

# North Logan City Corporation

ADOPTED

## **Annual Operating Budgets**

### **Fiscal Year 2010-11**

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**North Logan City  
Proposed Operating Budgets  
General and Enterprise Funds  
2010-11  
Table of Contents**

Table of Contents .....	2
Budget Executive Summary .....	3
General Fund Revenues.....	5
General Fund Expenditures .....	10
City Council .....	10
City Justice Court .....	10
Executive Staff .....	10
Administrative Agencies .....	10
Non-Departmental (Administration) .....	10
Facilities Department .....	10
Police Department .....	11
Fire Department.....	11
Building Inspection & Engineering.....	11
Roads and Streets .....	11
Sanitation.....	13
Parks and Park Areas .....	13
Recreation and Culture .....	13
Cemetery .....	13
Community Dev., Planning Comm. and Economic. Dev, .....	14
Expenditures Summary .....	14
General Fund Summary.....	15
Reserve Funds .....	16
Roads Impact Fees.....	16
Liquor Law Enforcement .....	16
Parks and Recreation Impact Fees.....	16
Equestrian Park.....	16
Little League Funds.....	16
Junior Jazz Funds .....	16
Cemetery Reserve Fund .....	17
Library Special Revenue Fund .....	18
Capital Improvement Fund.....	20
Water Utility Fund.....	21
Sewer Utility Fund .....	22
Stormwater Management Fund .....	23
Personnel Wages and Benefits Summary.....	24

# Budget Executive Summary

## To the Citizens of North Logan City:

This proposed budget for fiscal year 2010-11 was developed with continued uncertainty in the general economy as was the budget for the previous year. Decreasing revenues from sales taxes and construction and development continue to make it more difficult to meet the needs of the city. It is up to the Mayor and City Council to plan, prioritize and balance identified needs in concert with expected revenue. In recent years the city has been taking special care to maintain the required five to eighteen percent unrestricted fund balance in the General Fund. This year's targeted fund balance is again 10% and the budget is set up to achieve that goal. The city anticipates a decrease in growth in revenue from sales tax and the city remains cautious and conservative in its other revenue sources, trying not to rely solely on sales tax for its revenue source. This budget includes a composite property tax rate of 0.001588, which is the assumed composite rate at the certified tax rate – no rate increase. The composite property tax rate for North Logan includes the general purpose portion of the property tax plus the library tax and the tax to pay off the sewer bond. The total property tax which would go to North Logan, under this proposed budget would have the taxes on a \$200,000 home at \$174.68 ( $200,000 * 55\%$  primary residence exemption \*  $0.001588 = 174.68$ ) – about \$3.06 less than last year (essentially no change, this is within round off error). If one assumes a property's assessed value stays the same, the property taxes should be about the same.

The budget also proposes keeping the same rate for the Energy Sales and Use Tax as was set in 2008-09. This is essentially a sales tax on electricity and natural gas used by customers and is allowed to be as high as 6%. In 2007-2008 the rate was five percent (5%). The year before last year's budget reduced that rate to three percent (3%) for about half of that year and it is proposed that it not change for the coming year. Maintaining this tax rate at 3% is anticipated to produce revenue to be split between the General Fund (about \$173,000) plus another \$87,000 which is proposed, in this budget, to be dedicated to the cemetery fund. This figure is hard to predict since it relies on how much energy (electric and natural gas) is consumed by the residents in the city. For example, a hard winter produces more energy tax revenue than a mild winter.

About half of the various departments funded through General Funds in the city will show a decrease in expenditures for 2010-11 when compared to 2009-10. The largest decrease in spending comes in the General Government section of the budget which includes the City Council, the Justice Court, the Executive Staff, Administration, Non-Departmental, and the Planning Commission. Most of the reduction in expenditures in this area of the budget comes from having no election to pay for this coming year and some savings in professional services by not having to pay for some software programs this year compared to last year. The department with the next most reduction in expenditures is the Fire Department where expenditures have been reduced about \$20,000 when compared to 2009-10. On the other hand the Streets Department Budget has increased by about \$167,000 when compared to 2009-10. That department's budget was significantly cut last year so this increase is an attempt to get the Streets Department budget back up to par with previous years. The Cemetery budget has been increased significantly as well – about \$92,000. This is due the decision by the council to dedicate a portion of the Energy Sales and Use Tax to the restricted cemetery fund and using those funds to begin the development of a second phase of the cemetery.

The budget for the Library Special Revenue Fund shows some change from 2009-10 to 2010-11, mostly from an expected decrease in funds from the Thorne Endowment of about \$30,000. The planned fund balance in the library for 2010-11 will be slightly lower than it was in 2009-10 (12.6% compared to 17.7%). No exceptional changes are planned in the expenditures for the library for library operations for the coming year.

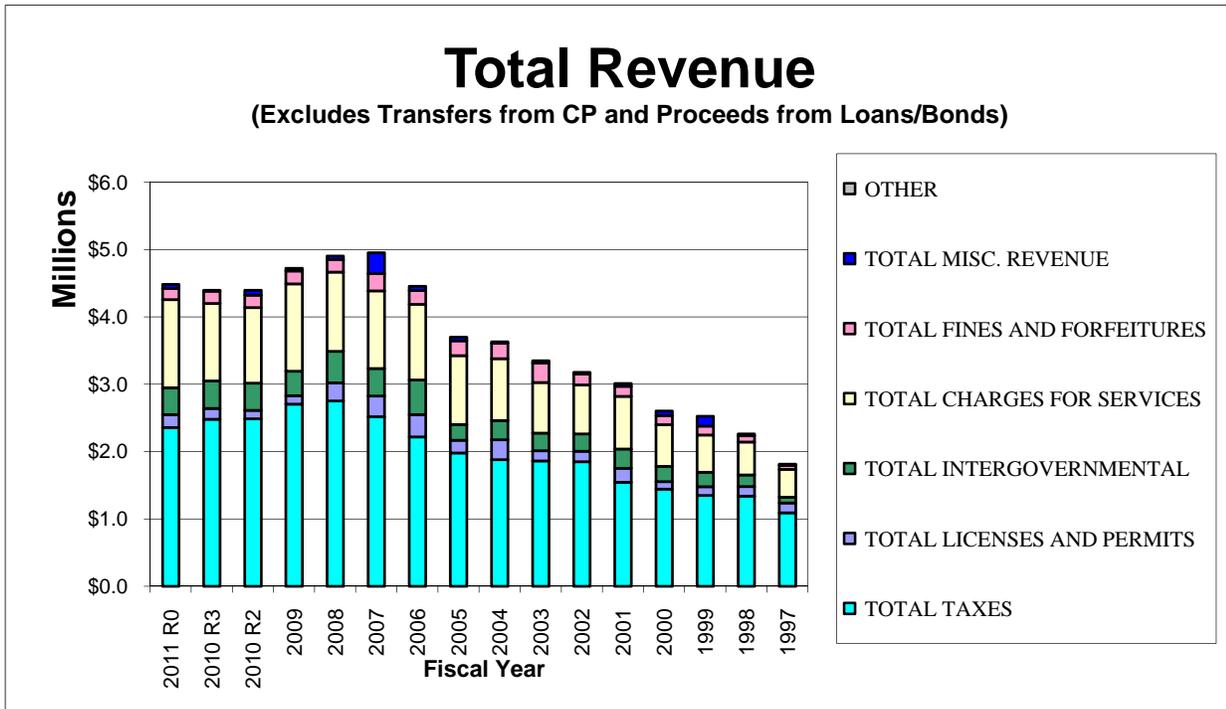
There are some significant budget changes in the water or sewer utility funds. These departments' funds stand aside from the general fund and the departments must be self sustaining. Fees received for water and sewer use must be used within their respective departments. Some limited capital projects are planned in these departments this budget year. Excess funds generated within the Water departments will be available for future needs (beyond 2010-11) which will include for the water department - the development of an additional well, the acquisition of additional water rights, and the construction of additional water mains. For the sewer department the major changes in the budget will come from an increase in the sewer rates necessitated by increased costs for treatment in the Logan City lagoon system.

Personnel costs make up about 47% of the expenditures in the general fund. The budget, as proposed, includes no increase in wages for 2010-11. Increased health insurance rates for currently benefited employees will cost the city about \$55,600 more than last year.

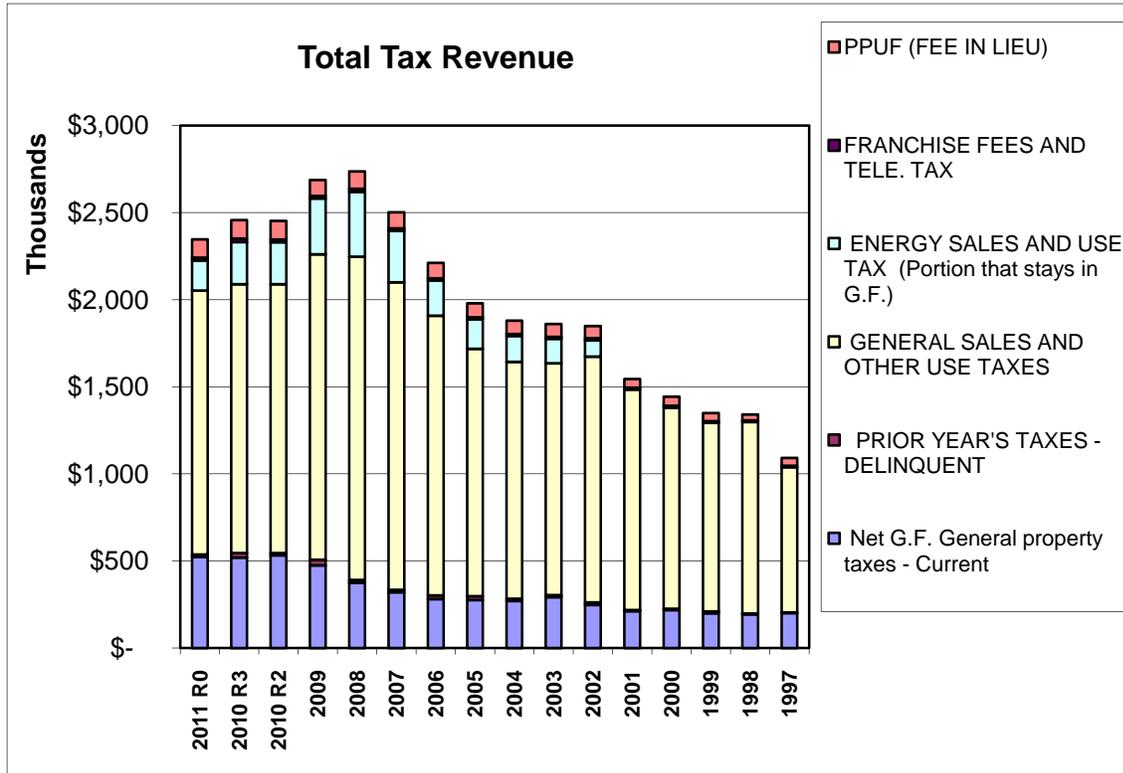
The following pages of this report provide more detailed information about the budget for 2010-11. Direct any comments to Jeff Jorgensen the City Administrator or Scott Bennett the City Recorder. It is the intention of the Mayor and City Council that the public's input in the budget process is important and encouraged.

## General Fund Revenues

The following chart shows the total General Fund Revenues as a total and each major element that makes up the city's revenue for the general fund and the trend of the city's revenue over the previous fourteen years. Total revenues for the city steadily increased over the eleven years from 1997 through 2007 but declined for 2008 through 2010 and are projected to increase slightly in 2010-11. The conservatively estimated revenue for 2010-11 is projected to increase about \$88,800 compared to 2009-10 which is about a 2.02% increase. Revenue that results from construction, namely building permit fees, plan check fees, and impact fees, are also projected to be slightly higher than last year but still much lower than normal because of the housing slow down. Another major change is the reduction of some segments of expected taxes. The sales taxes are expected to be about \$28,000 lower in 2010-11 than they were in 2009-10 because of the continuing sluggish economy.

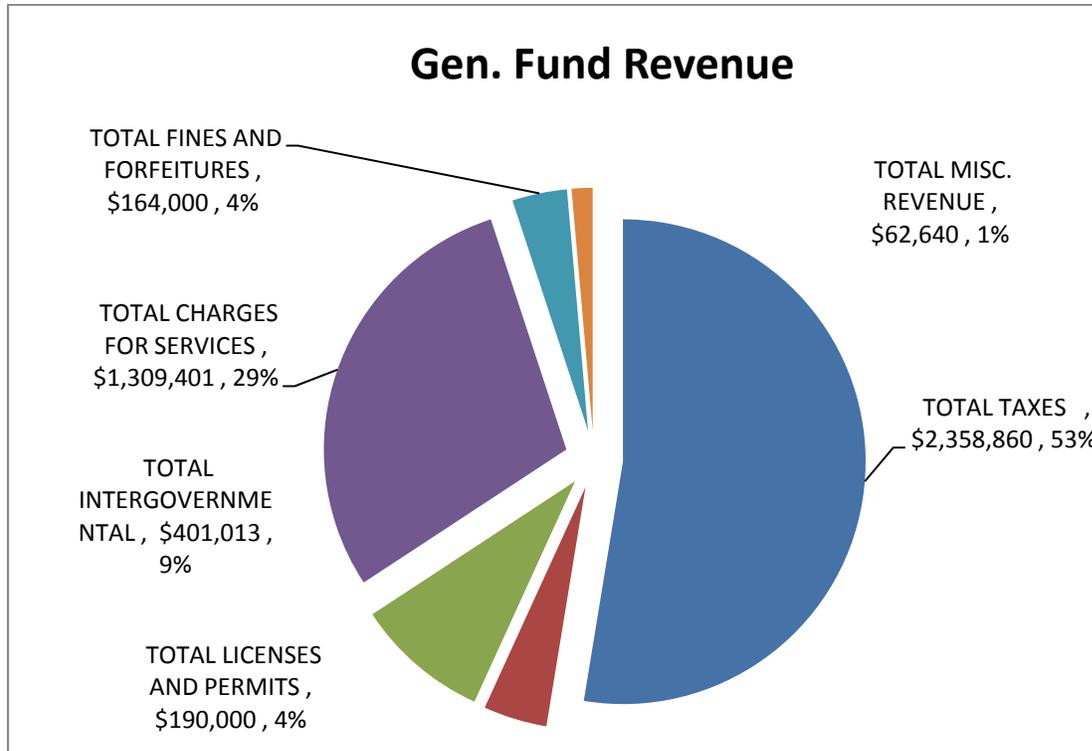


With the proposed Composite Property Tax Rate being held at the certified tax rate as set by the State, the General Purpose portion of the property tax will generate about \$3,000 more in revenue in 2010-11 than it did in 2009-10. The total revenue from all taxes which will stay in the General Fund is projected to go down an estimated \$35,900. The energy tax rate is planned to be held at 3%, three percentage points below the maximum allowed by law which is 6%. That rate (6%) is the rate most cities charge in Cache County.



## General Fund Budget 2010-2011

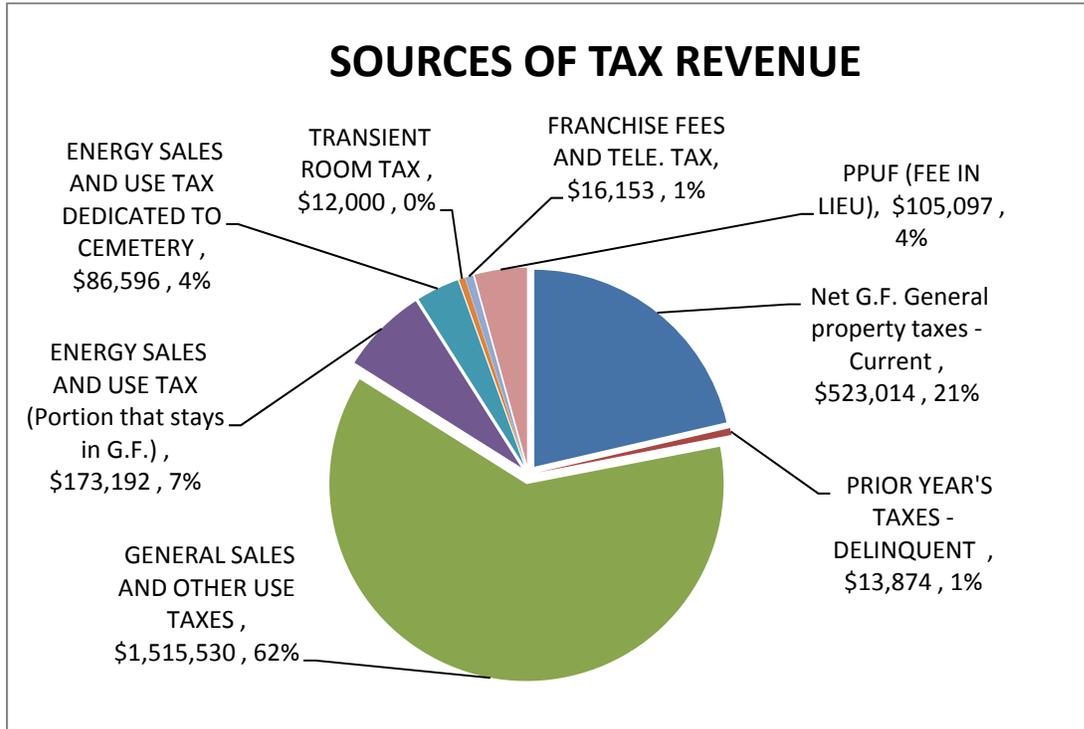
### Revenue Percentages



Taxes remain the largest source of General Fund Revenue for 2010-11 (53%). Tax revenues include sales tax, property tax, fee-in-lieu taxes (vehicle taxes), franchise taxes, RAPZ tax, and energy sales and use tax. 'Charges for Services' is the second largest source of revenue (29%) for the general fund and includes refuse collection charges, various zoning and subdivision fees, reimbursement from Hyde Park for police and animal control services, and misc. parks and recreation fees.

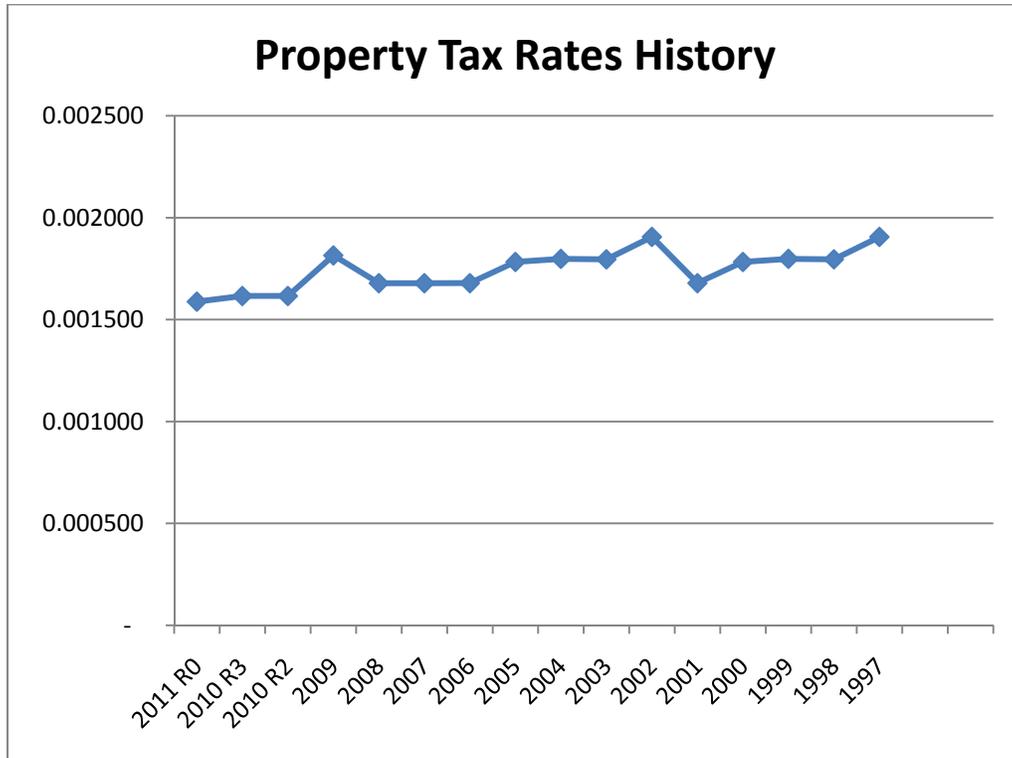
The total expected General Fund revenue from all sources for 2010-11 is expected to be about \$4,486,000 compared to \$4,397,000 in 2009-10 (an increase of about 2.2%). Tax dollars projected for 2010-11 supply 53% of General Fund revenues which is about three percentage points lower than it was in 2009-10.

Sales tax continues to be the largest source of Tax Revenue, contributing 62% of the total tax dollars. The second largest source of tax revenue is from the general purpose property tax which will bring in about 21% of the total tax revenue for the city. With the rate for the Energy Sales and Use Tax at 3% in 2010-11, that tax is expected to generate about \$260,000 (\$173,000 to the General Fund and \$87,000 to the Cemetery Fund). This fund source makes up the third largest revenue source (11%) of taxes brought into the General Fund (7% to the General Fund and 4% to the portion of the General Fund designated for the Cemetery).



The Certified is estimated to be 0.001588 which includes the General Purpose Property Tax (assumed to be 0.000875, the dedicated Library Tax at 0.000660 and the Sewer Fund rate of 0.000053)

The General Purpose Property Tax rate for tax year 2010 (fiscal year 2010-11), since no tax increase is approved, is estimated to change to about 0.000875 compared to 0.000871 for 2009-10. The certified rate is intended to be set at a level that would maintain the same level of revenue plus new growth. Since property values increase, the rate tends to decline over time as shown in the following chart. The tax rate is not adjusted to keep up with inflation or increased services, instead there is erosion in the property tax rate such that revenue received does not keep up with the costs of running the city. As costs increase there is more and more reliance on other taxes, especially sales tax, to fund city services.



The maximum rate allowed by law for the General Purpose Property Tax is 0.007000. Since the General Purpose Tax Rate is not to be increased this year, and using the certified tax rate of 0.000875, the tax rate will be only about 12.5% of the level allowed by state law.

A primary residence is taxed at 55% of its assessed value. To compute one's property tax attributed to North Logan City's portion of their property tax use the following example:

Assumed Assessed Value	\$200,000
Taxable Value (55% of Assessed value – 0.55 * 200,000)	\$110,000
NLC's General Purpose Tax = tax rate 0.000875 * \$110,000	\$96.25
NLC's Sinking Sewer Fund Tax = tax rate 0.000053 * \$110,000	\$5.83
<u>NLC's Dedicated Library Tax = tax rate 0.000660 * \$110,000</u>	<u>\$72.60</u>
Total NLC Property Tax = sum of above rates 0.001588 * \$110,000	\$174.68

Note that a resident's property tax includes not only North Logan's portion outlined above, but it also includes property taxes paid for statewide and local schools, a variety of countywide taxes, and in some cases to a cemetery district.

## General Fund Expenditures

### City Council

The only significant change for expenditures for the City Council anticipated in 2010-11 is the funding of the municipal elections that were held in 2009 but will not be needed in 2010. Elections last year cost the city about \$4,600 which will be a savings in the coming fiscal year. The total expenditures for this department are expected to decrease by about 15% or about \$14,100.

### City Justice Court

Expected changes in expenditures for the justice court (the judge, the court clerk and the bailiffs) will be essentially unchanged. What little will change comes from some minor personnel costs increases – basically just benefits. The expenditures for this department are expected to increase by about 0.7% or about \$1,300.

### Executive Staff

The expected expenditures for the executive staff (the city administrator and the executive secretary) will go up slightly from increased health benefits costs. The planned expenditures for travel and training for 2010-11 are about \$1,500 above the actual amount spent last year but still less than what it has been in years past. The expenditures shown in this department are expected to increase by about 4% or about \$3,900.

### Administrative Agencies

Some of the expected changes in expenditures for the Administrative Agencies (the city treasurer, the city recorder, the payroll clerk/personnel clerk, the accounts payable clerk, and the secretary/receptionist) are due to minor increased personnel costs (health benefits). Differences in the budget for this department between 2009-10 and 2010-11 come mostly from not as much being spent on Professional and Technical Services. This is because of the spending in 2009-10 for the Fortis document management system that will not need to be spent in the upcoming year. The overall expenditures for this department are expected to decrease by about 6% or about \$8,900.

### Non-Departmental (Administration)

The expenditures for this department are expected to decrease by about 1.96% or about \$3,300. The changes are due a variety of minor changes.

### Facilities Department

The expenses in this department are distributed throughout other departments in the city to account for utilities, insurance and repairs and maintenance of city facilities. The only funded discretionary projects within this department are some minor maintenance and repair projects including replacing some locks with some that are more secure and installing some security cameras. The total expenditures for this department are expected to decrease by about 1% or about \$2,900 below what was spent in 2009-10.

## Police Department

No significant reductions are planned for the expenditures in the police department. Hyde Park shares in the costs of this department according to a formula that splits the costs based on relative sales taxes received, calls for service, and property valuation upon which taxes are computed. More of the costs for the department will be borne by Hyde Park versus North Logan City this coming year. Hyde Park will pay 25.5% of the NPPD costs in 2010-11 versus just 22.8% in 2009-10.

There is a net increase of about \$27,300 in the police department's budget in expenditures for personnel. All of the increase is for increased benefits and most of it is for health insurance. The parts of the police department's budget that have been reduced include reductions in equipment expenditures (-\$3,000) and uniform allowance (-\$5,000).

The total expenditures for this department are expected to decrease by about 0.6% or about \$5,500 below what was spent in 2009-10. Hyde Park's 25.5% of the total cost of the police department is about \$240,000, about \$14,500 more than it was last year.

## Fire Department

The budget for the fire department for 2010-11 versus 2009-10 shows a decrease in their budget of about \$20,000 or about 5%. The majority of this decrease comes from not setting aside as much on fire department vehicles. No major purchases are planned, but \$40,000 is still budgeted to be set aside for future purchases compared to \$60,000 last year. The budget also includes a reduction of about \$9,000 in first responder consumables.

## Building Inspection & Engineering

The budget shows an 8% increase in expenditures for the Building Inspection and Engineering Department in 2010-11. The expenditures for this department are expected to increase by about \$22,000. About \$12,000 of that increase within this department is to replace a printer/plotter, and to upgrade some of the computer programs used within the department. Some of the increase is for covering the cost of having an Engineering Technician/GIS Specialist for the full year rather than just part of the year as it was in 2009-10 as well as some increased costs for employee benefits – health insurance.

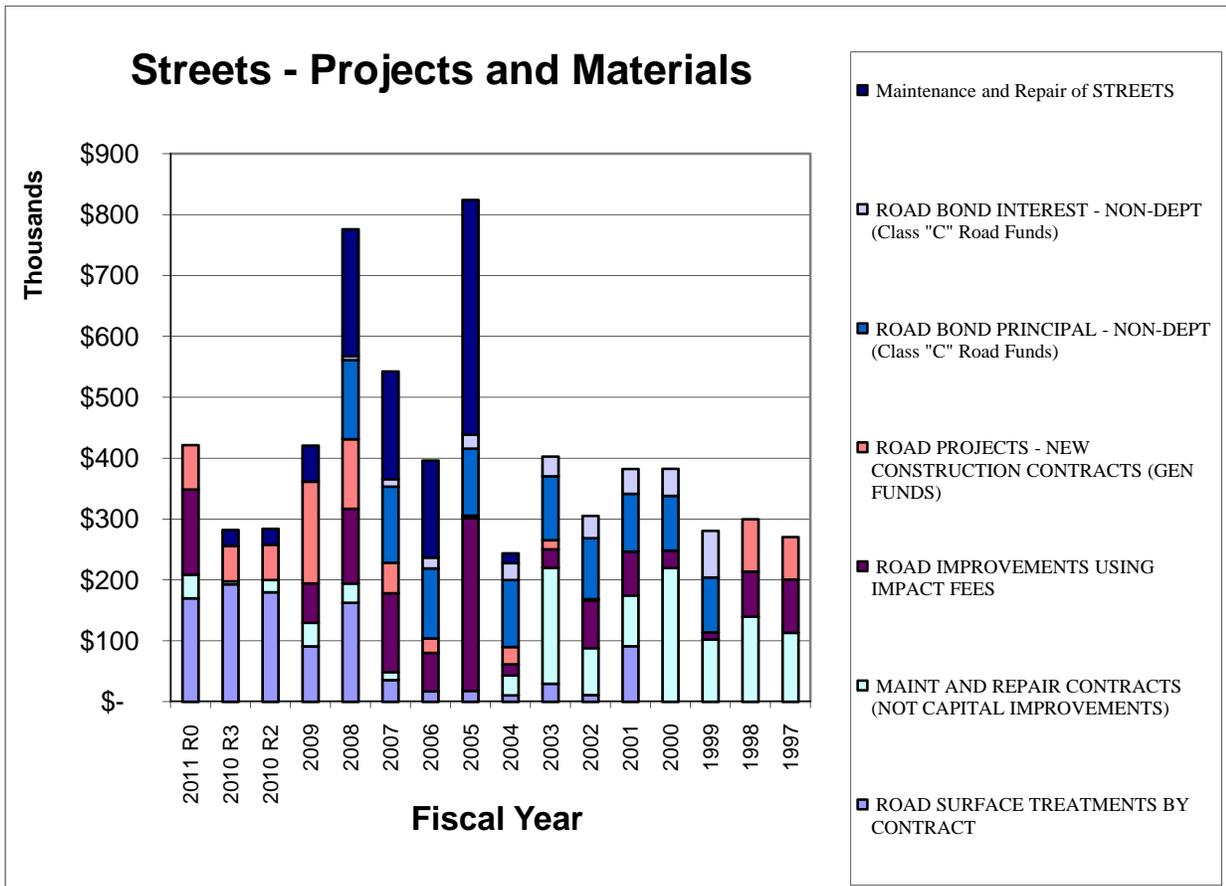
## Roads and Streets

The budget for the Roads and Streets Department shows a significant increase for 2010-11. The budget is being increased from about \$623,000 in 2009-10 to about \$789,000 in 2010-2011.

The 2010-11 budget does include \$170,000 for much needed chip sealing of roads and other similar road surface treatments. Some small projects are planned for this fiscal year's budget for the streets department. They include 1) Installing curb and gutter along 2100 N from 1200 E to 1600 E – south side of the road to keep the side of the road from continuing to deteriorate (about \$49K) and 2) Installing about \$24,000 in sidewalks to improve some safe walk to school routes.

The only major street project planned to be funded in the 2010-11 budget year using roads and streets impact fee funds is the widening and rebuilding 1600 E from 2700 to 3100 N estimated to cost about \$140,000.

The following chart shows how the proposed expenditures in roads and streets projects and maintenance materials for 2010-11 compare to the previous fourteen years.

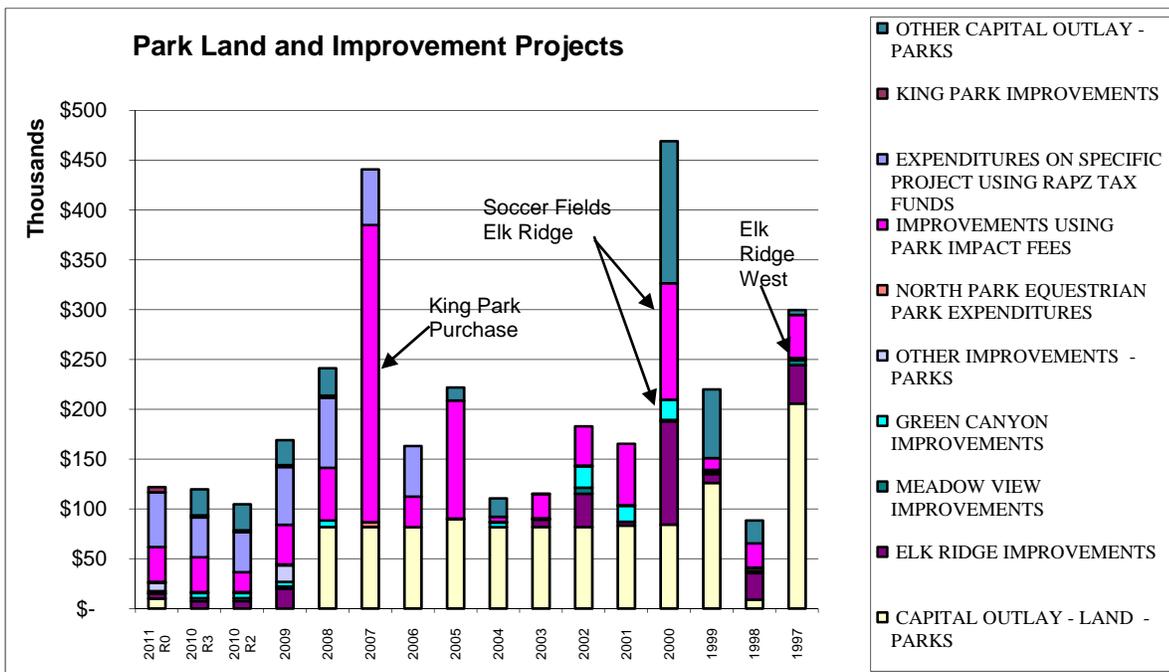


## Sanitation

Trash collection costs for 2010-11 are expected to be about the same as they were in 2009-10. The fees paid to Logan City for this service is budgeted at \$670,000. Revenue budgeted to be received in North Logan to cover these costs is assumed to be about \$712,000, enough to cover the associated cost of Logan City's picking up the trash and cover some of the administrative costs the city has to incur for this service. Any changes in costs or revenue are due to anticipated new growth only. No change in the trash collection fees are planned for this upcoming year.

## Parks and Park Areas

The only major expenditures for projects considered funded in the Parks Department is to construct a restroom at Elk Ridge Park (RAPZ Project) for \$90,000. There are a number of smaller projects planned for the parks including slurry sealing the paved trail in Elk Ridge, adding sand to the volleyball courts, and reshaping the pond in King Park. The overall budget for the Parks Department is planned to decrease by 1% or about \$4,700 when compared to 2009-10. The following chart shows how the proposed expenditures in park land purchases and project improvements for 2010-11 compares to the previous fourteen years.



## Recreation and Culture

The only changes planned for the Recreation and Culture Department is to increase the funds for the Pioneer Day celebrations by \$1,500. This increase is about 3% of the departmental budget when compared to 2009-10.

## Cemetery

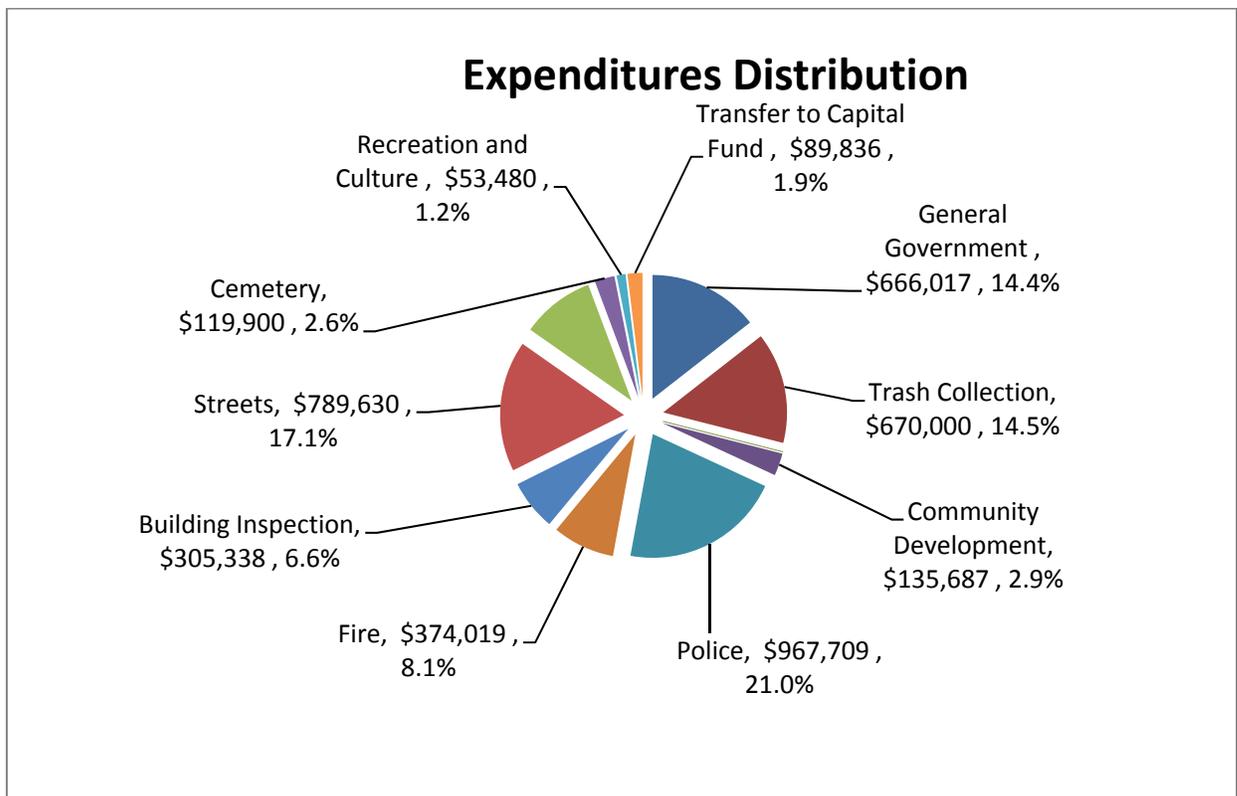
The budget for the Cemetery is planned to increase significantly when compared to 2009-10 but it is still about \$50,000 below what was spent in 2008-09. The planned expenditures for 2010-11 include about \$88,000 for the roadways and about \$27,700 to install sprinkler systems and plant the grass in Phase II of the cemetery. Expenditures for the cemetery for 2010-11 are budgeted at \$120,000 compared to \$28,000 in 2009-10. This is an increase of more than triple what was spent last year.

## Community Development, Planning Commission, and Economic Development

The Community Development portion of the budget is increased by about \$15,000 compared to 2009-10, half of which is in funds allocated for the purchase of a printer/plotter in conjunction with the Engineering Department. The budget does include about \$2,000 for a community survey to be conducted. The Planning Commission portion of the budget is planned for no changes in 2010-11 versus 2009-10. Economic Development is budgeted to again be reduced from the previous year. This portion of the budget is set at \$13,000 in 2010-11 versus \$14,500 in 2009-10. The overall Community Development and Economic Development budget is planned to be increased from about \$122K to 136K or about 11.6%.

## Expenditures Summary

The following chart shows the distribution of expenditures within the General Fund for various categories of spending:



# General Fund Summary

The following table gives a summary of revenue and expenditures for the General Fund with a comparison between 2009-10 (FY2009R3) and 2010-11 (FY2011R0).

	Approved FY2011R0 (6/16/10)	Approved FY2010R3 (6/16/10)
<b>Revenue by Category</b>		
Net G.F. Property Taxes (Includes PPUF and Deliquent)	\$ (641,986)	\$ (651,836)
General Sales and Use Taxes (Includes Room Tax)	\$ (1,527,530)	\$ (1,568,000)
Energy Sales and Use Tax (Both the General Fund and Cemetery)	\$ (259,788)	\$ (241,484)
Misc Other Taxes	\$ (16,153)	\$ (20,000)
Licenses and Permits	\$ (190,000)	\$ (161,100)
Intergovernmental Revenue	\$ (401,013)	\$ (407,106)
Charges for Services	\$ (1,222,805)	\$ (1,151,049)
Fines and Forfeitures	\$ (164,000)	\$ (183,700)
Misc. Revenue	\$ (62,640)	\$ (12,860)
<b>Total General Fund Revenue</b>	<b>\$ (4,485,915)</b>	<b>\$ (4,397,135)</b>
<b>Expenditures by Department</b>		
City Council	\$ 82,003	\$ 96,112
Justice Court	\$ 173,873	\$ 172,616
Executive Staff	\$ 93,420	\$ 89,561
Administrative Agencies	\$ 138,530	\$ 147,436
Non-Departmental	\$ 167,138	\$ 170,481
Planning Commission	\$ 11,053	\$ 11,053
Community Planning	\$ 122,687	\$ 107,136
Economic Development	\$ 13,000	\$ 14,500
Facilities	\$ 343,613	\$ 346,472
Police Department (Net NLC cost)	\$ 769,486	\$ 801,732
Fire Department	\$ 374,019	\$ 394,390
Building Inspection/Engineering	\$ 305,338	\$ 283,054
Roads and Streets	\$ 789,630	\$ 626,666
Sanitation (Trash Collection pay to Logan)	\$ 670,000	\$ 675,000
Parks	\$ 440,451	\$ 445,128
Recreation and Culture	\$ 53,480	\$ 51,980
Cemetery	\$ 119,900	\$ 28,000
Transfers to Capital Improvement Funds	\$ 89,836	\$ 335,029
<b>Total G. F. Expenditures (incl. transfers)</b>	<b>\$ 4,619,067</b>	<b>\$ 4,613,624</b>

## Reserved or Restricted Funds

Reserved or Restricted Funds are those funds within the General Fund which must be used for specific purposes. They include impact fees, funds received for liquor law enforcement, the little league program and others. Monies left in these accounts at the end of each fiscal year are carried over to the next year and are not included in the unreserved fund balance. Impact fees collected must be spent within six years of their receipt and must be used for projects that are required due to new growth.

### Roads Impact Fees

Revenue from Road Impact Fees is expected to generate about \$80,000 new funds in 2010-11. The only project currently planned in this budget which will use road impact fee funds is the reconstruction and widening of 1600 East from 2700 to 3100 N (\$140,000 cost estimate). Doing so will increase the capacity of this road through this area and thus qualifies as an impact fee project. The fund balance at the end of 2010-11 is projected to be just over \$12,000.

### Liquor Law Enforcement

The proposed budget shows similar usage of the money in this reserved fund for the year 2010-11 when compared to other years. These funds are received from taxes on the sale of alcoholic beverages and the funds must be used for alcoholic beverage law enforcement. The fund balance in this reserved fund is expected to increase from \$18,600 at the end of 2009-10 to \$19,200 at the end of 2010-11.

### Parks and Recreation Impact Fees

Revenue from Park Impact Fees is expected to generate about \$70,000. The only project planned which will use park impact fee funds will be the City's matching funds towards the RAPZ project to construct a restroom at Elk Ridge Park - \$35,000 out of the total project cost of about \$90,000. The fund balance in this reserved fund is expected to increase from \$77,800 at the end of 2009-10 to \$113,800 at the end of 2010-11.

### Equestrian Park

This fund contains monies intended for use at the Equestrian Park on Meadow View Park. There are no specific plans for this fund this year. The Equestrian Park may be moved in the not too distant future and there is little interest in putting more money than is necessary into the park at its current location.

### Little League Funds

This fund is used to track revenue from fees paid for participating in the Little League program. Funds are used to purchase supplies for the program such as bats, balls, other equipment and payments to umpires. The fund balance for this fund is expected to increase from \$4,850 at the end of 2009-10 to \$5,460 at the end of 2010-11. This fund should remain revenue neutral and accumulated funds may be used to purchase extra equipment as needed for the little league program.

### Junior Jazz Funds

Like the Little League fund, this fund is used to track revenue from fees paid for participating in the Junior Jazz basketball program. Funds are used to purchase supplies for the program and payments to referees. The fund balance for this fund is expected to be about \$400 at the end of 2010-11.

## **Cemetery Reserve Fund**

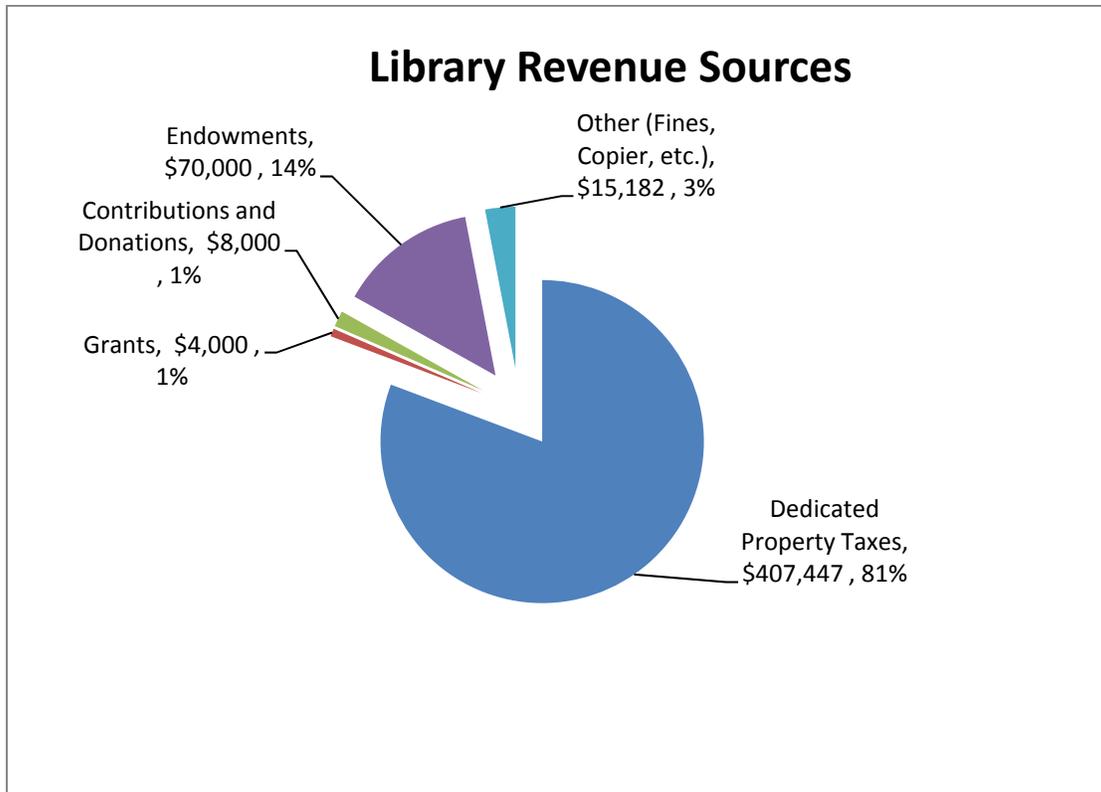
This fund is to hold money received from the sale of cemetery plots and for the first time this year this fund will also receive a dedicated portion of the Energy Sales and Use Tax. These funds together are intended to be used solely for the operation and maintenance of the cemetery. The fund balance for this fund is expected to decrease from \$64,150 at the end of 2009-10 to \$35,046 at the end of 2010-11. Expenditures for the cemetery will include constructing roadways and the sprinkler system and planting grass in Phase II of the cemetery.

## Library Special Revenue Fund

This fund is separate from the General Fund and provides for the operation of the North Logan City Library. The majority of the revenue for the library comes from a dedicated property tax. The 2010-11 budget includes no increase in the library's dedicated property tax rate.

The second largest revenue source for the library is the Thorne Endowment. The budget lists proceeds from the property donated to the Thorne Endowment to be \$70,000 in 2010-11. As a result of the Endowment and contributions from Hyde Park, North Logan City allows the use of the library by the residents of Hyde Park until July of 2011.

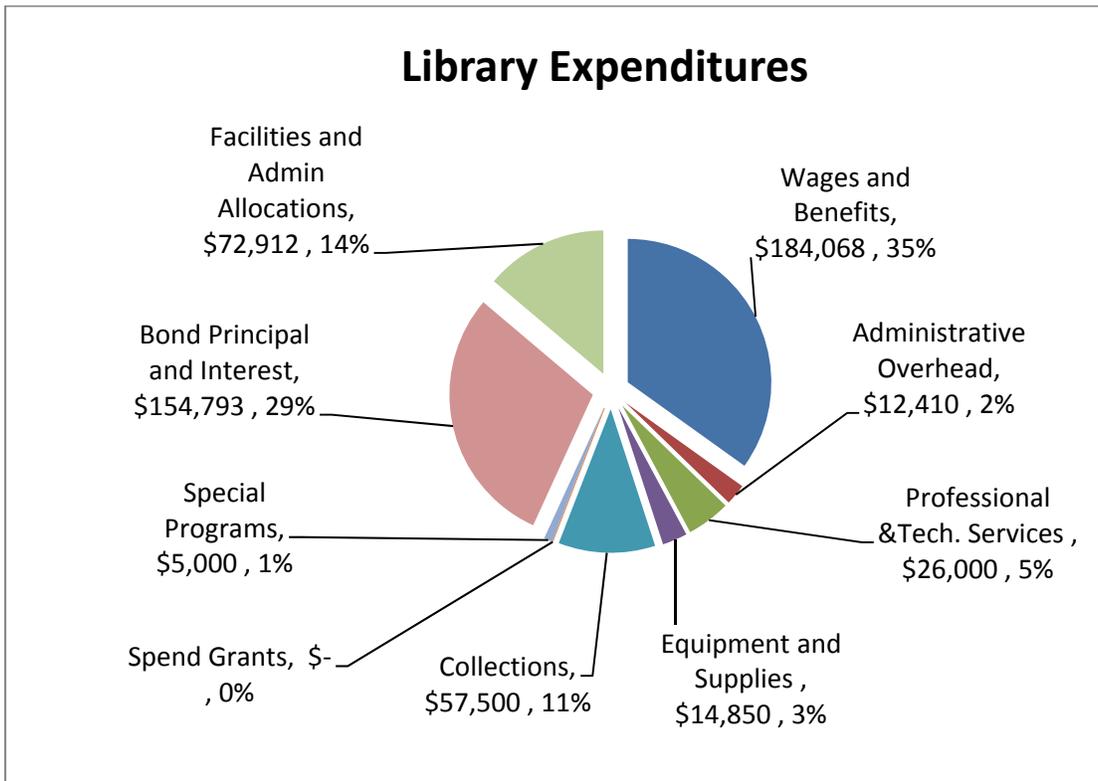
The following chart shows the various general sources of revenue for the library:



About one-third (35%) of the expenses for library operations are the wages and benefits for the library staff. With the payment of the library bond now coming out of the library fund, that expense becomes the second highest cost to this fund (\$154,793 or about 29%). The library's facility allocation covers the cost of utilities, insurance and maintenance of the library and is the next highest expenditure for the library (\$73,000 or 14%). Collections (namely books, videos, magazines, and the processing of same) represents the fourth largest category of expenditures for the library at about \$57,500 or 11%.

Grants are typically received by the library each year. This budget will show no grant money until the grants are specifically received at which time the budget will be modified accordingly.

The following chart indicates the various categories of expenditures for the library fund. The library tries to maintain an end-of-year reserve fund balance within the library fund even though there is no statutory requirement to do so. The library board attempts to maintain a fund balance of about ten to twenty percent. The projected unrestricted fund balance for 2010-11 for the library is budgeted to be \$66,000 or 13%.



## Capital Improvement Fund

The Capital Improvement Fund is intended to provide for capital expenditures, primarily through replacement of assets. Funds transferred from the General Fund representing 'depreciation costs' become the revenue source for the Capital Improvement Fund. Expenditures from this fund should be limited to replacement of infrastructure such as roads, bridges, sidewalks, buildings and elements of buildings for which replacement significantly extends the life of the building such as a total roof replacement, vehicle replacement, and other capital equipment replacement. The depreciation schedule for capital assets would have the city transfer about \$1,300,000 into the Capital Improvement Fund. This budget, as presented, sets aside, through transfers, only about \$90,000 or about 7% of what should be set aside or dedicated to replacement of capital assets. In this budget, the only funded capital improvement funds to be set aside are \$42,800 for general police department vehicle replacements, \$40,000 for fire department vehicle replacement, and \$7,000 for park equipment replacement. The only major expenditure from the Capital Fund other than normal vehicle replacements for the police department, is \$225,000 budgeted out of "Other Gen Fund Facilities" to begin design and construction of a new police department facility. The expected total fund balance for the Capital Improvement Fund at the end of 2010-11 is about \$187,000 - most of which is set aside for fire department vehicle replacements, about \$116,000.

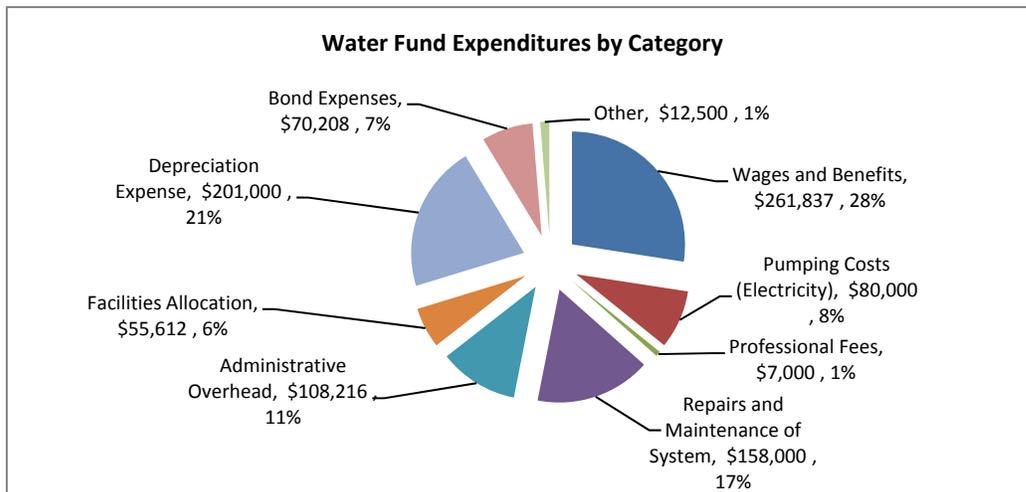
# Water Utility Fund

Planned revenue and expenditures for the Water Utility Fund for 2010-11 is projected as follows (with comparison to 2009-10):

## Water Fund Summary

	FY2010-11	FY2009-10
<b>Revenue</b>		
Charge for Services (Metered Water Sales)	\$ (820,000)	\$ (813,700)
Impact Fees Collected (New Services)	\$ (90,000)	\$ (120,000)
Interest Income	\$ (9,000)	\$ (9,000)
Other	\$ (3,000)	\$ (3,000)
<b>Total</b>	<b>\$ (922,000)</b>	<b>\$ (945,700)</b>
<b>Expenditures</b>		
Wages and Benefits	\$ 261,837	\$ 238,170
Pumping Costs (Electricity)	\$ 80,000	\$ 80,000
Professional Fees	\$ 7,000	\$ 7,000
Repairs and Maintenance of System	\$ 158,000	\$ 182,000
Administrative Overhead	\$ 108,216	\$ 105,315
Facilities Allocation	\$ 55,612	\$ 56,075
Depreciation Expense	\$ 201,000	\$ 174,500
Bond Expenses	\$ 70,208	\$ 76,305
Other	\$ 12,500	\$ 6,000
<b>Total</b>	<b>\$ 954,372</b>	<b>\$ 925,365</b>

This budget shows a projected \$23,700 decrease in revenue when compared to 2009-10 or about 2.5%. The expenditures for the year 2010-11 exceed the revenue for a net decrease in net assets for the Water Fund of about \$130,000 compared to an decrease of \$9,300 for 2009-10. The budgeted decrease in revenue is largely from water impact fees (-\$30,000) which are not used for water fund operational expenses. With a slight increase in projected metered water sales (+6,300), the operational revenue (not counting depreciation costs of over \$200,000), should continue to cover the operational expenditures within the water fund.



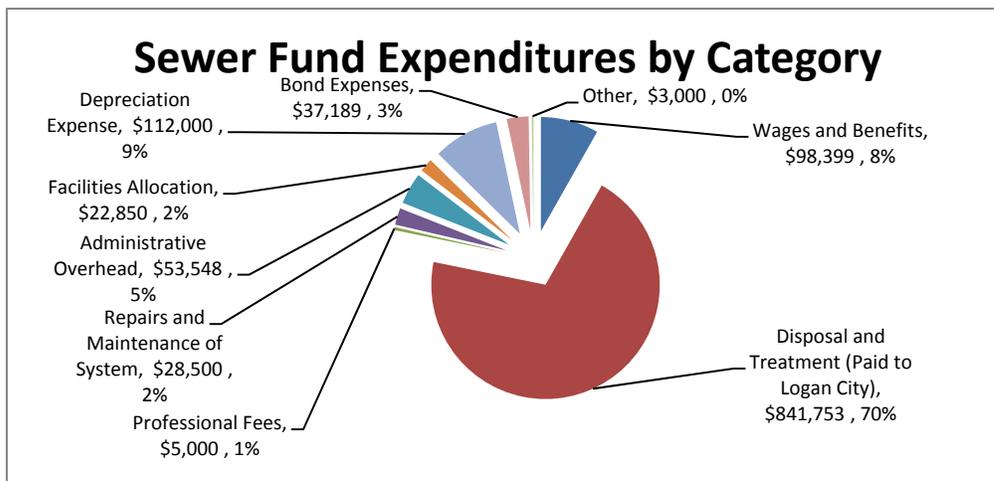
# Sewer Utility Fund

Planned revenue and expenditures for the Sewer Utility Fund for 2010-11 is projected as follows (with comparison to 2009-10):

## Sewer Fund Summary

	FY2010-11	FY2009-10
<b>Revenue</b>		
Charge for Services (Service Fees)	\$ (1,126,459)	\$ (609,960)
Impact Fees Collected (New Services)	\$ (30,000)	\$ (35,000)
Interest Income	\$ (16,900)	\$ (16,900)
Sewer Bond Taxes Received	\$ (32,911)	\$ (32,911)
<b>Total</b>	<b>\$ (1,206,270)</b>	<b>\$ (694,771)</b>
<b>Expenditures</b>		
Wages and Benefits	\$ 98,399	\$ 83,813
Disposal and Treatment (Paid to Logan City)	\$ 841,753	\$ 519,000
Professional Fees	\$ 5,000	\$ 7,000
Repairs and Maintenance of System	\$ 28,500	\$ 30,500
Administrative Overhead	\$ 53,548	\$ 52,042
Facilities Allocation	\$ 22,850	\$ 23,040
Depreciation Expense	\$ 112,000	\$ 110,000
Bond Expenses	\$ 37,189	\$ 39,821
Other	\$ 3,000	\$ 2,000
<b>Total</b>	<b>\$ 1,202,238</b>	<b>\$ 867,216</b>
Net Change (Increase) in Assets	\$ (4,032)	\$ 172,445

This budget shows a projected \$574,000 increase in revenue compared to 2009-10 or 83%. This large increase is due to a proposed increase in sewer rates planned for the coming year to cover the additional costs of fees to be paid to Logan City for treatment of sewage. The increased fees to Logan City are set to collect enough funds to improve the effectiveness of the sewage treatment ponds in order to meet new State Department of Water Quality and Federal EPA effluent standards. The expenditures for the past few years have exceeded the revenue. This budget should correct this deficiency with a resultant net increase in income for the Sewer Fund of about \$4,000 compared to an annual deficit in the fund of over \$172,000 in 2009-10 and over \$255,000 in 2008-09.



## Stormwater Management Fund

This enterprise fund has been part of the budget since FY 2006. Expenditures related to stormwater management in the past have been accounted for mostly in the Roads and Streets Department budget. The costs shown in this department include all the costs for the road sweeper; ten percent of the costs for wages and benefits for the Streets Department's and five percent of the same for the Sewer Department. Of the estimated \$130,000 anticipated in revenue from the stormwater utility, about \$125,000 in expenditures is shown here. Planned revenue and expenditures for the Stormwater Utility Fund for 2010-11 is projected as follows (with comparison to 2009-10):

<b>Stormwater Fund Summary</b>	FY2010-11	FY2009-10
<b>Revenue</b>		
Charge for Services (Service Fees)	\$ (129,846)	\$ (127,300)
Interest Income	\$ (100)	\$ (100)
Other Income	\$ -	\$ -
<b>Total</b>	\$ (129,946)	\$ (127,400)
<b>Expenditures</b>		
Wages and Benefits	\$ 26,872	\$ 20,357
Equipment Costs	\$ 35,644	\$ 35,644
Professional Fees	\$ 24,800	\$ 25,000
Repairs and Maintenance of System	\$ 26,000	\$ 36,000
Facilities Allocation	\$ 6,530	\$ 6,584
Depreciation Expense	\$ -	\$ -
Other	\$ 5,239	\$ 5,148
<b>Total</b>	\$ 125,085	\$ 128,733
Net Change (Increase) in Assets	\$ (4,861)	\$ 1,333

Stormwater projects planned for 2010-11 include the following three projects. The first is phase three of a regional stormwater plan being collectively funded by many of the cities in the valley. The second funded project is a re-evaluation of the stormwater basin sizes for the Canyon Gates Subdivision to determine if the basins are indeed sized properly. The third is \$10,000 to control the runoff at the southwest corner of the intersection at 3100 N and 1600 E.

No fee rate change is anticipated this coming fiscal year. The revenue for the year 2010-11 exceeds the planned expenditures for a net increase in fund balance for the Stormwater Fund of \$4,861.

## Personnel Wages and Benefits Summary

The following chart compares 2010-11 versus 2009-10 personnel expenditures for all funds for North Logan City. Since Hyde Park pays about one-fourth of the costs for the police department and animal control, that department's costs were adjusted to only reflect North Logan City's costs.

<b>Personnel Expenditures (All Funds)</b>	FY 2010-11	FY 2009-10
City Council	\$ 43,703	\$ 43,712
City Justice Court	\$ 92,873	\$ 87,616
Executive Staff	\$ 123,254	\$ 119,973
Administrative Agencies	\$ 244,589	\$ 237,102
Facilities	\$ 130,268	\$ 122,582
Planning Commission	\$ 8,053	\$ 8,053
Police Department (NLC's Portion only)	\$ 593,954	\$ 574,846
Fire Department	\$ 194,219	\$ 193,602
Building Inspection/Engineering	\$ 262,938	\$ 242,254
Streets Department	\$ 196,499	\$ 190,948
Parks and Recreation	\$ 187,688	\$ 178,850
Community Plan & Econ. Dev.	\$ 91,187	\$ 88,136
Library	\$ 182,820	\$ 179,743
Water Department	\$ 261,837	\$ 238,170
Sewer Department	\$ 98,399	\$ 83,813
Stormwater Department		
<b>Total</b>	<b>\$ 2,712,279</b>	<b>\$ 2,589,401</b>
<b>General Fund Only</b>	<b>\$ 2,169,224</b>	<b>\$ 2,087,675</b>
<b>Percent Personnel Costs versus Total Exp. G.F. Only</b>	<b>47.0%</b>	<b>45.3%</b>
Percent Increase (General Fund Only)	3.91%	2.77%
Percent Increase (All Funds)	4.75%	5.06%
Dollars Increase over previous year (All Funds)	\$ 122,878	\$ 124,707
<b>Percent Total Personnel Costs vs. Total Expenditures in All Funds</b>	<b>36%</b>	<b>37%</b>
FTEs - All Departments, (All Funds)	51.29	50.93
Percent Increase in FTEs - (All Funds)	0.72%	4.70%

This budget shows a projected increase of about \$123,000 in total personnel costs over 2009-10. This includes wages and benefits in all funds and any planned increases in FTEs (full-time equivalents). The projected net increase of 0.36 FTEs includes the following:

- + 0.62 net FTE for the GIS/Engineering Technician becoming a regular employee rather than having that work being done through a contract with a local engineering firm.
- – 0.13 net FTE replacing two part time secretary receptionists with one full time position.
- – 0.13 net FTE as the hours for the one full-time custodian were reduced.

No funds are planned for wage increases and the benefits associated with raises. This includes no funds to bring employees up to the minimum point in their position's grade range.

Health insurance costs for the city's employees will rise about 5% over the previous year. A part of this budget is that the city will pay 87.5% of the cost of a less expensive health plan than previously offered to the employees. The employees will pay the other 12.5%. That increase means about \$55,600 additional cost to the city for all of the benefitted employees.

The following chart shows the relative changes in personnel costs for North Logan City over the past fourteen years.

