
| Increase in Fund Balance | 441,786 | - | 67,925 | 633,661 | N/A |
| Total Financing Uses | 72,622,611 | 66,932,819 | 70,873,629 | 75,977,907 | 13.5% |
| Fund Balance - Beginning | 7,887,125 | 8,328,910 | 8,328,910 | 8,396,835 | |
| Fund Balance - Ending | \$ 8,328,910 | \$ 8,304,218 | \$ 8,396,835 | \$ 9,030,496 | |

General Financing Sources FY 2024



General Financing Uses FY 2024



**FY 2023
Tentative
Budget**

Budget Document



TENTATIVE BUDGET

FISCAL YEAR
2023 - 2024

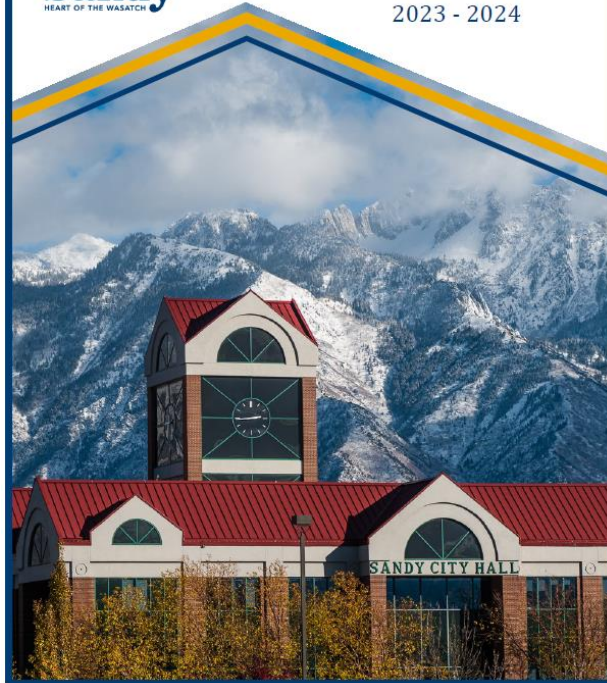


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**FY 2023
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Interactive Tool

Interactive Worksheets for City Council

AutoSave Off Final Budget - Rate and Estimator Tool (Working) - Excel

File Home Insert Page Layout Formulas Data Review View Help Spreadsheet Server Search

Cut Copy Paste Format Painter Clipboard Font Alignment Number Styles Cells

SECURITY WARNING Macros have been disabled. Enable Content

N22

| | A | B | C | D | E | F | G | H | I | K | L | M | N | O | P | | |
|---|--|------|---------------------------|---|---|---|---|-----------|-----------|---|-----------|---|-------------------------|---|-----------|--|--|
| 1 | Sandy City FY 2020 Budget | | | | | | | | | | | | Unappropriated Revenue: | | | | |
| 3 | GENERAL FUND - DETAIL OF ONGOING COSTS | | | | | | | Requested | Approved | | | | \$ | - | | | |
| 4 | General Items | | | | | | | | | | | | | | | | |
| 6 | 0001 | A11* | General Compensation Plan | | | | | € | 1,471,368 | € | 1,471,368 | | | | Goal Seek | | |



will be made available shortly

**FY 2023
Tentative
Budget**

Forward Timeline

FY 2024 Budget Calendar

| Date | Event |
|----------------------------------|--|
| Year-round | Receive citizen input through focus groups, surveys, community meetings, public comment, social media and other electronic correspondence, and personal conversations. |
| January | Begin developing short and long-term forecasts |
| January - March | Budget work sessions |
| | Develop preliminary revenue estimates |
| | Finalize internal service and administrative cost studies |
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| | Review and update fee schedule |
| March | Finalize revenue forecasts |
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| By June 20th | Set Property Tax Rate, Set Truth in Taxation Hearing (if needed) |
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**FY 2023
Tentative
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Tentative Adoption Resolution

RESOLUTION #23-15 C

A RESOLUTION ADOPTING TENTATIVE BUDGETS FOR SANDY CITY AND ALTA CANYON RECREATION DISTRICT FOR FISCAL YEAR 2023-2024; SCHEDULING A PUBLIC HEARING; AND PROVIDING FOR PUBLIC ACCESS TO TENTATIVE BUDGETS AND SCHEDULES.

WHEREAS, on April 28, 2023, the Mayor of Sandy City submitted to the City Council a tentative budget for each fund of the City, for the fiscal year beginning July 1, 2023, and ending June 30, 2024, in accordance with Section 10-6-111 of the Utah Code; and

WHEREAS, a tentative budget for the Alta Canyon Recreation Special Service District was also submitted on such date pursuant to the Utah Special Service District Act; and

WHEREAS, on May 2, 2023 the City Council met in regular and open meeting and reviewed and considered such tentative budgets:

NOW, THEREFORE, BE IT RESOLVED by the City Council of Sandy City, Utah, as follows:

1. The tentative budgets for fiscal year 2023-2024 for Sandy City and the Alta Canyon Recreation Special Service District, as presented, are hereby tentatively adopted, subject to further review and a public hearing.
2. In accordance with Section 10-6-113 of the Utah Code, a budget hearing to consider final adoption of these budgets is scheduled to be held by the City Council on May 30, 2023, at 5:15 p.m. in the Council Chambers, Sandy City Hall, 10000 South Centennial Parkway, Sandy, Utah or via Zoom Webinar, as noticed.
3. The City Recorder is hereby ordered to publish notices of the budget hearings at least seven days prior to the budget hearing in at least one issue of a newspaper of general circulation published in Salt Lake County.
4. The City Recorder is also directed to retain each tentative budget so adopted by the City Council and all supporting schedules and data, available for public inspection in their office for ten days prior to adoption of the final budgets.

PASSED AND APPROVED by the Sandy City Council this ____ day of May, 2023.

Alison Stroud, Chair
Sandy City Council

ATTEST:

Wendy Downs
City Recorder

RECORDED this ____ day of _____, 2023.

Budget Team

Mayor Zoltanski

Shane Pace, CAO

Kim Bell, Deputy Mayor

Jared Gerber, Deputy CAO

Dan Medina, Parks & Recreation Director

James Sorensen, Community Development Director

Brian Kelley, Administrative Services Director

Brett Neumann, Budget & BI Director

Katrina Frederick, HR Director

Zach Whalen, Senior Budget & Mgmt. Analyst

Erin Barry, Data Analyst

Department Leadership

**FY 2023
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QUESTIONS

Easily Connect with Sandy City



Download the app to report city issues (like graffiti), to receive emergency notifications, and to access city/event info on Google or Apple devices. Search “Sandy City: CityServe” in the app store.



The perfect site if you only have a few minutes for quick city updates. This dashboard features latest events, monthly newsletter, latest news, videos, fact briefs, and more.



Get email notifications on all the things you are interested in at the city.

Sign up here: sandy.utah.gov/services/enotification



Tune into City Council and Planning Commission meetings.

Go to: sandyutah.legistar.com/Calendar.aspx, then click on the video media link.



Please sign up and provide feedback on Sandy City’s online survey tool.

Search “Citizen Connect” at sandy.utah.gov



FOLLOW US ON SOCIAL:

@SandyCityUtah

