

Ogden City Council Budget Overview

Fiscal Year 2017—Schedule C



Message from the City Council Chair

Each year, the City Council adopts a budget for Ogden City, the Redevelopment Agency and Municipal Building Authority. This gives us an opportunity to evaluate existing services, receive and consider input from residents, carefully determine how best to allocate funding and most importantly to keep our community moving forward.



The FY2017 budget is focused on addressing core public safety needs, investing in our employees by providing merit-based salary increases and extending additional resources toward the Quality Neighborhoods Initiative and redevelopment efforts. This also includes adopting and beginning implementation of our Branding Initiative and provides funding for roadway improvements, park improvements and additional curb, gutter and sidewalk replacement projects. The budget also funds the first phase of a new business and financial management software system.

A 31% increase to Ogden's property taxes is included as part of the budget to ensure that our Police and Fire Department salaries remain competitive and to better provide for the rising costs of public safety equipment and services. However, because of the expiration of a General Obligation Bond the amount of city taxes paid by property owners will be offset and have little to no change.

We appreciate the tireless efforts of the Mayor and all of the Administrative staff who have prepared the proposed budget and who have provided information to help us to make more informed decisions throughout this process.

Sincerely,

Marcia L. White, City Council Chair

Legislative Priorities

Active and Healthy Living

Promote the health and well-being of our residents through active living. Proactively implement policies and programs, and construct facilities that provide healthier options and support individual efforts to make healthier choices.

Community Outreach and Engagement

Establish a community outreach and engagement program to effectively communicate and engage the citizens, businesses and partnerships within Ogden.

Cultivating Neighborhoods

Continue to cultivate neighborhoods of choice and improve the quality of life for all Ogden residents, and be proactively involved in neighborhood revitalization through completing housing projects that increase the supply of quality and affordable housing.

Fiscal Sustainability and Transparency

Ensure that the City's financial future is secure and sustainable, and that financial information is transparent and readily available to our residents and city employees. This includes having property taxes support a greater portion of public safety expenditures.

Public Safety

Ensure the safety of our residents with timely and appropriate responses in emergency situations and effective crime reduction efforts.

Transportation

Ensure that our city has safe sidewalks, well maintained streets and trails, convenient transit options, and a viable active transportation system.

This list is in alphabetical order and does not reflect a prioritization of efforts.

Property Tax Increase for Public Safety

Ogden's Police Officers and Firefighters are dedicated to serving and protecting residents around the clock. This year's budget includes implementing step pay plans for police and fire. It also continues to provide funding for the Crime Reduction Unit. The city will begin to house and manage the budget for the Strike Force Unit, which is governed under an interlocal agreement with Weber County and other nearby communities.

The Police Department will continue to work with the Ogden School District to ensure that a safe learning environment is provided for students by providing student resource officers. The Fire Department recently finalized new construction on Station No. 3, replacing the 70-year-old structure that was previously in use.

The property tax increase for Police and Fire salaries is offset by a reduction in city property taxes due to a bond that has been paid off.

"The safety of our residents is an utmost priority. Public safety impacts quality of life for everyone. I am grateful for our brave police officers and firefighters who perform challenging tasks day after day to allow us to live in a safe and secure community. Providing adequate funding for public safety officials is vital to our success as a community."

Council Vice Chair Bart Blair



Employee Compensation

The FY2017 budget includes a \$3.6 Million increase for employee compensation. This will provide for 4% merit salary increases for full-time city employees. Benchmarking for the wages and benefits of all city positions was completed during FY2016 and resulted in a salary range change to 215 total positions.

"Employees are among our greatest assets as a city. These outstanding individuals work to ensure that quality services are provided to residents in a professional manner."

Providing consistent salary increases allows us to better retain employees and to maintain an experienced workforce."

Council Member Richard Hyer



Diversity Affairs

Residents and community groups have worked with Ogden City, Weber State University and the Ogden-Weber Tech College to establish a structure that will support diversity and provide representation for residents and diverse groups within our community. A new structure has been developed for this initiative during the past three years. The City Council will consider an ordinance and charter to create an Ogden Diversity Commission in September.

"We are fortunate to live in a richly diverse community. It is exciting to capitalize on this diversity and provide a long-term structure that will allow us to truly be welcoming and inclusive."

It is an honor to be involved in this initiative."

Council Member Neil Garner



Recreation

The Council desires to support diverse community activities and events. Our local recreational amenities play a vital role in providing citizens with many opportunities to enjoy both indoor and outdoor activities. A recreation master plan is currently underway to help identify needs and priorities for future recreational opportunities.

"Ogden offers some of the finest recreational opportunities in the State of Utah. Recreation has proven to be one of the most successful means to bring our community together. I am thrilled to explore new recreational amenities while also improving our current offerings."

Council Member Luis Lopez



Community Outreach

The City Council is continually looking for new ways to engage residents and involve them in its decision making process. The Council has established a workgroup to explore new options to better communicate with residents as various initiatives and proposals are considered.

"Community outreach is one of the most challenging, yet most important things we can do as elected officials, because we need to build a culture of trust between our community and our city government."

Proactive communication with our citizenry is the first of many steps toward making that happen."

Council Member Ben Nadolski



Branding Initiative

Ogden City is undergoing an exciting process to establish a unified brand and marketing approach for the community. The City is working with Roger Brooks International, a renowned leader in community branding, who is facilitating this process to make Ogden a destination of choice.

Art and Culture Master Plan

Efforts are currently underway for the City to create an art and culture master plan to assess our current resources, evaluate the contributions of art in various forms and to develop a comprehensive plan to incorporate public art in numerous ways.



City Facilities

The City will continue to focus on the maintenance of all City-owned facilities. The City is completing a study that will help prioritize and address future facility needs.



Website

The City is working to develop a new website with improved functionality. A transparency component will make financial and other information about city operations more accessible.

Transportation, Roadways and Sidewalks

The Council continues to focus on providing quality transportation options to Ogden residents. A transportation master plan is currently being developed to increase the City's grasp on existing corridors and future needs. Additional funding is also being allocated to make roadway and sidewalk improvements. These improvements are prioritized to start in areas with the greatest need.

"Transportation is an important aspect of planning for the future of our community. The process of developing the transportation master plan will help us to develop a long-term approach to effectively address transportation needs within our community."

Council Member Doug Stephens



Economic and Community Development

The City's Quality Neighborhoods Initiative continues to be a budget priority with \$1 Million allocated to this effort. This initiative is focused on providing quality and safe housing options for residents of all income levels, particularly in the East Central community.

Over the past several years, the Council has approved a number of community plans. These plans are designed to help establish priorities throughout the city. In an effort to work toward completing the identified projects, the Council will be funding a number of these projects through Capital Improvement dollars.



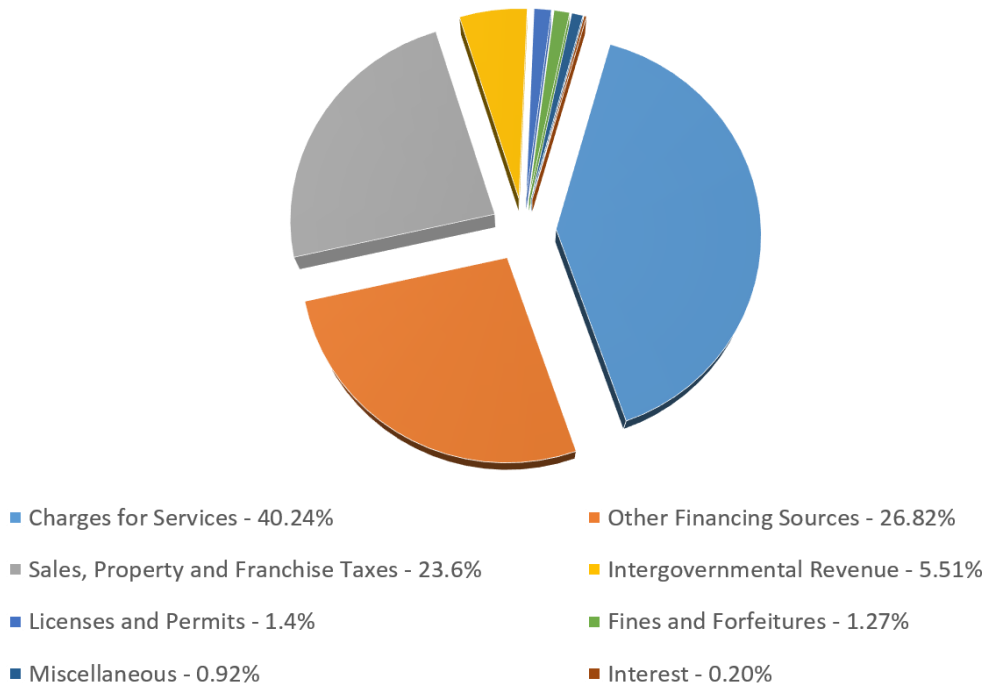
Utility Rates and Fees

This budget includes a Consumer Price Index (CPI) increase of 1.8% for water, sewer and refuse rates and fees. There is also an increase in Sewer and Refuse Utility revenues to account for charges to other utilities for the billing and meter reading services being provided by the Water Utility Division.

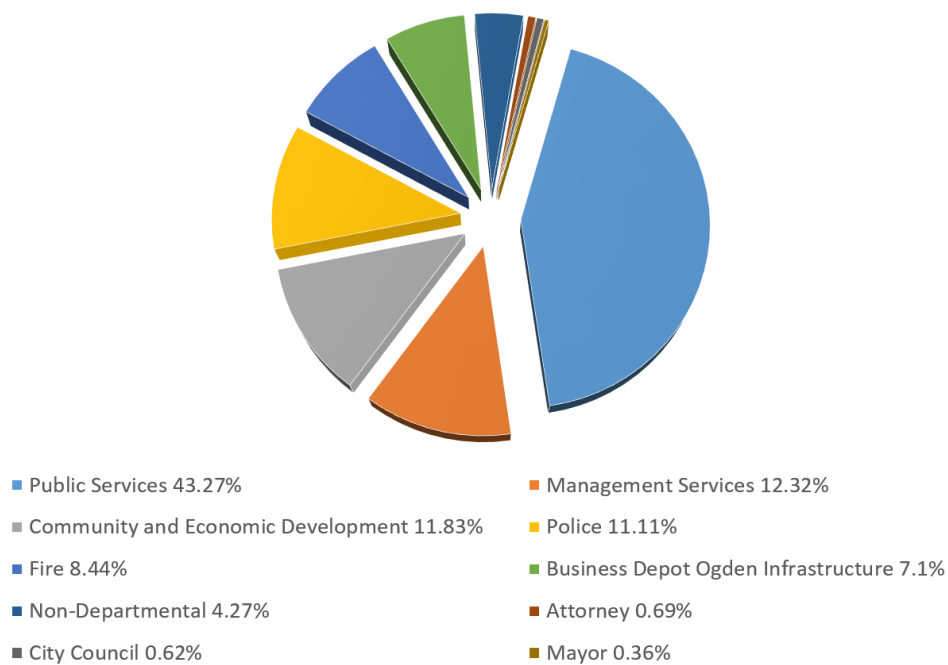
The City will continue education programs for both water conservation and waste recycling. These programs will help residents become more familiar with water-wise landscaping options and materials that are appropriate for the City's recycling system.

Revenues and Expenditures

Revenues - \$180,404,650



Expenditures - \$180,404,650



By The Numbers

Staffing

605

Full-time Positions

215

Positions Benchmarked

12

Positions Reclassified

8

Positions Added

6

Title Changes

2

Positions Eliminated

Capital Improvements

Total Funding: \$26,840,725

Major projects:

• 2100 Madison & Liberty Park (Community Plan)	\$250,000
• Former Dee School Site Development	\$1,000,000
• Curb, Gutter & Sidewalk Replacement	\$522,750
• Street Construction	\$555,550
• Grant Ave Promenade Design	\$160,000
• 36th & Quincy Ave. Signal Replacement	\$343,425
• General Facilities Improvements	\$405,825
• Critical Project Contingency	\$100,000
• City Owned Parking Lot Improvements	\$153,000
• Golden Hours Parking Lot Improvements	\$153,875
• Gomer Nicholas Trust	\$1,500
• General Park Improvements	\$450,000
• Replenish Centennial Trails	\$50,000
• Renovate Lights at 4th Street Ball Park	\$131,325
• Parking Analysis Study	\$85,000

Ogden City Council Budget Goals

Fiscal Year 2017—Adopted on August 9, 2016



Budget goals are established annually by the City Council. Implementation of the adopted budget is contingent upon working toward or accomplishing these goals. For FY2017 it is the intent of the Council to work toward accomplishing the following budget goals.

1. Transit Project.

To continue efforts to implement a more robust and effective transit system from the Intermodal Hub to Weber State University and McKay Dee Hospital as approved in Joint Resolution 2013-10.

2. Fleet Management.

To support the Administration's ongoing efforts to improve the condition of the City's fleet. The Council encourages not only transitioning the fleet to more fuel efficient vehicles, but also exploring alternative fuel options and other methods for reducing vehicle emissions.

3. Youth Recreation.

To subsidize youth recreation programs in order to keep these programs affordable to Ogden's youth. All children should be encouraged to participate in youth sports and other recreational activities that promote a healthy lifestyle.

4. Walkability/Sidewalk Replacement Program.

To promote healthy lifestyles and safe, convenient access to recreation and services. The Council encourages citizens to take advantage of the 50/50 Sidewalk Replacement Program and will explore options for significantly increasing funding for the program to address issues with the City's aging concrete infrastructure.

5. Infrastructure.

To continue to address the infrastructure needs of the City through infrastructure master planning and funding to address general needs and ongoing maintenance. The Council will review City-wide master plans as they are completed or updated for water, sanitary sewer, storm sewer, transportation and streets, street lighting and

landscaping and curb/gutter/sidewalk.

6. Recreation Master Plan.

To complete the City's recreation master plan and implement projects that will help improve, strengthen and enhance the City's broad range of recreation programs and facilities.

7. Grant Avenue Promenade.

To support expansion and completion of the Grant Promenade CIP Project from the Ogden River to 25th Street. This project will provide a critical link from Historic 25th Street to the Ogden River.

8. Union Station.

To support the Union Station Foundations' efforts to raise private funds to renovate Union Station and surrounding properties to create a world-class home for the Railroad, Browning, and Cowboy museums.

9. Visioning and Rebranding Efforts.

To continue rebranding efforts to create a unified City vision, logo, and website, etc., that reflect the goals, objectives and vision of the City, and to fund projects that support the City's branding efforts.

10. Arts and Culture.

To complete an arts and culture master plan, which will include a joint visioning process, and fund arts projects and grants in an ongoing effort to increase Ogden's statewide, national, and international stature in the arts.

11. Public Safety.

To bring the City's public safety salaries in line with other jurisdictions in order to foster recruitment and retention efforts.

12. Capital Improvement Projects.

To strategically fund Capital Improvement Projects to ensure adequate resources to address pressing city needs and work to provide and maintain quality infrastructure city-wide.

Ogden City Council Budget Guidelines

Fiscal Year 2017—Adopted on August 9, 2016



Each year the City Council establishes Budget Guidelines to assist in the development, review and approval of the Annual Budget and future budget amendments. These guidelines provide direction and are policy of the City in these specific areas.

1. Arts.

The City Council supports the arts through grants. The Ogden Arts Advisory Committee receives and reviews written proposals, recommends the distribution of funds, and follows up on how these funds were used. Recipients of the grants are encouraged to have matching funds from other sources, e.g., Utah Arts Council.

2. Budget Development.

All ordinances, resolutions, fee studies, other studies, and supporting documentation will accompany the proposed budget for consideration during the budget process and subsequent amendments. The budget is submitted by the Mayor each year on the first Tuesday of May. The quantity of documentation, explanation and detail will be commensurate with the size, scope or complexity of each proposal.

3. Budget Transfers from Salaries and Benefits.

In keeping with the intent of the pay-for performance system, the Council desires that all salaries and benefits are spent for this purpose. Notice of all budget transfers from salaries and benefits shall be provided to the Council within 15 days of the actual transfer of funds. The notice is to include the dollar amount being transferred, where it is being transferred, and for what purpose.

4. Business Depot Ogden.

An annual report will be provided by February 15th which includes an overview of the Business Depot Ogden (BDO) projects, activities and overall direction. An addendum to the Capital Improvements Project Quarterly Report will be provided that reflects the activity of the funds budgeted for capital improvements at BDO. The proposed list of projects is to accompany the budget annually.

5. Capital Improvement Plan.

The Capital Improvement Plan (CIP) is to be submitted for Council review no later than November 1 of each year. The Mayor's priorities are to be submitted by November 1 as well. The Planning Commission's recommendations are to be provided to the Council within 45 days (December 15th) after the CIP is submitted to the Council. The Council expects to adopt the CIP by March 31 each year.

6. Sidewalk Replacement Program.

Repairs of existing sidewalk are a top priority. Recommendations for projects are to be submitted to the Council on an annual basis with the proposed budget.

7. Consolidated Plan and Annual Action Plan.

The consolidated plan will be reviewed and adopted every five years and the action plans annually. Specific annual action plan elements may be identified as requiring Council review and approval prior to the expenditure of funds. The Council recently concluded the review of the consolidated plan. The next plan will be developed in 2020.

8. Business Information Center.

The Council supports the efforts of the Business Information Center (BIC) in encouraging entrepreneurial efforts. Reports will be provided with the annual budget regarding not only the BIC's efforts, but also the efforts of non-profit organizations providing financial assistance to small businesses in the City.

9. Cops in Schools.

The City Council supports the partnership with the Ogden School District with the Cops in School Program. The designated officers will help teachers, parents, students, and the community as resource officers. The City has committed to funding a significant portion of these positions.

Ogden City Council Budget Guidelines

Fiscal Year 2017—Adopted on August 9, 2016



10. Council Notification.

All significant changes to City programs and services that impact City employees, citizens or businesses (e.g., new programs, changes in level of service to existing programs or services, City events, contracting out of City Services, reorganizations, layoffs, reductions in force, etc.) will be communicated to the Council via Council Leadership or the Council Executive Director at least ninety (90) days prior to implementation or amendment to allow for adequate time for the Council's review and public process.

11. Crime Reduction Initiative.

A report regarding the efforts of the Crime Reduction Unit is to be provided annually as part of the budget process.

12. Emergency Preparedness.

The Fire Department will provide the Council with updated information regarding the Emergency Preparedness Plan in October.

13. Enterprise and Special Revenue Funds.

Enterprise funds will operate without City financial contributions. Any enterprise fund that requires City financial contributions will be carefully reviewed and appropriate actions considered. Quarterly financial updates are to be provided to the Council on each enterprise and special revenue fund.

Notice of transfers from Enterprise Fund Return to Fund Balance line item shall be given to the City Council within fifteen (15) days of the occurrence of the transfer. Notice shall include the amount, the purpose, and a statement of justification for the transfer.

14. Fee Changes.

Proposed fee changes are to be adopted as part of the budget review process. The City Financial Principles related to fees are to be followed. The Council recognizes that some fees are impacted by the calendar year, by seasonal activity, or by the calendars or scheduling constraints of other government agencies or businesses. Certain fees may need to be amended during the fiscal year

and therefore cannot be amended with the annual budget process. Mid-year fee increase requests are due October 1 accompanied by sufficient rationale and justification. Fees to be implemented in January (excluding utilities) will be considered by the Council in December if all applicable information is received.

Utility Fees. The recommendations of the 2012 Utility Rate Study, also known as the Comprehensive Financial Sustainability Plan are to be followed. A review of the proposed changes included in the Utility Rate Study will be performed in a joint effort beginning in November each year. Fee changes that are submitted without a detailed analysis will not be considered by the Council.

Building Permit Fees. The City's building permit fees are to be evaluated on a bi-annual basis.

15. Fleet Business Plan.

The Fleet Division Business Plan will be reviewed annually. The updated Fleet business plan is to be provided at the beginning of the budget process each year.

16. Foundations.

Contracts with the various Foundations operating City facilities or receiving City funds will be monitored to ensure that management of the operations is consistent with the terms of the Agreement. The Council will meet with representatives of the Foundations annually to discuss short-term and long-term goals for the respective operations. The Foundations include Dinosaur Park, Union Station, Wildlife Rehabilitation Center, Ogden Nature Center, Ogden Pioneer Days and Get Out and Live (GOAL).

17. Grant Reporting and Monitoring.

Grants are evaluated annually including grants received, the amount and source of City match if applicable, grants applications requiring a City match, and the expected date of award. The Annual Grants Report is to be provided to the Council in January each year. A work session discussion will follow in February.

Ogden City Council Budget Guidelines

Fiscal Year 2017—Adopted on August 9, 2016



18. Policy Development.

The City Council will consider major policy issues during the fiscal year rather than during the budgetary process. This allows time to explore the details of all policy recommendations and options, and to estimate the impacts of the proposed decisions.

19. RAMP Tax Projects.

All proposed Ogden City Projects to be submitted by application for RAMP funding are prioritized via resolution by the City Council in December of each year prior to submission in January. Early Council involvement in the City's process is important and provides the opportunity for input on potential RAMP projects. The Council will provide input to the Administration each year in August and prior to submission of the applications as appropriate.

20. Revenue Forecasts.

Revenue forecasts are to include the rationale and assumptions made for each of the significant revenue sources forecast in each proposed budget.

21. Recycling Education Program.

The effectiveness of the City's recycling education program will be reviewed annually. An annual report will be provided to the Council as part of the budget process detailing the program, information showing the impact of the program, and the use of the funds appropriated for this purpose.

22. Roadway Reconstruction Projects.

Roadway reconstruction projects that are B&C fund or transportation tax eligible are reviewed and approved annually. Recommendations for eligible projects are to be submitted to the Council with the proposed budget.

23. Tourism and Marketing—Transient Room Tax (Hotel Tax).

Tax revenues collected from the Transient Room Tax will be restricted to a special revenue fund known as "Tourism and Marketing Fund." Expenditures from the fund are limited to 'return to retained earnings' unless otherwise approved by

the City Council. The Council will monitor the Ogden Weber Convention and Visitors Bureau contract to ensure compliance with the terms authorized by the Council.

24. Utility Fee Indexing.

The calendar 4th quarter consumer price index from United States Bureau of Labor Statistics – West Region will be used to determine annual increases in utility rates. The measure to be used will be the percentage increase of the index for January in the year in which the budget is prepared over the index for January of the prior year or the most recent available. The Council must review and approve or deny the ordinance that increases the fees associated with this indexing.

25. Water Conservation Education Program.

Pursuant to Joint Resolution 2012-3, educational or other programs designed to encourage the conservation and reasonable use of culinary water without waste will be pursued. An annual report will be provided to the Council as part of the budget process detailing such programs and the use of the funds appropriated for this purpose.

RDA Budget Guidelines

Fiscal Year 2017—Adopted on August 9, 2016



Reports.

Quarterly, annual, and periodic reports are to be provided as defined by the Board. The reports shall cover the following:

- Periodic Reports
 - ◊ Information on Projects of specific interest to the Board
 - ◊ A written report is not required
- Quarterly Reports
 - ◊ Major projects
 - ◊ Status and progress for projects as requested by the Board
 - ◊ A written report is not required
- Annual Report
 - ◊ Accomplishments
 - ◊ Activity in each Project Area
 - ◊ Financial position of each Project Area (audited)
 - ◊ Budget to actual comparisons for each Project Area

Periodic Reports.

The details of the periodic reports will depend on the complexity of the specific project. The details and reporting frequency will be determined by the Board with input from the Administration.

Quarterly Reports.

The quarterly reports regarding the status and progress for RDA projects may be presented at

a work session and should address specific projects of interest to the Board. A list of projects to be addressed will be provided to the Administrative staff at least three (3) days prior to the work session.

Annual Report.

The Annual Report shall cover information for the prior fiscal year and shall include audited financial information. The annual report shall be presented at the RDA Meeting held in January.

Financial Tracking of RDA Areas and Projects.

The financial progress of each major RDA project within each RDA Area will be monitored. Summary reports will be submitted every April 1 and October 1. The Administration will provide information regarding all new projects as such projects are proposed. All reports should include the approved sources and proposed uses of funds to be expended (RDA and City).

Addendum

Fact Sheet regarding the property tax increase



Background Information

Each year, the Ogden City budget process allows the City Council to evaluate city needs and align these with existing resources. During the past several years, police and fire employee retention has become a major challenge because city wages have not remained competitive with nearby communities. It has also been difficult to address overall public safety cost increases.

The City Council approved a \$475,000 budget amendment in December 2015 to temporarily increase police officer wages. This only addressed six months of required funding and served as a short-term solution to a much larger issue. In order to adequately fund the city's public safety needs, this year's budget includes a 31% increase to the city's portion of property taxes. The rate increase is offset by the expiration of a General Obligation Bond. This is intended to secure adequate resources for a long term employee retention solution, which includes the implementation of pay step programs for both police and fire.

It is prudent to fund public safety expenses with ongoing money because these services address an ongoing need. Property tax is a stable income source and helps to ensure that these services can be funded at consistent service levels year after year.

Many other cities throughout the United States and Utah have made a conscious effort to more closely align property tax revenues with public safety costs.

Executive Summary

Property Tax Increase

On Aug. 9, 2016, the City Council approved the FY2017 budget which includes a 31% city property tax increase to maintain competitive wages for police officers and firefighters. The Council adopted this with the intent to ensure public safety needs are adequately funded.

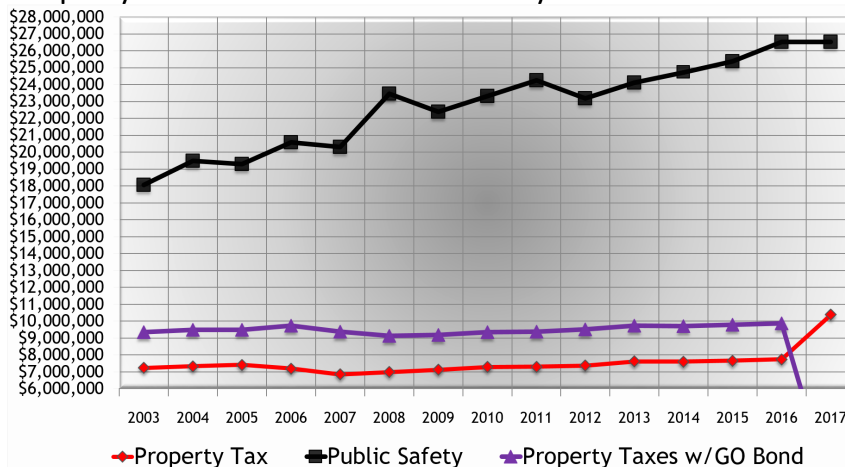
Public Safety

The property tax increase is designed to address public safety needs. This increases police and fire salaries to better align with competing entities and also incorporates a step pay plan for both police and fire.

Paid General Obligation Bond

An Ogden City general obligation bond (funded through property taxes) has been paid off. The property tax increase has little to no impact on the amount residents have been paying on Ogden City's portion of property taxes because the increase is offset by the expiration of the general obligation bond.

Property Tax Revenue vs. Public Safety Costs



This shows Ogden's property tax revenues in relation to public safety expenses. The property tax increase for FY2017 includes a shift in this alignment.

2015 Ogden

Property Tax Rate

Ogden City Operations:	0.002521
GO Bond rate:	0.000699
Total	0.003220

2016 Adopted Ogden

Property Tax Rate

Ogden City Operations:	0.002377
Tax increase:	0.000726
Total	0.003103

Note that there is a decrease from last year's Operations' rate indicating that overall property values have increased.

FY2017 Budget

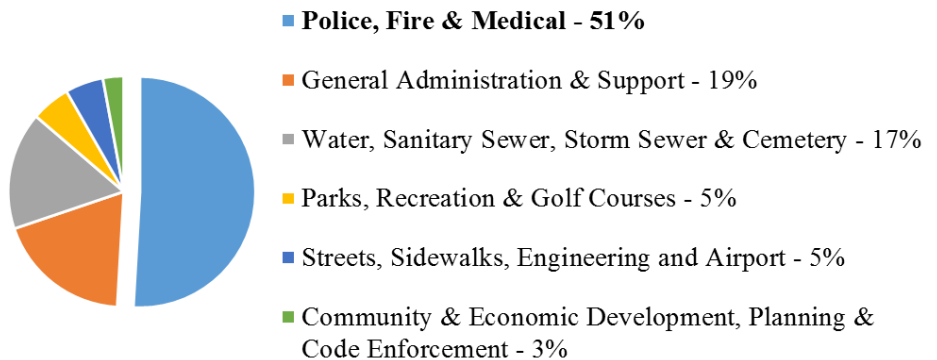
176

Full-time positions
for Police

120

Full-time positions
for Fire & Medical

FY2017 Budget for Personnel



How Property Taxes Work

Property taxes are assessed by Weber County and collected for six local taxing entities (see charts below). This rate may be impacted by one or more taxing entities issuing voter-approved bonds.

The amount of money the city receives is fixed and there is no “cost-of-living” or inflation adjustment to property tax. The only adjustment that is accounted for is new growth. The city must complete “Truth in Taxation,” an open and public process prescribed by Utah law, in order to increase its property tax revenues. The last time Ogden City approved an increase to its property taxes was in 1987.

Property Assessment and Property Tax Payment

The value of a home or business property is determined by the Weber County Assessor, not Ogden City. Property values fluctuate based on the market. As homes sell, some areas go up in value, some go down and others don't change at all. Making structural improvements to a home or business also influences property values.

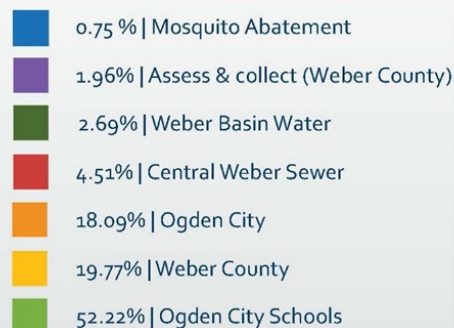
Assessment information is used to determine the taxable value of each property and then the tax rate is applied to this value. Some property values may change dramatically, while other property values may change little or not at all from the prior year. This allows the amount paid by a property owner to change, regardless of whether a taxing entity has modified its tax rate.

Weber County Taxing Entities

2015
Rate

Ogden School District	0.009295
Weber County Assess and Collect	0.003519
(Weber County)	0.000349
Ogden City Central Weber Sewer	0.003220
Improvement District Weber Basin Water	0.000802
Conservancy District Mosquito	0.000479
Abatement District	0.000134
Total Property Tax Rate	0.017798

2015 Property Taxes



This shows each portion of property taxes collected for Weber County taxing entities in 2015, including a portion for assessment/tax collection.