



City of Orem Final Budget Fiscal Year 2021-2022



Proposed \$131,138,860





Budget Calendar Review

- January 23 – Council Retreat to determine goals and areas of focus
- March 23 - Work Session-Revenue & Compensation
- April 13 - Work Session-Operational, Fleet, & IT changes
- April 27 - Work Session – Capital Items
- May 11 - Present Tentative Budget
- June 15 – Adopt FY 2021-2022 Budget





Budget Highlights

- Projected revenues increased significantly despite the COVID-19 pandemic
- Personnel increases at 3% with additional funds set aside for compensation study
- Health Insurance increase at 8%
- Fleet Replacement increased back to pre-pandemic levels
- Capital Projects



Budget Revenue Overview

Fiscal Year	FY '19 Adopted Budget	FY '20 Adopted Budget	FY '21 Adopted Budget	FY '22 Tentative Budget
Revenues	\$96,952,945	\$104,937,223	\$101,461,808	\$109,964,193
Transfers	\$17,964,042	\$19,035,937	\$19,903,323	\$20,126,750
Appropriation of Surplus	\$2,829,000	\$2,053,350	\$3,961,417	\$1,047,917
Totals	\$117,945,987	\$126,026,510	\$125,326,548	\$131,138,860



Revenues by Major Fund

Fund	Revenues	Transfers In	Appropriation of Surplus	Total
General	\$54,953,972	\$6,938,148	\$0	\$61,892,120
Road	\$3,332,500	\$0	\$0	\$3,332,500
Transport. Sales Tax	\$2,307,000	\$0	\$0	\$2,307,000
CARE	\$2,620,000	\$0	\$0	\$2,620,000
Debt Service	\$1,480,321	\$4,163,904	\$807,917	\$6,452,142
Capital Projects	\$275,000	\$200,000	\$0	\$475,000
Water	\$16,888,035	\$1,073,698	\$150,000	\$18,111,733
Water Reclamation	\$13,427,194	\$16,000	\$0	\$13,443,194
Storm Water	\$5,261,195	\$141,000	\$0	\$5,402,195
Recreation	\$2,665,340	\$67,000	\$0	\$2,732,340
Solid Waste	\$4,478,000	\$0	\$0	\$4,478,000
Misc	\$2,275,636	\$7,527,000	\$90,000	\$9,892,636
Total	\$109,964,193	\$20,126,750	\$1,047,917	\$131,138,860

General Fund Revenue Overview



Fiscal Year	FY '19 Actual	FY '20 Actual	FY '21 Estimated	FY '22 Tentative
Revenues	\$54,517,585	\$54,617,160	\$56,249,316	\$54,953,972
Transfers In	\$6,667,845	\$6,627,560	\$6,780,182	\$6,938,148
App. Surplus	\$0	\$0	\$0	\$0
Totals	\$61,185,430	\$61,244,720	\$63,029,498	\$61,892,120



General Fund Sources of Revenue

Source	Amount	Tentative FY '22	Estimated FY '21
Taxes	\$40,417,268	65.30%	60.09%
Building/Business Charges	\$2,379,000	3.84%	2.67%
Grants	\$690,000	1.11%	1.26%
Charges for Services	\$12,322,491	19.91%	20.89%
Fines	\$1,046,200	1.69%	2.35%
Misc	\$1,287,424	2.08%	2.71%
Transfers	\$3,749,737	6.06%	6.36%
Appropriation of Surplus	\$0	0.00%	3.68%
Total	\$61,892,120	100.00%	100.00%

Sales Tax

FY '20	FY '21	FY '22
\$23,736,909	\$24,045,000	\$25,321,000

Sales Tax



Building and Business Services Charges

Fee Type	FY '19 Actual	FY '20 Actual	FY '21 Estimated	FY '22 Tentative
Business Licenses & Permits	\$810,348	\$788,743	\$805,000	\$815,000
Building Permits & Other Related Fees	\$2,916,221	\$1,536,317	\$1,757,000	\$1,564,000
Total	\$3,726,569	\$2,325,060	\$2,562,000	\$2,379,000



City-Wide Expenditures by Type

Personnel	Operations	Capital	Total
\$52,508,079	\$58,980,420	\$19,650,361	\$131,138,860
40.0%	45.0%	15.0%	





Expenditures by Fund

Fund	Personnel	Operations	Capital	Total	Percent
General	\$40,972,983	\$19,567,857	\$1,351,280	\$61,892,120	47.2%
Road	\$105,000	\$789,125	\$2,438,375	\$3,332,500	2.5%
CARE Tax	\$0	\$1,328,000	\$1,292,000	\$2,620,000	2.0%
Transportation Sales Tax	\$15,986	\$272,825	\$2,018,189	\$2,307,000	1.8%
Debt Service	\$0	\$6,452,142	\$0	\$6,452,142	4.9%
Water	\$2,726,531	\$12,582,341	\$2,802,861	\$18,111,733	13.8%
Water Reclamation	\$2,467,763	\$5,324,542	\$5,650,889	\$13,443,194	10.3%
Storm Water	\$1,091,602	\$2,317,558	\$1,993,035	\$5,402,195	4.1%
Recreation	\$1,720,872	\$944,468	\$67,000	\$2,732,340	2.1%
Solid Waste	\$0	\$4,214,254	\$263,746	\$4,478,000	3.4%
IT	\$1,494,884	\$955,252	\$0	\$2,450,136	1.9%
Other Funds	\$1,912,458	\$4,232,056	\$1,772,986	\$7,917,500	6.0%
Total	\$52,508,079	\$58,980,420	\$19,650,361	\$131,138,860	100.0%

General Fund Additions for FY '22



One-Time

Item	Explanation	Expense
Police – Evidence Lockers	Improve security and integrity of evidence	\$30,000
Consulting Services	Additional resources to obtain more grant funding from federal and state sources	\$109,500
H.R. Information System	New software to improve online capabilities and services	\$53,500

Ongoing

Item	Explanation	Expense
Library e-Collection	Addtl. E-Book & E-Audiobook	\$20,000
Fire – Reporting Software	Upgrade to reporting software	\$10,485
H.R. Information System	New software to improve online capabilities and services	\$10,000

General Fund Additions for FY '22



Personnel

Item	Explanation	Expense
Civilian Ordinance Enforcement Officers (2)	Move current NPU sworn officers to traffic enforcement & replace ordinance enforcement with civilian officers	\$134,320
Administrative Assistant - Fire	Provide additional support for filing, phones, and other duties	\$22,100
Prosecutor/Civil Attorney	Provides support to both legal divisions in order to increase response timeliness	\$52,000



Fleet Replacements

Vehicle Type	FY '21 Adopted Budget	FY '22 Tentative Budget
Fire Apparatus	\$185,000	\$237,000
Police Vehicles	\$163,000	\$442,500
Pickups	\$59,000	\$116,500
Dump Trucks/Vac Trucks	\$0	\$733,000
Backhoes	\$70,000	\$77,000
Other Vehicles/Equipment	\$776,500	\$114,000
Total	\$1,253,500	\$1,720,000

- Total 25 Vehicles \$1,720,000
- Enterprise & Road Fund \$917,000



Streets Capital Projects



Item	B & C Road Fund	Transportation Sales Tax Fund
Crack Seal Project	\$350,000	\$0
Slurry Seal Project	\$450,000	\$0
Street Overlay / Reconstruct	\$406,320	\$940,000
Micro-surface Project	\$400,000	\$0
Street Striping	\$105,000	\$0
Signal Maintenance	\$150,000	\$0
Sidewalk Projects	\$0	\$750,000



Water Fund Summary

Fiscal Year	FY '20 Actual	FY '21 Est. Actual	FY '22 Proposed
Revenues	\$23,113,856	\$20,837,606	\$18,111,733

Personnel \$2,726,531

Operations \$12,582,341

Capital \$2,802,861

Automatic Meter Reading (AMR)



There are no proposed water base rate increases and the tier usage rates will each decrease for FY '22.

Water Reclamation Summary

Fiscal Year	FY '20 Actual	FY '21 Est. Actual	FY '22 Tentative
Revenues	\$13,900,711	\$11,958,694	\$13,443,194

Personnel \$2,467,763

Operations \$5,324,542

Capital \$5,650,889



There are no proposed sewer base rate or tier usage rate increases for FY '22.





Storm Water Summary

Fiscal Year	FY '20 Actual	FY '21 Est. Actual	FY '22 Tentative
Revenues	\$5,710,012	\$5,144,195	\$5,402,195

Personnel \$1,091,602

Operations \$2,317,558

Capital \$1,993,035

A 2.6% increase to the base rate in line with the master plan is recommended. This is an increase to the ESU to \$7.80 from \$7.60 per month.





Recreation Fund Summary

Fiscal Year	FY '20 Actual	FY '21 Est. Actual	FY '22 Tentative
Revenues	\$1,512,673	\$1,896,804	\$2,732,340

Personnel \$1,720,872

Operations \$944,468

Capital \$67,000





Solid Waste Fund

Fiscal Year	FY '20 Actual	FY '21 Est. Actual	FY '22 Tentative
Revenues	\$4,116,010	\$4,250,000	\$4,478,000

Operations \$4,214,254

Capital \$263,746 (Take Pride Projects)





Solid Waste Rates

	First Can	Second Can	Recycle	Green Waste
FY '22	\$12.15	\$11.15	\$4.15	\$6.60
FY '21	\$11.85	\$10.85	\$3.90	\$6.40
% Change	2.53%	2.76%	6.41%	3.13%

Combined First can and recycling rate \$16.30 (Up from \$15.75, a 3.49% increase)

The changes in rates are pass-through costs due to our service contract with Waste Management of Utah.

Comparison Total Utilities—Selected Cities

West Jordan	\$177.56
American Fork	\$168.69
Pleasant Grove	\$160.53
Provo	\$153.68
Lindon	\$150.70
Ogden	\$147.38
South Jordan	\$137.69
AVERAGE CITY	\$133.59
Payson	\$126.52
Sandy	\$122.69
Spanish Fork	\$118.83
Layton	\$113.71
West Valley	\$113.24
OREM	\$106.21
Springville	\$103.81
Lehi	\$102.55



Questions



Redevelopment Agency Tentative Budget

Fiscal Year 2021-2022



Redevelopment Agency



RDA Revenues	FY '19 Actual	FY '20 Actual	FY '21 Est. Actual	FY '22 Tentative
All Available	\$2,651,734	\$2,895,221	\$3,345,848	\$1,669,523

Expenditures Description	FY '21 Est. Actual	FY '22 Tentative
University Place CDA Incentive	\$1,034,885	\$990,000
Future Projects - CDA	\$57,494	\$55,000
Contributions to Other Funds - CDA	\$57,494	\$55,000
Project Area Totals	\$3,984,581	\$569,523

Questions



Special Service Lighting District of the City of Orem Tentative Budget

Fiscal Year 2021-2022



Street Lighting Revenues



	FY '19 Actual	FY '20 Actual	FY '21 Est. Actual	FY '22 Tentative
Street Light Fees	\$911,551	\$842,266	\$866,000	\$890,000
Interest Earnings	\$35,764	\$41,979	\$20,000	\$10,000
Miscellaneous	\$289,610	\$57,668	\$50,000	\$50,000
Contributions	\$790,000	\$790,000	\$15,000	\$15,000
Total	\$2,026,925	\$1,731,913	\$951,000	\$965,000



Street Lighting Expenses

Description	Personnel	Operations	Capital	Total
Operating Budget	\$185,215	\$262,466	\$89,216	\$536,897
Power	\$0	\$140,000	\$0	\$140,000
Energy Savings Lease	\$0	\$288,103	\$0	\$288,103
Total	\$185,215	\$690,569	\$89,216	\$965,000

STREET LIGHTING FUND

FEES & CHARGES

The City is moving into maintaining a mature street lighting system. The fees listed in the table below will cover ongoing system operations and maintenance with a small capital budget. The City has adopted the new ELU structure to reduce the current fee of \$3.25 per month and move toward billing each residence, business, and institution one ELU of \$2.42 per month. This new ELU rate will be phased in by neighborhood.

STREET LIGHTING FEE

Fee Description	Proposed Fee
Street Lighting Fee (cost per month):	
All Neighborhoods (except those listed below)	\$2.42
All businesses, apartments, institutional accounts (schools, churches, nonprofits, etc.) *	\$2.42
Canyon View Neighborhood	\$3.25

* Businesses will pay their annual street lighting fee upon issuance or renewal of their business license.

(12 Months x \$2.42 = \$29.04)

Questions